CURRENT HISTORY

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VOLUME XIV.

April—September, 1921

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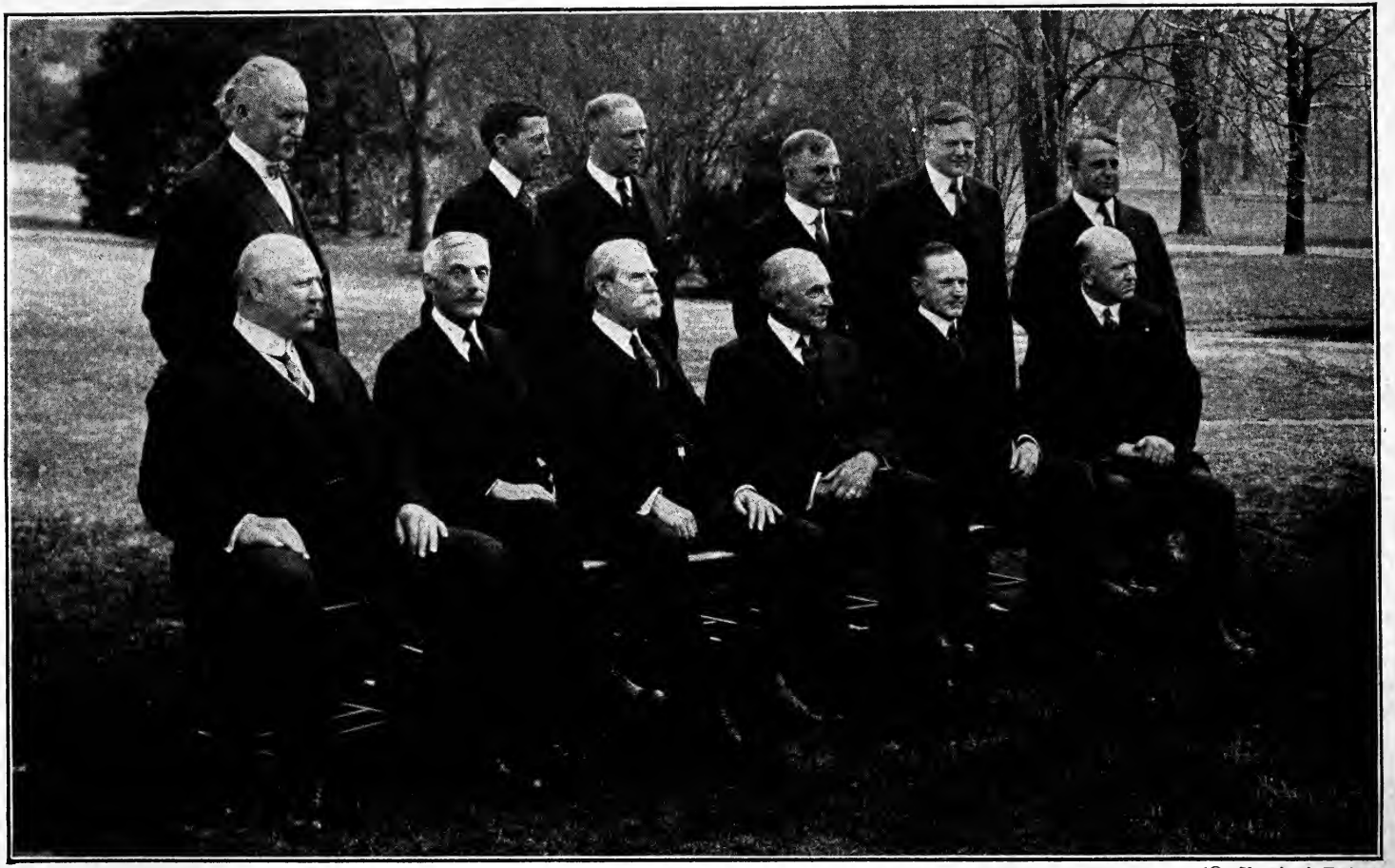

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PRESIDENT HARDING AND HIS CABINET ON THE WHITE HOUSE GROUNDS

Left to right, seated, are Secretary of War Weeks, Secretary of the Treasury Mellon, Secretary of State Hughes, President Harding, Vice President Coolidge, and Secretary of the Navy Denby. In the back row, left to right, standing: Secretary of the Interior Fall, Postmaster General Hays, Attorney General Daugherty, Secretary of Agriculture Wallace, Secretary of Commerce Hoover, and Secretary of Labor Davis

WHAT WAS THE MATTER WITH THE AIR SERVICE?

By H. L. SCAIFE
Formerly Captain in the United States Air Service

The astonishing story, drawn wholly from official records, of one of the most colossal failures in human history—How the United States spent upward of a billion dollars for aircraft production without producing a single fighting plane on the battlefront

MAJOR GEN. MASON M. PATRICK, who was Chief of the Air Service of the American Expeditionary Forces in France, having been duly sworn as a witness in the House investigation, made the startling statement that, when hostilities ceased, our rank in aviation was far behind any of our allies and far below the enemy strength; that so far as the manufacture of pursuit or bombing planes in the United States was concerned, we were in practically the same position as when we entered the war; and that so far as the manufacture of pursuit planes or bombing planes in the United States is concerned, it would probably be eight or nine months from the time they settled on the type before they would produce it in quantities. (House Hearings on Aviation, p. 232.)

What was the matter with our Air Service? Why did the construction end of it fail?

The great achievements of the United States in the World War have passed into history and they will overshadow many shortcomings which were inevitable in so great an undertaking. The story of the loyalty, sacrifices and daring of American aviators will fill thrilling pages. In all the investigations there has been nothing but praise for them; no breath of scandal has touched the American birdmen. Aviation, commercially and as an arm of the military establishment, has come to stay, and millions of dollars of public funds will be appropriated annually for its maintenance and development. If there was anything wrong with the Air Service, instead of throwing a sheet over the corpse, we should go to the bottom of the tragedy and make sure that the untoward elements in it shall not repeat themselves in our history.

The casualties among our aviators in time of peace, as well as in war, make this branch of the service one where the record ought to be an open book. Because it has become a bone of contention in politics, however, the average man has been bewildered by conflicting statements, and does not know whether our air program in the war merits praise or censure. Neither has the average man an inclination to examine approximately 25,000 pages of testimony to reach a fair and just conclusion.

THE TASK WE UNDERTOOK

America's part in the interallied war program was "to win the war in the air," and the special undertaking entrusted to us by our allies was to create a fleet of airplanes which, our Government officially announced, would be decisive of the war before an American army could be placed in Europe. England, France, Italy and Germany successfully carried out their air programs, and each of these nations produced enormous quantities of airplanes. When we undertook the production of aircraft, we had the advantage of the experience of our allies; their best experts were sent over to assist and to warn against the mistakes they had made.

Preparations for our aircraft production began in April, 1917, and on July 24, 1917, Congress appropriated $640,000,000, which was our first outlay, to carry out the aircraft program. The official statistics show that in the nine months from Jan. 1 to Oct. 1, 1918, Great Britain produced 23,509 airplanes, France 18,833, and Italy 2,928, a total of 45,270. (Report of Major Gen.

M. M. Patrick, House Hearings, Aviation, p. 561A.) American production has been a matter of controversy, but the main points can easily be cleared up with proper explanations. It has been stated frequently that an airplane of American make did not reach the battlefront, while, on the other hand, it has been asserted by the War Department that at the time of the signing of the armistice there had been delivered for the use of the army 16,952 airplanes, of which 11,754 were produced by American contractors and 5,198 procured from our allies. Paradoxical as it may appear, in a sense both of these claims may be correct; and at the same time both are misleading and untrue.

THE TRUTH IN A SENTENCE

The simple fact is that no American-made fighting plane reached the battlefront.

For military purposes there are various types of airplanes, the two great classes being training planes and service planes. Training planes are elementary and advanced. Service planes are divided into four classes—combat or pursuit, observation, day bombers and night bombers. According to the testimony of General William Mitchell of the Air Service, in the House hearings, the plans called for 20,000 airplanes on the line and in reserve by the beginning of 1918, and it was estimated that the losses of machines which reached the line of battle would be 25 per cent. per month. On June 8, 1917, the official announcement was made that a fleet of 25,000 airplanes would be created. The American program called for enormous quantities of bombing planes and fighting planes which could cope with the Germans and, with overwhelming numbers, drive them from the sky.

The 11,754 airplanes of American manufacture, claimed by the War Department, are maximum figures of gross production, regardless of the use, if any, to which these planes might be put. These figures include "penguins," which were not intended to fly; training planes and observation planes, which could not be employed for fighting purposes, and thousands of airplanes, such as the Bristol, the Standard J and various others, which were found to be unsafe and were condemned and junked. According to the testimony of Colonel Edgar Gorrell and the tables of statistics submitted from the War Department, the total number of American-built airplanes available for use in the American Expeditionary Forces on Nov. 11, 1918, was 798 De Haviland-4s, of which 196 were on the front, 270 were being used for training in flying schools and 332 were in the air depots. (House Hearings, Aviation, p. 3457.) It will thus be seen that the greatest contribution of American aircraft production was the De Haviland-4s, which, as will be shown, could not be used for fighting or pursuit.

The exact number of De Haviland-4s on the front at the time of the signing of the armistice has been officially given by General Pershing and reported by the Frear Committee as 213, which is slightly in excess of the actual number, as shown by the following testimony of Colonel Gorrell in the House hearings (p. 3455):

> In all our tabulations in all our records we have used the figure 213 as being the number of DH-4s on our front. That was furnished us by telegram from our front at the time of the armistice. A short time ago the same office that furnished the figure 213 said that 196 was correct instead of 213, previously given to us.

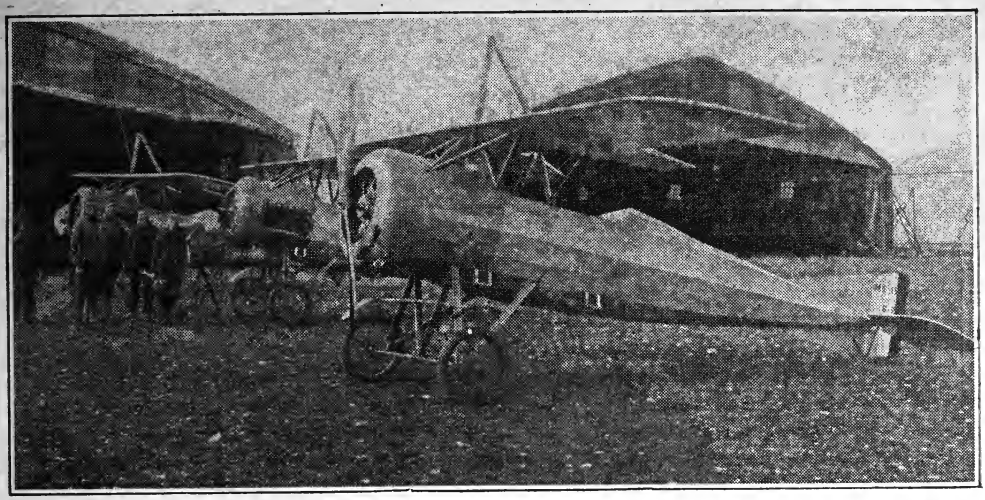
OFFICIAL CONFIRMATION

The De Haviland-4s being useless for purposes of combat, the qualified statement that not a single *fighting* plane of American-make reached the front during the period of the war can be accepted as an historic fact. The following testimony of General Pershing before the Committee on Military Affairs of the Senate and House of Representatives on Oct. 31, 1919, (ibid., p. 3968), is both explanatory and conclusive:

> Mr. James—How many American fighting planes were there in France at the signing of the armistice?
>
> General Pershing—None. We had the De Haviland-4s.

On Aug. 13, 1918, Hon. John D. Ryan, Director of the Bureau of Aircraft Production, testified as follows before the Senate committee investigating aircraft production (p. 1162):

> Senator Reed—That is true, anyway, is it not, that we were capable of quantity production of the 150-horsepower Hispano-Suiza; is that right?
>
> Mr. Ryan—Yes, sir.



This picture was released for publication on June 16, 1918, by the Committee on Public Information, under the official title: "10317. Aviation: Planes at an American Aviation Field—France." It is a picture of three "penguins," which are low-powered monoplanes with short wings and cannot fly

Senator Reed—It is also true that that engine works admirably in the Spad machine, which was an up-to-date fighting machine?

Mr. Ryan—I think so.

Senator Reed—It is a machine that is still used by the French and is regarded as one of the best machines?

Mr. Ryan—That is true.

* * *

Senator Reed—As a matter of fact, we have not a single American-made fighting machine anywhere, have we?

Mr. Ryan—I think that is true; that is, that is finally accepted.

Although there are, today, persistent official reports to the contrary, the matter as to whether or not we produced a fighting plane might be considered at rest in view of the testimony of Hon. Newton D. Baker, Secretary of War, before the House committee on July 31, 1919, (House Hearings, Aviation, p. 46):

This picture, released by the Committee on Public Information under the caption: "2339. The Terror of the Air," was further described as "the fastest machine in the world," though it had been discarded by the French because it was forty miles an hour slower than their Spads

Mr. Frear—And we did not, during the whole period of the war, get a fighting machine or a bombing plane?

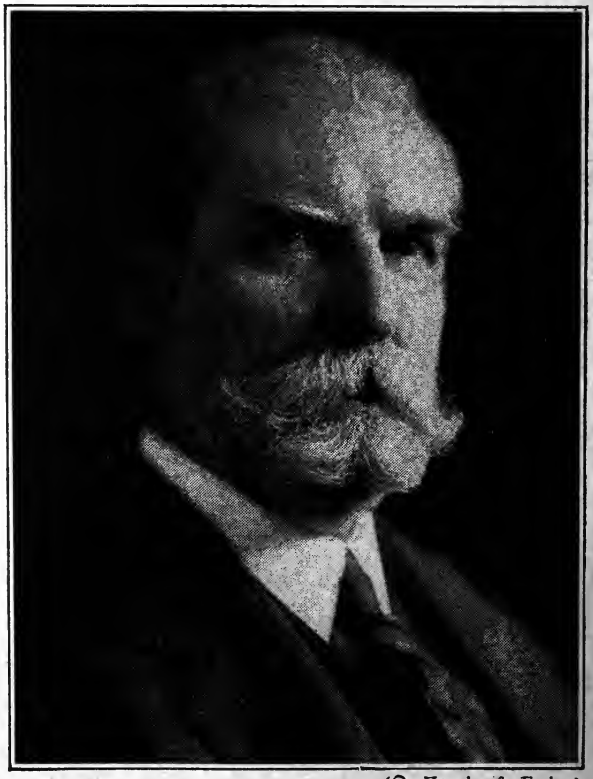
Secretary Baker—Not a fighting machine or a bomber of American manufacture.

Notwithstanding their losses, at the time of the armistice the French had on the line 3,321 planes, England, 1,758; Italy, 812, Belgium, 153; the United States, 740; Germany, 2,730, and Austria, 622. The combined strength of enemy planes was 3,352 and that of the Allies 6,784 (House Hearings, Aviation, p. 3462). Of the 740 planes belonging to the American forces, 527 had been furnished by our allies, and the only ones of American manufacture were the 213 De Haviland-4s, which number is reduced to 196 by the testimony of Colonel Gorrell of the War Department, as already shown. The total losses of the American aviation forces during the war, due to action on the part of the enemy, were 290 airplanes and 47 balloons, and one balloon which was blown over the lines (ibid., pp. 3463 and 3464). The relatively small number of casualties, as pointed out in the testimony of General Menoher, was due to the fact that the United States Air Service really entered the aerial warfare at the culmination of activity (ibid., p. 556A). Whatever the significance might be, aviation fatalities in this country reached a much higher figure than those which occurred in Europe.

MR. BORGLUM'S INVESTIGATION

The first substantial efforts from the outside to call attention to the fact that the American aircraft program was doomed to failure unless the situation was promptly remedied were those of Gutzon Borglum, the well-known sculptor, who, prior to the war had been interested in aeronautics, and who now deserves to be decorated for his services in attempting, against insurmountable obstacles and humiliations, to prevent the greatest military and financial catastrophe in the history of our country. These words do not overstate the case, for, considering that *the expenditures amounted to three times the cost of the Panama Canal, or about $10 for every man, woman and child in America,* the aircraft fiasco was probably the *greatest financial failure in human history.* The public funds expended reach a figure which is beyond conception and has been represented as being $1 for every minute from the birth of Christ to the present time. The purpose of the people who furnished the money was to provide 20,000 airplanes by the beginning of 1918, if it cost a kingdom.

Mr. Borglum's investigations were begun with the consent of the President, and his charges were generally supported in a report by the investigating committee of the Aeronautical Society of America (Congressional Record, vol. 56, pp. 5920 to 5928). Notwithstanding the difficulties he encountered, and the efforts made to discredit him, his work resulted in disclosures and charges



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CHARLES EVANS HUGHES

Present Secretary of State, who made the most important investigation of the Air Service

sufficient to attract the attention of the President and the Senate. Finally, the matter was taken up by the Senate, and hearings were begun before what is known as the Thomas Committee, which took 1,226 printed pages of testimony, and its findings were set forth in Senate Report No. 555, 65th Congress, 2d session. The majority of this committee were Democrats;

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CAPTAIN H. L. SCAIFE

Entered the army in January, 1918, and was assigned to the Bureau of Aircraft Production, where he remained until October, when he was transferred to the Infantry. He was born in Spartanburg, S. C., in 1872, and is now a lawyer in Washington. He is a member of the American Bar Association, the American Society of International Law and the American Institute of Mining Engineers. During the pre-war preparedness campaign he was an associate member of the Naval Consulting Board and a State Director of the Industrial Survey. He writes the history of the aircraft failure from the viewpoint of a trained investigator who saw happenings close at hand

the report was made during the war, when politics were adjourned, and the findings were unanimous.

WORK OF MR. HUGHES

About the same time an independent investigation was undertaken at the request

LIEUTENANT WILLIAM J. FAHEY

One of the youngest officers in the Bureau of Aircraft Production. When he volunteered for the firing line he was transferred to the Infantry

of the President by Hon. Charles E. Hughes, recently an Associate Justice of the United States Supreme Court, who has since become Secretary of State. This investigation was undertaken in response to the following letter:

May 13, 1918.

My dear Mr. Hughes:

You have doubtless noticed that very serious charges have been made in connection with the production of aircraft.

Because of the capital importance of this branch of the military service, I feel that these charges should be thoroughly investigated and with as little delay as possible, in order that the guilty, if there be such, may be promptly and vigorously prosecuted and that the reputations of those whose actions have been attacked may be protected, in case the charges are groundless.

I requested the Department of Justice to use every instrumentality at its disposal to investigate these charges, and, with the approval of the Attorney General, I am writing to beg that you will act with him in making this investigation. I feel that it is a matter of very great importance, and I sincerely hope that you will feel that it is possible to contribute your very valuable services in studying and passing upon the questions involved.

Cordially and sincerely yours,

WOODROW WILSON.

Hon. Charles E. Hughes, 9 Broadway, New York City.

In the Hughes investigation about 280 witnesses were examined and over 17,000 typewritten pages of testimony were recorded; the report and findings consisted of 182 printed pages. This investigation was made with the co-operation of the Department of Justice, and the report was submitted, through the Attorney General, to the President. To this work Judge Hughes devoted five months, taking testimony in different parts of the country, and it is said that for his services he refused to accept pay.

THE FREAR HEARING

The last major investigation of the Air Service was that by the House Committee on Expenditures in the War Department, the testimony taken by the subcommittee on aviation, known as the Frear Committee, comprising more than 4,000 printed pages. Unfortunately, while this committee was sitting, a political campaign was coming on and, in the findings, charges of bias were bandied back and forth. In all the subcommittees investigating war expenditures, majority reports, subscribed by all the Republican members, and minority reports, subscribed by all the Democratic members, were filed. Hon. Clarence F. Lea, the Democratic member of the subcommittee on aviation, frankly made the following statement in the hearings (House Hearings, Aviation, p. 450).

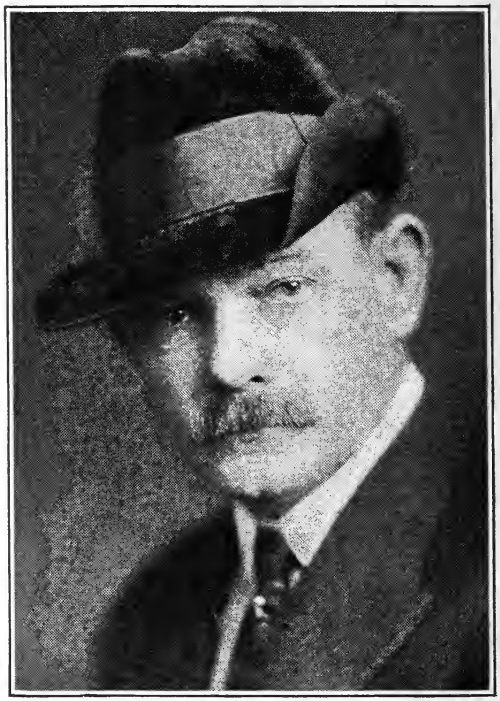
> The Hughes investigation was strictly a nonpartisan investigation and as free from political influence as an investigation could be. Here we have a bipartisan investigation. Personally, I am inclined to believe that perhaps Congress made a mistake in making it a bipartisan investigation. I think an investigation similar to the Hughes investigation would have been a preferable method of developing the facts, and the results would have been accepted by the country as a correct disclosure.

GIST OF THE REPORTS

Political partisanship in a matter which strikes close to the vitals in our national life is, indeed, not an edifying exhibit; nevertheless, political rivalry in such a hearing is not without advantage, as it has a tendency to bring out and develop the facts. If one is dissatisfied with the findings in the conflicting reports, the testimony of the witnesses will be sufficient to furnish a fair conclusion.

The Senate committee and Judge Hughes reported that efficient planes could have been produced in large quantities.

On Aug. 22, 1918, the Senate committee reported that as early as October, 1917, we were in possession of the necessary facilities to construct the Caproni, a powerful



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GUTZON BORGLUM

Noted sculptor, who first called attention to the aircraft failure

and successful bombing plane, approved by both Italian and English aeronautical engineers, and that, although expert Italian engineers had been on the ground to assist, only one experimental machine had been produced up to Aug. 22, 1918, the date of their report (p. 2). They further found that nearly a year had elapsed since we might have begun on these machines, and that they could have been in quantity production. Judge Hughes's report (Congressional Record, bound, vol. 57, p. 898), filed about three weeks before the armistice, stated:

> We have not as yet sent from this country to the battlefront a single pursuit or combat plane, as distinguished from the heavy observation or bombing planes, and, after giving

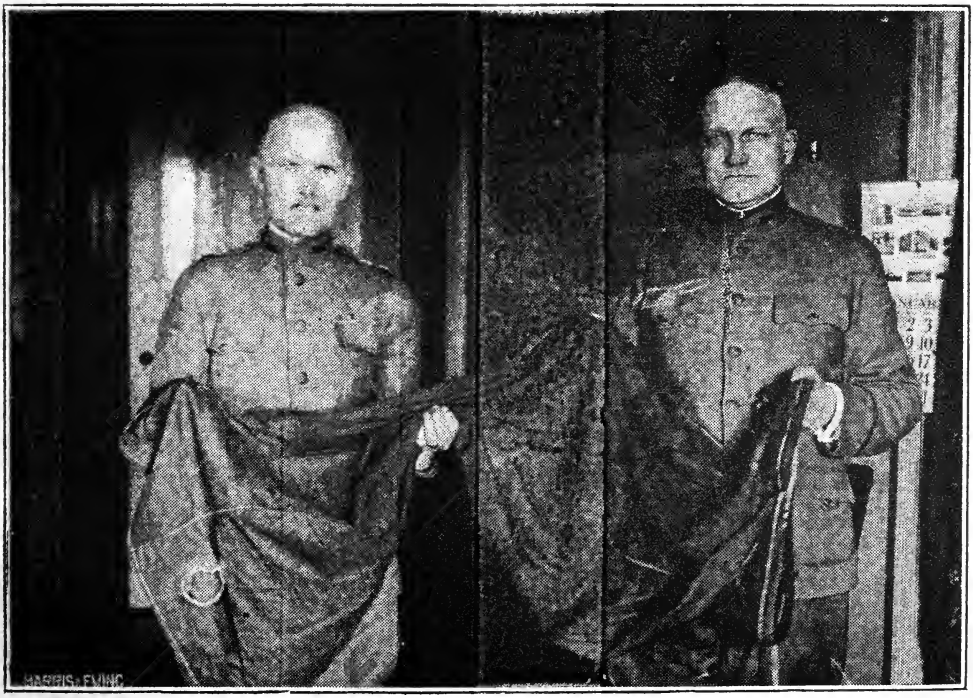
due weight to all explanations, the fact remains that such pursuit planes could have been produced in large quantities many months ago had there been prompt decision and consistent purpose.

Lieutenant Testoni of the Italian Army, an expert in the technical department of aviation, who was sent to this country with a corps of men to assist in the manufacture of the Caproni, was asked by the Senate committee to detail his experiences. He said: "As to the Caproni machine, I know this: that the Government will say, 'We will do it,' and then 'We will not do it'; and then they will say, 'We will do it,' and yet they do not do it." During the interval of delay both of the Italian pilots who were sent to this country to test and fly the Caproni were killed in other machines, and, at the time their report was filed, the Senate committee found that the Caproni program was then awaiting the arrival of other Italian pilots to test the experimental machine.

Seeing that the United States would not produce planes in quantity, early in 1918 France offered to furnish us all the fighting planes we needed, provided we would send over the raw material. Although it was agreed that we would send this material to France, General Kenley testified that we did not live up to the agreement (Senate Report No. 555, p. 9). Lieutenant LaGuardia testified that if we had made good our promise to furnish material to the Italians, they could have given us enough Caproni planes by the middle of 1918 to have bombed Berlin with perfect confidence and ease; but that he had seen the Caproni factory stopped for want of coal; that at another time they stopped because they had no cables for the machines, and that at one time they had no steel (House Hearings, Aviation, p. 125).

It has been stated that one of the best machines used by either side was the German Fokker. Anthony Fokker, a citizen of Holland and the inventor, was quoted by the newspapers in this country on Nov. 12, 1920, as stating that in 1912 he offered these planes to England and America before he turned them over to Germany.

Eddie Rickenbacker, one of America's



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Major Gen. George O. Squier, Chief Signal Officer, and Colonel Deeds of the Air Service, examining the red flag of the Zeppelin L-49, presented to the Marine Corps by the French officers who brought the airship down

foremost aces, who had twenty-six victories to his credit, and many decorations, declared that there were no American fighting planes sent over, and he makes the following statement in his book, "Fighting the Flying Circus," Page 14:

> The Germans * * * had seen the Spring months pass, and, instead of viewing with alarm the huge fleet of 20,000 airplanes sweeping the sky clear of German Fokkers, they had complacently witnessed the Fokkers occupying the air back of our lines whenever they desired it, with never an American plane to oppose them.

As to the De Haviland-4s, Rickenbacker testified before the House committee that they were obsolete at the time they arrived at the front, and the following reference is made to them in his book, Page 337:

> From every side Fokkers were piquing upon the clumsy Liberty machines, which, with their criminally constructed fuel tanks, offered so easy a target to the incendiary bullets of the enemy that their unfortunate pilots called this boasted achievement of our Aviation Department their "flaming coffins." During that one brief flight over Grand Pré I saw three of these crude machines go down in flames, an American pilot and an American gunner in each "flaming coffin" dying this frightful and needless death.

MISLEADING PUBLICITY

The public was deceived by false and misleading statements given to the press with official sanction. It is not difficult to discover the day this began and the method by which the public was misled into believing that fighting machines were being sent abroad. On this point the report of Judge Hughes may be briefly quoted:

> In the face of delays in production a series of misleading public statements were made with official authority.

In February, 1918, Secretary Baker authorized the public statement that "the first American-built battle planes" were en route to France (Aviation, March 1, 1918, p. 175, and other current publications). After the public had been led by various newspaper dispatches to believe that the United States had reached quantity production, the Official Bulletin of March 28, 1918, released for publication in the American press on March 30, 1918, a series of photographs, alleged to be pictures of airplanes and aviation fields in France, and furthering the inference of a large production of American-built airplanes. The public was invited, through the Government's Official Bulletin, to purchase copies of these pictures at 10 cents each, or stereopticon slides at 15 cents, by sending applications to the Division of Pictures, Committee on Public Information, 10 Jackson Place, Washington, D. C. An inspection of these pictures during the examination of Secretary Baker in the Senate Hearings (Vol. II., Pages 1134 and 1140) disclosed the fact that they were not photographs of American airplanes, but of French training planes, and a closer examination under a glass revealed the foreign names on them; pictures represented to be airplanes in France proved to be "penguins," which could not fly and were not intended to fly, but were made for beginners to run with on the ground as a part of their preliminary training, in which the machines rise a few feet and immediately drop back to the ground.

On March 29, 1918, the day before these pictures were to be released for publication, as announced by the Official Bulletin of the preceding day, there was a storm of protest from members of the Committee on Military Affairs on the floor of the Senate. Members of this committee declared that the Committee on Public Information was proceeding with these publications, although their attention had been called to the fact that the information they were giving out was false, and promise had been made to the Committee on Military Affairs that every newspaper in the country to which these pictures had been sent would be instructed not to publish them. Senator Thomas, of this committee, denounced them on the floor of the Senate as "primarily, secondarily, directly and indirectly a fraud upon the press of the country." (Congressional Record, vol. 56, pp. 4254 to 4256.)

Notwithstanding these protests, misleading information continued to be sent out until the end of the war. Shortly after this episode, when vehement protests were made by Senators of both political parties, an article was published by Secretary Baker, in which it was stated that, "whereas a year ago not a single good battle plane was being turned out in America, now we are producing battle types of the very latest design." (Scientific American, April 6, 1918, p. 320.) Notwithstanding the sworn statements hereinabove cited, including that

of Secretary Baker, that not a fighting plane of American make was produced during the whole period of the war, the Government Printing Office is now offering for sale to the public a book in which it is stated (page 243) that we produced "3,328 fighting planes." (American Munitions, 1917-1918, price $2.) It is also offering for sale another book in which, under the caption of "Fighting or Service Planes," the statement is made (page 47) that "the actual production of service planes, airplanes built in this country and fully equipped to fight in France, was confined to the De Haviland-4 machines" (United States Army Aircraft Production Facts, Price 10 cents).

As to the persons in the War Department responsible for giving such information to the Committee on Public Information, Judge Hughes reported that it was evident the matter called for immediate investigation and for suitable disciplinary measures, but that no steps were taken "either for correction or punishment" (Congressional Record, vol. 57, pp. 902 and 903).

"THE TERROR OF THE AIR"

A sample of the misleading pictures in question is reproduced with the present article. On Feb. 14, 1918, the Committee on Public Information released for publication Photograph No. 2339 of the old Nieuport monoplane, which had been discarded by the French for two years, and which was forty miles an hour slower than the planes they were then using, with the following official description:

> No. 2339. THE TERROR OF THE AIR. * * * This Nieuport monoplane, the fastest machine in the world, and used extensively by the French in this war, has been loaned to our forces "Over There" to teach our aviators now in France how to chase and bag retreating German fliers.

In his testimony before the House committee Rickenbacker explained some of the defects of the Nieuport: the wings were liable to collapse, and the gasoline tanks were in a vulnerable position and exposed. Regarding the Spad, for which the French had discarded the Nieuport, he said that in case of fire the machine could dive and the fire would probably be wiped out by the rush of air; but with the Nieuport on fire the only chance was to jump, as the position of the fire would make escape impossible. As to this Nieuport, officially described as "the terror of the air" and "the fastest machine in the world," Rickenbacker makes this statement on Page 119 of his book:

> From the frequency of accidents to our Nieuports it may be wondered why we continued to use them. The answer is simple—we had no others we could use! The American Air Forces were in dire need of machines of all kinds. We were thankful to get any kind that would fly. The French had already discarded the Nieuport for the steadier, stronger Spad, and thus our Government was able to buy from the French a certain number of these out-of-date Nieuport machines for American pilots, or go without. Consequently, our American pilots in France were compelled to venture out in Nieuports against far more experienced pilots in more modern machines. None of us in France could understand what prevented our great country from furnishing machines equal to the best in the world. Many a gallant life was lost to American aviation during those early months of 1918, the responsibility for which must lie heavily upon some guilty conscience.

Judge Hughes reported that there was no question that grossly misleading statements were published with official authority, and he recommended that they deserved the prompt attention of the military authorities.

That a certain number of training planes were produced, and that the Liberty motor reached large quantity production, as well as that many other things were accomplished, there appears to be no doubt; but as to the main thing—the building of planes that could be used in fighting and sweeping the Germans from the sky—it is now established that the score was zero. When the Liberty motor was finally perfected, its value for use in certain types of planes was demonstrated; this was evidenced in the flight across the Atlantic by the NC-4 (designed and built by the navy, and equipped with Liberty motors), but this flight was accomplished by the navy, and not by the War Department.

In October, 1919, several months after the navy had put the NC-4 across the Atlantic, the army undertook a transcontinental race, and this performance, undertaken with conditions of peace, resulted in the death of ten aviators. In this race seventy-three airplanes of different types were used, thirty-nine being unconverted De Haviland-4s and thirty-four converted De Haviland-4s and miscellaneous planes. Nine

of these aviators were killed in the unconverted De Haviland-4s, the type of plane which the War Department had sent to France. General Mitchell, testifying in regard to the transcontinental race, stated that converting the De Haviland-4s would save at least 20 per cent. in fatalities (House Hearings, p. 3017). Meanwhile, newspaper accounts of aviation fatalities have become so commonplace that nobody takes notice except the stricken widows and children, or a broken-hearted mother.

ENORMOUS EXPENDITURES

In brief, instead of the 20,000 airplanes of American manufacture, which were to decide the war before the arrival of an effective army in Europe, the only planes of American manufacture on the front when the war ended were the 196 De Haviland-4s, America tailing the list, except for the 153 planes of Belgium. Was this due to any lack of money? The report of the House Committee on Expenditures in the War Department (Report No. 637, 66th Congress, 2d session, p. 2) shows that the total amount expended or obligated for Signal Corps and aviation purposes during the nineteen months of war with Germany to June 30, 1919, was $1,051,511,988, and that the expenditures or commitments for aviation alone amounted to *over one billion dollars.*

Senator McKellar recently made the statement on the floor of the Senate that in round numbers the annual expenditure of Germany for her entire military appropriation—universal training and all—from 1907 to 1911, inclusive, was $200,000,000; that in 1912 it was $230,000,000, and in 1913, while preparing for war, she spent $360,000,000; and that in the year the war began she had authorized an expenditure of $210,000,000. Measured by this standard, it will be seen that Americans paid for aviation, without producing a fighting plane, about three times the amount that Germany spent on its entire army during the year when she was making ready to enter into a world conflict.

During the last Congress one of the grounds urged for increased appropriations for aviation was that the United States did not have enough fighting planes to compete with Mexico for supremacy of the air on the border, and it was recently published, with apparent official sanction, that all the airplanes now on hand are to be scrapped. However, it is fair to call attention to the fact that even a first-class airplane will rapidly deteriorate, and, in view of the hazards, the War Department is right in taking no chances with the lives of aviators. The reasons given for the burning of the airplanes in France were that they were worthless and that the parts burned could not be salvaged (House Hearings, pp. 221-224, 2407-2416, 3474-79, 3978-80).

Judge Hughes reported that the *estimated profits* which would be made by several of the large aircraft contractors, if their schedules were carried out, would be as follows: The Ford Motor Company, $5,375,000; the Lincoln Motor Company (partly owned by the Dayton Metal Products Company), $11,250,000, and the Packard Motor Car Company, $15,000,000. Large sums of Government money were advanced to various contractors on which to operate. Judge Hughes stated in the findings that in the case of the Dayton-Wright Airplane Company the paid-in capital was $1,000,000 invested in the plant, and that advances by the Government to the extent of $2,500,000 were authorized. The sum of $10,800,000 was advanced to the Lincoln Motor Company.

PROFITS OF CONTRACTORS

The profits which the Dayton-Wright Airplane Company would have received under its original contracts were estimated by Judge Hughes to be more than $6,350,000, not including profits on its experimental contract and its contract for spare parts of De-Haviland-4s, but it was explained that agreements, contained in letters, for the reduction of the bogie price, would make the profits on the De Havilands not less than $3,500,000. Contracts were made on both the fixed-price and the cost-plus basis, and the report alleges that, while it is probable that large profits were made on the fixed-price contracts, definite information as to their extent would not be available without a survey in detail of manufacturing conditions and costs in a considerable number of plants, an undertaking impracticable in the inquiry. William C. Potter, Assistant Director of the Bureau of Aircraft Production, testified that if planes were defective or if there was bad

workmanship, the Government stood the loss, and that the contractors would still get their percentages (Senate Hearings, Vol. II, p. 1106). As the subject is technical and there are many details, in fairness to the contractors and all concerned, reference should be made to the records and to the full text of the Hughes report (Congressional Record, bound vol. 57, pp. 906-908).

Subjects of criticism in the Hughes findings were business relations of the equipment division, of which Colonel Edward A. Deeds became the active head on Aug, 2, 1917, with former business associates and corporations with which he was connected at the time he entered the Government's service. It was alleged in the findings that a tract of 2,245 acres of land was leased to the Government by the Miami conservancy district, of which Colonel Deeds was the head, and that upward of $3,000,000 was expended by the Government in its development, although part of the land was found to be marshy and unsuitable for the Government's purposes. The McCook Field, on which $949,085.35 had been expended by the Government to Aug. 14, 1918, according to the Hughes report, was owned by Colonel Deeds and a business associate to whom Deeds conveyed his interest, after which the land was conveyed to the Dayton Metal Products Company, which then leased the tract to the Government (ibid., pp. 890-893, and Senate Report, pp. 11-13).

The Dayton Metal Products Company, of which it was stated that Deeds originally owned one-fourth of the stock, became variously interested in Government contracts which were under the administration of Colonel Deeds, and it was further reported that Deeds was one of the incorporators of the Dayton-Wright Airplane Company, which was owned by the Dayton Metal Products Company. The specifications of the Liberty Motor called for the installation of the Delco ignition system in the first 20,000 engines; this system, as Judge Hughes stated, had not been used before in an airplane engine. The system was controlled by the Dayton Engineering Laboratories Company, which in turn was owned by the United Motors Corporation, of which Deeds was Vice President and a Director, until Aug. 16, 1917, and on Oct. 13, 1917, he transferred his holdings in the United Motors Corporation to his wife. Transfers of stock which he held in the Dayton Metal Products Company were reported by Judge Hughes to have been transferred by Deeds "to intimate business associates on their unsecured notes, which are overdue and unpaid save to a small extent," but it was not found that at the time of his official service Colonel Deeds was a stockholder in the concern (ibid., pp. 887-890).

It was further reported in the findings that, in addition to the profits which the Dayton-Wright Airplane Company was to receive and the profits on various other contracts with the concerns with which they were connected, four of the recent business associates of Deeds in charge of the management of these companies—which "had the assurance of very large profits upon a relatively small investment of their own money"—were being allowed salaries amounting in the aggregate to $253,000, and that this was being charged against the Government as a part of the cost of manufacture. Confidential telegrams passing between Deeds and business associates whom he had recently left to enter the Government's service were set out as a part of the Hughes report.

Another investigation, not connected with the aircraft, recently developed documentary evidence that at the time Colonel Deeds was commissioned in the Army and about the time the first contract was given to the Dayton-Wright Airplane Company, a large sum was being contributed by these interests to be used in Ohio for political purposes.

It was testified by Secretary Baker in the House hearings that he was unaware until this inquiry began that Colonel Deeds had been convicted in the courts of Ohio of a criminal offense, the indictment charging a conspiracy in restraint of trade, including charges of corruption and bribery, the sentence of the court being that he pay the costs of the prosecution and that he be confined in the jail of Miami County, Ohio, for the period of one year. The verdict was filed on Feb. 20, 1913. An appeal was taken, and on the bill of exceptions the case was sent back to the lower court for retrial, but thus far the case has never been retried (Patterson v. United

States, 222 Fed., 599). Counts in the indictment, the verdict of the jury and the sentence of the court are set forth in the records of the House Hearings on Aviation, pp. 50-51.

THE ENGEL AIRCRAFT COMPANY

Among other contracts which caused comment was that of the Engel Aircraft Company, which was organized in August, 1917, by Harry E. Baker, a brother of the Secretary of War. As reported by Judge Hughes, Mr. Baker testified that this concern was organized with a capital stock of $1,500,000 (preferred $500,000 and common $1,000,000). This company took over the plant of the Engel Airplane and Motor Company and issued its preferred stock therefor at a cost of about $225,000. The remainder of the preferred stock was sold for cash, and the $1,000,000 of common stock was issued to Harry E. Baker and his associates for their services in promotion. The company received a contract for 1,200 sets of spare parts at a price of about $1,000,000. When it came to the attention of the Secretary of War that the company of which his brother was the head had received a non-competitive contract from the Government, the contract was canceled and arrangements were made for his withdrawal from the company upon the payment of his salary and $15,000 for his promotion services. The contract was then reinstated, and an additional order was given to this concern for 500 sets of spare parts for De Haviland-4s at an estimated cost of $2,275,000 (Congressional Record, Vol. 57, p. 901, and Senate Hearings, Vol. II, pp. 974-984).

RECOMMENDATIONS BY HUGHES

In the closing paragraphs of the report by Judge Hughes were the following findings and recommendations, which were submitted to the President, through the Attorney General, on Oct. 25, 1918:

2. The evidence discloses conduct, which, although of a reprehensible character, cannot be regarded as affording a sufficient basis for charges under existing statutes; but there are certain acts shown, not only highly improper in themselves, but of especial significance, which should lead to disciplinary measures. The evidence with respect to Colonel Edward A. Deeds should be presented to the Secretary of War to the end that Colonel Deeds may be tried by court-martial under articles 95 and 96 of the Articles of War for his conduct (1) in acting as confidential adviser of his former business associate, H. E. Talbott of the Dayton-Wright Airplane Company, and in conveying information to Mr. Talbott in an improper manner with respect to the transaction of business between that company and the division of the Signal Corps of which Colonel Deeds was the head; and (2) in giving to the representatives of the Committee on Public Information a false and misleading statement with respect to the progress of aircraft production for the purpose of publication, with the authority of the Secretary of War.

3. The absence of proper appreciation of the obvious impropriety of transactions by Government officers and agents with firms or corporations in which they are interested compels the conclusion that public policy demands that the statutory provisions bearing upon this conduct should be strictly enforced. It is therefore recommended that the officers found to have had transactions on behalf of the Government with corporations in the pecuniary profits of which they had an interest should be prosecuted under section 41 of the Criminal Code.

On Oct. 31, 1918, Hon. T. W. Gregory, Attorney General, in transmitting this report to the President, stated that at the conclusion of the taking of testimony both he and Judge Hughes, without conference with each other, considered the evidence, and that in this manner each reached his own conclusion and prepared a report; that he found it unnecessary to present the report which had been prepared in the Department of Justice, and that he found himself in accord with the conclusions presented by Judge Hughes on questions of dishonesty and malversion. However, the Attorney General made many carefully guarded and qualified statements, and his report needs to be read at length (House Hearings, Aviation, pp. 3862-68).

EVERYBODY PARDONED

On Dec. 3, 1918, the announcement was authorized by the President that, on the recommendation of the Attorney General, he had pardoned without trial Lieut. Col. J. G. Vincent, Vice President of the Packard Motor Car Company, and Lieut. Col. George W. Mixter, who had owned a small amount of stock in the Curtiss Airplane and Motor Corporation, and who, according to Judge Hughes's recommendation, was to have been prosecuted under section 41 of the Criminal Code (The New York

Times, Dec. 4, 1918). Later similar action was taken as to the others whom Judge Hughes had named for indictment. This left the case of Colonel Deeds to be disposed of by a military court.

The matter was referred to Brig. Gen. S. T. Ansell, the Acting Judge Advocate General, and a Board of Review, consisting of Miller, Tucker and Keedy, Judge Advocates. On Nov. 11, 1918, General Ansell filed a report, directed to the Chief of Staff, stating that the report of Judge Hughes "so clearly indicates conduct calling for his trial by general court-martial * * *" that "the only adequate disposition of the case as to Colonel Deeds is the preferring of charges against him as above recommended." It was further reported that if Colonel Deeds was under oath when he testified before the Senate committee, and if the statement made by him there, which appeared to be false, was a matter material to the investigation, he was also guilty of perjury and should be court-martialed for that offense (House Hearings, Aviation, pp. 2652, 2664, 2665, 2667). On Nov. 15, 1918, the Secretary of War directed a communication to General Ansell returning his recommendations and requesting him to re-examine the case and to send for Colonel Deeds, his counsel and any other person who could aid in he inquiry (ibid., p. 2653). On Dec. 26, 1918, in a lengthy document, General Ansell reported back to the Secretary of War that "the conclusion of this office is, therefore, that Colonel Edward A. Deeds should not be tried by court-martial on account of any of the transactions discussed in this memorandum" (ibid., pp. 2670-2686).

On Jan. 16, 1919, the Secretary of War transmitted to the Chairman of the Committee on Military Affairs of the House of Representatives a letter detailing the findings of the Board of Review, the letter closing with the following passage:

> Inasmuch as the purpose of Judge Hughes's suggestion has been accomplished, I have directed that all the records in this case be filed in the War Department and that this matter be considered as closed (The New York Times, Jan. 17, 1919).

All persons under formal charges having been exonerated under the sanctity of action by Government agencies, no further steps have been taken to bring the guilty, if there be such, to justice, and no steps have been taken to fix the responsibility.

On Dec. 20, 1918, a few days before the filing of the report of the Board of Review, a banquet was given in honor of Colonel Deeds by associates in the War Department, at which he was given a rising vote of confidence, and at which General Squier, one of the speakers, is alleged to have stated that if Colonel Deeds had not done "irregular" things the United States would not have had an air fighting force worthy of the name (Congressional Record, Vol. 57, p. 1150; House Hearings, Aviation, p. 59).

ENEMY ALIENS IN FACTORIES

Judge Hughes reported that 650 enemy aliens were employed in the factories of three concerns making aircraft for the Government. He cited the case of one man, who had served for a year in the German Army and had been discharged because of wounds, who was a toolmaker in one of the plants. Another German citizen was placed in charge of the milling department, and later became assistant general foreman of the machine shop. Another German subject, who had a brother in the German Navy, became foreman of the welding department. The head of the drafting department in one of the plants making Liberty motors was a citizen of Germany, and was reported for repeatedly making pro-German remarks. A conference of the management was held, and, according to the minutes of this conference, reports were read "from various members of the drafting department who were in touch with the situation and who felt that the department was practically a pro-German institution." His removal was refused, and later a close personal friend of this man was found with photographs and drawings of the plant and was interned.

Instances were cited in the testimony where enemy aliens making American aircraft would cheer when news was received of German successes in battle. In the Ford plant a man who had reviled and threatened the President was prosecuted and pleaded guilty to the charge. He was fined $300 and sent back to work. Numerous witnesses testified that they had seen airplane parts tampered with in such a way as to cause accidents. A case was cited

where an aviator went to one of the plants to fly a machine and was told that it was not necessary to look it over, as it already had been examined by twenty men. Notwithstanding these assurances, an inspection was made, and it was found that the wings were wrong; the front struts were on behind, and the control was wrong, which fact alone would have resulted in the death of the aviator.

Numerous witnesses testified that changes in blueprints came in at such a rate that production was impossible. The files in one plant showed that over 2,000 changes had been ordered within a period of three months; in some cases as high as 22,000 castings would be ordered, and work would proceed upon them, when a change would come discarding them in favor of something else. (Senate Hearings, Vol. I, p. 486.) It was testified that two of the concerns having contracts to make airplanes in this country for the Government were financed and controlled by Japanese bankers, and it was remarked by Judge Hughes that in some way these Japanese concerns got hold of a contract for nearly every type of plane that was being built by the American Government and were familiar with every detail of American aircraft plans.

UNWRITTEN HISTORY

The Senate investigation was an inquiry into the causes of delay in aircraft production. The Hughes investigation was principally directed to the charges of personal dishonesty and official corruption. The investigation by the House committee was concerned with war expenditures. Regardless of the amount of testimony taken, none of these investigations purports to be exhaustive. During the Hughes investigation an order was published in the Bureau of Aircraft Production, appointing an officer in that department as liaison officer between the bureau and the Department of Justice, making it impossible to volunteer information except through the regular military channels without liability to court-martial. A questionnaire sent to all persons who were in, or had been in, the military and civilian personnel, would have afforded an opportunity for the development of further information.

While testimony relating to sabotage and espionage entered into the records of all of these hearings as collateral matter, not one of these investigations was directed primarily to such subjects, and there were many matters of serious import which were never investigated. Among these was the disappearance of the Liberty motor tests between the testing field and Washington. On one occasion, during the night, the desks of officers in the equipment division were broken into, yet there was no investigation, even by the Air Service. On another occasion a negro employe was found leaving the Air Service Building in Washington with official papers in his possession. His house was searched and a truckload of maps, plans, orders, blueprints and confidential papers from the Air Service and Ordnance Department was found in his home. He was tried in the courts in Washington, convicted and given a prison sentence, but it was never divulged for whom or for what purpose he had collected these documents. Many of those who were employed in the Bureau of Aircraft Production will recall the frequent confusions which resulted from orders for suites of offices to be moved to some other part of the building, soon followed by orders to move again, not a few times but many times.

MORALE IN THE BUREAU OF AIRCRAFT PRODUCTION

One of the important efforts in war is to destroy the morale of the enemy, and when the morale is gone the battle is lost. The demoralization in the Bureau of Aircraft Production finally reached that stage when there seemed to be in the atmosphere an unspoken order, "to see no evil, hear no evil and speak no evil," and investigations which would be started in the bureau would summarily end. Reports showing that important phases of work had fallen down would be pigeonholed and optimistic reports would be transmitted to higher authorities and to our Allies.

One of the lessons of the war is that the spirit of the draft exemptions should have been more strictly followed, and only the able-bodied with special technical qualifications placed in positions which could have been occupied by civilians beyond the draft age. Young men without business experience were placed in bureau chairs with the rank and power of martinets, and millions of dollars were squandered without respon-

sible supervision. The young man is an optimist, a qualification for the firing line; he does not, however, see bridges ahead which must be crossed and which are apparent to the man of experience.

In Government management there is no complaint department where a man in the service or a private citizen can report an intolerable situation to some responsible official, removed from bureau influences, and demand that vital matters be brought to the attention of some one who has authority to apply a remedy. The 121st article of the Articles of War, giving an enlisted man or an officer in certain cases the inviolable right of appeal direct to the commanding general, has been officially held not to apply to the Bureau of Aircraft Production (House Hearings, Aviation, p. 2557). The only remedy was through the regular military channels, where any man up the line has it in his power to block relief. Men who expressed anxiety lest our program "to win the war in the air and drive German airmen from the sky" was falling down were liable to have their mentality questioned, and to have uncomplimentary notations made in their military records.

A DEMORALIZING EPISODE

During the Summer of 1918 the draft age was raised and plans were on foot to create another army to be sent overseas. It was necessary to find men who could officer this army. On Aug. 13, 1918, the Adjutant General of the army sent the call to the Bureau of Aircraft Production inviting men in the grades of Captain and Lieutenants, many of whom had been commissioned from the training camps or had received military training, to make application for transfer to the infantry.

This call for volunteers for the firing line was promulgated in Bulletin No. 30 of the bureau, dated Aug. 15, 1918, and from the entire organization there were seven volunteers. Four of the seven were transferred to the infantry and three of these were assigned to duty with segregated troops afflicted with a venereal disease, one of them being assigned to a company of negro venereals. Many of those who failed to respond were later promoted, and some of them were recommended for the Distinguished Service Medal. The comparison is made for the lesson which it teaches. While a soldier should gladly perform any service to which he is ordered, such treatment, in the circumstances, might have affected the morale of an entire organization. It should be understood that the call for volunteers had no reference to the Division of Military Aeronautics, which was considered a combatant arm of the service; it was directed to the personnel of the Bureau of Aircraft Production, which was charged with the duty of furnishing the equipment.

INJURY TO THE WHOLE PERSONNEL

About this time Eugene Meyer Jr., Director of the War Finance Corporation, testified before Judge Hughes that he was requested by the Secretary of War to investigate and report on the aircraft situation, and that he reported to the Secretary that he did not think he had a man in the whole organization who could be called a man. (Abstract of Aircraft Investigation by Hon. Charles E. Hughes and the Attorney General, p. 292.)

There were many good, honest, faithful, efficient and conscientious men in the Bureau of Aircraft Production, but this sweeping statement, made under oath by a man in a position of high responsibility, shows how tense was the feeling on the part of persons who were in a position to know the situation. The facts regarding the aircraft in this war will be a matter of interest to the historians of the world to the remotest generation, and this branch of our service passes into history under a cloud affecting the reputations of all men who were connected with it. The War Department, with its own conduct under criticism, and in view of the findings of a man fresh from the bench of the highest court of the nation, should have demanded a trial through regular and orderly processes and demanded vindication of the innocent.

In Government affairs there are perfunctory post-mortems and a hurried burial, rather than concern in the establishment of wholesome precedents. Honest mistakes of magnitude were inevitable and ought to be overlooked, but in this colossal failure, which invited military disaster to America and to the world, shall public officials be allowed to wash their hands and tell the people to forget it? The argument that it is of no use to worry about water that has passed over the wheel would be a fit propa-

ganda for the protection of those who, in any war, take advantage of the confusion to pillage the country.

It is a notorious fact that investigations in Washington usually amount to nothing, and that the facts which reach the people are camouflaged by men who place their party above their country, and who prefer to thrash out vital matters on a political dunghill. France, England, Italy and Germany had no failures in their aircraft programs, because it was known too well that the peoples of those countries would not have stood for it. The greatest battle lost in the war was a bloodless battle, lost by men charged with a duty of inestimable responsibility. They were far behind the battle lines, but it was not a bloodless affair for our aviators, dashed to death by defective machines, or for an untold number of American boys in France who forfeited their lives because of the lack of airplanes. Why did we lose that battle? What was the matter? The official facts that have been assembled in the foregoing pages indicate the direction in which the answer may be sought, but the public, and especially ex-service men who know the truth, are asking, What has become of Justice?

DEATH OF PRINCE KROPOTKIN

THE death of Peter Alexeivitch, Prince Kropotkin, was announced from Moscow on Jan. 29, 1921. The dispatch stated that Prince Kropotkin had died after a long illness. So ended a long, adventurous and extraordinary career. Born of noble ancestry in Moscow on Dec. 9, 1842, and early appointed to the academy for the sons of nobles, he imbibed the advanced principles of politics current during the liberal revival which followed the Crimean War. On attaining maturity he spent many years in active military service—chiefly in Siberia. He retired from the army in 1867 and devoted himself to scientific research in St. Petersburg. These studies he combined with political agitation, which his early ideas, focused by the abuses of the Czar's régime, forced on him as a matter of principle. A visit to Western Europe in 1871, during which he made common cause with the Socialist and anarchist refugees who had made their headquarters in Switzerland, led to his imprisonment on his return to the Russian capital. During his incarceration he wrote a scientific treatise on the glacial deposits in Finland and Sweden.

He escaped from prison in 1876, and eventually reached London, where he lived by writing scientific reviews and various articles. His strong convictions, however, led him back to Switzerland, where he founded in Geneva an anarchist journal, called Le Révolté (The Rebel). After the assassination of Alexander II. he was expelled by the Swiss authorities and returned to England. Later he went to France, where his anarchistic teachings proved as unwelcome as in Switzerland. He was tried at Lyons in 1883—on a charge of which he is now said to have been innocent—and was sentenced to five years' imprisonment. He was liberated after three years, and in 1886 returned to England, where he lived uneventfully until the outbreak of the Russian revolution. In June, 1917, he went to Russia, but by 1920 he was criticising the Bolshevist régime in his usual outspoken fashion. His last known message to the outside world was this, sent last January through an American correspondent:

> Tell the United States that Lenin arrived in Moscow in April, 1917, and I arrived in June of the same year. When I met him first I saw that the country would bleed and suffer. He has brought nothing but disaster. I am too ill and too old to do anything myself, but tell them in America that I wish I could live my life over again, for then I would make it my business to fight Bolshevism to the finish.

Kropotkin spent his last days at Dmitrov, forty miles from Moscow. He intended returning to England, but the Bolshevist authorities refused to let him go. As a thinker, Kropotkin will be known chiefly as the founder of the school of anarchistic communism, the teachings of which envisaged (1) the overthrow of the capitalistic system, (2) the substitution of freely organized human groups for organized government, and (3) the liberation of the race from religious morality, and the substitution of "a free morality, without duties or sanctions, proceeding from the life of the community itself."

THE KUKLUX KLAN REVIVAL

By Frank Parker Stockbridge

*An account of the nature and purpose of the secret, oath-bound order, which began in the South, but which is now attempting to extend its activities throughout the United States—Foreigners, Jews, Catholics and negroes barred from membership**

THE Kuklux Klan crossed Mason and Dixon's line in the Winter of 1920-21. Revived in the South some five years ago, this secret, oath-bound organization that had its origin in the troublous times of the Reconstruction period following the Civil War in America, began during the Winter just past to extend its activities into the North and West, with the avowed intention of uniting native-born white Christians for concerted action in the preservation of American institutions and the supremacy of the white race.

In New York City and in other centres even further distant from the region in which the original Kuklux Klan was active there have been planted nuclei of the revived organization, according to the statements of its officials. How many such centres have been established in the North and West and the extent of the membership are not revealed. As in the original Kuklux Klan, members are known only to each other; the general public is permitted to know only certain national officers connected with the organization.

To the average American the mention of the name suggests terrorism. The mental picture of the Kuklux, to those to whom the words conjure up any mental picture at all, is of a band of white-robed, hooded riders, appearing mysteriously out of the darkness and proceeding, silently and with complete discipline, to execute some extralegal mission of warning or of private vengeance. That, at least, is the reaction of the average Northern white man, whose knowledge of the Kuklux Klan is derived entirely from reading or the "movies." To him it is something like the Vigilantes of early California days or the "Night Riders" of the Kentucky tobacco war of the early twentieth century; the words carry to his ears an unmistakable flavor of lynch law, and, if he be old enough to have read the writings of Albion W. Tourgée and other Northern authors who wrote of the South in the Reconstruction period, he cannot escape the implication of lawless oppression of the negro by the white.

ATTITUDE OF THE NORTH

That substantially the impression set down above is that prevailing in the North, where any impression of the Kuklux Klan at all exists, is probably a conservative statement of the fact. It was doubtless such an impression that led the Mayor of New York to declare, in a public letter, that the entrance of the Kuklux Klan into the metropolis would not be tolerated. An Assistant District Attorney, Alfred J. Talley, since elevated to the bench of the General Sessions, took occasion in the Autumn of 1920, when it was stated in newspaper dispatches that the Klan was about to extend its organiaztion into the North, to write a letter to the newspapers declaring that any attempt on the part of the Kuklux to carry on in the County of New York what he regarded as its customary activities would be the signal for action by the criminal authorities of the county. Mr. Talley undoubtedly voiced the general Northern view, at that time, of the Kuklux Klan.

[Alfred J. Talley, Assistant District Attorney of New York, when informed of the effort to

*NOTE BY THE EDITOR—Current History Magazine gives space to this curious development of today—as narrated by Mr. Stockbridge, who is a highly reputable and trustworthy contributor to American periodicals—merely as an impartial chronicler of events, notwithstanding the conviction of the editors that the movement as described is thoroughly vicious, dangerous and repugnant to the fundamental traditions and ideals of the American people. This magazine gives space to the subject mainly because it believes that only through a revelation of the purposes of this secret order can the public learn of its essentially dangerous and sinister character.

organize a Kuklux Klan in New York City, expressed himself as follows:

"There is no room in the great, broad-minded State of New York for so un-American an organization as the Kuklux Klan. The pretension that it apparently makes to patriotism enforces Samuel Johnson's definition of patriotism, 'The last refuge of a scoundrel.' No secret oath-bound organization is needed to preserve and perpetuate devotion to the American Government, nor to uphold the laws of the land, and the Constitution upon which our Government is founded."

Mr. Talley referred to the organization as composed of "narrow-minded bigots" and "scareheaded fanatics, who are opposed to everything that Abraham Lincoln stood for. "There is no place for them in New York, and the citizens and real Americans will set their faces against them and their wild aspirations."

When this announcement was published on Dec. 17, 1920, William Joseph Simmons of Atlanta, Ga., styling himself "Imperial Wizard of the Kuklux Klan," telegraphed Mr. Talley, asking him whether he had been correctly quoted, whereupon Mr. Talley sent this reply: "I was correctly quoted, and my remarks were directed specifically at your organization."]

AS VIEWED IN THE SOUTH

To the Southern white man, however, the name of this organization brings up a different picture.

"The Kuklux saved the South" is the expression in which he sums up in a phrase a point of view which has grown into a fixed tradition in the States of the former Confederacy. To the average Southern white man of today the name of the Kuklux Klan, after the lapse of half a century, typifies all that was best and finest in the chivalry of the old South. It conveys to him the impression of valiant men resisting tyranny, of the salvation of the white race from threatened negro domination (with all that that implied socially as well as politically), and of the rescue of the white womanhood of the South from a frightful and ever-present peril.

The purpose of the Kuklux Klan has been sympathetically recorded by Dr. Walter Lynwood Fleming, Professor of History in the Vanderbilt University, who edited Lester and Wilson's "History of the Kuklux Klan" and is the author of several historical books and articles dealing with the Reconstruction period.

"The object [of the Kuklux Klan] was to protect the whites during the disorders that followed the civil war, and to oppose the policy of the North toward the South," says Dr. Fleming in an article in the Encyclopaedia Britannica. "The result of the whole movement was a more or less successful revolution against the Reconstruction and an overthrow of the Governments based on negro suffrage."

ORIGIN OF THE ORDER

Formed in 1865 at Pulaski, Tenn., as a social club of young white men, with what Dr. Fleming calls "an absurd ritual and a strange uniform," it was soon discovered by the members that "the fear of it had a great influence over the lawless but superstitious blacks." In the difficult situation confronting the conquered South, it was inevitable that this power to terrorize should be availed of. "Soon," says Dr. Fleming, "the club expanded into a great federation of regulators, absorbing numerous local bodies that had been formed in the absence of civil law and partaking of the nature of the old English neighborhood police and the ante-bellum slave patrol."

Among the conditions and causes that enabled the Kuklux Klan to develop in two or three years into the most powerful instrument of regulation in the whole South, Dr. Fleming enumerates these:

"The absence of stable government in the South for several years after the Civil War; the corrupt and tyrannical rule of the alien, renegade and negro; the disfranchisement of whites; the spread of ideas of social and political equality among the negroes; fear of negro insurrections; the arming of the negro militia and the disarming of whites; outrages upon white women by black men; the influence of Northern adventurers in the Freedmen's Bureau and the Union League in alienating the races; the humiliation of Confederate soldiers after they had been paroled—in general, the insecurity felt by Southern whites during the decade after the collapse of the Confederacy."

"THE INVISIBLE EMPIRE"

In its perfect organization the old Kuklux Klan had at its head, with the title of Grand Wizard, General Nathan Bedford Forrest, the former Confederate cavalry leader whom General William Tecumseh Sherman characterized as "the most remarkable man the Civil War produced on either side." The Grand Wizard ruled

the "Invisible Empire," which consisted of the entire South. Over each State or "Realm" presided a "Grand Dragon." Counties were "provinces," each with its "Grand Giant"; a group of counties was a "Dominion" ruled by a "Grand Titan" and local units were "dens," over which the "Grand Cyclops" held sway. Staff officers bore such titles as Genii, Hydras, Furies, Goblins, Night Hawks, Magi, Monks and Turks, while individual members were Ghouls.

The constitution of the Kuklux Klan, like that of the similar though larger organization, the Knights of the White Camelia and several smaller groups having the same general purposes, contained certain declarations of principles which Professor Fleming thus summarizes:

"To protect and succor the weak and unfortunate, especially the widows and orphans of Confederate soldiers; to protect members of the white race in life, honor and property from the encroachments of the blacks; to oppose the Radical Republican Party and the Union League; to defend constitutional liberty, to prevent usurpation, to emancipate the whites, maintain peace and order, the laws of God, the principles of 1776 and the political and social supremacy of the white race—in short, to oppose African influence in government and society and to prevent any intermingling of the races."

Native whites, largely disfranchised because of their active participation in the rebellion, formed one moiety of the social structure of the South at the close of the Civil War; the other part was composed of the newly enfranchised blacks, the Northern white men (called "carpet-baggers") who participated in the effort to set up a negro government in the Southern States and a modicum of native whites who cooperated with them, known as "scalawags." The Kuklux movement was an effort of the first class to destroy the control of the second class.

SOME OF THE METHODS

"To control the negro," says Professor Fleming, "the Klan played upon his superstitious fears by having night patrols, parades and drills of silent horsemen covered with white sheets, carrying skulls with coals of fire for eyes, sacks of bones to rattle and wearing hideous masks. * * * Mysterious signs and warnings were sent to disorderly negro politicians. The whites who were responsible for the conduct of the blacks were warned or driven away by social or business ostracism or by violence. Nearly all Southern whites * * * took part in the Kuklux movement. As the work of the societies succeeded they gradually passed out of existence. In some communities they fell into the control of violent men and became simply bands of outlaws * * * and the anarchical aspects of the movement excited the North to vigorous condemnation."

The United States Congress in 1871-72 enacted laws intended to break up the Kuklux and other secret societies; several hundred arrests were made and several convictions followed. Much of the violence was checked, but the movement undoubtedly accomplished its prime purposes of giving protection to the whites, reducing the blacks to order, driving out the "carpet-baggers" and nullifying the laws that had placed the Southern whites under control of the party of the former slaves.

It is easy to see from the above sketch whence both the Northerner and the Southerner derive their contrary impressions of the organization. The former remembers the congessional investigations and trials of the Kuklux leaders, the evidence adduced of violence and law-breaking, of the whipping of negroes and of carpet-baggers and even of men being dragged from their beds and slain; the latter remembers, or has had handed down to him the story of the time when, to quote from Woodrow Wilson's "History of the American People," "adventurers swarmed out of the North, as much the enemies of one race as of the other, to cozen, beguile and use the negroes. The white men were aroused by a mere instinct of self-preservation—until at last there sprung into existence a great Kuklux Klan, a veritable empire of the South, to protect the Southern country."

That the occasion which gave rise to the original Kuklux movement was a real crisis, affecting the welfare and happiness of a whole people, the impartial historian of today may well concede; that in meeting the crisis by the means that were used the South was fighting for the preservation of

what it deemed right, even holy, with the only weapon at its command, is hardly to be controverted.

KUKLUX KLAN TODAY

What crisis, what menace to the ideals and the civilization of any considerable body of people exists today to give vitality to the revival of the Kuklux Klan after the lapse of fifty years? Unless some satisfying answer can be made to that question, the subject is hardly one to be treated seriously; unless there exists (or it is believed by a great number of persons that there does exist) a real need for the banding together of native-born white Christians in a militant organization for mutual protection, any organization based on such a premise must inevitably fall to pieces of its own weight. And while the original Kuklux Klan was purely sectional in its activities, whereas the revived Kuklux Klan is extending its field to the entire United States, the ground for its existence and continued growth must be sought in national rather than in local conditions.

Part of the answer to the question just propounded is not difficult to deduce from such of the literature of the Kuklux as is permitted to be distributed to those not affiliated with the organization; part of it is contained in statements by high officials of the organization or published with their sanction.

To every inquirer writing to the Klan's headquarters in Atlanta for information is sent a printed form of questionnaire. Of the twenty questions asked on this paper, which must be filled out and signed before further information is vouchsafed, nine seem to be pertinent to the point under consideration. These are:

WERE YOUR PARENTS BORN IN THE UNITED STATES OF AMERICA?

ARE YOU A GENTILE OR A JEW?

ARE YOU OF THE WHITE RACE OR OF A COLORED RACE?

DO YOU BELIEVE IN THE PRINCIPLES OF A PURE AMERICANISM?

DO YOU BELIEVE IN WHITE SUPREMACY?

WHAT IS YOUR POLITICS?

WHAT IS YOUR RELIGIOUS FAITH?

OF WHAT RELIGIOUS FAITH ARE YOUR PARENTS?

DO YOU OWE ANY KIND OF ALLEGIANCE TO ANY FOREIGN NATION, GOVERNMENT, INSTITUTION, SECT, PEOPLE, RULER OR PERSON?

To the inquirer sending in the questionnaire satisfactorily filled out there become available pamphlets giving details of the organization's present purposes and principles. To quote from one of these pamphlets:

> The purpose of the modern Kuklux Klan is to inculcate the sacred principles and noble ideals of chivalry, the development of character, the protection of the home and the chastity of womanhood, the exemplification of a pure and practical patriotism toward our glorious country, the preservation of American ideals and institutions, and the maintenance of white supremacy. * * * Only native-born white American citizens who believe in the tenets of the Christian religion and who owe no allegiance of any degree or nature to any foreign Government or institution, religious or political, or to any sect, people or persons, are eligible for membership.

CLASSES THAT ARE BARRED

Five classes of persons are at once barred by this pronouncement. They are: (1) negroes, (2) Japanese and other Orientals, (3) Roman Catholics, (4) Jews, (5) all foreign-born persons.

Without questioning the right of the Kuklux or of any other organization to set up its own qualifications for membership and to exclude any individual or any group of individuals, it is of interest to note that the four groups particularly excluded in this instance are, each in degree varying with local conditions, the storm-centres of present-day racial antagonisms in the United States.

Anti-Semitic propaganda is more open and active in America than at any time in recent history.

To the mass mind of America the Irish question is chiefly a religious question; the issue at stake the control of Ireland by the Roman Catholic Church, and the persistent effort of the American supporters of Sinn Fein to arouse antagonism in this country toward England a subtle piece of religious propaganda. Quite regardless of its truth or falsity, there can be no doubt of the wide acceptance of this view by a large proportion of Protestant Americans.

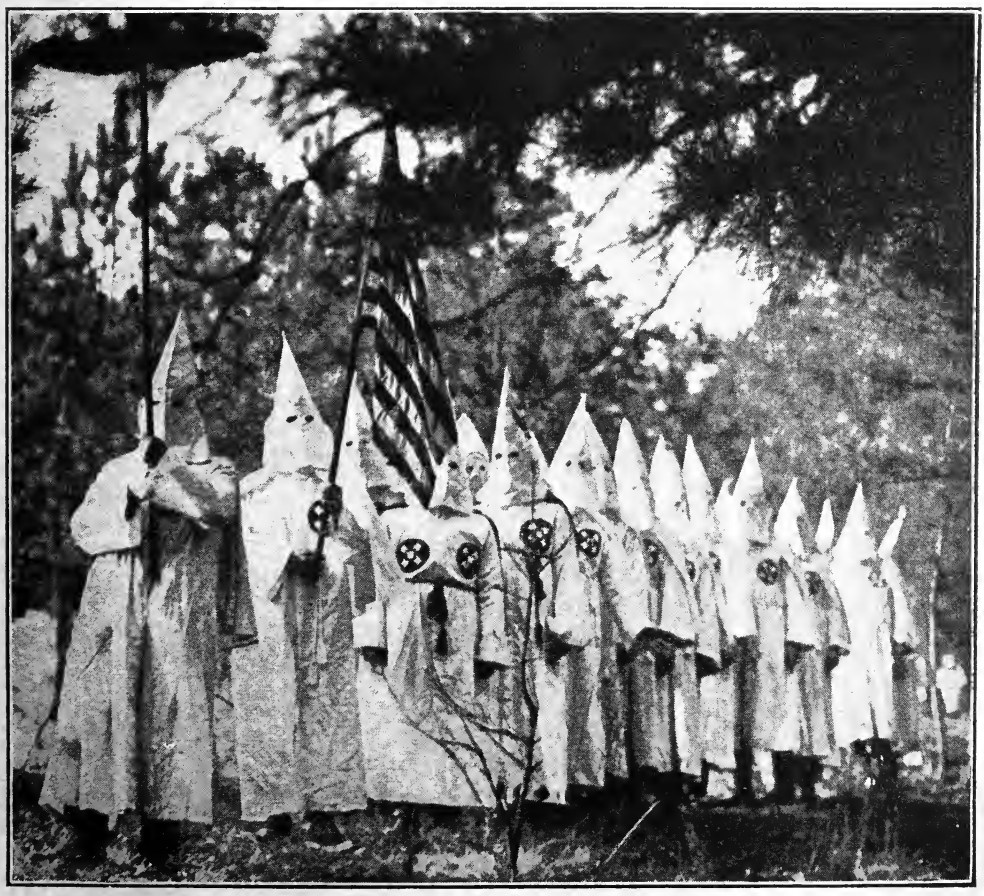
That the Japanese question is a tremendously vital issue west of the Rockie is a familiar fact to every newspaper reader; it is equally true that the anti-Japanese sentiment of the Pacific Coast is shared by a large proportion of Americans in other sections, who have become convinced that the interests of the nation are seriously

menaced by Japanese occupation of California lands and that war with Japan may occur at any time.

THE NEGRO QUESTION

New impetus has been given to the negro question, more particularly in the South, but to some extent throughout the country, by conditions arising from the war. The great demand for labor during the war brought about the greatest migration in history of negroes from the South to the North. High wages, North and South, raised the negro for a time to unheard-of pinnacles of affluence. Then the sudden slump in business threw back into idleness thousands who had become accustomed to "easy money." Many of these found themselves hundreds of miles from their homes with no means of returning; large fractions of the whole number had forgotten their old habit of docility in their brief period of financial independence and ventured to assert their rights as citizens in a manner offensive to the dominant white race.

Renewed agitation for the recognition of the negro on the plane of complete equality with the whites was one of the inevitable results of the war conditions that put the negro worker on the same economic plane with the white workman; the negro soldier and officer into the same uniform and the same service as the white soldier. The demands of the National Association for the Advancement of the Colored People for the abolition of segregation of the races in the Government departments at Washington, the reduction of Congressional representation in the Southern States in proportion as the negro is disfranchised, the pardon of the imprisoned soldiers of the Twenty-fourth Infantry held in Leavenworth for



A "DEN" OF THE KUKLUX KLAN IN UNIFORM

the Houston riots, the abolition of "Jim Crow" cars on interstate railroad trains and the appointment of negro Assistant Secretaries of Labor and Agriculture are pointed to by ofifcials of the Kuklux Klan as proof that white supremacy is now acutely and nationally menaced. The N. A. A. C. P., in turn, has included in its published statement of purposes "The defeat, by every legitimate means, of the nefarious Kuklux Klan, both South and North." So the issue here, at least, is squarely joined.

NATIONAL EXPANSION SOUGHT

It is on such grounds as those just enumerated that the revived Kuklux Klan bases its expectation of extending beyond the boundaries of the South. It has been in existence, this present-day successor of the old Kuklux, since the latter part of 1915, when it was chartered as a legitimate fraternal organization by the State of Georgia. The originator of the idea of reviving the old institution under the old name was Colonel William Joseph Simmons of Atlanta, now Professor of Southern History in Lanier University. Associated with him in the application for a charter from the State of Georgia were three surviving members of the old Kuklux Klan. By virtue of this fact the new Klan declares itself, in its constitution, to be the only legitimate heir of the original organization, with sole rights to all its signs, symbols, regalias, &c. It is organized on similar lines to the original Kuklux Klan, with similar, though slightly different, titles for its officers. Colonel Simmons is the "Imperial Wizard" or supreme head of the order, the full title of which is "The Invisible Empire, Knights of the Kuklux Klan." The old regalia of white robe and pointed cap covering the face of the wearer is retained by the new organization, which claims to be fully organized throughout the South and to have a considerable number of local nuclei planted in half or more of the States.

PRETENDS TO UPHOLD LAW

Co-operation with the authorities of the law is set forth as one of the tenets of the revived Kuklux Klan. "Because certain individuals at various times have committed acts of violence under cover of darkness and shielded by masks and robes somewhat resembling the official regalia of the Kuklux Klan," says one of the organization's official pronouncements, "they have been classed as members of this organization. The Kuklux Klan is a strictly law-abiding organization, and every member is sworn to uphold the law at all times and to assist officers of the law in preserving peace and order whenever the occasion may arise, and any member violating this oath would be banished forever from the organization.

"Among the principles for which this organization stands are: Suppression of graft by public office holders; preventing the causes of mob violence and lynchings; preventing unwarranted strikes by foreign agitators; sensible and patriotic immigration laws; sovereignty of State rights under the Constitution; separation of Church and State, and freedom of speech and press, a freedom such as does not strike at nor imperil our Government or the cherished institutions of our people."

Among the membership of the old Kuklux Klan were many Northern soldiers, members of the Army of Occupation sent into the South after the Civil War to preserve order and maintain the reconstruction governments in power. In the new Kuklux Klan, it is stated, are to be found State, county and municipal officials of every degree, police officers and men, as well as a number of United States officials, Senators and Members of Congress.

ONE INSTANCE OF OPERATIONS

How the Klan operates may best be indicated by quoting from statements publicly made by authority of its national officials. Birmingham, Ala., recently had a "wave of crime." The Kuklux Klan offered its services to the city officials to help stamp out evil conditions. The offer was accepted, and the 700 local members directed their efforts, in secret, against criminals and "undesirables" of both races. Their claim that they rendered valuable assistance to the police is supported by the fact that they assert that the Chief of Police of Birmingham sent a telegram to the Chief of Police of Nashville, Tenn., when he learned that a branch of the organization was to be established there, heartily endorsing the Kuklux movement. They claim that many such letters and telegrams of endorse-

ment from Mayors, Sheriffs and Chiefs of Police of Southern cities are on file in the Klan's headquarters.

In Jacksonville, Fla., the method of a public parade at night was adopted. Several hundred members of the Klan, garbed in robes and hoods, rode through the city, scattering printed placards which read:

WARNING—UNDESIRABLES, BOTH WHITE AND BLACK, WE KNOW YOU. THIS LOAFING, THIEVING AND PROWLING AROUND MUST STOP.
KNIGHTS OF THE KUKLUX KLAN.

A high official of the Kuklux Klan told the writer of a dramatic though less spectacular demonstration of the organization's methods. He stated that in one city, in which it was well organized, an investigation into underlying conditions making for crime and disorder indicated that the chief trouble lay in the manner in which one of the city's courts was conducted. A special committee, he says, with an expert investigator employed, spent weeks in drawing up what amounted to an indictment of the Judge of this court. The document was handed to the Judge with a letter, signed by the Kuklux Klan, asking him to read the charges and to realize that his future course would be as carefully scrutinized as his past actions. He stated there was no threat, no demand for his resignation; on the contrary, the belief was expressed that he could and would reform the conditions in his court. "A year later," said the official who told this story, "I was talking with a very eminent jurist who was familiar with the conditions in this court. He said that the improvement that had been observed in its conduct had been a matter of the greatest gratification to him, and that he had been unable to account for it until I told him how it was brought about."

The power of the Kuklux Klan today, like that of its prototype of half a century ago, lies in the secrecy and mystery with which it and its operations are surrounded. Its members are known only to each other and may not disclose the fact of their membership to outsiders. Outside the Klan none can know whether its warnings are backed by ten men or thousands in any community. To the assertion that there is no need and no room for such an extra-legal institution to enforce law and order, the officers of the Klan point to the newspaper chronicles of crime and disorder in every part of the country. To the charge that they are a negro-whipping organization, thriving on race prejudice, they reply that no law-abiding person of any race, creed or color has anything to fear from them; they assert that they are the friends of every self-respecting man, black or white, but that they maintain the inherent superiority of the Caucasian stock, and that their order intends to use every legitimate means to retain it in control of America.

SWISS PROTEST HAPSBURG INTRIGUES

[PERIOD ENDED MARCH 12, 1921]

SWISS newspapers continue revelations concerning the activities of Hapsburg propagandists who take advantage of the right of asylum for purposes of their campaign to restore monarchy in the Danubian lands. The centres of this propaganda are at Prangins Castle, residence of the ex-Emperor Charles, further at Basle, Luzerne, Montreux and Wartegg, where exiled Archdukes and their friends have pitched their tents. There is even an organized exchange for couriers and publicity men at an Ouchy hotel. There are complaints that the Federal authorities countenance these activities and even insure the safety of the arch plotter, the ex-Emperor Charles, by assigning detectives to him to "protect" him against possible attempts on his life. Special attention is called to the rôle of the Hungarian Prince Windischgraetz, whose political intrigues as well as loose living are an open scandal. Other agents, especially active in the Swiss press, are one Baron Savenau and the Papal Count Voltolini. These intrigues, the papers say, may result in embroiling the world in another war. The Hapsburg ex-monarch was granted the right of asylum on his express promise not to meddle in politics, asserts the Swiss press, and "now he again signs himself, in telegrams addressed to his Budapest partisans, as 'Apostolic King of Hungary.' These conditions ought to be stopped by federal action."

GERMAN REPARATIONS AND THE TREATY PENALTIES

Story of the London Conference and the deadlock that led to the allied occupation of more territory on the Rhine—Rejection of Dr. Simons's counter-proposals followed by the seizure of three Rhenish cities—Lloyd George's indictment and Germany's defiance

[PERIOD ENDED MARCH 12, 1921]

ONCE again German towns on the Rhine are in the grip of French and other allied forces, and Germany faces the seizure of her Rhenish customs to compensate the Entente nations, at least in part, for the losses caused by the war.

The decision by the allied Premiers to put into immediate effect the penalties provided by the Versailles Treaty followed the flat rejection by France and Great Britain of the counter-proposals which Dr. Walter Simons, the German Foreign Minister, presented as an alternative to the demands of the Allies. Dr. Simons declared that Germany had made her best offers, and could do no more. The military forces of France, Great Britain and Belgium, already prepared for the contingency, then moved forward (March 8, 1921), and occupied the Rhine towns of Düsseldorf, Duisburg and Ruhrort, which they still hold, while the home Governments set to work to draft a plan under which all Rhine customs dues could be collected for the benefit of the Allies. The occupation was not resisted, and up to the time when these pages went to press no untoward incidents had occurred. Germany, however, was much incensed, and the French invaders were apprehensive that industrial troubles would arise from the threatened action of the Rhine industrialists, notably Herr Stinnes, to close down all large factories.

The story of how the German delegates to the London conference rejected the allied plans for reparation, and of how their own counter-proposals were bluntly rejected by the allied Premiers, has its dramatic features. Long before the London conference was held Germany had given notice that her delegates, if they went at all, would go only empowered to make counter-proposals, not to accept the demands made by the Allies some weeks before in Paris. The Allies, on their part, had similarly given notice that they would refuse to dicker, and would put their plans before the Germans unconditionally. As it developed, both parties remained faithful to their respective programs, and the resulting deadlock might easily have been discounted in advance.

VIEWPOINT OF THE ALLIES

Forced by financial and economic distress at home, especially in the devastated area, France was determined to force Germany to consent to a definite and adequate scheme of reparations. Preliminary dissensions with her ally, England, were resolved, and Premier Briand and Lloyd George were solidly united in principle when the German delegation, headed by Dr. Walter Simons, the German Foreign Minister, arrived in London on Feb. 28. Some 245 notes had been sent to the allied Governments by Germany since the signing of the Treaty of Versailles; these messages, taken together, bulked larger than the treaty itself. Meanwhile, the French alleged, Germany had done but little to fulfill the terms laid down by the pact, and further delays and evasions could not be tolerated. The Germans, on their part, insisted that they had sought faithfully to comply with the conditions laid down, and their attitude was one of defiance to the threats of penalties which the Allies held over their heads.

Ten days before the Germans arrived Lloyd George was attacked on the floor of the House of Commons for the policy which he, with his French colleagues, was preparing to follow. He made vigorous and characteristic reply. He had, he said, promised to make Germany pay, but he had added the words "to the limit of her capacities." What that capacity was the allied experts

had determined. The question that remained was, Would Germany pay?

THE GERMAN ATTITUDE

Meanwhile in Berlin the German experts were working feverishly to draw up their own scheme of reparations. Before the Federal Economic Council on Feb. 24 Dr. Simons was asked outright by Herr von Braun, the President, what his attitude would be in London. The question was couched as follows:

> You are making ready to go to London in the name of this assembly. I ask you, are you determined unflinchingly to uphold the unanimous refusal of the German people to the bitter end necessary, and only make proposals compatible with the necessities of the nation's life?

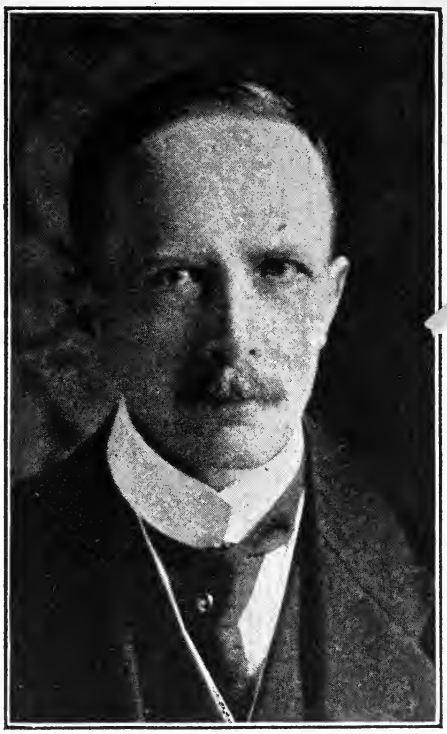
Amid dead silence Dr. Simons rose, and in a voice hoarse with emotion, replied:

> We have done everything within human possibility, especially as far as disarmament is concerned. * * * In a military sense we have literally denuded ourselves. Those who still accuse Germany of aggressive intentions must be mad. As to the Entente reparation demands, they are utterly impossible, and I shall say so in London. Common sense was on strike when they were concocted. * * * I shall go to London, my ears ringing with the cry of all Germany, "Never give in to the impossible!"

This declaration was greeted with wild and enthusiastic cheers. Dr. Simons and his official staff left for London on Feb. 26. For the first time since 1914 the English capital on Feb. 28 became the temporary abiding place of a small army of German officials. The German delegation was made up of about sixty persons, including secretaries and general workers. On their arrival they were met at the station by representatives of the British Foreign Office. There were no public demonstrations, save that the porters refused to carry the Germans' luggage and they were compelled to bear them to the automobiles in waiting with their own hands. The finest suites in the Savoy Hotel had been engaged for them, and the delegation, weary after its journey, retired at once. One exception was General von Seecht, small and dapper, in blue mufti and wearing the monocle so popular with the officers of the Kaiser's régime. The General came down from his room and sat in the hotel lobby, examining with great interest the hotel guests as they came and went.

FIRST SESSION OF THE CONFERENCE

The first session of the conference took place on March 1 at Lancaster House, better known as the London Museum, instead of at St. James's Palace, which was the scene of a royal levee. Only a small crowd



(© *Wide World Photos*)

DR. WALTER SIMONS

German Foreign Minister, who refused to sign the allied reparation demands at the London Conference

witnessed the arrival of the German delegates. Premier Lloyd George, who came on foot, and Premier Briand were both greeted with cheers.

The respective delegations assembled in the dining room. Germany's nine delegates faced sixteen British and French delegates, with Lloyd George in the centre, and the Italian, Japanese and Belgians occupying side tables. The British Premier opened the proceedings briefly. Dr. Simons then arose and submitted what Lloyd George in his preliminary remarks had described as "the German observations on the Paris proposals." These proposals were briefly as follows: That Germany should pay 226,000,000,000 gold marks (about $56,000,000,-

000) by a system of annual payments extending over a period of forty-two years, and should consent to the payment of a 12 per cent. tax on all German exports.

From the outset of Dr. Simons's exposition it was clear that the proposals which the German delegation had brought with them from Berlin were wholly at variance with the scheme of reparations decided on by the Allies. Dr. Simons said that the German Government was not in a position to accept the Paris proposals, and therefore put forward counter-proposals of its own.

THE GERMAN COUNTER-PROPOSALS

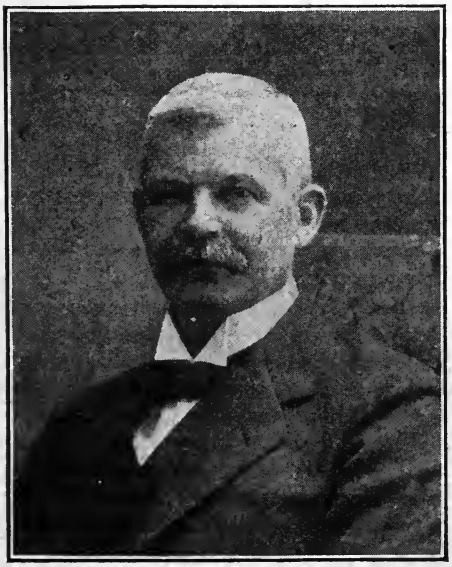
Proceeding to definite suggestions, Dr. Simons proposed that the Allies should abandon the scheme for payment over a long series of years, and should consent to an international loan. The amount of this loan he evolved as follows: the sum fixed by the Paris scheme was to be discounted at 8 per cent., leaving a balance, under present rates of exchange, of 50,000,000,000 gold marks, or £2,500,000,000. Against this should be charged considerable payments which the German experts estimated had been made by Germany, and concerning which the Allies and Germany were still in dispute. The German experts held that Germany had already paid 20,000,000,000 marks, on which estimate the remaining obligation would be only 30,000,000,000 marks, or £1,500,000,000. This, said Dr. Simons, was the utmost Germany could pay. She was ready, however, to have a joint commission appointed to examine the value of the reparations which the German experts had calculated as already paid.

Dr. Simons then proposed the floating of an international loan, on the understanding that Germany would undertake to pay interest and sinking fund charges. But the experts agreed that the largest international loan which it would be possible for Germany to float at present would be 8,000,000,000 marks, or £400,000,000, and to raise even that sum would be possible only if such privileges as freedom from income tax were conceded. In conclusion, the German Foreign Minister declared, his country was willing to engage itself to pay interest and other charges on a loan of 8,000,000,000 marks. The remainder of the estimated 30,000,000,000 marks, which could not be covered by a loan, 22,000,000,000 marks would remain quiescent, Germany, however, engaging herself to pay interest and other charges. As final liquidation, the German

(*Times Wide World Photos*)

DR. MAYER KAUFBEUREN

German Ambassador to France, recalled because of allied invasion



DR. STHAMER

German Ambassador recalled from London after his Government broke with the Allies over the indemnity

GENERAL DEGOUTTE
Commander of the French troops in Germany

experts thought that Germany would not reach her maximum industrial output until 1926, but they calculated that Germany could pay annually for the five years intervening 1,000,000,000 marks, or £50,000,000, toward liquidation, as well as toward interest and other charges both on the balance debt and on the international loan proposed. In 1926, he concluded, the situation should be reviewed, and a new financial arrangement extending over thirty years could be concluded. As a condition of this whole offer, however, Germany demanded the retention of Upper Silesia, where a plebiscite between the Germans and the Poles was pending.

ALLIES' RECEPTION OF GERMAN PROPOSALS

The indignation with which these counter-proposals was received by the allied Premiers was reflected in the speech made by Premier Lloyd George, the text of which is given elsewhere in this issue. After a brief exchange of views with other members of the Supreme Council, Premier Lloyd George said:

> The German Government appears to have a complete misunderstanding of the realities of the situation, and the Allies have already agreed that the German proposal is one they cannot examine or discuss as an alternative to the Paris proposal.

The conference was then adjourned.

While Dr. Simons was cabling to his Government for further instructions, the allied Premiers were discussing the application of penalties. Military measures had already been prepared, and the final word was withheld only pending the presentation by the German delegates of a new proposal. The new instructions came on March 4, and Dr. Simons at once set to work on a new German scheme for reparations, as well as on a formal reply to the charges made by Lloyd George in his speech of rejection, especially as regarded Germany's responsibility for the war and the failure of Germany to establish proper taxes, from the revenue of which they could have met their obligations. The pessimism of the German delegates was as plainly apparent as the general public approval of the points made by Lloyd George in his convincing speech. Dr. Simons, pending the second session of the conference, made a public statement (March 5) in which he said:

> I must answer Mr. Lloyd George calmly and coolly, dispassionately, and, if possible, impartially. On Tuesday we were both talking through windows. He was talking to the British public, but more especially to the French. I was putting the case of my people. I must point out that by signing the Treaty of Versailles Germany admits that she lost the war. We agree to statements of guilt and to a judgment. We see the justice of this judgment from the Allies' point of view. We admit it. But I must point out that you cannot expect a nation to come into court time and time again loudly proclaiming her guilt. Germany will not stand at Canossa every week. * * * My people will not have the Paris figures. Rather than bring about the economic strangulation of the country they will submit to the sanctions. I have received countless messages from Germany, from people in the towns and areas affected by the sanctions, telling me that they do not mind the Allies' measures.

His position, Dr. Simons continued, was not a happy one. On the one hand, he understood the need of the Allies for large sums of money immediately, the reason for the 42-year period of payment, the danger of a French invasion on the Rhine. On the other hand, he understood the despair of his countrymen on being asked to do the impossible, and was fearful of the allied proposals on the workmen of Germany. He expressed, however, the hope that the Allies would reconsider his proposals at least as a basis for a new provisional arrangement.

The Germans submitted new proposals on the morning of March 5 in a more or less formal session at the house of Lord Curzon. The initiative for this meeting came from Dr. Simons, and was communicated through Premier Briand. Lord Curzon and Lloyd George represented Great Britain, Premier Briand and M. Loucheur, the French Financial Minister, appeared for France, and Dr. Simons brought Herr Bergmann, one of the German experts. When the six delegates had assembled, Lloyd George said to Dr. Simons: "You have said that you have a communication to make to us. We are ready to hear it."

Dr. Simons's opening remarks, disclaiming German responsibility for the war and declaring that the Paris decisions meant the ruin of his country, were received impatiently. Dr. Simons then formulated the new offers. Germany, he said, was disposed to accept the reduction of the figure of 20,000,000,000 marks fixed by the German experts as reparations already made to the sum of 7,000,000,000 marks. He then proposed again the scheme for an international loan, which he advocated increasing from £400,000,000 to £500,000,000. On this basis he suggested increasing the annual payments on the principal in such a way as to complete the payments within thirty years instead of forty-two.

REJECTION OF FINAL OFFER

Lloyd George denied that this offer held any new features. The allied experts, however, he added, would go into the matter.

The crisis in the negotiations was reached in formal session at Lancaster House on March 7. At the morning session the German delegates formally presented their new proposals. A second meeting was held late in the afternoon. When all the delegates were seated, Lloyd George rose to make a statement on behalf of the allied Governments. His manner was grave and restrained, and he spoke with evident realization of the serious import of his words.

It was with much regret, he began, that he found himself compelled to say that Dr. Simons's proposal did not represent such an advance on the Germans' first proposals as to justify postponing execution of the sanctions and penalties laid down by the treaty. He and the other allied representatives deeply deplored this necessity. The general view that a settlement was necessary was justified, but the German proposals completely failed to satisfy the Allies, who wanted to know exactly where they stood. "Until we get proposals from Germany which will be a definite, unchallenged settlement," declared the British Premier, "there can be no peace between us."

Lloyd George then analyzed the German counter-proposals. He pointed out the fact that though the Germans seemed to be making arrangements for the next five years, their appended condition that these arrangements would be contingent on Germany winning the plebiscite in Upper Silesia nullified in effect the whole proposal. If Germany lost the plebiscite, the whole engagement would fall to the ground. "This is not a proposal for five years," declared Lloyd George. "It is a proposal for five weeks."

And even if Upper Silesia went German, said the Premier, there was no proposal made for the period following the specified five years, nothing on which the Allies, hard pressed for money to meet their tremendous post-war expenses, could raise a penny. The German proposals, moreover, held disquieting aspects. In order even to pay the low annual payments which she proposed for that period, Germany would have to borrow, and must borrow on a priority basis, so that after the first payments were made the income of the following years would be mortgaged in advance.

ADMISSION OF GUILT FUNDAMENTAL

The British Premier then attacked the German Foreign Minister's denial of German responsibility for the war, which, he declared, was the very basis of the Treaty of Versailles. Not only did Dr. Simons refuse to accept that basis, but he appealed to "history" for a revision of the sentence. When would that appeal begin? He believed Germany's inclination was to make it the limit of the five-year period specified, when an appeal for revision was to be expected. The Allies, he declared, could not negotiate upon this basis. In fact, the admission of responsibility by Germany was fundamental with the Allies. The whole treaty depended upon it, and no amicable relations could be entered into until that admission came.

The Allies insisted, he said, on an immediate settlement of the amount of payments and factors automatically regulating the same. [He referred here to the proposed 12 per cent. tax on German exports, or, if the penalties were applied, 50 per cent. and of the method of payment.] Paper promises were worthless. In the interests of both the Allies and of Germany, a definite settlement was imperative. "Proposals such as we have heard," he declared, "are not a settlement. They simply evade and postpone a settlement."

The British Premier concluded with a telling comparison between the financial burdens forced on France and England and those with which Germany had to cope. Even under the Paris proposals Germany would have to pay only one-fourth of what Great Britain alone must find for war debt charges and pensions, with a million unemployed: only one-ninth of what France must find, although Germany's population was greater than that of either of the two allied nations. And yet Germany spoke of this arrangement as a colossal sacrifice!

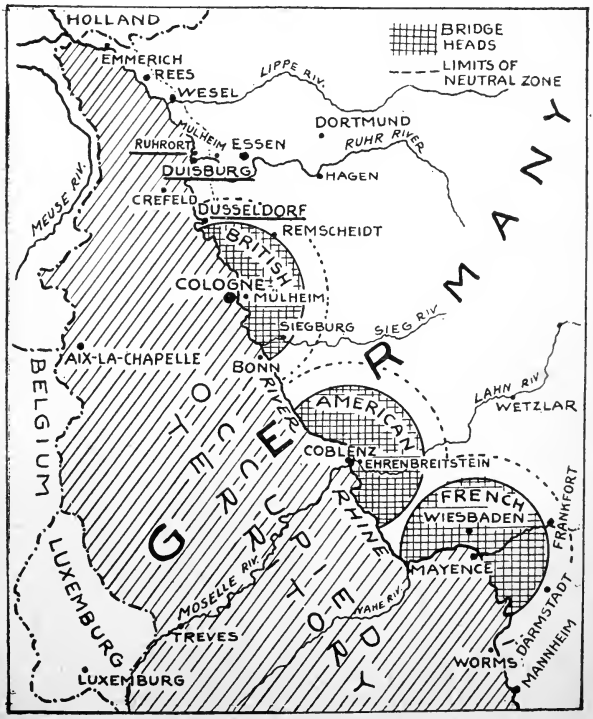
Germany, declared the British Premier in conclusion, did not realize the essential facts of the situation; this fact had impressed him more and more as he had attended the sessions of the conference. The difficulty of paying across frontiers he admitted, but this could be overcome by any well-considered arrangement for deducting from the price of German sales to allied countries a proportion of the purchase money.

GERMANY'S DEFIANCE

Dr. Simons then asked for a brief adjournment to discuss the Premier's reply with his colleagues. When the conference was resumed he rose and made the following statement:

Germany, said the German Foreign Minister, would agree to the Paris decisions for five years, subject to Upper Silesia remaining German. The allied proposal that allied nationals should pay to their Governments 50 per cent. on what they owed Germany for purchases had been discredited in German eyes by its being included in the penalties. He did not admit the allied contentions regarding German taxation. He laid emphasis on his proposal for an international loan. He reiterated his denial of Germany's war responsibility. He pointed out Germany's poverty, and ended by declaring that Germany would appeal against the Allies' decisions to the League of Nations. He finally placed the blame upon the Allies for the breaking off of the conference. The Allies, he declared, had given Germany no time to bring forward new proposals. "And now," he concluded, "the whole atmosphere of the discussion will be embittered by the penalties."

These were his last words, and the conference at once finally adjourned. Dr. Simons on his return to the Savoy Hotel made a statement which showed considerable bitterness against the French. The five-year proposal, he declared, should have been accepted. The Allies should have given the Germans at least a week in which to frame new proposals. The application of



MAP OF THE RHINE REGION OCCUPIED BY ALLIED FORCES, INCLUDING THE NEW TERRITORY TAKEN OVER AT RUHRORT, DUISBURG AND DUESSELDORF

the sanctions would make all future negotiations impossible. Dr. Simons and his delegation left London on March 8.

Lloyd George, on his part, appeared before the House of Commons at the evening session and made a statement which recapitulated his words at the last meeting of the conference. He admitted that the Allies would have much preferred an amicable settlement, but his observation convinced him that Dr. Simons's hands were tied by German public sentiment to such an extent that he was virtually unable to make a satisfactory offer. The Allies had therefore decided that the penalties must be applied. Instructions had been given Marshal Foch for the occupation of the Rhine towns decided on, which was scheduled to begin the following day. General Degoutte, the French commander, had received secret instructions to advance the day before. The patriotic spirit of the French ran high, and there was general rejoicing in Paris over the invasion order.

THE ALLIED OCCUPATION

The three German towns of Düsseldorf, Duisburg and Ruhrort were occupied according to plan by French, British and Belgian troops on March 8. The allied troops were already on the march the night before. The occupation was effected quietly and no resistance was encountered. The French moved from the French zone in the south and the British and Belgians from the east. When dawn came the advance guards, led by tanks and machine-gun corps, moved over the Düsseldorf bridge. British and French planes flew over the city. All the principal squares and strategic points had been occupied by 7 A. M. The British were represented only by two squadrons of cavalry, as their forces had been depleted by the dispatch of three battalions to Upper Silesia. Ten thousand French and 5,000 Belgians were engaged in the movement. Duisburg and Ruhrort were not occupied till the afternoon. The first act of the allied authorities was to post up a proclamation to the people signed by General Degoutte, Commander-in-Chief of the allied forces. This proclamation began as follows:

> The official representatives of the German Government have just presented to the London Conference propositions which show that the German Government does not wish to fulfill the engagements it assumed in signing the treaty of peace. Before this attitude the allied powers are constrained to pass to penalties. Unanimously they have decided to assure themselves new guarantees in order to force the German Government to execute the clauses of the treaty. In consequence, the allied troops have received orders to occupy as guarantees Düsseldorf, Duisburg and Ruhrort. This occupation constitutes in no fashion a measure of hostility toward the population. Under the reserve of strict observance of orders which the military authorities will judge indispensable to promulgate, there will be no interference with the economic life of the region * * * The allied command intends to maintain in the territories newly occupied a régime of liberty and order in which the prosperity of the country can develop.

No demonstrations occurred, and the general attitude of the populace was one of apathy. The Belgians seized Hamborn, the coaling port of the Thyssen iron works, on March 9. Meanwhile the allied experts in Paris set to work to draw up the plans for the other two penalties prescribed—collection of part of the value of German goods sold to allied countries, and the establishment of control over German customs in the Rhine area. A bill to legalize the collection of 50 per cent. on all German exports was drafted for submission to the English Parliament. Friedrich Ebert, the German President, issued a proclamation on March 8, published elsewhere, which rang with defiance toward the Allies, but which urged calmness, and pointed out that the country was defenseless. Great crowds cheered Dr. Simons and his delegation on their return to Berlin. France declared officially that she planned no annexation of the invaded region. In the British Parliament on March 10, Lloyd George predicted that Germany would change her mind. The Germans denied this emphatically, and waited grimly for the result of the Upper Silesian plebiscite. At the time when these pages went to press (March 15) there were evidences of a slackening down of industry in the invaded districts, and the French were apprehensive of a plot, engineered by Hugo Stinnes, the coal magnate of the Ruhr region, to create industrial unrest by closing down all factories.

The attitude of neutrality followed by America was maintained. The American forces already on the Rhine took no part in the new invasion. Meanwhile, following orders issued by President Wilson, all American representatives on the Reparations

Commission were withdrawn. One of the last official acts of Mr. Wilson was the sending of a special message to Congress recommending that Belgium be allowed to pay her pre-armistice debts to the United States by means of German bonds. President Harding has as yet given no intimation of what attitude he will assume in view of the new situation created by the invasion.

The Reparations Commission on March 16 delivered the following official communiqué to the Berlin Government:

Article 235 of the Treaty of Versailles stipulates that Germany shall pay before May 1, 1921, the equivalent of 20,000,000,000 gold marks, this 20,000,000,000 marks going toward payment of the costs of the army of occupation, the feeding of Germany and the supplying of raw materials, and the balance going to the reparations account.

On March 4, 1920, the Commission on Reparations reminded Germany of these obligations, asking if she would use for payment of the food and raw material imports certain securities owned by the German Empire, German States and private individuals in neutral countries. On June 15 the commission inquired again what the German Government could offer as payment of the 20,000,000,000 marks.

The German Government replied to these two communications by a letter dated June 23, in which it was stated that it would later send to the commission a statement showing how the 20,000,000,000 marks gold mentioned in Article 235 had been paid, or would be paid, by Germany before May 1, 1921.

On Jan. 20, 1921, the commission received the German memorandum, which enumerated and valued the deliveries made by Germany to date, and of which the Germans asked that the value be placed to the credit of the reparations account.

In these conditions the Commission on Reparations has notified the German Government: First, that it must acquit between now and May 1 the balance of the 20,000,000,000 gold marks, and, second, that it must before March 23 make a first payment of 1,000,000,000 gold marks on account of the 12,000,000,000 due.

It should be mentioned that this payment of 20,000,000,000 marks is quite distinct from the reparation payments planned in the Paris accord of Jan. 29.

GERMANY'S MALEFACTIONS

Address by DAVID LLOYD GEORGE
Prime Minister of the British Empire

A summary of the deeds for which the German Nation is being compelled to pay—Ultimatum of the Allies, delivered March 3, 1921, in reply to proposals that had been made by the German delegates at the London Conference

DR. SIMONS and Gentlemen: I have been asked by my colleagues of the British and Allied Governments to make a statement on their behalf in reply to the speech delivered by Dr. Simons and to the document which he subsequently put in.

The Allied Governments consider that the statement made by Dr. Simons on behalf of the German Government constitutes a definite challenge of the fundamental conditions of the Treaty of Versailles and must be dealt with accordingly.

The Paris proposals, following the line of Boulogne and Brussels, involved substantial relaxation of the full demand of the treaty, both in respect of disarmament and of reparation. These proposals were tendered in a spirit of concession to induce an amicable settlement with Germany. The counter-proposals mock the treaty.

The Allies have come to that conclusion not only from the character of these counter-proposals themselves, but also from perusal of speeches delivered by Dr. Simons in Germany after the Paris proposals and the support accorded to those speeches in the German press and Reichstag. One of the most serious statements made by him was contained in a speech delivered, if I recollect rightly, at Stuttgart, when he repudiated German responsibility for the war. This repudiation was acclaimed throughout Germany and, therefore, may be taken

to represent the real attitude of Germany toward the Treaty of Peace. For the Allies German responsibility for the war is fundamental. It is the basis upon which the structure of the treaty has been erected, and if that acknowledgment is repudiated or abandoned the treaty is destroyed.

The Allies, therefore, feel that they have to take into account the fact that the German Government, with the apparent support of German public opinion, is challenging the very foundation of the Treaty of Versailles. Proposals such as those made by Dr. Simons are simply the necessary corollary of this new attitude. If Germany approaches her obligations in that frame of mind, such proposals are inevitable. We wish, therefore, once and for all to make it quite clear that German responsibility for the war must be treated by the Allies as a chose judée.

The treaty of Frankfort in 1871 was based on the assumption that France was in the wrong and consequently Germany not merely demanded reparation but payment by France of the whole cost of the war. Germany would never permit France to challenge that verdict, and we must insist that the verdict of the late war, supported as it was by the declared assent of almost the whole of the civilized world, must be respected. Until Germany accepts that position and consents to interpret her obligations accordingly, these conferences will be futile.

Perusal of speeches delivered in Germany and of articles appearing in the German press has driven me reluctantly—very reluctantly—to the conclusion that Germany does not realize in the least the true character of the demands made upon her. I followed these very closely. The German people are under the impression that the demands of the Allies are designed to destroy their great people. Let me say at once that we regard a free, contented and prosperous Germany as essential to civilization and that we regard a discontented and enslaved Germany as a menace and a burden to European civilization. We have no desire to oppress Germany. We simply ask that she should discharge obligations she has entered into and repair injuries inflicted by the war which her Imperial Government was responsible for provoking.

Under the treaty of Frankfort she laid down the principle and acted upon it that the nation that was responsible for provoking a war ought to pay the costs of the war. We are not asking the costs of the war, not a penny. We are not going as far as the principle of the treaty of Frankfort. The war charges of the allied countries in the aggregate are so enormous that it would be quite impossible to ask any country, any single country, to bear them. That we realize. In fact, we are each of us groaning under the load of taxation to pay the debts which each of us incurred to defend ourselves in this war, and to place the whole of them upon one country, we fully realize, would be an impossible proposition. We have, therefore, deliberately in the Treaty of Versailles not asked Germany to pay one single paper mark for the cost incurred by the allied countries in defending themselves in this war.

What have we asked, then, of Germany? I think it is important that the German public should thoroughly understand the character of the demand, because I am certain that they are not appreciating it. We have simply insisted that Germany shall pay reparation in respect of the charges cast upon our respective countries by material damages to property and by injuries inflicted upon the lives and limbs of inhabitants. We have asked for no more and we can take no less.

THE BURDEN OF FRANCE

These are not imaginary wrongs; they are injuries the reparation of which is imposing a crushing burden at this moment upon the resources of the allied countries. Take France—France has this year to arrange in her budget for an expenditure of 12,000,000,000 francs toward restoring her devastated areas. This is apart from the gigantic sum she has to provide for pensions. This provision will have to be made year by year for at least ten years. What charge is there in the German budget comparable to this?

I feel certain that the people of Germany have no notion of the devastation wrought in the allied countries as the result of the action of the Imperial Government in August, 1914.

Having regard to the incalculable importance of coming to a real understanding

I think it is vital that the German public should be informed as to the character and extent of the devastation wrought. I cannot help thinking that when they realize it their attitude of mind will change. They are under the impression that the Allies are seeking to extort money out of them beyond their needs, and I am quite sure that they have not the least notion of the terrible extent of the ravages inflicted by the war in the allied countries. I will give a few figures which will indicate the extent of the injuries inflicted in France.

Nearly 21,000 factories have been destroyed. The mines in Northern France have been destroyed and it will take ten years or more to re-establish them. The whole of the metallurgical, electrical and mechanical factories in the devastated area have been wiped out. Four thousand textile factories and 4,000 alimentary factories have been destroyed or stripped of their equipment, which was either taken away to Germany or destroyed on the spot.

One thousand six hundred and forty-nine communes or townships have been completely destroyed. Of 707 townships, three-quarters have been destroyed. Of 1,656, at least 50 per cent. have been destroyed.

630,000 HOUSES DAMAGED

Three hundred and nineteen thousand two hundred and sixty-nine houses have been completely destroyed and 313,675 partially destroyed; that is, 630,000 houses were either completely destroyed or partially destroyed. Twenty thousand six hundred and three factories have been destroyed, 8,000 kilometers of railway, nearly 5,000 bridges, 52,000 kilometers of road and 3,800,000 hectares of soil which must be restored to condition, of which 1,740,000 is cultivated soil.

There is a reduction of 50 per cent. of the total coal production of France, 21,000,000 tons instead of 42,000,000, and these figures are the minimum.

I have passed through this devastated area pretty well from one end to the other, and it is perfectly appalling. The very soil is churned up and destroyed. A good deal of this devastation was wrought through bombardments and movements of war, but an incredible amount of damage was done deliberately with a view to destroy essential means of production. This is true both of France and of Belgium.

[Mr. Lloyd George then quoted General von Bissing's statement at the first meeting of the German Economic Mission to Belgium on June 19, 1915, the "object being to provide that Belgium's recovering industry should not prejudice German industry," and told how great factories were wantonly destroyed, the mechanism taken to Germany and apparatus destroyed by oxyhydrogen flames in order to cripple French and Belgian industries and to make it impossible for them to compete with German industries when the war was over. Mr. Lloyd George continued:]

There is a very numerous class of cases where machinery and equipment was broken up in order to furnish Germany with metal. Many of the mines in the North of France were deliberately destroyed with a view to making it impossible to work them for years, not by bombardment but by deliberate acts of destruction. Machinery in many of the textile and other factories was either destroyed or essential equipment taken away.

Take the case of the French flax industry, a most important industry in France. This was practically wiped out by a process of destroying all machinery, so that Germany, which supplied France before the war to the extent of 8.5 per cent., now supplies 50 per cent. of flax products. Take the case of the blast furnaces and rolling mills in Belgium. They were deliberately blown up by dynamite and the place left in ruins, so that when the war was over Belgian industry would take years to be in a position to compete with Germany. I can supply many other cases where factories in Belgium and France, which constituted a menace to their competitors in Germany, were deliberately put out of action.

GERMAN FACTORIES ALL INTACT

On the other hand, the houses of Germany, with comparatively few exceptions in East Prussia, have sustained no damage. The factories of Germany are quite intact. The moment the war was over they were free to manufacture their fabrics and to sell them to the world, while their rivals had their factories and workshops destroyed and their machinery removed or broken up. Therefore, unless reparation is made by Germany, it means that the victors will pay the price of defeat and the vanquished will reap the fruits of victory.

I have been informed by the Belgian Ministers who are present that the destruction of Belgian factories and machinery proceeded to such an extent that the German Army in Belgium deported 150,000 Belgian workmen to Germany on the ground that they were unemployed, but this does not represent the whole of the devastation wrought as a result of the war provoked by the German Imperial Government. I have not given the figures for Italy. I have not given the whole of the figures for Great Britain. I have simply taken these as samples of destruction which took place. There is destruction of millions of tons of mercantile shipping. Great Britain, a country more dependent on its shipping than any other, had 8,000,000 tons sent to the bottom of the sea.

THE HUMAN LOSSES

But this summary is incomplete without reference to the still more poignant and devastating loss inflicted upon the allied countries by the killing and crippling of multitudes of their young and vigorous men in the prime of their strength. France lost 1,400,000 in killed, and has to pay pensions to 3,500,000 people. The British Empire lost 1,000,000 in killed, and the crippled who are drawing pensions number about 1,700,000. I have not by me the figures for Italy and Belgium.

These casualties represent not merely loss in a country of real strength and capacity for wealth production, but a heavy annual burden upon the resources of a country to maintain the dependents and crippled and maimed who cannot earn a living for themselves. France alone, and Great Britain alone, in this respect bear each an annual burden which is almost three times the amount of the whole annual payment now offered by Germany to meet the claim for damages of all kinds.

Germany, no doubt, has suffered from the war, but in the loss of life it is not comparable, in proportion to the population, to that sustained by France, and as to material damage, that in East Prussia is trivial compared with that which has been inflicted on France.

With all this gigantic injury, what is now offered to France, staggering under the load of expenditure cast upon her by war debt and by this wanton destruction which made of her richest province a hideous wilderness of ruin and despair, with the urgent need that she should rebuild the shattered homes and restore the factories which are the sole means of livelihood for the poor people who had endured for five years the horrors of war in their devastated provinces, and with her enormous pension liabilities added on the rest?

WHAT GERMANY OFFERS

What is offered to Great Britain, with her gigantic debt and pension list incurred in enforcing a treaty which her King signed with the King of Prussia, but which was broken by the latter's dependents?

What is offered to Italy and to Belgium to relieve their burdens? What is offered? Not one-fourth of the sum required to repair the damage, and that only on conditions that those who need it most find it out of their own pockets first, on highly privileged terms, when they can with difficulty raise the money in their own markets to carry on the essential work of government. That is the offer.

I cannot understand a psychology which permits the representatives of a country whose Government was responsible for the most devastating war the world has ever seen to come solemnly with such terms to a conference with the representatives of the countries that have been the victims of that devastation.

Had the German Government come here with some proposal which indicated a sincere desire to discharge its obligations, we should have given it the fairest and most patient consideration. If they had said "Forty-two years is too lengthy a period," if they had said "The levy of 12 per cent. upon our exports is not the best method of meeting our liabilities or of ascertaining the amount Germany is at a given moment capable of paying, we have other ways which, while they suit us better, will equally meet the case," we should have sat down at these conference tables with the German delegation to examine in perfect good faith their counter-proposals, with a view to arriving at a reasonable accord. These differences perpetuate an atmosphere of disaccord and distrust, and that is fatal to the peace which is so essential to enable the world to renew its normal tasks.

We know that we were prepared to make

all legitimate allowances for the real difficulties under which the German and all other people labor as a result of the war, but these proposals are, frankly, an offense and an exasperation. And as one who is anxious that real peace should be restored in Europe between all its peoples, I deeply deplore that such proposals should ever have been put forward, for they indicate a desire not to perform but to evade the obligations which Germany has incurred, obligations which are far short of those which, according to the precedent she herself set in 1871, we might have imposed.

GERMAN TAXATION INADEQUATE

Had the German Government imposed taxation on their people comparable to the taxes laid by the allied countries on their citizens, they would be in a better position to confront us at the conference table. But here again the vanquished insist upon being let off more lightly than the victor. The German debt, nominally high, is not even nominally as heavy in percentage to the population as that of Great Britain. Britain during the war raised £3,000,000,000 in taxation toward the cost of carrying on the war. Germany made no such effort.

Today her apparently gigantic debt has been reduced almost to the amount of her pre-war liabilities by a process of depreciating her currency. She has nominally imposed very heavy direct taxes on wealth, but every one knows that they are not fully collected. Her indirect taxes, which are taxes which affect the bulk of the population, are ridiculously low compared with Great Britain's.

[Lloyd George then gave the figures from which he deduced that Germany's failure to bring up her taxation to the level of the taxes in the allied countries constituted in itself an infringement of the Treaty of Versailles, adding that until she imposed at least an equal taxation she was not in position to plead that she was unable to meet the demands of the Paris proposals. Continuing, the British Premier said:]

Now I come to the conclusion of this statement. As I indicated in a short statement I made on Tuesday as President of this conference, the counter-proposals do not even afford a basis for examination or discussion. They are simply provocative. Further reflection confirms our first impression. It would therefore be a sheer waste of time to devote any sittings to their consideration. Allies have been conferring upon the whole position and I am now authorized to make this declaration on their behalf:

BREACHES OF THE TREATY

The Treaty of Versailles was signed less than two years ago. The German Government has already defaulted in respect of some of its most important provisions—delivery for trial of criminals who have offended against the laws of war, disarmament, payment in cash or in kind of 20,000,000,000 of gold marks, these are some of the provisions.

The Allies have displayed no harsh insistence upon the letter of their bond. They have extended time. They have even modified the character of their demands. But each time the German Government failed them. In spite of the treaty and of the honorable undertaking given at Spa, the criminals have not yet been tried, let alone punished, although the evidence has been in the hands of the German Government for months. Military organizations, some of them open, some clandestine, have been allowed to spring up all over the country, equipped with arms that ought to have been surrendered.

If the German Government had shown, in respect of reparations, a sincere desire to help the Allies to repair the terrible losses inflicted upon them by the act of aggression, of which the German Imperialist Government was guilty, we should still have been ready, as before, to make all allowances for the legitimate difficulties of Germany. But the proposals put forward have reluctantly convinced the Allies either that the German Government does not intend to carry out its treaty obligations or that it has not strength to insist, in face of selfish and shortsighted opposition, upon the necessary sacrifices being made.

If that is due to the fact that German opinion will not permit it, that makes the situation still more serious and renders it all the more necessary that the Allies should bring the leaders of public opinion once more face to face with the facts.

The first essential fact for them to realize is this, that the Allies, while prepared to listen to every reasonable plea arising out of Germany's difficulties, cannot allow any

further paltering with the treaty. We have therefore decided, having regard to the infractions already committed and to the determination indicated in these proposals that Germany means still further to defy and explain away the treaty and to the challenge issued not merely in these proposals but in official statements made in Germany by the German Government, that we must act upon the assumption that the German Government are not merely in default, but deliberately in default; and unless we hear by Monday that Germany is either prepared to accept the Paris decisions or to submit proposals which in other ways are equally satisfactory to discharge her obligations under the Treaty of Versailles, subject to the concessions made in the Paris proposals, we shall as from that date take the following course under the Treaty of Versailles: The Allies will immediately occupy Duisburg. Ruhrort and Düsseldorf, on the right bank of the Rhine, levy a tax on the sale price of German goods in allied countries and establish a customs line on the Rhine.

[*The full story of the London conference, whose climax was marked by this speech, is told in the proceeding article, pages 26-33.*]

TO INVESTIGATE PHILIPPINE CONDITIONS

MAJOR GEN. LEONARD WOOD was requested by President Harding to go to the Philippines as the special representative of the President to investigate and report on the question of independence for these Pacific possessions. The General will be accompanied by a military aid and perhaps by W. Cameron Forbes, former Governor General of the islands. It is expected that the mission will be absent from this country from three to four months. The General, however, will not be relieved of his command of the Sixth Corps area during his absence.

The Trustees of the University of Pennsylvania have offered General Wood the position of Provost at a salary of $25,000, and it is understood he has decided to accept.

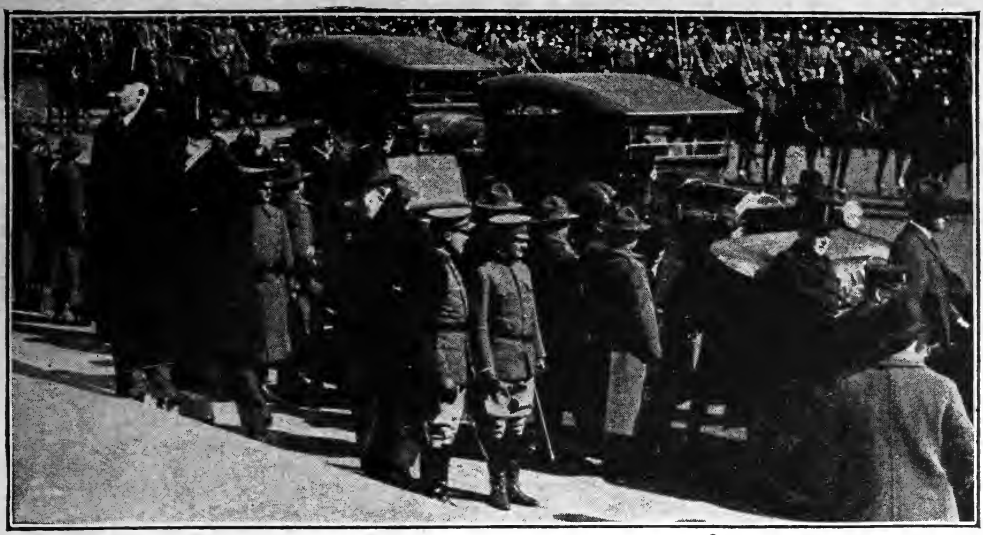
Retiring after eight years of distinguished service as Governor General of the Philippines, Francis Burton Harrison received a demonstrative farewell as he took ship at Manila for home on March 5. Thousands joined in the ceremony, as nearly all the organizations in Manila formed a parade from Malacanang, the Governor's residence, to the House of Representatives. There addresses were delivered in English and Tagalog. In the evening a banquet to him was attended by several thousand persons.

Mr. Harrison's last official message to the Filipino people follows:

> My greatest regret on leaving my post is the fact that I will no longer serve the people of the Philippines as a public official. Wherever I may be, however, I will do everything in my power for the advancement of the Philippine cause. I will work for its sacred ideals. I feel the most profound gratitude for the generosity and sympathy with which my administration was helped by the people of these islands.

Dr. Guy Potter Benton of New York, former President of the University of Vermont, was elected President of the University of the Philippines on March 8, at a yearly salary of $15,000, with an extra allowance of $1,500 a year for house rent. Dr. Benton signed a contract for one year, with the privilege of renewing it for nine years more. He arrived in Manila six months ago as an educational consultant for the Philippine district of the United States Army.

Breaking the world's record for long-distance wireless telegraphy, the United States Army on March 8 sent messages from Cavite, Philippine Islands, to Washington, a distance of 10,000 miles. The Cavite station sent test messages 7,000 miles to the wireless station on Goat Island, California, whence they were forwarded to San Diego, and on to Washington. This record makes it possible to do away with the present system of sending cable messages via the Midway Islands, Guam and Honolulu. A new automatic control eliminates all handling of messages between originating and receiving points, making it possible for warships 3,000 miles from a shore station to communicate directly with Washington.



(© Underwood & Underwood)

A dramatic moment of Inauguration Day: President-elect Harding, a few minutes before his own inauguration, is mounting the Senate steps, with Senator Knox and Congressman Cannon, to witness the inauguration of Vice President Coolidge. President Wilson remains alone in the car, being unable to walk up the steps with his successor

PRESIDENT HARDING'S INAUGURATION

Simple but impressive ceremonies mark the beginning of a new Administration—Addresses of the President and Vice President—Personnel of the new Cabinet, with other appointments—How Europe received the policy outlined in the inaugural address

EXACTLY eight years and eight minutes after his predecessor had been inducted into office, Warren Gamaliel Harding became President of the United States, March 4, 1921. In accordance with his wishes, the ceremonies were of the simplest character, and yet lacked nothing of impressiveness. A crowd much smaller than usual saw the retiring and incoming Presidents take the historic ride down Pennsylvania Avenue. The Presidential parade, consisting merely of a troop of cavalry and a dozen automobiles, was greeted with frequent bursts of applause and cheering along the route.

The party proceeded to the Senate Chamber, where President Wilson signed a few belated bills and then departed for his new home, physical weakness preventing him from further participation in the ceremonies. Mr. Harding stayed long enough to witness the induction into office of Vice President Coolidge and then proceeded to the east portico of the Capitol. There a small kiosk of Corinthian architecture had been erected to shelter the participants in the inauguration exercises.

SIMPLE CEREMONIES

A great throng had gathered in the plaza. The sky was brilliant and the atmosphere keen, with slightly more than the ordinary tang to it. In front of the kiosk and below it sat the Marine Band, gay in scarlet coats and bright blue trousers, while the steps of the Capitol were guarded by marines with color guards of regulars and sailors. To keep the steps clear, army officers, diplomats and pretty girls were pressed into service and held up long white ribbons to

keep back the spectators on both sides. The band struck up a lively air as Mrs. Harding came down the steps, escorted by a military aid and followed by other women of the new President's family. Then came members of the Cabinet and the Justices of the Supreme Court. Finally, President-elect Harding came down the steps, escorted by Senator Knox, and the band broke into a triumphal march.

After Mr. Harding had reached his allotted central position in the kiosk, Senator King took a position at his left. The Marshal of the Court laid the open Bible on the desk and Mr. Harding faced about, laid one hand on the Book and lifted the other as Chief Justice White administered this oath:

> I, Warren Gamaliel Harding, do solemnly swear that I will faithfully execute the office of President of the United States and will to the best of my ability preserve, protect and defend the Constitution of the United States, so help me God.

Mr. Harding repeated the oath slowly and clearly, and when he added the final invocation bent over to kiss the Bible and rose smiling. The crowd cheered and the band struck up "The Star-Spangled Banner."

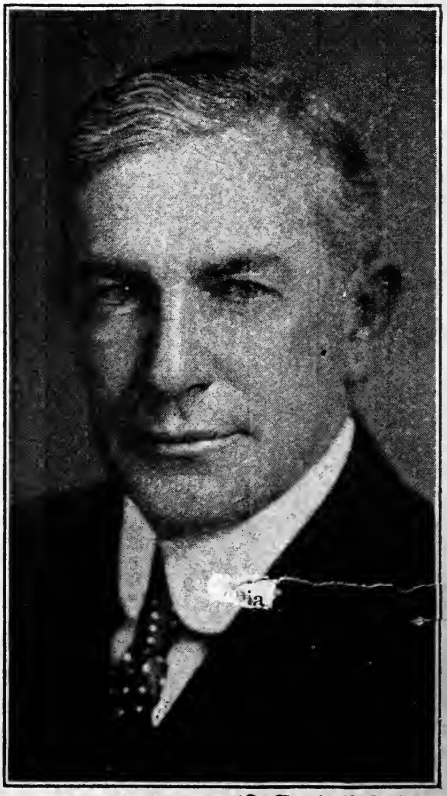
Then President Harding began the reading of his inaugural address. An amplifier, hidden by a flag spread over the ceiling of the kiosk, carried his words clearly to the furthest parts of the throng. The President spoke with only perfunctory references to his notes, and was listened to with deference and profound attention.

INAUGURAL SPEECH

The inaugural address was characterized by solemnity and elevation of tone. It was in the main an appeal for an era of good feeling, a return to normalcy, a policy of non-involvement in European affairs and the cultivation of the home market. There was no definite pronouncement on proposed legislation, nor was this expected, as the President had previously announced that he would commit himself to no specific policy before taking counsel with his advisers.

Perhaps the most decided stand taken by the President was in regard to foreign relations. Concerning these he said in part:

> The recorded progress of our Republic, materially and spiritually, in itself proves the wisdom of the inherited policy of non-involvement in Old World affairs. Confident of our ability to work out our own destiny and jealously guarding our right to do so, we seek no part in directing the destinies of the Old World. We do not mean to be entangled. We will accept no responsibility except as our own conscience and judgment in each instance may determine.
>
> We crave friendship and harbor no hate. But America, our America, the America builded on the foundation laid by the inspired fathers, can be a party to no permanent military alliance. It can enter into no political commitments, nor assume any economic obligations or subject our decisions to any other than our own authority.
>
> We are ready to associate ourselves with the nations of the world, great and small, for conference, for counsel, to seek the expressed views of world opinion, to recommend a way to approximate disarmament and relieve the crushing burdens of military and naval establishments. We elect to participate in suggesting plans for mediation, conciliation and arbitration, and would gladly join in that expressed conscience of progress which seeks to clarify and write the laws of international relationship and



(© *Harris & Ewing*)
HENRY P. FLETCHER
Former Ambassador to Mexico, now Under Secretary of State

establish a world court for the disposition of such justiciable questions as nations are agreed to submit thereto. But every commitment must be made in the exercise of our national sovereignty.

Since freedom impelled and independence inspired and nationality exalted, a world supergovernment is contrary to everything we cherish and can have no sanction by our Republic. This is not selfishness; it is sanctity. It is not aloofness; it is security. It is not suspicion of others; it is patriotic adherence to the things which made us what we are.

(© Pach Bros.)
THEODORE ROOSEVELT
Assistant Secretary of the Navy, a position once held by his distinguished father

The concluding paragraph of the address was as follows:

> I have taken the solemn oath of office on that passage of Holy Writ wherein it is asked, "What doth the Lord require of thee but to do justly, to love mercy and walk humbly with thy God?" This I plight to God and country.

There was a roar of applause as he concluded and turned to receive the congratulations of those near by, Vice President Coolidge being the first to shake hands with him. Then, as the President and Mrs. Harding started to leave the stand for the Capitol, the band played "America."

Following his inauguration President Harding appeared in person in the Senate and presented the nominations of the men

(© Kadel & Herbert)
MISS ALICE M. ROBERTSON
Only woman member of the new Congress, elected in Oklahoma

whom he had selected to head the executive departments. His appearance before an executive session of the Senate revived a custom which Washington started and which Jefferson was the last to follow.

The President was in the Senate not more than fifteen minutes, and himself read the names of the new Cabinet officers in their constitutional order, as follows:

Secretary of State—Charles Evans Hughes of New York.

Secretary of the Treasury—Andrew W. Mellon of Pennsylvania.

Secretary of War—John W. Weeks of Massachusetts.

Attorney General—Harry M. Daugherty of Ohio.

Postmaster General—Will H. Hays of Indiana.

Secretary of the Navy—Edwin Denby of Michigan.

Secretary of the Interior—Albert B. Fall of New Mexico.

Secretary of Agriculture—Henry C. Wallace of Iowa.

Secretary of Commerce—Herbert C. Hoover of California.

Secretary of Labor — James J. Davis of Indiana.

There was no opposition to any of the appointments when they were referred to the appropriate committees, and when finally the nominations were offered to the Senate for confirmation as a whole they were approved unanimously.

Many of the members of the new Cabinet are men of national, and two at least of international, reputation. Secretary Hughes is one of the leading lawyers and jurists of the country. He was twice Governor of New York and for six years was an Associate Justice of the Supreme Court of the United States. In 1916 he was the candidate of the Republican Party for President.

Secretary of the Treasury Mellon is a Pennsylvania banker and reputed to be one of the wealthiest men in America. Besides his banking affiliations, he has large interests in coal, coke, steel and iron enterprises.

Secretary Weeks of the War Department is a graduate of Annapolis and a former United States Senator from Massachusetts. In 1916 he was a candidate for the Presidential nomination.

Attorney General Daugherty is an Ohio lawyer with offices in Columbus, and was convention manager for President Harding.

Postmaster General Hays is the youngest member of the Cabinet, being only 41. He is a lawyer, as are four other Cabinet members. In 1918 he was made Chairman of the Republican National Committee.

Secretary of the Navy Denby has served three terms in the House and was on the Committee on Naval Affairs. He has been an enlisted man in the navy and the Marine Corps.

Secretary of the Interior Fall has been a conspicuous member of the Senate and has taken a large part in debates and legislative action regarding Mexico.

Secretary of Agriculture Wallace is an editor, publisher and practical farmer of Iowa.

Secretary of Labor Davis began life as a tinplate worker and afterward went into the banking business in Pittsburgh, Pa.

VICE PRESIDENT COOLIDGE'S INAUGURATION

Calvin Coolidge was inaugurated as Vice President of the United States in the presence of a notable gathering, including President-elect Harding. The new Vice President was sworn in at 12:21 o'clock. Mr. Marshall, the retiring Vice President, announced that the Senate of the Sixty-sixth Congress was adjourned sine die, and handed the gavel of authority to his successor. Every one rose to his feet, and there was prolonged applause.

After the chaplain had offered prayer, Mr. Coolidge began the delivery of his inaugural address. He spoke in a deep, rather low voice with a metallic ring, and was clearly heard throughout the chamber.

Mr. Coolidge's address was comparatively brief. He declared that the Senate was a "citadel of liberty" in the constitutional structure of the United States, and that its record for wisdom had never been surpassed by any legislative body.

The valedictory of Mr. Marshall, preceding the speech of his successor, was an expression of deep faith in the American form of government and a warning against hasty reforms. He received an ovation when he concluded.

Prior to the ceremonies, the Senate had spent more than an hour in conducting its closing legislative business, with some diversion due to the occasion of the outgoing of an old and the incoming of a new national Administration.

After the inauguration, the fourteen new Senators and the present members of the Senate who had been re-elected for the new term went forward as their names were called to take the oath. Of the new Senators, eleven were Republicans and three Democrats. They were sworn in by Vice President Coolidge in alphabetical groups.

INTERESTING SIDELIGHTS.

The Bible on which President Harding took the oath of office has an interesting history. When Washington was sworn in at New York, April 30, 1789, for his first term, it was found at the last moment that no Bible was at hand on which to take the oath. Jacob Morton, who was Marshal of the parade and at that time Master of St. John's Masonic Lodge, was standing close by, and, seeing the dilemma of the officials, remarked that he could get the Bible of St. John's Lodge, which met at the "Old Coffee House," corner of Water and Wall Streets. Chancellor Livingston begged him to do so.

The Bible was brought and the ceremony proceeded.

When Washington had finished repeating the oath, with his right hand resting on the open book and his head bowed in a reverential manner, he said in a clear and distinct voice: "I swear, so help me God." Then, bowing, he kissed the book. Whereupon Livingston exclaimed: "Long live George Washington, President of the United States."

The same Bible was carried in the procession that took place when Washington was buried. It is considered by Masons as one of the priceless relics in the possession of the order in this country. It was taken to Washington in a private car under special guard, and returned to New York with the same precaution.

LOVING CUP TO MARSHALL.

Retiring Vice President Marshall received on Feb. 28 from his "brethren" of the Senate, as he called them, a token of the high esteem and affectionate regard in which he was held by all of them, regardless of party. It was a beautiful loving cup, standing two feet high and bearing the simple legend that it was the gift of all the Senators to the Vice President. It was intended, as Senator Lodge expressed it, to remind him of the feeling of sadness that pervaded the Senate as the hour of parting drew near. The speech of Mr. Marshall in acceptance was the signal for a great demonstration at its conclusion.

PRESIDENT WILSON'S EXIT

The departure of President Wilson from official life was dramatic and pathetic. While it had been his sincere desire to participate to the fullest extent as a witness of the swearing in of the new Administration, the closing hours of his own term of office, both in the White House and at the Capitol, had fatigued him to such an extent that at the eleventh hour he decided to forego the inaugural ceremonies, both within the Senate Chamber and on the eastern portico of the Capitol.

The first of these was scheduled to open on the stroke of noon. Five minutes before that hour the President left the President's Room in the Senate wing of the Capitol, was escorted to a private elevator by Senator Knox, walked with a limp and a cane slowly to a waiting automobile, and, in company with Mrs. Wilson, Admiral Grayson and Secretary Tumulty, was driven to his new home at 2,340 S Street, N. W. There he enjoyed a brief rest, and after luncheon figured in a series of ovations tendered by a throng of several thousand persons who assembled in front of his home when the inauguration ceremonies of his successor had concluded.

EX-PRESIDENT TO PRACTICE LAW

Considerable surprise was caused by the announcement, March 3, that Mr. Wilson had planned to form a partnership with Bainbridge Colby, his Secretary of State, and begin the practice of law following his retirement from office. It had been generally thought that he would devote himself to authorship. The White House statement read:

> The President made the announcement today that at the conclusion of his term of office he would resume the practice of law, forming a partnership with the Secretary of State, Bainbridge Colby. The firm will have offices in New York and Washington.

No further details were forthcoming. It was believed that the new firm would make a specialty of cases in which international law and relations would play a large part. Mr. Wilson has had a remarkable opportunity to acquaint himself with international relationships, and Mr. Colby, by reason of his work for the Government as a member of the Shipping Board and as Secretary of State, has also had exceptional facilities.

Mr. Wilson was graduated from the Law School of the University of Virginia in 1881 and practiced at Atlanta, Ga., in 1882 and part of 1883. In the latter year he went to Baltimore and took up post-graduate work at the Johns Hopkins University. He had some cases in the courts of Baltimore, but in 1885 he gave up the law to take the Chair of History and Political Economics at Bryn Mawr College, later becoming a professor and President of Princeton University.

FOREIGN COMMENT.

Comment abroad was cautious regarding the President's inaugural address, and there was a general disposition to await further

developments before drawing conclusions. In France there was a feeling of disappointment because there was no mention of that country or of the Allies. There was a general agreement of opinion that the President did not intend that the United States should join the League or that America should resume her place as a member of the Allied Supreme Council.

A lesser degree of regret was felt in London, where it was thought that the speech promised American co-operation in the reconstruction of the world, not, to be sure, along the lines of the League of Nations, but according to plans which differ more in form than in substance from those which were rejected by the American people in November.

There was frank chagrin in Germany, where the hope had been clung to that something in the speech would indicate a trend toward the German and against the allied point of view.

Italian organs of opinion agreed that the passing of the Presidential power from Mr. Wilson to Mr. Harding definitely closed the historic period in which the United States collaborated with Europe in a cause which seemed to it world-wide, but which quickly became European again. They hoped, however, that the President would come to understand the impossibility of the United States completely disinteresting itself in the affairs of Europe.

The comment of the South American press was in the main cordial, and felicitations were sent by cable from the President of Uruguay to President Harding.

NEW APPOINTMENTS

A special session of the Senate was called to act upon nominations to office under the new Administration, and to this the President sent a number of names for confirmation. Among these, the most important were those of Henry P. Fletcher to be Under Secretary of State, Theodore Roosevelt to be Assistant Secretary of the Navy, Elmer D. Ball to be Assistant Secretary of Agriculture, John J. Esch of Wisconsin and Mark W. Potter of New York as members of the Interstate Commerce Commission, and D. R. Crissinger of Marion, Ohio, as Controller of the Currency. All the nominations were confirmed by the Senate. An appointment that did not require the Senate's confirmation was that of Thomas W. Miller, formerly Representative from Delaware, to be Alien Property Custodian. Anthony Caminetti, Commissioner of General Immigration, was replaced by William W. Husband of St. Johnsbury, Vt., whose nomination was promptly confirmed.

The following appointments were made March 14: J. Mayhew Wainwright to be Assistant Secretary of War, Eliot Wadsworth of Boston to be Assistant Secretary of the Treasury, and Eugene Mayer of New York as a Director of the War Finance Corporation. The three were promptly confirmed by the Senate.

A SECRET OF THE MARNE VICTORY

A WAR secret unknown to the general public was revealed by Lieut. Col. Fagalde, Military Attaché to the French Embassy in London, in a lecture delivered at the Institut Français du Royaume Uni, on Jan. 21, 1921. In the critical days of the last of August and the beginning of September, 1914, when Fagalde was still a Captain, there was brought to him the satchel of a German Staff officer of the Fifth Cavalry Division, who had been killed in his motor car by a French patrol. In this satchel, destined to become historic, was found a plan giving full details of the advance, beginning Sept. 2, of the whole First German Army under General von Kluck. The position of every column was plainly marked, with the heads and rear guards, and the hours of departure and arrival at their objectives. Thus for the first time the French learned that the anticipated march into the valley of the Oise had been changed in favor of a direct march on Paris. Captain Fagalde at once telephoned this information to General Headquarters and dispatched the map and other documents by motor car to the French military command. Through this information, General Galliéni was enabled to throw his army on von Kluck's flank, with the resultant victory of the Marne and the German retreat to the Aisne. Paris and France were saved by this unexpected discovery on the very eve of a national catastrophe.

WOODROW WILSON'S PLACE IN HISTORY

By General Jan Christian Smuts
Premier of the Union of South Africa

A scholarly and eloquent review of the work done at Paris by the former President of the United States, written to the American people by the South African Premier at the instance of the New York Evening Post

IT has been suggested that I should write a short estimate and appraisal of the work of President Wilson on the termination of his Presidency of the United States of America. I feel I must comply with the suggestion. I feel I may not remain silent when there is an opportunity to say a word of appreciation for the work of one with whom I came into close contact at a great period and who rendered the most signal service to the great human cause.

There is a great saying of Mommsen (I believe) in reference to the close of Hannibal's career in failure and eclipse: "On those whom the gods love they lavish infinite joys and infinite sorrows." It has come back to my mind in reference to the close of Wilson's career. For a few brief moments he was not only the leader of the greatest State in the world; he was raised to far giddier heights and became the centre of the world's hopes. And then he fell, misunderstood and rejected by his own people, and his great career closes apparently in signal and tragic defeat.

IN A TERRIBLE POSITION

What is the explanation of this tremendous tragedy, which is not solely American, which closely concerns the whole world? Of course, there are purely American elements in the explanation, which I am not competent to speak on. But besides the American quarrel with President Wilson there is something to be said on the great matters in issue. On these I may be permitted to say a few words.

The position occupied by President Wilson in the world's imagination at the close of the great war and at the beginning of the Peace Conference was terrible in its greatness. It was a terrible position for any mere man to occupy. Probably to no human being in all history did the hopes, the prayers, the aspirations of so many millions of his fellows turn with such poignant intensity as to him at the close of the war. At a time of the deepest darkness and despair he had raised aloft a light to which all eyes had turned. He had spoken divine words of healing and consolation to a broken humanity. His lofty moral idealism seemed for a moment to dominate the brutal passions which had torn the Old World asunder. And he was supposed to possess the secret which would remake the world on fairer lines. The peace which Wilson was bringing to the world was expected to be God's peace. Prussianism lay crushed; brute force had failed utterly. The moral character of the universe had been most signally vindicated. There was a universal vague hope of a great moral peace, of a new world order arising visibly and immediately on the ruins of the old. This hope was not a mere superficial sentiment. It was the intense expression at the end of the war of the inner moral and spiritual force which had upborne the peoples during the dark night of the war and had nerved them to an effort almost beyond human strength. Surely, surely God had been with them in that long night of agony. His was the victory; His should be the peace. And President Wilson was looked upon as the man to make this great peace. He had voiced the great ideals of the new order; his great utterances had become the contractual basis for the armistice and the peace. The idealism of Wilson would surely

become the reality of the new order of things in the Peace Treaty.

WILSON AND THE TREATY

In this atmosphere of extravagant, almost frenzied expectation, he arrived at the Paris Peace Conference. Without hesitation he plunged into that inferno of human passions. He went down into the pit like a second Heracles to bring back the fair Alcestis of the world's desire. There were six months of agonized waiting, during which the world situation rapidly deteriorated. And then he emerged with the Peace Treaty. It was not a Wilson peace, and he made a fatal mistake in somehow giving the impression that the peace was in accord with his Fourteen Points and his various declarations. Not so the world had understood him. This was a Punic peace, the same sort of peace as the victor had dictated to the vanquished for thousands of years. It was not Alcestis, it was a haggard, unlovely woman, with features distorted with hatred, greed, and selfishness, and the little child that the woman carried was scarcely noticed. Yet it was for the saving of the child that Wilson had labored until he was a physical wreck. Let our other great statesmen and leaders enjoy their well-earned honors for their unquestioned success at Paris. To Woodrow Wilson, the apparent failure, belongs the undying honor, which will grow with the growing centuries, of having saved the "little child that shall lead them yet." No other statesman but Wilson could have done it. And he did it.

The people, the common people of all lands, did not understand the significance of what had happened. They saw only that hard, unlovely Prussian peace, and the great hope died in their hearts. The great disillusionment took its place. The most receptive mood for a new start the world had been in for centuries passed away. Faith in their Governors and leaders was largely destroyed, and the foundations of human government were shaken in a way which will be felt for generations. The Paris peace lost an opportunity as unique as the great war itself. In destroying the moral idealism born of the sacrifices of the war it did almost as much as the war itself in shattering the structure of Western civilization.

TORN TO PIECES BY HIS OWN PEOPLE

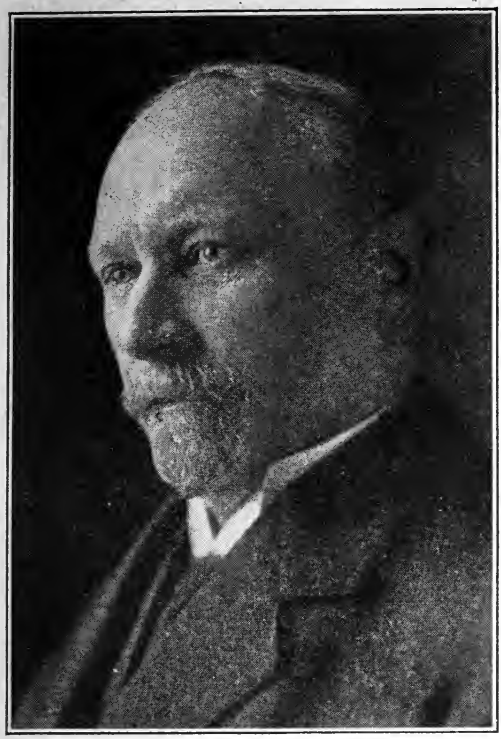
And the odium for all this fell especially on President Wilson. Round him the hopes had centred; round him the disillusion and despair now gathered. Popular opinion largely held him responsible for the bitter disappointment and grievous failure. The cynics scoffed; his friends were silenced in the universal disappointment. Little or nothing had been expected from the other leaders; the whole failure was put to the account of Woodrow Wilson. And finally America for reasons of her own joined the pack and at the end it was his own people who tore him to pieces.

Will this judgment, born of momentary disillusion and disappointment, stand in future, or will it be reversed? The time has not come to pass final judgment on either Wilson or any of the other great actors in the drama at Paris. The personal estimates will depend largely on the interpretation of that drama in the course of time. As one who saw and watched things from the inside, I feel convinced that the present popular estimates are largely superficial and will not stand the searching test of time. And I have no doubt whatever that Wilson has been harshly, unfairly, unjustly dealt with, and that he has been made a scapegoat for the sins of others. Wilson made mistakes, and there were occasions when I ventured to sound a warning note. But it was not his mistakes that caused the failure for which he has been held mainly responsible.

THE REAL FAILURE

Let us admit the truth, however bitter it is to do so for those who believe in human nature. It was not Wilson who failed. The position is far more serious. It was the human spirit itself that failed at Paris. It is no use passing judgments and making scapegoats of this or that individual statesman or group of statesmen. Idealists make a great mistake in not facing the real facts sincerely and resolutely. They believe in the power of the spirit, in the goodness which is at the heart of things, in the triumph which is in store for the great moral ideals of the race. But this faith only too often leads to an optimism which is sadly and fatally at variance with actual

results. It is the realist and not the idealist who is generally justified by events. We forget that the human spirit, the spirit of goodness and truth in the world, is still only an infant crying in the night, and that



GENERAL JAN CHRISTIAN SMUTS
Premier of the Union of South Africa

the struggle with darkness is as yet mostly an unequal struggle.

Paris proved this terrible truth once more. It was not Wilson who failed there, but humanity itself. It was not the statesmen that failed, so much as the spirit of the peoples behind them. The hope, the aspiration for a new world order of peace and right and justice—however deeply and universally felt—was still only feeble and ineffective in comparison with the dominant national passions which found their expression in the Peace Treaty. Even if Wilson had been one of the great demigods of the human race, he could not have saved the peace. Knowing the Peace Conference as I knew it from within, I feel convinced in my own mind that not the greatest man born of woman in the history of the race would have saved that situation. The great hope was not the heralding of the coming dawn, as the peoples thought, but only a dim intimation of some far-off event toward which we shall yet have to make many a long weary march. Sincerely as we believed in the moral ideals for which we had fought, the temptation at Paris of a large booty to be divided proved too great. And in the end not only the leaders but the peoples preferred a bit of booty here, a strategic frontier there, a coal field or an oil well, an addition to their population or their resources—to all the faint allurements of the ideal. As I said at the time, the real peace was still to come, and it could only come from a new spirit in the peoples themselves

WHERE WILSON TRIUMPHED

What was really saved at Paris was the Child—the Covenant of the League of Nations. The political realists who had their eye on the loot were prepared—however reluctantly—to throw that innocent little sop to President Wilson and his fellow-idealists. After all, there was not much harm in it, it threatened no present national interest, and it gave great pleasure to a number of good, unpractical people in most countries. Above all, President Wilson had to be conciliated, and this was the last and the greatest of the Fourteen Points, on which he had set his heart and by which he was determined to stand or fall. And so he got his way. But it is a fact that only a man of his great power and influence and dogged determination could have carried the covenant through that Peace Conference. Others had seen with him the great vision, others had perhaps given more thought to the elaboration of the great plan. But his was the power and the will that carried it through. The covenant is Wilson's souvenir to the future of the world. No one will ever deny him that honor.

The honor is very great, indeed, for the covenant is one of the great creative documents of human history. The Peace Treaty will fade into merciful oblivion, and its provisions will be gradually obliterated by the great human tides sweeping over the world. But the covenant will stand as sure as fate. Forty-two nations gathered around it at the first meeting of the League at Geneva. And

the day is not far off when all the free peoples of the world will gather round it. It must succeed, because there is no other way for the future of civilization. It does not realize the great hopes born of the war, but it provides the only method and instrument by which in the course of time those hopes can be realized.

Speaking as one who has some right to speak on the fundamental conceptions, objects and methods of the covenant, I feel sure that most of the present criticism is based on misunderstandings. These misunderstandings will clear away, one by one the peoples still outside the covenant will fall in behind this banner under which the human race is going to march forward to triumphs of peaceful organization and achievement undreamed of by us children of an unhappier era. And the leader who, in spite of apparent failure, succeeded in inscribing the name on that banner has achieved the most enviable and enduring immortality. Americans of the future will yet proudly and gratefully rank him with Washington and Lincoln, and his fame will have a more universal significance than theirs.

RUSSIAN MENNONITES COMING TO AMERICA

PEOPLE in the United States know something of that peculiar sect, whose religious beliefs are a combination of those of the Baptists and of the Quakers—the Mennonites. Some Mennonities there are among our own so-called "Pennsylvania Dutch," and a well-known novelist has found them worthy of commemoration; in the Middle West, furthermore, they have a considerable colony. A movement is now on foot to increase this American colony by Mennonite emigration from South Russia. Dr. Hylkema, a Mennonite pastor of the colony in Holland, went to England early in February to ask aid there also for his Russian co-religionists, about 75,000 of whom, he said, desire to migrate.

The Mennonites, according to their creed, aim to live the life of Christ apart from the world. They refuse to take oath, to bear arms, or to play any part in the life of the State. Before the great war they were exempted from conscription as "conscientious objectors." By the Czar's decree, however, they were conscripted after the war with Germany began. Many lost their lands. Some were sent to the North to work in the forests, and died from the severe climate. These people, all prosperous peasant proprietors, whose farms lay in South Russia and Siberia, tried to recover their shattered fortunes after the Russian revolution, but the Bolshevist civil wars completed their ruin. They have suffered particularly from the depredations of robber bands, who have ravaged their farms, ruined their land and sacked their agricultural factories. There is no evidence that the Bolshevist authorities subjected them officially to any persecution. They wish, however, to make a new start in a land where conditions are more favorable, and their friends in America, all well-to-do farmers, are preparing to find them land and to help them to establish a new life.

The Mennonite movement originated in the sixteenth century in Switzerland and South Germany. Menno Simons, an ex-Catholic priest, was the early leader. Persecution drove large numbers into Holland. In the latter half of the eighteenth century many emigrated from Germany to the United States to escape military service. At the end of the century Catherine the Great introduced colonies of Mennonites from Germany to what were then the barren steppes of South Russia. They have never intermarried with the Russians. About fifty years ago a considerable number of these Russian Mennonites migrated to America, where they settled in the Middle West. In Russia they bear a high reputation as farmers, and they did much to develop the Ukraine as the "granary of Europe." They have their own institutions, their banks, their schools, their factories. The total number of the Russian colony is estimated at 100,000.

THE MONTH IN THE UNITED STATES

Army reorganization and important tests of battleships and airplanes—Failure of tariff and immigration bills—The Railroad situation—Report of the United States Shipping Board—Wage reductions and Supreme Court decisions

[PERIOD ENDED MARCH 12, 1921]

SECRETARY OF WAR WEEKS announced on March 8 that the policy of the War Department under the new Administration contemplated the organization of the nation's military forces into one harmonious, well-balanced and effective army, consisting of the Regular Army, the National Guard and the organized Reserves. The two former branches will be developed to the strength authorized by law, the announcement stated, and the reserves would be organized as divisions and auxiliary troops with full officer complement and sufficient enlisted strength to be capable of rapid recruitment to full strength.

ARMY BILL VETOED

The Senate and House came to an agreement March 2 on the Army bill, fixing the figure at 156,666 men. The House had been insisting on an army of 150,000 while the Senate wished the number to be 162,000. The President, on his last day in office, vetoed the bill outright, because he regarded the reduction in military strength as too drastic. He had previously disapproved the bill against further enlistments until the army was reduced to 175,000, but this had been passed over his veto. The matter thus remained to be thrashed out in the first session of the new Congress.

REPRESENTATIVE JAMES W. GOOD of Iowa, Chairman of the Appropriations Committee, denied on Feb. 23 that Congress had not fulfilled its obligations in supplying beds for disabled World War veterans. He charged that Ewing La Porte, Assistant Secretary of the Treasury, and other officials were neglectful in not utilizing nearly four thousand beds in hospitals now available for ex-service men. He showed that there were 24,560 war risk patients in hospitals and that there were 3,858 vacant Government hospital beds.

NEGLECT OF SOLDIERS DENIED

THE Navy Appropriation bill calling for expenditures of approximately $500,000,000 failed of passage at the last session of the Sixty-sixth Congress. Determined opposition by Senator Borah and other opponents of the present naval program prevented its coming to a vote. It was stated that it would be one of the first measures discussed at the forthcoming session. President Harding prior to his inauguration had announced his approval of the 1916 naval building program.

NAVAL BILL FAILS

PLANS for the greatest naval and aerial gun and bombing test ever conducted were announced on Feb. 28 by Secretary Daniels. The purpose was to determine the relative effects of gun and bomb hits on certain types of war vessels.

FLIERS TO ATTACK WARSHIPS

In these joint army and navy tests, which are to be made at sea between June 1 and July 15 next, the obsolete American battleships Iowa and Kentucky and nine former German war vessels allocated to the United States will be used as targets. It is not the intention to sink the Iowa and the Kentucky. Dummy bombs will be used by the airplanes attacking these warships. All of the former German vessels, however, are expected to be sunk.

The battleship Iowa will be radio-controlled during the tests. She will be attacked by dummy bombs from aircraft at a minimum altitude of 4,000 feet at a point within a zone between fifty and one hundred miles off coast, between Capes Hatteras and Henlopen. The Iowa will try to avoid being struck by the bombs.

The Ordnance Department has been ordered to prepare 298 bombs for use in the attack upon the former German ships. The bombs used will weigh 230, 250, 520, 550, and 1,000 pounds, or even more. One submarine is to be attacked and if possible sunk by bombs dropped from an aircraft, while the other submarines will be subjected to shellfire from destroyers. If none are sunk by bombs they are to be destroyed by depth charges.

One of the three former German destroyers will be attacked by aircraft and the two others by destroyers. If the aircraft and destroyers fail to sink them, they are to be attacked by battleships, and afterward, if still afloat, are to be sunk by depth bombs. The first attack on the Frankfort will be by aircraft using 250-pound bombs; the second by aircraft employing 520-pound bombs. After the army aircraft have their innings, the cruiser, if afloat, will be examined and then will be subjected to gunfire from a division of American destroyers at 5,000 yards range. If both gun and bombing attacks fail, recourse will be had to depth charges.

The most spectacular attack will be directed against the Ostfriesland. The army aviators will attack her with 550 or 1,000 pound or heavier bombs, either singly or in groups. Each attack will be followed by an examination of the battleship, if she is still afloat. Should the aircraft fail, the Ostfriesland will be shelled by an American dreadnought firing fourteen-inch shells at a range of not less than 18,000 yards. Then, if she still floats, she will be sunk by depth bombs.

The ships are not to use machine guns, gas or incendiary or smoke bombs in defense. The result of the experiments and the conclusions drawn are to be held secret by the Navy and War Departments until passed on by the joint board.

WAGE cuts during the month were reported from all sections of the country. A conspicuous exception was the United States Steel Corporation, which reduced neither wages nor prices. The Jones & Laughlin Steel Company reduced wages 20 per cent. The larger shipyards in the New York district made a wage cut of 10 per cent. The Chicago packers restored the ten-hour day and reduced wages from 12½ to 15 per cent. Most striking, and perhaps the most important, of all wage reductions were those announced by most of the great railroads of the country. The average cut was 22½ per cent. and was expected to cut over $600,000,000 from the payrolls of the railroads. Most of the cuts were to go into effect after a conference with representatives of the workers and were subject to such modifications as might be effected at such conferences. The Erie Railroad, however, was more abrupt, and ordered a cut of 27 per cent. in the pay of certain classes of its employes to go into effect on Feb. 1. This action was reproved by the Railway Labor Board, which ordered the road to restore wages to the rates ordered in the board's wage decision of July, 1920. The Erie at first defied the board, but later, on March 12, announced acquiescence in its decision, pending further action.

WAGE REDUCTIONS

A UNANIMOUS report of the Special House Committee which investigated the activities of the United States Shipping Board, of which committee Representative Joseph Walsh of Massachusetts was Chairman, made public March 2, recommended that the duties of the board be transferred to an executive department, so that more centralization of administrative authority could be obtained than was possible under a board of seven members.

REPORT ON SHIPPING BOARD

The investigators found that the work of the board was well performed during the rush period of the war. The report stated that, "considering the program as a whole, the accomplishments in the number of ships constructed, the tonnage secured and the time within which the ships were delivered and completed constitute the most remarkable achievement in shipbuilding that the world has ever seen."

Waste was admitted, but this was palliated in part by the stress of the war. The sale without delay of surplus ships and material still in the hands of the Emergency Fleet Corporation was recommended. Charles M. Schwab was exonerated from any irregularity, and the charge of bribery

against R. W. Bolling, brother-in-law of President Wilson, was declared to be without foundation. It was further urged that until the tremendous fleet of wooden ships should be disposed of, one competent person should be placed in charge of the operations, to be paid a salary commensurate with the responsibility of the position.

On March 11 President Harding wrote to Admiral Benson asking him to continue to function for the present as though the board were fully organized.

THE destroyer Woolsey of the United States Pacific Fleet, commanded by Commander Henry Chalfant Gearing Jr., one of the most modern of the destroyers in the navy, was lost off the Pacific Coast of Panama, Feb. 26, in consequence of a collision with a merchant vessel. The Woolsey was struck almost amidships by the steamer Steel Inventor, and immediately flooded and sank while in tow. The collision took place while the Pacific Fleet was en route from Panama waters to its California base, after participating in joint manoeuvres with the Atlantic Fleet in Panama waters and along the west coast of South America.

DESTROYER SUNK IN COLLISION

The casualties were one dead, two injured and fifteen missing, while 112 survivors had been taken aboard the destroyers Aaron Ward and the Philip, attached to the Pacific Fleet.

The Woolsey had a normal displacement of 1,154 tons, was 310 feet long and had about 31 feet beam at the load-water line. She was launched Sept. 17, 1918. Her armament consisted of four 4-inch guns, two 3-inch guns and four 21-inch torpedo tubes.

THE Fordney Emergency Tariff bill was vetoed by President Wilson on March 3. The veto, which had been expected, was embodied in a clear and temperate message, in which among other things the President said:

EMERGENCY TARIFF BILL VETOED

"Clearly this is no time for the erection of high tariff barriers. It would strike a blow at large and successful efforts which have been made by many of our great industries to place themselves on an export basis. It would stand in the way of normal readjustment of business conditions throughout the world, which is vital to the welfare of this country as to that of all the other nations. The United States has a duty to itself as well as to the world, and it can discharge this duty by widening, not by contracting, its world markets."

An attempt to override the veto failed by a vote of 201 to 132, twenty-two votes short of the necessary two-thirds.

PRESIDENT WILSON on Feb. 25 approved the Winslow-Townsend bill, thus making available to the railroads about $370,000,000 due in Government payments which had been held up pending the discussion of the legislation. This action was taken by the President in the face of protests by railway employes, who had opposed the payment before the Federal Labor Board. Resolutions also were adopted by the conference of national and international unions affiliated with the Federation of Labor, asking the President to withhold his approval, on the ground that while the railroad executives refused to deal with the employes in the settlement of disputes as to rules and working conditions, they should not receive financial assistance from the Government.

PAYMENT TO RAILROADS

The bill had been submitted by President Wilson to the Treasury Department and the Interstate Commerce Commission and approved by both.

THE House of Representatives on Feb. 24 agreed to a Senate amendment to the Diplomatic and Consular bill to purchase buildings and grounds in allied countries for American diplomats and consuls, and credit the purchase price against the money owed to the United States by allied countries. The amendment concurred in stipulated that buildings and grounds for embassies, legations and consular agents should be obtained in Rome, Brussels, Berlin, Christiania, Athens, Belgrade, Bucharest, Prague, Monrovia, Vienna, Budapest, Canton, Hankow and Amoy, and carried an appropria-

PURCHASE OF EMBASSIES

tion of $300,000 to be used to buy buildings in countries which do not owe money to the United States. In addition, the President was authorized to accept in his discretion on behalf of the United States unconditional gifts of land, buildings, furniture and furnishings, or any of them, for the use of the diplomatic and consular officials as residences.

REPRESENTATIVES of the 109 national and international unions affiliated with the American Federation of Labor, in convention at Chicago, Feb. 23, adopted resolutions declaring war on the "open shop," which they alleged was being fostered by certain groups of employers in order to disrupt trade unionism. They demanded freedom from anti-trust restrictions and declared the right of labor to resist injunctions.

FEDERATION OF LABOR CONVENTION

They also issued a sweeping condemnation of the Soviet Government of Russia and called officially on all workers to prevent the spread of Bolshevism. Investigations made of conditions in Russia and reports received from that country from various sources, it was declared, proved that the Soviet rule was a menace to the best interests of the working classes.

AN opinion handed down by Attorney General Palmer on March 3, just before he retired from office, held that it was not within the power of the Internal Revenue Bureau through regulations to limit the number of permits which could be issued for the manufacture and sale of spirituous, vinous or malt liquors for medicinal purposes, except that permits for retail sale must be limited to reputable druggists who are pharmacists or who employ a pharmacist.

RULING ON BEER AS MEDICINE

The Attorney General held further that while the Volstead act fixed at one pint the maximum amount of spirituous liquor which a physician might prescribe for any patient during the period of ten days, no such restriction had been placed upon the use of beer and wine for medicinal purposes. It was held, however, that regulations could be formulated which would prevent a physician from prescribing at one time a large quantity of the liquor, which might never be needed for the purpose for which it was prescribed.

The ruling was received with strong disapproval by the leaders of the "dry" element, who later brought the matter to the attention of Attorney General Daugherty, with a request for its nullification. Mr. Daugherty promised to give the matter careful consideration.

TWO decisions of far-reaching importance were rendered, Feb. 28, by the United States Supreme Court. In the first the court held that the sections of the Lever act punishing profiteering were invalid, for the reason that they were not clear to the men indicted under the act, as they did not specify sufficiently the nature of the crime.

SUPREME COURT DECISIONS

In the second case, the right of the Government to exempt from taxation bonds of the farm loan banking system was upheld. Because this right was attacked a year ago, the bonds of the system have been marketable only at much below par in the meantime, and Congress is now preparing to aid the banks by appropriating $200,000,000 for their support.

THE constitutionality of the rent laws passed at the extraordinary session of the New York State Legislature in 1920 was upheld by the State Court of Appeals, on March 8, in a most sweeping decision. The determination of the Appellate Division, First Department, was reversed, that court having held that the Legislature could not constitutionally withdraw the right of the landlord to ejectment at the expiration of the term of a lease without impairing the obligation of the tenant's contract to surrender possession. The opinion upheld the right of the State to conserve public welfare under all conditions of life as they arose. It asserted that the Constitution was capable of taking care of any

RENT LAWS UPHELD

emergency that might come into being. Contract rights, it was declared, must yield to public welfare when in conflict with the latter.

REPRESENTATIVE Champ Clark of Bowling Green, Mo., died in Washington on March 1. He had been for twenty-four years a member of the House of Representatives, its Speaker during four Congresses, minority leader of his party in the House during the Sixty-sixth Congress and a candidate in 1912 for the Democratic Presidential nomination. He was born in Anderson County, Ky., on March 7, 1850, and was first elected to Congress in 1892.

DEATH OF CHAMP CLARK

On March 5 his body rested in state in the House of Representatives, just below the dais where for so many years he had presided as Speaker. A distinguished audience was present, including House and Senate members, Justices of the Supreme Court and officials of the Diplomatic Corps. Eulogies marked with deep feeling were pronounced by Representative James R. Mann of Illinois and Senator James A. Reed of Missouri. Simple religious ceremonies were held, and then the body was conveyed to Bowling Green, Mo., where it was interred.

PRESIDENT WILSON signed on Feb. 28 a bill providing for the return by the Alien Property Custodian of property seized during the war which belonged to women citizens of the United States and the Allies, who married enemy subjects before the declaration of war.

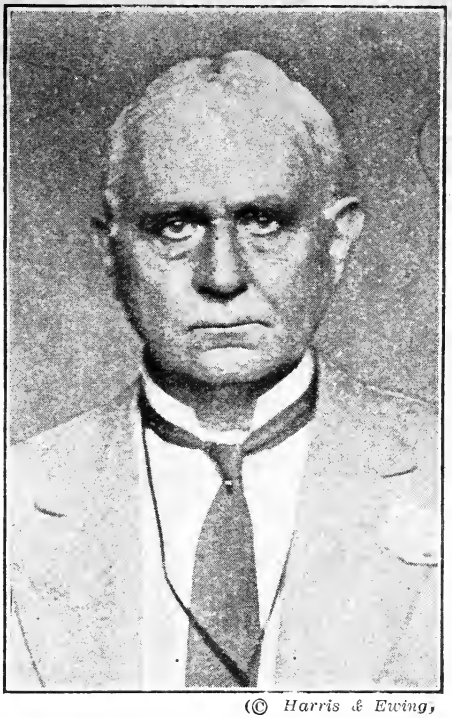
TO REGAIN ALIEN PROPERTY

A DECREASE of 3 per cent. in the retail cost of food for the average family in January, as compared with December, was shown in a report issued Feb. 18 by the Bureau of Labor Statistics of the Department of Labor.

DECREASE IN COST OF LIVING

The per cent. was the average of returns of fifty-one cities on forty-four articles of food, which were "weighted" according to the quantity of each article consumed in the average workingman's family.

As compared with the average cost in 1913, the cost of food in January, 1921, in some of the cities, showed an increase ranging from 76 per cent. in New York to 53 per cent. in Salt Lake City and Seattle.



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CHAMP CLARK OF MISSOURI

Veteran Member of the House of Representatives, who died March 1, 1921

THE Sixty-sixth Congress came to an end on March 4, 1921. Some of its more important enactments were as follows:

END OF SIXTY-SIXTH CONGRESS

Adoption of the suffrage amendment.

The placing on the statute books of a national prohibition law.

Enactment of provisions for vocational training and rehabilitation of wounded soldiers.

The Railway Transportation act.

The Army Reorganization act.

Merchant Marine Shipping act.

Amendments to the Federal Reserve act.

Civil Service Retirement act.

Water Power act.

Appropriation of $50,000,000 to provide relief for the suffering populations of Europe.

COSTS OF THE WORLD WAR

Estimate of the net losses incurred by the United States, Great Britain, France, Italy, Belgium, China and Japan—Final total, allowing for credits, is at $139,702,269,225

THE following statement showing the net costs of the war to the countries named was presented to the United States Senate by Senator Spencer of Missouri on March 5, 1921:

	Gross Cost	Credit Indem.	Final Loss.
United States—	$44,173,948,225	$2,300,000,000	$41,873,948,225
Great Britain—	51,052,634,000	9,850,000,000	41,202,634,000
France—	54,272,915,000	16,000,000,000	38,272,915,000
Italy	18,680,847,000	3,500,000,000	15,180,847,000
Belgium—	8,174,731,000	5,700,000,000	2,474,731,000
China—	565,376,000	100,000,000	465,376,000
Japan—	481,818,000	250,000,000	231,818,000
Total—	$177,402,269,225	$37,700,000,000	$139,702,269,225

The accompanying tables show the amount paid out by the various nations:

TRIAL BALANCE ON BASIS THAT ALL LOANS AND EXTENDED CREDITS AS BETWEEN NATIONS ARE PAID WITH INTEREST

France would charge off a total loss of	$39,112,915,000
Great Britain	32,502,634,000
United States	29,788,512,225
Italy	19,140,847,000
Belgium	2,474,731,000
China	265,376,000
Japan	31,818,000

UNITED STATES

Military cost as per Secretary Houston	$24,010,000,000
Extra cost, Government functions.	4,500,000,000
Civilian damages, shipping loss, pensions	2,300,000,000
Red Cross contributions	978,512,225
Other relief contributions	490,000,000
Congressional European relief	100,000,000
Grain Corporation credit	60,375,000
War Department credits	50,000,000
Shipping Board credit	3,580,000
Credit by American nationals to European nationals	1,921,481,000
Government loans to European nations	9,760,000,000
Total	$44,173,948,225

It is explained that the United States has received an amount of German shipping as yet unknown, but it is expected that the amount together with other receipts will reach the sum of $2,300,000,000, which is the amount of civilian loss, pensions, &c.

INDEMNITIES

The treaty provided that Germany should pay and Germany engaged to pay only three general items of indemnity:

1. Repay Belgium for all foreign loans made by it to prosecute the war, including all fines and taxes imposed by Germany upon Belgian citizens during occupation.
2. All damages to persons and property of civilians.
3. Pension and dependency claims, capitalized on the basis of the French rates.

Ninety-five per cent. of all moneys spent by the United States was for items not coming under any of those three heads. All of the money spent for cost of operation of the War and Navy Departments, relief-work contributions and ecnomic assistance of whatever character is a dead loss. We are only to be reimbursed for a little lost shipping and for pensions and dependency claims, at the French rate, which is considerably less than our own; so that no doubt half or two-thirds of our pension and dependency claims will be a dead loss.

The treaty fixed at the time what was then

GREAT BRITAIN

War costs, estimated by deducting pre-war national debts of the empire, including colonies	$39,902,634,000
Abnormal war taxes	1,300,000,000
Civilian damages and pensions	9,850,000,000
Total	$51,052,634,000

Credit:	Square Miles.
(a) German East Africa. With 620 miles coast line on Indian Ocean. Foreign trade, $24,750,000; cattle, 3,993,000 head; sheep, 6,398,000 head, and 1,010 miles of railroad.	384,169
(b) German West Africa. With 930 miles coast line on the Atlantic Ocean. Foreign trade, $17,889,056; cattle, 205,643 head; sheep, 472,585 head; goats, 500,000; diamonds taken out in seven years over $35,000,000; 1,304 miles of railroad.	322,450
(c) Togoland (Africa) With its vast forests and 228 miles of railroad.	33,700
(d) Pacific islands New Guinea, Bismarck Archipelago, Samoan, and Solomon.	105,120
(e) German shipping, a proportion of ships taken from Germany	845,439

The foregoing items were turned over to the Allies for general account, but have since been allotted to Great Britaio.

supposed to be the maximum indemnity that Germany was to pay on account of the three items. She was to give up certain territories in Europe, which were then and there divided and given to Belgium, France, and other countries. The United States, of course, did not ask for or get any of that indemnity. Then she was required to make certain deliveries of coal to Belgium, France, and Italy; of chemicals to France and live stock to both France and Belgium. The overseas possessions in Africa and the Pacific Islands, some 847,000 square miles, were to be held for the joint account of all allies.

Seven hundred thousand dollars in cash was to be raised with which to pay off Belgium's foreign debt, and Germany was to issue some $25,000,000,000 of bonds, with varying maturities, that were to be delivered to the reparation comsion, to be by it allotted.

With reference to the overseas possessions of Germany in Africa and the Pacific Islands it was naturally expected that, in view of the fact that France and other European countries had taken the European territories, the overseas possessions would go to England, minus a

FRANCE

Paid out:	
Estimated on basis of deducting pre-war from present national debt and adding abnormal taxes	$38,272,925,000
Civilian damages and pension account, as per Professor Keynes, King's College, Cambridge	16,000,000,000
Total	$54,272,915,000

Credit:

(a) Sarre Basin mines, producing 14,000,000 tons per annum.

(b) Coal in two allotments, totaling deliveries in ten years of 210,000,000 tons.

(c) Chemicals: Benzol, 35,000 tons; coal tar, 50,000 tons; sulphate ammonia, 30,000 tons.

(d) Live stock: Stallions, 500; fillies, 30,000; bulls, 2,000; milch cows, 90,000; rams, 1,000; sheep, 100,000; goats, 10,000.

(e) Alsace-Lorraine: 5,605 square miles; population, 1,871,702; annual budget, $18,512,326; produced 2,672,318 gallons wine, 21,136,265 tons iron, 3,795,932 tons coal, 76,672 tons salt, has 5,000 miles paved roads and 1,305 miles of railroad; all private property of German nationals, which is fully 65 per cent. of all property in territory; all war taxes paid to Germany from territory to be repaid.

(f) Equatorial Africa: All rights under contracts between Germany and France, dated Nov. 4, 1911, and Sept. 28, 1912.

(g) State bank of Morocco: Turns over to France all stock of Germany and German nationals.

(h) Bonds: Is to receive $15,000,000,000 of German bonds.

All the above items except the last were specifically given to France by the treaty, and the last item was or will be allotted to France.

CHINA

Paid out:		
Cost estimated by deducting pre-war from present national debts		$465,376,000
Add civilian damages and pension account		100,000,000
Total		$565,376,000
Credit:		
(a) Cancellation of Boxer indemnity	$97,875,000	
(b) German property in China outside of Shantung	2,125,000	
		100,000,000
Net loss		$465,376,000

BELGIUM

Paid out:	
War cost estimated by deducting pre-war from present national debt and adding abnormal taxes.	$3,174,731,000
Add civilian damages and pension account, as per Professor Keynes	5,000,000,000
Total	8,174,731,000

Credit:

(a) 80,000,000 tons of coal to be delivered.

(b) Live stock: 200 stallions, 5,000 mares; 2,000 fillies; 2,000 bulls; 50,000 milch cows; 40,000 heifers; 200 rams; 30,000 sheep; 15,000 sows.

(c) Cash or first-lien bonds to pay off foreign loans, $700,000.

(d) Moresnet, both the original neutral and the Prussian territory.

(e) Kriese of Eupen and Malmedy, both to be eventually determined by plebiscite.

(f) Bonds: Allotment of $4,000,000,000. See Schedule No. 9

JAPAN

Paid out:	
Estimated cost by deducting pre-war from present national debts.	$231,818,000
Estimated amount of civilian loss and pension account	$250,000,000
Total	$481,818,000

Credit:

(a) Shantung, with 308 miles of railroad and two railroad concessions; 40 mines and equipment, which includes coal mines with an output of 814,000 tons per annum; 2 iron mines and 2 gold mines.

(b) Pacific islands: Pelew group, includes Yap, Caroline Islands, Marshall Islands. Total, 1,040 square miles.

(c) Cables. All German-owned cables in above territory.

Item (a) was given to Japan directly by the treaty and the other two items have been allotted by the powers and the commission to Japan.

few islands in the Pacific to the United States. It was never for a minute supposed that Japan would be allotted any of those islands, because she had received her share in Shantung, which seemed to be ample, in view of her insignificant participation in the war.

The United States had holdings in the Samoan Islands, and we might expect England to turn Germany's interest in those islands over to America, or at least divide; but not so. The islands north of the Equator lie in a string in the path between Hawaii and the Philippines, and it was thought that those islands would be conceded to the United States, but that was not to be. They were given to Japan, whose financial participation in the World War turns out to be thirty million against our thirty billion, or about one-tenth of one per cent. of the participation of the United States.

It was never intended that the United States should participate in any manner in the German indemnity, so that whatever it is, large or small, the amount will have no effect upon the final figures representing the net loss appearing in the last column on the first sheet of this statement. If the amount collected is large, it will be added; and if it is small, it will be deducted from both columns No. 1 and No. 2, and the final difference will be the same.

For the purposes of this statement and more to illustrate the elements that must finally go into the last account we have used the tentative issue of bonds provided for in various parts of the treaty, aggregating $25,000,000,000 and in distributing the items in Column No. 2 we have used the compilations of Professor J. M. Keynes in his book entitled "Economic Consequences of Peace." In that work he went over the subject of damages to property and persons with great thoroughness, ascertained the original value of the property before invasion, and deducted its value after.

However, as we have shown, any other items or estimates of these damages will not change the fact that the United States has invested $670,000,000 more in the World War than any other nation.

ITALY

Paid out:	
Estimated war cost by deducting prewar from present national debt and adding abnormal tax..	$15,180,847,000
Damages and pension account as per Professor Keynes..	3,500,000,000
Total	$18,680,847,000

Credit:

(a) Coal, 85,500,000 tons, to be delivered within ten years. One-half by rail and one-half by water. German treaty.

(b) Trentino, Istria, and part of Dalmatia from Austria territory. About 12,000 square miles. Austrian treaty.

(c) Bonds: An allotment of $3,000,000,000 of bonds. See Schedule No. 9.

THE GERMAN GOLD PAID TO LENIN

ACCORDING to Edward Bernstein, the German Socialist leader, the whole idea of sending Nikolai Lenin into Russia in a sealed railway car—to start a revolution—originated with General Ulrich von Hoffmann, now one of the bitterest enemies of Bolshevism and an advocate of Lenin's overthrow by an interallied army. In a recent manifesto General von Hoffmann frankly admitted that the German Government had sent Lenin into Russia for the purpose stated, but he said nothing about the amount of German gold placed at the disposal of the Red leader. On Jan. 14 Herr Bernstein declared that he had received reliable information from persons in close touch with the German National Treasury regarding the extent to which Germany had subsidized Lenin. The sum was 50,000,000 gold marks, he said, not 80,000,000 gold rubles, as previously reported, and it was paid in installments. Before affixing the seal to Lenin's drawing-room car, said Bernstein, General von Hoffmann, who had gone for that special purpose to Switzerland, had handed over to the Bolshevist agitator several heavy bags filled with thousands of gold "Wilhelms," which were as much coveted by Russians as their own 10-ruble pieces. Another instalment, he had learned, was paid to Lenin at Stockholm, and the last was delivered through Lenin's State Secretary, Menshikov, after the Bolshevist seizure of power. The despotic attitude of von Hoffmann at the Brest-Litovsk Peace Conference, Bernstein adds, was due to the hold which von Hoffmann, Helfferich and Ludendorff had thus acquired over the Red Russian leaders.

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AN INTERESTING GROUP OF THE MORE ADVANCED TURKISH WOMEN IN CONSTANTINOPLE, WHO HAVE DISCARDED THE CUSTOMARY VEIL SINCE THE WAR

LIFE IN A TURKISH HAREM

By LORETTA I. BIGLEY

The author of this article, an American Red Cross worker from Chicago, recently had charge of a rescue home in Aintab, Turkey, for the unfortunate Christian women who had been forced into Turkish harems during the war and who were freed in 1919 by order of the Peace Conference—Talks with Moslem women in their homes

"Allah is great; there is but one God,
and Mohammed is his Prophet."

FIVE times daily the Turks turn toward Mecca and repeat the foregoing passage from the Koran. Nowhere in the entire Moslem world is this religious duty more conscientiously performed than among the women of the harems. To them Mohammed and the Koran are oracles, and because of this fact the Turks have been able to keep their women in absolute subjection through the centuries, for the code of Mohammed justifies such subjection of woman to man.

The sixteen months which I spent recently in an official capacity in Turkey familiarized me with many phases—both political and social — of Turkish life. Through several unique experiences I was enabled to learn much of life in the Turkish harem.

The Turkish woman's education is limited, as she has been deprived of all knowledge which would familiarize her with the outside world. The Turks have realized that it would be a great handicap to them in continuing their unjust and despotic government if they educated their people, and especially their women, in lines other than domestic. Very few of the women of the harems, therefore, can read, write or speak more than one language, though many of the men are masters of several languages. After reaching her eleventh year the Turkish woman is forbidden to appear in public, or in the presence of any man, even in her

(Photo by the Author)

WORKING WOMEN IN TURKEY WASHING WOOL BY THE PRIMITIVE METHOD IN USE SINCE THE TIME OF CHRIST

own home, unless heavily veiled. Her husband is the only man excepted from this rule, and even he is not permitted to see his wife unveiled until the second day after their marriage.

The husband may add any number of wives to the harem without even consulting those he has already married. The number, however, is determined by his finances. A certain sum, decided upon by the Government, is required for each wife. Therefore, with the exception of those of the Sultan

(Photo by the Author)

TURKISH WOMEN PREPARING WHEAT FOR TABLE USE

(his harem is very large) and some of the Beys and Pashas or very wealthy notables, the Turkish harems are not large. Four is the usual number of wives, and many Turks have only one or two.

Having been responsible for the Christian women of the Turkish harems, I had a keen curiosity to learn something of the Moslem women. As a result of my position, I was rather closely associated with the Turkish officials of the Aintab vilayet in Cilicia, and this constant association sharpened my desire to familiarize myself with the life of the women behind the barred windows, who came forth so heavily veiled. These officials had been active in promoting some of the worst atrocities in Turkey during the war, the records of which, dispatched by our Consuls and by our Ambassador, and now on file at Washington, compare with no others of former years. In view of this knowledge, I was astonished, here in the "land of the Arabian Nights," to find these Turkish officials so apparently human, so suave, and displaying an exterior courtesy worthy of the most thorough gentlemen.

Miss Bigley, in the dress of a Turkish woman, posed to show how her friends of the harem appeared in their own homes

THE INVITATION

It was one day early in June, after I had been in Aintab three months, that I received by first invitation to visit a Turkish harem. In the institution which I had organized for the Christian women released from the harems as the result of an order from the Peace Conference, all women were permitted to return to the harem if they desired, after a week's sojourn. Children could not return under any circumstances. One morning a Turkish woman called. Finding no men present, she raised her veil, and I beheld the pleasant face of a woman of about 40 years. She stated her business at once. A Turkish gendarme—the British military had made the police responsible for the rescued women reaching the institution—had delivered to the Rescue Home a child for whom she had been caring for four years, and she pleaded with me to allow the child to return with her. Vainly I tried to explain to her that she had no claim on this Christian child, and also that military responsibility forbade my disposing of the child otherwise than had previously been ordered. She left as abruptly as she had entered, and not in the best humor. More persistent than the average Turkish woman, she made two more calls before I was able to convince her that I was not personally responsible. As we became more friendly, I took advantage of the opportunity to explain to her why we American women were in Turkey—that we were there as a neutral people, prepared to administer relief among those who were in need, Christian or Moslem, though in the majority of cases the Christians were the beneficiaries. In Aintab the *Muterseraf* (local official) accepted very little, save in emergencies, when he would call on us for relief of all kinds. I finally convinced my Turkish visitor that though it fell to my lot to care for the poor Christian women rescued from the

harems, this did not mean that I was not interested in the Moslem women.

Soon after that my Turkish friend invited me to visit her home. An opportunity of this kind was what I had been waiting for, but, although I was secretly thrilled at the prospect of such an exceptional privilege, I feigned reluctance in accepting. As Americans up to this time had always been respected and protected in Turkey, I felt assured of my personal safety. On the appointed afternoon, accompanied by my interpreter, I started for my first visit to a real Turkish harem.

ENTRANCE TO THE HAREM

High stone walls surrounded the harem. My guide tapped at the gate. The heavy door was unbolted, and then was opened very slowly by a beautiful young girl. I beheld a wide courtyard, in the centre of which was a fountain. There were no women in sight when we entered, and my interpreter whispered to me that there is always a hurried exit from the court when a tap is heard at the gate, but that the women can ascertain who the intruders are by peeping unobserved through the little latticed windows. While waiting to be announced I observed that the home, following the prevailing style of architecture in Turkey, consisted of a two-story structure built around a court. I also obtained, through a small passageway, a glimpse of a garden, which later I found to be very beautiful; here the ladies of the harem whiled many hours away with no fear of the gaze of masculine eyes. I also noted that, like many of the better class, they had their private bath. The "Salamlik" (compartments for the male members of the household) are quite separate from the harem.

I was soon ushered into a large compartment, where furniture was conspicuous by its absence. The woodwork was unpolished and beautifully carved, and a number of small cupboards were built into the walls. On all available spaces were hung the choicest Oriental rugs, that on the wall facing Mecca being a prayer rug, before which the Moslem always prays; this rug was later presented to me as a token of our friendship; I prize it highly. The floor also was covered with richly embroidered rugs, as were likewise the long, narrow cushions, which had been placed near the walls.

My call was evidently an event quite out of the ordinary. Instead of three ladies, there were eight, five having been invited for the occasion. My reception was most cordial, each woman insisting upon kissing my hands in token of the sincerity of my welcome. After the preliminaries, we all sat down on the floor. I had refused the proffered cushion, for, as I told my interpreter, I desired to do whatever was customary, in so far as I could. The ladies appeared amused at seeing me on the floor, realizing that it was not an American custom, and I will admit that it was difficult to attain the graceful posture of the harem ladies. They are in this respect real artists.

FIRST IMPRESSIONS

They were beautifully dressed in the usual Turkish style. Turkish women wear no tight clothing, and the *messla* (kimona) is the customary outer garment. *Messlas* are often made of the finest silk, embroidered in gold or silver. They are of various colors and most attractive. The women usually choose a style of headdress that will correspond with the *messlas*. A foreign woman rarely visits the Orient without buying a *messla*.

The social rank of the various castes is determined largely by the display of finery. Some wear gold bands around their foreheads and necks, and often around their ankles, although the latter custom is practiced more among the Egyptian ladies. They apply plenty of rouge and employ every means to add to their beauty. Embonpoint seems to be their goal, and this is easily attained, for the diet of the Turkish people would never be prescribed where one desires to reduce one's weight. Many of the women are beautiful, but they mature at a very early age.

Soon a large tray containing native sweets, fruits, the ubiquitous demi-tasse and cigarettes was placed in the centre of the group. It was about 3 o'clock, and during the next two hours (it was quite impossible to limit this to a formal call) there was not a moment's silence. We

talked and ate. Toothpicks were much in vogue.

These Turkish women displayed a keener curiosity in American affairs than I had expected to meet. Any authentic information about the women of the outside world is always appreciated by them, I learned, even though discounted by their husbands. I took special pains not to disclose my curiosity in their affairs, but when the opportunity for obtaining information presented itself I took advantage of it, and evidently without arousing their suspicions, for in the course of our conversation they discussed the innermost secrets of their households.

SECRETS OF THE HAREM

One of the ladies remarked, "Miss Bigley, why don't you organize a home for Turkish women as you have for the Christian women?" That gave me an opening. I replied that surely the Turkish women were happy in their present surroundings, having no work to do other than that which is really considered a diversion. (Many hours are spent in making beautiful needlework, weaving rugs and preparing sweets. All the undesirable work is done by Christian servants.) I also referred to the fact that no other ladies in the world possessed wardrobes as beautiful as theirs, and that surely, as their husbands were such good providers, they must be very fond of them. This remark caused a unanimous exclamation. How could they be happy and enjoy their husbands with so many women in the harem? From what information I gathered, it seems that the only cases in which the harem women are happy are those where there are only two wives, with a difference of about twenty years between them. We saw an illustration of this in the home of Ali Bey, one of the notables. The younger wife died, and the other was inconsolable.

The ladies in the harems are not always congenial, and there is considerable jealousy. The latest wife is always referred to as "the bride," and she is the "leading lady" until another is added to the list. Few of the women desire the responsibility of a family, and unless a wife is fond of her husband she refuses to raise one, especially as she knows that another "bride" seldom enters the harem until the family is raised. One reason why Christian women are not liked in the harem is that when one of them enters there is sure to be a family. The Turkish men are very fond of children.

The care of the children interested me. With arms at their sides, they are wrapped very tightly, and with a coin or small bead tied to the hair in front—to keep away the "evil eye"—are placed in this uncomfortable position on a pillow and sometimes allowed to remain for hours. They reminded me of American Indian papooses. Some are so bedecked with jewelry that it is surprising they have any rest at all. Strangely enough, however, they seem never to cry.

MATRIMONY A BUSINESS INSTITUTION

The ladies showed me a beautiful trousseau belonging to the "bride" of this harem. As they love beautiful things, I knew a demonstration of my appreciation would please them, so I remarked that I would not object to becoming a harem inmate if I could have such wonderful things. One of them took me seriously, and said she was certain her husband could find me an eligible Turk, but added, "Not if you allow him to see you in the suit you are wearing." I will admit that I looked rather severe in my Red Cross nurse's uniform. That amused me. "Well," I replied, "this being all I possess, apparently my case is hopeless." "Oh, no," she insisted, "I will provide the trousseau, and he the jewelry."

I saw that I was getting into deep water, and not desiring to appear trivial, I said: "I am afraid it is quite impossible, because I am a Christian." (I wanted to say "Giaour"—barefaced infidel—as the Christian is called.) But she still insisted: The Turkish men did not consider American women as ordinary Christians. I was even forced to submit to being decorated with the bride's georgeous headdress, heavily weighted with gold coins.

This little episode illustrates what a bargaining place their matrimonial field is. When a Turkish girl is of marriageable age, that is, after she has reached the age of 11, the parents make her marriage a business proposition, and the highest bidder draws the prize.

THE HAREM LADY'S TROUSSEAU

The trousseau is provided by the prospective husband, and his contributions are usually made on some important day, generally from four to five times a year. I was amazed at the extensive trousseaux of some of the women, before I was confidentially informed that, as it is customary for the bride to receive no allowance from her husband other than her regular marriage dowry, which is not at her disposal except in case of divorce, they are anxious to accumulate all the beautiful things possible. Afterward, when they need money, they go into the crowded market—we saw many do it, usually early in the morning—and sit in the street with all those who have come from far and near with their wares. And there, amid the bargaining, trading, stealing and fighting of a Turkish market, they dispose of the various articles of their trousseau. This is their only means of obtaining money. The husband may be present and even witness the transaction, but has no means of determining whether it is his wife or not, as the street costumes of all the Turkish women are the same, differing in color only. All aim to have a silk costume for the street, if they have nothing else.

There is one instance in which a Turkish girl's wish is sometimes respected, and that is, after she has been bargained for in the matrimonial market, she is allowed to set the day for her marriage. Divorce rarely occurs, but when a husband desires it he can put away a wife by merely saying, "I divorce you." When this phrase is uttered a second time, a marriage ceremony is again necessary to make the divorced parties man and wife. It is impossible for a woman to divorce her husband. Allah rather favors the men.

A TURKISH MARRIAGE

I found the wedding ceremonials most interesting. One of the elaborate ones which I attended was heralded for weeks as a social event unparalleled in Aintab in recent years. Both bride and groom were members of prominent Aintab families. The American women had been invited to the wedding reception on the understanding that they would go alone, as this was no place for men. The male members of our personnel, however, decided to accompany us, with the faint hope of learning something of this mysterious affair. Our methods of transportation were limited; we had to choose whether to go in an "arabe," which would necessitate two trips, or to ride on donkeys, or walk, or go in our never-to-be-forgotten Ford truck. The truck was decided upon, and it took hours of strenuous labor before we were assured that it could negotiate the trip.

The ceremony had been performed the day before. In this the bride and groom stand each behind a door, while the priest says the words that make them man and wife. After this the bride sits on a sort of throne, very elaborately decorated, receiving only her most intimate relatives, and the following day at 3 in the afternoon she is unveiled and presented to her husband. Then the reception begins, and to this we had been invited.

TREASURES OF THE TROUSSEAU

We were received with great ceremony, and after paying our respects to the bride, a really beautiful girl, and to the groom and the "in-laws," we were ushered into the boudoir. The trousseau, which we had been previously prepared to see, represented a value of 2,200 gold liare ($11,000); it contained a dress for each day of the year, with a variety of the most inconceivable things. Such a display of wealth! Even dozens of towels were embroidered in gold and silver. We failed to see what would have been appreciated by an American bride, a display of silver and linen. These play no part in the trousseau.

While we were thus engaged the brother of the groom entered. After conversing with him a short time, we found that he, like his brother, was an educated man, who had traveled in Europe and America, and who was well versed in the English language.

The guests were many, and the court and gardens were crowded. At intervals of about twenty minutes the bride excused herself, again and again, and soon returned each time in a new gown. The music was furnished by some picturesque-looking women, and while several beautiful girls of about 15 entertained us with singing and dancing, these musicians played weird music on their queer-looking instruments.

We were being continually served with native sweets. After the entertainment was over we were ushered into a garden, where the wedding feast was served. The attempt at a modern table was pathetic. A real table with plates and knives and forks was provided for the five Americans present, but the food was placed in two large dishes, as is the custom, in the centre of the table. It was a regular Turkish meal, and, as usual, was of short duration. The brother of the groom entertained the American men until the affair was over, and they participated in the wedding feast in a private garden.

The celebration continued another day, and thus ended the one eventful time in the bride's life.

DEATH FOR UNCHASTITY

Any indiscretion on the part of a Turkish wife—and this refers to the Kurds as well—is followed by swift punishment. If there is evidence enough to prove that she has violated her marriage vows, the punishment is death. I had been in Aintab some time when one evening, returning to my rooms from the Rescue Home, I passed a group of Turkish and Kurdish houses. Evidence of trouble was nothing unusual, but a woman's loud shrieks attracted my attention. At first I could get no information from my interpreter, although I knew she could understand all that was being said; when we had almost reached our compound, however, she informed me that the husband of the shrieking woman had discovered that the latter had been sharing her affections with a Kurdish neighbor. As a result of this she must die. There was no escape. The following morning we learned that she had expiated her crime in the presence of several witnesses, the executioner being her husband.

ABUNDANT TURKISH FOOD

I have often been asked what the Turkish people eat. It is the quantity rather than the quality that most concerns them. They have good appetites and are especially fond of meat. As many as five or six courses are served at one meal when they can afford it. They consume a vast amount of olive oil and fats. The variety of vegetables, most of which are eaten raw, is limited. They are fond of fruits and nuts, which are very plentiful. The grapes are delicious—far superior to those grown in California or Florida. Plenty of English walnuts and pistachio nuts are grown there. *Bulgar* (wheat) serves as the basis of all their cooked meals, and a supply for a year is laid in in the Fall, although it is usually obtainable in the markets. The preparation of the *bulgar* and the native sweets is the event of the season, and extremely interesting to those unfamiliar with it.

The women take the wheat to some isolated stream where they can work unveiled without fear of intrusion. It is placed on a rug in the water, and where the stream is at all rapid a sieve is placed at one end to prevent the wheat from floating away. The water passes through the wheat until it is entirely free from dirt. Then it is placed on large pieces of cloth and allowed to dry. After undergoing the necessary process of rolling, it is parboiled, again dried, and ground into flour, fine or coarse, in a very primitive mill.

The women do not eat with their husbands. The husband is served first, and then the women receive what remains. Even in the best families the food is usually served in one or two large dishes, placed in the centre of the room. The Turks always eat on the floor. Not being educated in the use of a knife or fork, they prepare a form of bread which, when moistened and torn into small pieces, is used to convey the food, such as rice and *bulgar*, to the mouth. The rapidity with which it disappears is extraordinary.

One afternoon when I was passing a home which I frequently visited, knowing that it was " native sweet " season, I peeped in and beheld what I had been so anxious to see. They were preparing a variety of which I was very fond. It was made by stringing English walnuts about an inch and a half apart on long threads, possibly a yard or a yard and a half in length. These were dipped into a large kettle in which, over an open fireplace, was boiling a thick syrup made from white grapes. The strings of syrup-coated nut kernels were then hung on a rack to dry. It was most attractive to see dozens of these hanging there at one time. The women make several varieties that are delicious. They depend entirely on charcoal for their fuel.

LIFE AT THE BATH

A day spent at the Turkish bath is a real social event. Even the finest ladies go to the public bath, regardless of having bath facilities in their homes. The bathhouse is often reserved by associations of friends, who then go in large groups, bringing their lunches and staying all day. It is a very large building, with four or five rooms, and can accommodate as many as a hundred at one time. Each bather provides her own soap and towels, so here a display of highly scented soaps and beautifully embroidered towels counts among the attractions.

The women first enter a small compartment and prepare for the bath, with the aid of numerous Christian attendants. They then enter another large room, very well heated. In the centre of the floor there is an elevation of about six feet, through the many openings of which hot water is flowing continuously; at times it looks like a small fountain. The bath is heated by a fire underneath. In this room all are scrubbed well by the attendants, many times, and they sometimes remain here for hours and perspire. Turkey being a non-alcoholic country, they have nothing to resort to in an emergency. Later they pass into another room, and their bodies are gradually cooled before going into the cold fountain. The system, it will be noted, is different from that of our Turkish baths, where we pass from one extreme to another. After the women eat their lunches they spend the afternoon in gossip, and aim to reach home by sundown, when all the Moslem world, guided by the criers from hundreds of minarets, offer praise to Allah. Indeed, when I returned to the United States I missed this familiar cry, which I had heard every morning and evening during my many months in the Orient.

HAREM WOMEN NOT HAPPY

When one finds the women unhappy in the harems of the better class, is it not reasonable to believe that the conditions are even worse among the poor? And the vast majority of the Turkish people are very poor. They dwell in crowded quarters, and live a life of misery. I visited these harems as well as those of the better classes.

The women are not happy—not even those of the Sultan's harem, though the royal Sultanas do not, as in the past, live in constant fear of ending their existence in the Bosporus. That fatal place always attracts the eye of the tourist as he enters the harbor of the Golden Horn.

Little progress has been made during the centuries. Western civilization has not had the same influence on the Moslem as on the Christian population, the high stone walls proving impenetrable barriers. In the cities—Constantinople, Beirut and others—where employment was available, the economic conditions forced the harem women into the streets during the war, and, as a result, one sees many unveiled in these cities today; but elsewhere throughout Turkey the old and rigid customs prevail unchanged.

WESTERN CAPITALISM IN BURMA

FAR-OFF Burma is known mainly for its products—Burma oil, Burma rubies, &c. Latterly a Burma Corporation has been created, which means that the British capitalists, like other investors, alike European, Chinese and Indian, have got a grip on Burma.

This small principality, situated on the easternmost boundary of India, a part of Indo-China bordering on the vast Mongolian realm, with a coastline on the Indian Ocean, is undergoing the fate of all backward countries possessing rich mineral and other natural resources. According to Josiah C. Wedgwood, a British member of Parliament with "opposition." proclivities, British capitalism in Burma is employing Indian coolie labor, "and the old Burmese free peasantry, living an easy life on their own rice fields, will pass away into a landless proletariat." Improvident and spendthrift, the Burmese squander lavishly on funerals, on memorial pagodas, on masses sold by mendicant monks, and plaster the statues of Buddha with gold leaf, which takes their substance.

RETRAINING WAR-DISABLED MEN

By JONH S. CUMMINGS, PH. D.

Formerly of the Harvard Faculty; now Statistician of the Federal Board for Vocational Education.

What has been done thus far toward making every disabled American soldier and sailor independent and self-supporting—Nearly 69,000 *wounded men have received practical training to fit them to enter trades or professions—Facts and figures regarding the rehabilitation work of the Federal Board for Vocational Education*

THE United States has never questioned its special obligation to the brave soldiers, sailors and marines who came out of the war disabled in any way. A program for the treatment and training of all such injured men was drawn up early in the war period by the Federal Board for Vocational Education; the program was approved by Congress, and there has never been any wavering in the popular determination that it should be completely realized—that every disabled man shall have a chance to take such a course of training as will enable him to overcome the handicap of his wounds. The board's latest annual report tells what has thus far been done in this work.

The first thing that the board did was to get the co-operation of as many existing institutions as possible; thus, up to the close of the last fiscal year, about 1,700 schools and colleges had been utilized in giving training to disabled men in courses approved by the Federal board, and more than 8,500 industrial, agricultural and commercial employing agencies had co-operated with the board in providing training "on the job."

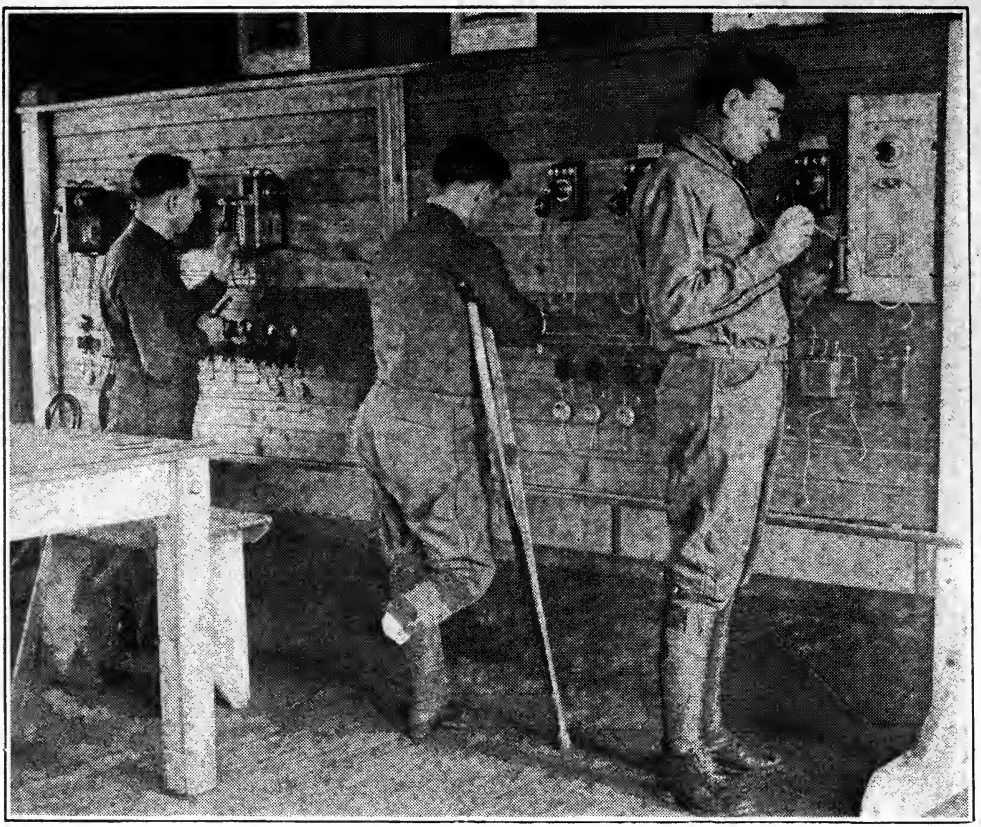
For carrying on this work, Congress has appropriated under several acts a total of $129,000,000. Under the original act of June 27, 1918, the appropriation was $2,000,000; under the act of July 11, 1919, the Sundry Civil bill and the Deficiency bill of July and November, 1919, and the acts of March 6 and July 5, 1920, there was a total of $37,000,000 provided; the total for the whole fiscal year of 1920-21 was $90,000,000. For the year 1921-22 it is estimated that $78,000,000 will be required.

Total expenditures from June 27, 1918, to June 30, 1920, amounted to $34,719,196. An analysis of these expenditures shows that money devoted to salaries and other administrative expenses, including what may be called the "overhead" expenditures of the board, totaled $7,244,062. Allowances paid to men in training for maintenance of themselves and their families totaled $23,653,503. Payments on account of tuition amounted to $2,309,233, and other direct payments to cover travel and subsistence, books, medical attention, &c., amounted to $1,412,398, giving a total of $27,475,134 to cover direct payments for all expenses connected with training.

It was inevitable that "overhead" charges should be heavy during the period of organization. Before any large number of men could be placed in training, it was necessary to build up the organization of the board on a nation-wide basis and on a scale adequate to deal rapidly with the thousands of men who had been discharged from the service before the Rehabilitation act was passed, as well as with the thousands still convalescing in hospitals. But the proportion of "overhead" to direct costs of training has steadily declined as the number of men in training has increased.

GETTING PRACTICAL RESULTS

Every phase of the work at the present time shows a decentralizing tendency, although in the beginning some degree of centralization was unavoidable in order to protect the interests of the disabled men themselves and to make sure that the money appropriated should be spent as Congress intended. Responsibility for getting men into training now rests with the district and local offices of the board, operating within defined areas in every section of the country. At the outset, fourteen districts were mapped out by way of



(© Western Newspaper Union)

Maimed soldiers studying electrical mechanics by practical methods under the instruction of the Federal Board for Vocational Education.

preparing for ultimate decentralization, each district office being responsible for carrying on the work within a prescribed area and for directing the work of local offices within the district. To date 114 subordinate local offices have been established. Each local office is directly responsible for placing men in training, for getting subsistence pay to men in training and for continuous "follow-up" work. For the local office each disabled man represents a responsibility for the training of that man until he gets permanent employment; the local office must report achievements, rather than make recommendations to the Central Office in Washington.

At the close of the fiscal year 1920 the staff and clerical force of the Rehabilitation Division of the Federal board numbered 3,536, of whom 947 were in the Central Office in Washington and 2,589 in district and local offices. On July 1, 1919, the number of employes in this division was 2,152, of whom 786 were in the Central Office and 1,366 in the district offices. The increase of 1,384 in the working force during the year has been largely in the district offices, the increase for the districts being 1,223 and for the Central Office 161. The Central Office staff has increased from 55 to 126 and the district and local office staffs from 375 to 794. The Central Office clerical force has increased from 731 to 821 and the district and local office clerical forces from 991 to 1,795.

It will be clear from the nature of the work that the personnel of the board engaged in this work must be of the highest grade. The success or failure of the program as a whole depends necessarily upon

the success or failure of the board's representatives, who are brought into direct personal contact with the disabled men and who must solve each individual problem of selecting a suitable vocation, arranging a course of training and finally establishing the trained man as an efficient worker.

The average pay of employes, alike staff and clerical, engaged in this work is approximately $2,000. A serious embarrassment for the board has arisen on account of the difficulty of retaining competent employes in its service under the limitations imposed regarding salaries. Throughout the year the changes in both the staff and clerical forces have been excessive.

INCREASE OF APPLICANTS

At the beginning of the last fiscal year, on July 1, 1919, the number of men in training was 3,203. By the end of the year, on June 30, 1920, the number had increased to over 40,000. The total number put into training since the board was organized, up to June 30, 1920, exceeded 46,000. In the first five months of the present fiscal year—from June 30 to Dec. 1, 1920—some 19,000 men entered training. Including these new applicants, the total number of enrollments since the time of organization to Dec. 1 stands at 68,837. The number placed in training each month is equal to the total enrollment of a large educational institution.

As men discover the value of the training offered to them, they are electing to take advantage of it much more freely. Accurate figures for foreign countries are not available, but it may safely be said that the number taking training in the United States very considerably exceeds the number in training in any other country.

To Dec. 1, 1920, a total of over 160,000 disabled men had been approved as eligible for training. Of these, 94,000 had been approved as eligible under Section 2 of the rehabiliation law, which provides tuition and support of the men and their dependents during the period of training, and 66,000 had been approved as eligible under Section 3 of the law, which provides training without maintenance.

It does not, of course, follow that every man approved as eligible for training will elect to take it. On the part of the disabled soldier, sailor and marine the whole proposition is entirely voluntary. He may refuse training altogether or he may delay enrollment for an indefinite period. In the case of men approved for specific courses, some may be satisfactorily employed and unwilling to give up present employment to enter upon training. Others are in hospitals still convalescing. Where the course of training approved is given at some educational institution, it may be necessary in individual cases to wait for the opening of the school term. Many other conditions may prevent

Shell-shocked soldiers at St. Elizabeth's Hospital, Washington, D. C., learning the art of toy making as taught by the Knights of Columbus under the Government scheme for vocational training

immediate entrance upon an approved course, the reasons for deferring or refusing training being different in each case.

WHAT CONSTITUTES ELIGIBILITY

Misunderstanding has developed among those who have not been correctly informed regarding the board's authority to provide training and support for disabled men. Under the law the board may act when the man is eligible and when such training is feasible, and may be regarded as a means of removing a vocational handicap. The board, however, is authorized to give training and support only to men so disabled that they cannot return to their former occupation or enter successfully upon some other occupation without training.

It will be obvious that, under these limitations, many seriously disabled men are not eligible for training. A man, for example, who has been a typist prior to enlistment may have had one leg shot off. He is seriously disabled and is entitled to compensation during life under an award by the War Risk Insurance Bureau. It may very well be, however, that the wisest course for him to pursue will be to return to his old employment as a typist, for which he requires no sort of vocational training. On the other hand, a violinist who has lost a portion of a finger may be totally disabled as regards his former occupation, and may therefore be declared eligible for vocational training.

Award of compensation for disability is not made by the board in any case. Men who are eligible, under Section 2, for training with maintenance, and who elect to take it, are paid an allowance during the period of training by the board, but this payment is conditioned upon the man's eligibility. Whether or not he is eligible for training, compensation for his disability must be determined by the War Risk Insurance Bureau, which continues these payments during the man's lifetime.

During the past year the board has been putting men into training at the rate of 3,800 each month, or an average of 125 a day. Though the number of men put into training indicates the real achievement of the board, it should be pointed out, nevertheless, that putting a man into training is only one of a long series of services performed by the staff and clerical force of the board.

Before a man can be put into training his eligibility must be determined. Under the law, it must be established that he was honorably discharged from the service, that his disability was incurred in service, that his disability constitutes a vocational handicap, and, finally, that training is feasible. In determining eligibility, the benefit of the doubt, under the broadest interpretation of the law, is in every case given to the soldier; but no interpretation of the law, however liberal, can avoid border-line cases, and it is a rule of the board that no case shall ever be finally closed against a soldier. So long as he lives, he may appeal for reconsideration on any reasonable ground.

Once the soldier has been declared eligible, the problem arises of finding out both what he wants to do and what he can do. In electing a course of training, careful consideration must be given to the man's preferences, to his past experience, to his educational qualifications, to his natural capacity, and, finally, to his disability. When a course has been determined upon in conference with the man, provision must be made for giving him precisely what he requires, which is not the same in the case of any two men. In thousands of instances the fundamental handicap is illiteracy or totally inadequate schooling. This handicap must be removed before specific vocational training can be undertaken. In every case a course of training must be arranged for, either in a school or college, or in an industrial or commercial establishment. Constant "follow-up" work is required during the entire period of training.

Every course has a definite objective, and the man is trained into employment. He may begin in a school and finish in a workshop, where he is placed on the permanent roll of employes; he may begin training "on the job," shift to a school, and shift back to the workshop; or he may be in training part time in school and part time in the shop. Every combination of training is provided according to the individual needs of the man. Every registration of a disabled man constitutes a separate problem for the board. The number of such individual problems, as shown by the records of the board, runs into the hundreds of thousands.

Perhaps the achievement of the board can best be indicated by reducing the work to individual terms. Assuming that all the different activities were performed equally by all employes, the average achievement per employe for the fiscal year would figure out approximately as follows:

DETAIL OF STAFF LABORS

Each member of the staff and clerical force of the Rehabilitation Division during the year, on an average salary of about $2,000, registered or listed 49 new cases, established first contact with 32 cases, conducted 20 vocational surveys, completed 30 medical examinations, determined eligibility in 33 cases, initiated 15 men into training, investigated and dropped from the rolls 6 cases, maintained 7 cases constantly in training during the year, including all "follow-up" work on these cases, and performed all the administrative and clerical work incidental to rendering the services in question, including payment of allowances for maintenance and payment of other charges incidental to training and all other disbursements.

When the first man entered into training there were necessarily many more employes than there were men in training. At the close of the fiscal year each employe was maintaining approximately ten men in training. On Dec. 1, 1920, the number maintained constantly in training by each member of the clerical force and staff had increased to sixteen.

It will be clear, from the data given, that putting a man into training is only one step in a continuous process which begins in the hospital and ends in the workshop—a process which trains each man into employment. Over 250 different employment objectives have been defined for the 68,000 men placed in training, and more than 10,000 training agencies, including educational organizations, are co-operating with the board in assisting men to obtain these objectives.

CAMBRIDGE UNIVERSITY REJECTS WOMEN

THE Senate of Cambridge University, England, on Dec. 8, rejected the proposal to admit women to full university membership. The vote was 904 against 712. Many women thronged around the Senate House awaiting the result, and departed very much downcast when the decision was announced. By this vote Cambridge, which was the first English university to admit women to its courses, remains the only one to refuse them full membership. Oxford, with all its conservatism, has already let down the bars.

One cause of the women's defeat, it was said, was the reluctance of the university authorities to swell the already large membership, which even now represents a problem. The alternative suggested—that the women should develop a residential university of their own—was condemned by one of the women leaders as "unthinkable." None of the new universities, she declared, had been able to create an atmosphere like that of Cambridge. Meanwhile—this leader pointed out—women students were unjustly treated in being denied the right to win degrees, although they followed the same courses of study as the men and accomplished the same results.

The Cambridge authorities, on Feb. 12, rejected a proposal to convert the women's institutions—Girton and Newnham Colleges—into a separate university allied with Cambridge. The vote of the university senate stood 146 to 50.

A compromise movement has already been started, under which the university would be empowered to confer degrees on women, without the right to sit in the senate, while the university would retain the power of limiting the number of women students.

THE NATIONALIZATION OF INDUSTRIES

By J. ELLIS BARKER
English Author and Publicist

An illuminating exhibit of the effects of State ownership and management of industries in Germany, France, Great Britain, Australia and New Zealand, with an analysis of facts that have given pause to former advocates of nationalization in all countries

SOCIALISM, communism and syndicalism are as old as history. Since the earliest times dreamers and schemers have striven to introduce into the world an artificial order, based upon compulsion, which was to give equality to all. That unpractical idealist, Plato, devised and recommended a commonwealth in which an all-powerful government was to direct and control all the energies and activities of the citizens. Aristotle, criticising Plato's fantastic schemes, acutely pointed out in his book on "The State" that a government which wishes to regulate and equalize prosperity among the people must necessarily regulate, and, if necessary, restrict, the birth rate as well, while Aristophanes treated the projects of Plato and of his predecessors with well-deserved ridicule in his play "Ecclesiazusae" and showed that communism in material things would logically and inevitably lead to the community of wives. Throughout history we find periods when government regulation and control were greatly exalted. Nationalization, which in the past was advocated and introduced by autocratic rulers and statesmen, is now loudly demanded by agitators who hope to secure absolute power for themselves. However, it seems that their power is waning. The much-lauded policy of nationalization has become utterly discredited during recent years throughout the world.

The policy of nationalization is a policy in which the Government regulates and controls the activities of the citizens. Such regulations and control can be efficiently exercised only by an absolute government. Hence it appeals particularly to men such as Louis XIV. and Napoleon I. of France and Frederick the Great of Prussia. The world-wide demand for nationalization may be traced to the teachings of Karl Marx. It is not an international policy, but a characteristically Prussian policy. Marx, actuated by philanthropy or by envy, or by both motives combined, wished to destroy the wealth of the wealthy and to divide their property and income among the poor. He recognized that the capitalists are the expert controllers of commerce and industry and that expert direction in economic affairs is indispensable. Looking around, he noticed that the highly trained, conscientious, honest and painstaking Prussian officials were managing various economic undertakings with some success, and he concluded that they might be able to control and direct all economic undertakings, making the hated capitalists superfluous. Marx was a prince of agitators. His shallow, pseudo-scientific teachings, expressed in involved and obscure language, have become discredited even among his adherents, but his doctrine of envy and hatred is still trying to conquer the world, and his demand to replace the expert directors of trade and industry by an all-powerful officialdom has been taken up by countless agitators and by millions of shortsighted workingmen.

SOCIALISM IN GERMANY

The Russian revolutionaries, and the German revolutionaries as well, are disciples of Karl Marx. The new German Constitution, which was published on Aug. 11, 1919, clearly foreshadowed the gradual expropriation of all private property for the benefit of the community, while the question of compensation to the legitimate owners was

to be left for future consideration. We read in Articles 153-156:

Property is guaranteed by the Constitution. Its extent and limits are defined by the laws. * * * Expropriation may be effected only for the benefit of the whole community and upon the basis of law. It is accompanied by due compensation, unless otherwise determined by Federal law. * * *

The right of inheritance is guaranteed in accordance with the provisions of civil law. The share of the inheritance due to the State is determined according to the laws.

The distribution and use of land is superintended by the State. * * * Landed property, the acquisition of which is necessary to meet the needs of housing, for the furtherance of settlement on the land, and for the purpose of bringing it into cultivation, or for the encouragement of agriculture, may be expropriated. Entails shall be cut off. * * *

The Federation may, by means of law, without prejudice to compensation and with appropriate application of decisions in force for expropriation, convert into public property, private economic concerns and organizations which are suitable for association. It may itself assign to the States or communities a share in the administration of economic concerns or organizations, or otherwise assure to itself decisive influence.

Further, the Federation may, by law, in case of pressing necessity and for objects of public economic interest, combine economic concerns and organizations on the basis of self-government, with the aim of ensuring the co-operation of all sections of productive workers and of interesting employers and employes in the administration. A further aim would be the regulation, upon the principles of public economy of production, collection, distribution, employment and valuation, together with import and export of all economic articles.

Industrial and co-operative societies, and their organizations, shall, upon their request and with due regard to their constitution and special characteristics, be incorporated into the public economic system.

THE CASE OF THE PRUSSIAN RAILWAYS

It will be noticed that the Socialist rulers of Germany contemplated nationalizing practically all the means of production, exchange and distribution in accordance with the Marxian doctrine, and abolishing capitalizing and the capitalists. They believed, in their shortsightedness, that the policy of nationalization, which had been not unsuccessful under the old Prussian absolutism, would be equally successful under the new democracy.

The Prussian State railways were the pride of all Germany and the great model to the advocates of nationalization throughout the world. Their services were cheap and efficient, and they yielded a financial surplus to the State, as the following record shows:

	Profit of State Railways. Marks.	Amt. Available for Relief of Taxation. Marks.
1895	450,200,000	112,200,000
1900	527,900,000	146,500,000
1905	626,000,000	211,400,000
1910	692,600,000	210,300,000
1913	772,000,000	234,100,000

The net profits of the State railways, as these figures show, doubled between 1895 and 1913; however, they came on an average only to about $40,000,000 a year. In view of their huge mileage, their financial result was not worth trumpeting abroad. Besides, the assertion that the success of the German railways and the lowness of their charges were due to the greater efficiency of State management was absolutely unfounded. The success which the German State railways obtained was due, not to the superior ability of bureaucratic management, but to certain factors which were never mentioned by the advocates of nationalization. In the first place, practically all Prussia is a level plain. One can travel from the Rhine to Poland without passing through a single tunnel. Hence the Germans could construct their railroads far more cheaply than the English and French, for in England and France the railway lines run through an unending series of tunnels and deep cuttings. Besides, the all-powerful Prussian State subordinated all other interests to that of its railways. While in England, for instance, railways had to be taken at enormous expense, either high over the existing roads or underneath them, level crossings are general in Germany.

The Prussian State railways and the other industries controlled by the Government were successful because absolute discipline was enforced. The men in the State services formed a highly disciplined army. They were not allowed to combine. They were forbidden to join the Socialist Party. Parliament was powerless, and was not allowed to interfere with the officials who directed the great nationalized undertak-

ings. The State employes did not dare to express their dissatisfaction, and they were satisfied with a pittance, because a pension was attached to it which might be forfeited, and because they were given great social privileges. These conditions could not be reproduced elsewhere. Hence the policy of nationalization was relatively unsuccessful outside of Germany, especially in free democracies, which would have found bureaucratic absolutism quite intolerable.

EFFECTS OF THE REVOLUTION

Events have shown that the policy of nationalization can be successful only if the directing officials enjoy absolute power and an entire freedom from parliamentary control, as in Prussia previous to the revolution. The German revolution of November, 1918, destroyed not only the monarchy, but also the absolutism of German officialdom, which was far more hateful to the people than the monarchy. Immediately after the revolution the character and the working results of the German State railways and of all the other nationalized undertakings changed completely. The employes combined, joined the Socialist Party, and demanded vastly increased wages and greatly reduced working hours. The democratic Parliament began to take a lively interest in the railway workers and supported their claims. The current expenses grew enormously, while the boasted efficiency of the railways diminished in the most extraordinary manner. According to a recent official estimate made by the Minister in Charge, the German nationalized railways, during the current financial year, will not yield a profit of a few hundred million marks, as they formerly did, but will produce a deficit of 18,000,000,000 marks, a sum equal to the entire capital invested in the German State railways and much larger than the sum total of all the profits made by the railways since their inception.

The advent of democracy has completely altered the character of the German railways and of their staff. The men have become unmanageable. Orders given by those in charge are disregarded. Bad timekeeping, insubordination and thefts have become common. The presiding Minister, Herr Gröner, stated on Nov. 4, 1919, that the number of men employed on the railways was nearly 50 per cent. larger than in 1913, although the number of passengers and the quantity of freight carried by the railways had shrunk by one-half. He stated that numerous workers drew their wages, though merely putting in an appearance during the eight hours which they were supposed to spend working. The insubordination has become so great that the railway men have repeatedly stopped the conveyance of passengers or of goods of which they did not approve. Their attitude has led to several awkward diplomatic incidents because they have interfered not only with domestic traffic but also with traffic going abroad.

GNAWING AT GERMANY'S VITALS

The policy of nationalization threatens to destroy Germany. Bureaucracy has become a canker which preys upon Germany's strength. According to the Berliner Tageblatt of Nov. 4, 1920, Germany maintains an army of 2,000,000 officials. If we add to them their dependents, 12 per cent. of Germany's inhabitants are more or less unproductively employed by the State. Even the Socialists are becoming alarmed, for not only the State railways but all the other nationalized and municipalized undertakings of Germany as well are run at a gigantic loss, at a loss which threatens the country with bankruptcy. The principal Socialist journal, the Vorwärts, stated on Oct. 28, 1920:

> It is said that at the German Post Office 50,000 officials are employed in excess to the number required, while the number of superfluous officials employed by the State railways is 100,000, according to the Berliner Tageblatt, and from 300,000 to 400,000, according to the Frankfurter Zeitung.

All Germany is alarmed at the scandalous waste and inefficiency which have overtaken the nationalized and municipalized undertakings since the introduction of the democracy, and the demand to place the nationalized undertakings under private capitalistic control, which would ensure both economy and efficiency, has become very insistent. Needless to say, the advocates of nationalization outside of Germany no longer point to the German State railways as an exemplary undertaking.

NATIONALIZATION IN FRANCE

Democratic France followed the example set by Germany, and, not unnaturally, the policy of nationalization was far less successful in that country than it had been in autocratic, imperial Germany. Railway nationalization proved a lamentable failure, and the attempts of France, and of other democratically governed countries as well, to undertake manufacturing and retailing of the most elementary kind aroused the indignation and contempt of both taxpayers and consumers. France, Italy and various other Governments secured for themselves the monopoly of manufacturing and selling tobacco and matches, which are made largely by unskilled labor. This business, though comparatively simple, is carried on with extraordinary incompetence by Governments practically everywhere. Government tobacco and matches are universally detested. A French paper, The Atlas, wrote in April, 1914, with regard to the French tobacco monopoly:

> The smoker is obliged to accept with his eyes shut and his purse open everything the State sells him. If the quality is always the same—that is to say, inferior—prices are always on the increase.

Experience has proved that efficiency and bureaucratic control do not go together. Private undertakings are more efficient than those under bureaucratic direction, because free competition mercilessly eliminates the incapable. Business men become prominent by the same means by which race horses or boxers come to the front—by proved ability. Promotion in the civil service goes chiefly by seniority. While private enterprise automatically eliminates the unfit, bureaucratic management automatically promotes them. The essence of all business is progress. The essence of bureaucracy is conservatism, the strict observation of forms and precedents, hostility to progress.

HOW IT WORKS IN ENGLAND

England has a highly trained, highly paid and most excellent civil service. Nevertheless, the English bureaucracy has shown its utter incompetence for managing economic affairs, and has made itself extremely unpopular with all business men. For instance, Lord Gainford of Headlam, an eminent business man, who had a great deal of experience of bureaucratic management as President of the Board of Education and as Postmaster General, stated before the English Coal Industry Commission:

> Under the influence of State management there is certainly no more inclination on the part of their servants to encourage the rapid adoption of new methods and up-to-date labor-saving appliances than there is in private enterprise concerns, and in my view more hands are required to do the same work under the State. No privately managed firm would find it necessary, for instance, to place behind every five telephone exchange operators a supervisor to stand over and watch them. One reason for the increased cost of State control is the impossibility of a departmental head ever being able to discharge an incompetent but honest civil servant. Once in the service, always in the service until a pension is secured, is the rule. Thus officials grow in numbers and the cost and personnel steadily increase.

The English advocates of nationalization, while deploring the failure and waste of so many departments during and after the war, have frequently boasted of the tremendous success achieved by the British Ministry of Munitions and have described its activities as a triumph of nationalization. However, the success of that organization was not due to the bureaucrats, but to the eminent private business men and engineers who directed its activities, and the majority of these are utterly opposed to management by officialdom. Sir Keith Price, a very able business man, stated before the Coal Industry Commission:

> As member of Council "X" during the war, I was responsible for the control of over fifty Government factories and establishments and some eighty explosive stores, the factories representing an expenditure of over £25,000,000 on works and plant. * * *
>
> While maintaining that the Government factories which came within my purview were satisfactorily run during the war, I have the very strongest opinion that in peace time the reverse would be the case. The department had the advantage of having been able to secure some of the leading engineers and chemists of the day to manage and administer the factories. I know that the majority of them would refuse to serve the State during peace time in view of what they consider the irksome and inefficient system with which they have had to contend, quite apart from all questions of remuneration. Under Government control there is, to a large extent, no reward for efficiency, and inefficients can keep their positions under nearly

every circumstance. This cannot lead to the economic administration of industrial concerns.

A LABOR LEADER'S VIEWS

Before the same commission Havelock Wilson, President of the National Sailors' and Firemen's Union of Great Britain and Ireland, gave evidence. During his long and busy life and in the course of his numerous journeys he had seen a great deal of the working of State control, and his experience had caused him to dislike it. He stated:

> I attend today to give evidence against the nationalization of the mines or the nationalization of any industry, as I believe it would mean a great injury to the best interests of the workmen and the interests of the country generally.
>
> I have had many opportunities of judging the effect of State control, and I have formed the opinion that such State control has not been to the benefit of the workers. State control would result in employment of large numbers of high officials on petty duties, continual change of officials from one department to another, restriction on freedom of action, protracted discussion of matters which could be settled in a few hours, control on top of control, no incentive to initiative, and political wire pulling to influence appointments on the managament and directorial staffs.
>
> The Labor Exchanges have been a costly failure, and no real benefit to the workers. I am pleased to state that I was the only member of Parliament who opposed their establishment. They are now costing over £1,000,000 a year. The same system of Labor Exchanges was established for seamen over sixty years ago. The inevitable result was that the only place where a seaman could not obtain employment was at the Labor Exchanges established by the Government for the seamen's benefit.
>
> State interference with the liberty and action of the seaman has been a failure, and brought him within measurable distance of slavery. But for his determination to combine he would have been a slave today.

In this statement Mr. Wilson voiced the opinion of the British shipping industry as a whole, for the shipowners have become as disgusted with State management as the thinking sailors and their trade-union representatives. At the last annual meeting of the British Chamber of Shipping W. J. Noble, its President, stated:

> Control of trade and industry has not been a success, it has, indeed, been a huge failure. Witness the present chaos in the coal trade, the muddle of the railways, the hopeless tangle of the whole transport system, the anomalies of shipping "direction," the complications of food control.
>
> We have now had nearly five years of Government control and management of business. Some of us have been behind the scenes, and have been the victims of the soul-destroying and paralyzing system that seems to be inseparable from Government control. What are its characteristics? It is extravagant and wasteful. It destroys all initiative; it stereotypes mediocrity. It is self-satisfied. It scorns advice. The idea of co-ordination is foreign to its nature. As an instance of Government methods, it was recently stated in the press that a ship in St. Katherine's Docks was loaded and unloaded nine times as a result of the conflicting orders of five different Government departments.
>
> The cost is infinitely more than the owner's margin of profit and the cost of management combined. What ought to go to increase of wages is spent on whole armies of officials, whose main duties are to work the card-index system and to prepare statistics to enable ill-informed Ministers to answer silly questions in the House of Commons. It is a very illuminating fact that those trades and industries which have been wholly released from control are already on a fair way toward recovery, while those which still remain in the grip of the State are going from bad to worse.

AUSTRALIA AND NEW ZEALAND

The advocates of the policy of nationalization frequently tell us of the triumph of that policy in Australia and New Zealand. Both these magnificent new countries possess the most gigantic natural resources; it is, therefore, only natural that the settlers became rich and prosperous. Economic progress was inevitable under any form of management; to ascribe the progress of Australia and New Zealand to the policy of nationalization is not only absurd but dishonest.

While Government management in the antipodes may appear a marvelous success to those who view it through rose-colored spectacles from the other side of the globe, many Australian and New Zealand authorities are far less convinced of the beauties and advantages of nationalization than are those who know its achievements only from hearsay. For instance, the Hon. Sir Charles Wade, the Agent General for New South Wales in England, who has occupied Ministerial positions and has been Prime Minister, and who, therefore, has the greatest practical knowledge of the actual working of nationalization, placed before the British

Coal Industry Commission a long statement in which he said:

Success of State ownership and control depends on the efficiency of labor; that, in turn, depends on an effective method of management and discipline. The greater the pressure that can be brought to bear upon the management, the greater the danger of laxity and inefficiency. If the franchise is enjoyed by the workers, political influence becomes possible. The nearer the franchise approaches manhood suffrage, the greater the pressure that can be exerted. * * *

In New South Wales some railways have been condemned as being unjustifiable on business grounds which have been the result of political pressure. * * * There is the temptation to vote for railways which may help the political party. * * * Efficiency of labor is in inverse proportion to political influence. When a strike takes place in a Government department because a workman has been discharged, the Government's position is difficult. If they resist the demands, votes are in peril. If they yield, discipline is threatened. * * *

State ownership does not stop strikes. In Victoria the State coal mines have struck work on several occasions. In New South Wales the Government railway and tramway workers, who enjoy perhaps the most liberal conditions in the world, have struck, although it is fair to say that a large number, in spite of temptation, remained loyal to the Government. The Commonwealth shipbuilding yards in Sydney and Melbourne have been the scene of strikes on many occasions. The workers on the Trans-Continental Railway have struck, and the State coal mines in New Zealand cannot claim to be free of strikes.

WHY STATE CONTROL CREATES INEFFICIENCY

The Hon. Francis Marion Bates Fisher, a former Cabinet Minister of New Zealand, gave before the commission mentioned a very able survey of the advantages and disadvantages of nationalization.

The public service [he said] could never be efficient so long as it is under political control. * * * The departmental regulations rob a man of practically all power of initiative. The principle in Government departments, so far as I have been able to ascertain, is that if you give a man power to make a decision he may make a mistake; therefore, in order to avoid mistakes avoid decisions. Thus we have these interminable and intolerable delays which do so much harm. See how marked a contrast there is between these conditions and those of the ordinary business man who has to be alert and quick witted, who could never prosper if he were hampered by the red tape that entangles the civil servant. * * * The private business man has to pay for his own blunders. The civil servant's blunders are paid by the taxpayers. He is thus shorn of that responsibility which does so much to make the business man efficient.

I hold the view that a State monopoly is even a worse evil than a private monopoly. The latter must be efficient in order to resist private competition on the one hand, and to prevent the demand for State intervention on the other. The State has no such grounds for efficiency. The State as a monopolist has no fear of either of these checks. It has unlimited funds, unlimited credit, no danger of competition and Parliamentary control. It is thus immune.

An additional danger of State monopoly must not be disregarded, for it is all important. It is intensely difficult for the State to initiate industrial or commercial developments. Let it be supposed that the State owns all the railways. If the Minister for Transport builds a new line he depreciates the value of the existing line. He becomes his own competitor. A mere suggestion from him that he is going to build a new line leads to a flood of demands from all over the kingdom for similar treatment. There is a general political scramble all over the country for a share of the expenditure of the public purse.

Private capital will always be found to finance a scheme which it can be shown will pay interest, but development is arrested enormously if the future of development rests with the State. To begin with, the State will not pay for brains. It prefers mediocrity at half the price. It gets mediocre results accordingly.

UNIONS' ABUSE OF POWER

The State of New South Wales, which, like all the Australian States, has gone in with great energy for the nationalization of industrial and commercial undertakings, has experienced a great deal of trouble with the coal miners. Unrest among them was very great. Strikes occurred unceasingly. The miners' leaders endeavored to make the orderly working of the industry impossible, and proclaimed at every opportunity that widespread dissatisfaction among the workers could not be allayed by wage concessions, that the agitation was due to dissatisfaction with the capitalist system, that peace and order in the coal mining industry could be obtained only by nationalizing them.

The demand for the nationalization of the coal mines was so insistent and the inconvenience of almost continuous strikes was so

great that the New South Wales Government at last appointed a Royal Commission to investigate the position in the coal mining industry. That commission recently published a report that throws a flood of light upon the policy of nationalization, its practical working, and the aims of those who demand its introduction in Australia and elsewhere. The report states:

There cannot logically be denied to any section of the community the right to organize on the lines of self-interest and self-protection, but the nation is vitally concerned to see that such organizations do not develop into political machines or proclaim and seek to enforce against the general community an objective policy which aims at holding up the many for the benefit of the few.

In view of recent experiences of the power —either used or threatened by industrial sections to paralyze the public utilities of food, fuel and transport—the community should be on the way to realize that it has in its concessions to industrial liberty apparently parted with an undue proportion of its communal rights, and that, if it is to preserve its integrity and order, it must resume some of them, or at least take measures to ensure that the arms that were given for defense are not turned into weapons of selfish aggression, controlled and directed by factors that are destitute of all social intelligence and spirit.

The public utilities of food, fuel and transport are fundamental and vital elements of the national existence, and no nation can afford to allow any one of them to become a mere instrumentality of a class or section of the community, capable of being used against the whole in pursuance of a policy of sectional greed or ambition.

CONDEMNED EVEN BY MINERS

Thus, in Australia, the land where nationalization has been carried furthest, it is clearly recognized that bureaucratic management is very inferior to individual, or capitalistic, management as regards efficiency. Besides, as the report tells us, bureaucratic control is condemned, not only by the owners but even by the miners themselves. The New South Wales report states:

Nationalization of the [coal] industry is apparently not viewed favorably as a solution of the industrial problem by the employes or their industrial organization, their main objection being that it merely means a change in the identity of the employer and a continuance of all the essential causes of their dissatisfaction with the present system.

The owners as a body are opposed to it, even on the basis of complete compensation, as depriving the individual of a field of reproductive enterprise in which the individual can operate more efficiently and with better service to the public than bureaucratic administration on the evidence can possibly do. * * *

Apart from the objections emanating from the interests concerned, which cannot be of themselves conclusive, the consensus of informed opinion appears to be against the principle of nationalization, as opposed to true democracy, in which individual initiative and effort are essential and beneficent factors. * * *

Whatever may be the faults of the existing system of ownership and control, it is at least tempered by competition, by the influences of the industrial element, and by public opinion, all of which have hitherto successfully worked to prevent the industry, as a national instrumentality, being used to exploit or oppress the community as a whole. Would that harmless character be preserved under any system which gave control to those who would benefit by its misuse, with public opinion the only tempering influence?

Before an affirmative answer to that question could be reasonably assured, the colliery employes must produce some better records of tenderness for public interest than they have offered to the public up to the present time.

Whatever may be suggested as to the faults of the proprietors, individually or collectively, there remains to the debit of the employes a deplorable record of indifference to the national need of increased production, defiance of the arbitration laws, refusal to accept constitutional means for the adjustment of disputes, a selfish insistence on trivial demands, a conspicuous lack of internal discipline, and a subordination of mind and action on the part of the moderate and serious-minded of the employes to the crude and hectic preachings of an inconsiderable section of their body, alien, for the most part, in origin and spirit, whom they have allowed to attain an ascendency in council in inverse ratio to their real authority and standing.

Any section of the community asking to be entrusted with a power which could be used effectively to the profit of the user against the rest of the community should not complain if it is asked, first, to graduate in public virtue.

UNWISE LEADERSHIP

The report calmly and unsparingly points out that the unrest among the miners in Australia is largely because a considerable number of irresponsible boys and youths have been overpaid and have lost all sense of proportion; that doctrinaires and an

anarchistic minority have secured the control of the trade unions, partly by trickery and partly by overawing the steady-going majority. It shows the attitude of the miners by enumerating sixty-one strikes which had taken place between Jan. 15, 1907, and Jan. 12, 1920, at the South Clifton and South Clifton Tunnel collieries. Among the causes of these numerous strikes we find that the miners went on strike because "a shiftman was dismissed for arriving at the mine intoxicated." Another time they went on strike "nominally because of a dampness on the traveling road, the probable reason being that some of the wheelers wanted to attend a race meeting." Then there was a strike because of the "refusal of an employe, who had been absent without leave, to see the manager." A three days' strike occurred because "five clippers were dismissed for deliberately persisting in being late after previous warnings." Several thousand miners struck from July 23 to Aug. 8, 1919, because "a wheeler had been dismissed for ill-treating a horse."

POLICY NOW DISCREDITED

The foregoing evidence shows that nationalization has been a universal failure. Up to the war the tide of popular opinion was flowing strongly in its favor; nationalization was favored not only by countless agitators and their followers, but by numerous employers, politicians, authors, &c. Owing to popular clamor, many privately managed undertakings and services were placed under Government control during the war. However, bureaucratic management proved a failure everywhere. It was not only extraordinarily wasteful and incompetent, but it made the system thoroughly hateful to the workers themselves, who had demanded its introduction. The wage earners discovered that the bureaucrat is a far harder taskmaster than the private capitalist, and that no tyranny is greater than that of cast-iron Government regulations.

Both agitators and workers have learned to detest the policy of nationalization. Many, it is true, still advocate it for the sake of consistency; but most of these are bitterly opposed to bureaucratic management, which they detest at least as much as private capitalism. Though clamoring for nationalization, they are opposed to management by a soulless bureaucracy. Under the cover of nationalization they wish to introduce either syndicalism, which means the confiscation and management of undertakings by the workers engaged in them, or communism, anarchism or guild management. However, these policies cannot be discussed with advantage in the present article.

The British Empire has experimented on a very large scale in applying the policy of nationalization to trade and industry. The result has been thoroughly unsatisfactory. The British telephone and telegraph services are far inferior to those of the United States. For every single telephone in the United Kingdom there are twelve in the United States. The British dominions and colonies have experimented extensively with their railways. In many parts of the empire the railways are State-owned and managed, and in others, such as India, they are State-controlled. The result has been unfortunate. National management and control have stifled railway expansion and railway progress. The unsatisfactory position of the British Empire as regards railway development may be seen at a glance by the following comparison, which relates to the year 1913:

	Sq. Miles of Territory.	Population.	Mileage of Rys.
British Empire....	12,808,994	439,734,060	134,131
United States.....	3,026,789	97,028,497	251,984

Although, previous to the war, the British Empire was four times as large as the United States, it had only a little more than one-half the mileage of railways. With unrestricted private initiative, the British Empire would probably have possessed a far larger mileage of railways, a far larger number of white citizens, a far greater wealth and far greater power.

THE SPARTACAN UPRISING IN GERMANY

By RALPH H. LUTZ
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A complete story of the crisis in which Germany narrowly escaped the fate of Russia —How Liebknecht and other communist leaders sought by armed revolt to impose a dictatorship of the proletariat upon the nation—Murder of the chief agitators

THE defeat of the Imperial German Armies in France, coupled with the sudden collapse of the General Staff, was the immediate cause of the German revolution which overthrew the military and imperial régime and evoked the internal struggle between the Social Democrats and the Spartacan extremists. At the end of September, 1918, when this defeat was fully realized, Prince Max of Baden, on the demand of the Majority leaders of the Reichstag, was appointed Imperial Chancellor. The dismissal of Ludendorff early in October ended the military dictatorship; within two weeks Germany was a republic.

The first step toward this republic was the revolt, commencing Oct. 22, 1918, of the High Seas Fleet, followed by the seizure of the Hanseatic cities by workmen's and soldiers' councils. This was followed by the rising of the Bavarian Independent Socialists under Kurt Eisner, who, denouncing the Southern Pan-Germans as the accomplices of Prussia, proclaimed the Free State of Bavaria. The final phase of the revolt was the overthrow of Prince Max of Baden, the assumption of power by Friedrich Ebert, and the proclamation of the German Republic in Berlin. With the seizure of Berlin on Nov. 9, 1918, by the Socialists, the victory of the German revolution was completed.

It was the great tragedy of the German proletariat that the Socialists, at the moment of their triumph over the autocratic and capitalistic empire, were divided into hostile groups. They had been so divided since the beginning of the war. The German Nationalists forced the Socialist Party to vote for the war credits. The goal of the Social Democrats then became the control of the Imperial Reichstag. The adoption of this policy led to the break-up of German Social Democracy. Hugo Haase and his supporters in the party caucus of August, 1914, had voted against support of the capitalistic Imperialists, but had finally acquiesced. When, however, in the historic Reichstag session of Dec. 9, 1915, von Bethmann Hollweg showed that the Imperial Government accepted a part of the Pan-German plan of conquest, Haase, as the leader of the minority faction, refused to vote for further war credits. This refusal proved momentous. In March, 1917, this minority party seceded from the Social Democrats and formed the Independent Social Democratic Party. The new party reaffirmed the fundamental principles of Marxian socialism, denounced all compromises, and secretly adopted a revolutionary policy.

ORIGIN OF SPARTACISM

Scarcely were the Independents organized when there appeared upon their left a revolutionary and communistic group calling itself the Spartacan Alliance. The development of this new school, with its exotic interpretation of Marx, was the direct result of the war and of the rise of Bolshevism. It is the most significant fact in the recent history of German socialism. The sponsor of this movement was Karl Liebknecht, son of a famous father and himself a well-known Social Democrat.

*This article is based on an address delivered by the author on Dec. 30, 1920, before the American Historical Association at Washington.

Karl Liebknecht was the first German at the outbreak of the war to recognize the empire's responsibility for the conflict and to denounce the moral guilt of the German and Austrian leaders. For his opposition to the traditional solidarity of the Socialists, he was expelled from the party. For summoning the masses to overthrow the criminal Government of Germany, he was promptly arrested and imprisoned. His protests, however, were supported by Rosa Luxemburg, the ablest personality of the woman's socialist movement. As a result of the work of these leaders, a group of communists began to preach the doctrine of immediate socialization of the means of production and distribution and of the world revolution to be effected by the proletariat.

On the fifty-seventh birthday of the former Kaiser the first of a series of open letters signed "Spartacus" appeared in Germany. These letters were addressed to the leaders of the Social Democracy, and advocated the reorganization of all socialistic groups upon an international basis. A letter entitled "Retrospect and Prospect," published Aug. 12, 1916, revealed Liebknecht as the author of the "Spartacus" letters. Notwithstanding police and censor, these letters continued, however, to circulate in the interior of Germany, and even at the front. "Spartacus" openly declared: "Our goal is communism, freedom's golden land of anarchy."

INFLUENCE OF BOLSHEVISM

The origins of Spartacism are traceable to the communistic movement within the German Social Democracy. The formulation of its program was, however, the result of the temporary success of Bolshevism in Russia. Lenin's interpretation of Marx was readily accepted by the Spartacans, and the Soviet system was adopted as the fundamental part of their program. "All power to the workmen's and soldiers' councils!" became the slogan of the Spartacans. Rosa Luxemburg drew up a consistent and clear party program, modeled largely on Bolshevism and differentiating Spartacism from Social Democracy. The Social Democrats were denounced as practical politicians opposed to immediate socialization and advocating doctrines of bourgeois democracy and majority rule, while the Independent Socialists were scorned as opportunists who had abandoned the true gospel according to Marx. Although small in numbers, the Spartacan Alliance was, long before the November revolt, the revolutionary party of Germany. Its ideology was that of the Bolsheviki, and its goal was world revolution. When the November revolution delivered Germany into the hands of the Socialists, the Spartacans were one of three factions capable of establishing a provisional government.

A SHORT-LIVED TRIUMPH

On Nov. 9, 1918—day of historic memory—Karl Liebknecht, at the head of a Spartacan group, seized the Royal Palace and the Police Presidency of Berlin. His followers ordered the bells of the illuminated Berlin cathedral to ring in celebration of the proletarian victory. From the balcony of the palace, where in 1907 the Kaiser made his midnight speech announcing the riding down of Social Democracy, Liebknecht proclaimed to the Spartacans that the German proletariat was master of the empire. The Spartacans then promptly seized two of the largest Berlin newspapers, in order to develop their communistic propaganda. Although Liebknecht printed the proclamations of Ebert as Chancellor, he boldly challenged the Social Democrats by writing: "There can be no alliance with those who, during four years of war, have betrayed you." Meanwhile the Spartacans formulated demands which, if fulfilled, would have meant the establishment of a complete dictatorship of the proletariat on the Russian Soviet model.

Liebknecht had been in close touch with the left wing of the Independents and a party to their revolutionary conspiracies. He counted upon Independent Socialist support for the establishment of the dictatorship; consequently the union of the two Social Democratic Parties in a Coalition Government was a blow to his communistic policy. The formation, however, of this Socialist Government, which was hopelessly disunited and without a program, enabled the Spartacans, as the revolutionary party of opposition, to develop rapidly throughout Germany. Spartacus demanded that the socialization of the means of production should be carried out at once and denounced the Social Democratic plan of nationalizing

only those industries which were ready for expropriation by the Commonwealth. Above all, Spartacus opposed the convocation of a National Assembly to express the will of the people, and demanded that the revolution should develop exclusively along Russian lines.

A STRUGGLE FOR POWER

The history of the first phase of the German revolutionary movement is that of the struggle of the Spartacans and their allies with the Majority Socialists for power. It is a conflict of the forces of communism with those of democracy. The Social Democrats planned to establish a democratic federal republic, elect a National Assembly and conclude peace with the Entente. The Independent Socialists aimed to break with the past, to overthrow the capitalistic bourgeois State, and to erect a socialistic republic. The Spartacans finally advocated the establishment of a communistic State through the dictatorship of the workmen's and soldiers' councils. The Government and the masses were thus hopelessly divided by the gravest of revolutionary questions. Upon one policy alone all the Socialist factions agreed, namely, that a proletarian congress of the German workers should be summoned in order to save the nation from anarchy.

The meeting in Berlin on Dec. 16, 1918, of the first congress of the workmen's and soldiers' councils was the most important event in Germany since the November revolution. The future of the nation was in the hands of this convention of the victorious proletariat, and for the first time since Nov. 9 the nation had an opportunity to express its opinion upon revolutionary questions. Liebknecht correctly stated that the members of the congress had to decide whether or not they would develop the November revolution into a socialistic revolution of the German proletariat. On the opening day of the congress Liebknecht, addressing a great crowd of striking workmen, denounced the idea of a National Assembly, and demanded the arming of the revolutionary working classes. To the armed strikers he shouted: "Whoever votes for the National Assembly votes for the rape of the working class!"

ROBERT EICHHORN
Chief of Berlin Police, who joined the Spartacan revolutionists

GUSTAV NOSKE
Former German War Minister, who crushed the Spartacan revolt

Within the congress, a parliamentary struggle occurred between Social Democrats, Independents and Spartacans. The Majority Socialists urged the convocation of a National Assembly, while the Spartacans demanded a socialistic dictatorship, the establishment of the councils system, the formation of a Red Army and the immediate socialization of industry. After violent debates, which brought out the imminent danger of the military occupation of Germany by the Entente, the motion to hold the elections for the National Assembly was carried by a vote of 400 to 75. Thus the German proletariat itself, in voting to call a National Assembly, established the principle of democracy above that of class rule.

PRELUDE TO CIVIL WAR

This decision of the proletarian Congress of the Workmen's and Soldiers' Councils was the signal for the attack of the Spartacans and Independents on the Social Democrats and the prelude to civil war. Liebknecht, always a man of action, determined now to overthrow by force the entire administrative system of the old police State, which he accused the Social Democrats of maintaining in power. The Spartacans of the other German industrial centres were in accord with the Berlin leaders. In Hamburg, Bremen, Brunswick, Magdeburg, Leipsic, Dresden and Munich, the communists denounced the calling of the National Assembly as a betrayal of the revolution and the restoration of the old imperial bureaucracy. To gain control of the remnant of the German army, the Spartacans commenced publishing the Rote Soldaten (Red Soldiers) as the official organ of their Soldiers' Alliance. This military propaganda was remarkably effective in winning over thousands of war veterans and republican soldiers to the Spartacan cause.

The sailors stationed in the royal palace at Berlin revolted on Dec. 23, but were suppressed by loyal troops acting under orders from the Socialist Government. At once the Independent Socialists seized upon this act to withdraw from the Government, on the ground that it had ordered reactionary troops to fire upon the people. The Spartacans, who had already issued a call for a party convention, believed that it would

(Times Wide World Photos)
FRIEDRICH W. EBERT
President of the German Republic

KARL LIEBKNECHT
Chief Spartacan leader, killed while attempting to overthrow the German Republic

be an easy matter to raise the Berlin masses against the Majority Socialist Government and to establish a genuine proletarian rule. The left wing of the Independents supported the Spartacans, while a considerable portion of German public opinion favored the establishment of a republic of councils.

THE SPARTACAN CONVENTION VOTES FOR WAR

On Dec. 30 the German Spartacan Party met in convention in Berlin. Its aim was to draw up a communist program and take such measures as were necessary to overthrow the Provisional Government. Karl Radek, the able Russian leader and propagandist, appeared at the convention and pronounced in favor of civil war, if necessary, to establish the dictatorship of the proletariat. Liebknecht, Luxemburg, Mehring and Levy also spoke in favor of immediately completing the work of revolution. The delegates then proceeded to draw up a party platform and to formulate twenty-four military, political, social and economic reforms, which would pave the way for communism. The preamble of the party platform said in part:

> The bloody hallucination of the world empire of Prussian militarism vanished on the battlefields of France, and the band of criminals who started the World War, plunged Germany into a sea of blood, and deceived her for four years were decisively defeated. Society was thus placed before the alternative either of continuing the capitalistic system with new wars, chaos and anarchy, or of establishing complete socialism as the only salvation for humanity.

The platform proposed active preparations for the revolutionary rising of the world proletariat. It said of Spartacus:

> He is the social conscience of the revolution. "Crucify him!" yelled the secret enemies of the proletariat, the capitalists, the small citizens, the officers, the anti-Semitic press lackeys of the bourgeoisie, the followers of Scheidemann, who, like Judas Iscariot, sold the workmen to the bourgeoisie. Spartacus will seize power only if it is the undisputed wish of the great majority of the proletarian masses in all Germany, who must first accept the aims and battle methods of the Spartacans. The victory of the Spartacan Alliance stands not at the beginning but at the end of the revolution; it is identical with the victory of the millions of the socialistic proletariat. Thumbs in their eyes and knees on their breasts!

More important than the formulating of this revolutionary platform was the decision concerning the immediate policy of the party toward the national elections. Although Liebknecht at the last moment doubted the success of civil war, the Communist Party voted to prevent the election of a National Assembly. The leaders were convinced that, if the Assembly once met, their program would be defeated and the revolution would be over. Many of the communists sincerely believed that a civil war, which established the dictatorship, would save Germany from her enemies by ushering in the world revolution. Radek boasted to the convention that the Russian proletariat would join with their class-conscious German brethern to fight the menace of Anglo-Saxon capitalism on the Rhine. Liebknecht himself stated that the party goal was international communism, and could be reached only by destroying the capitalistic classes in the Entente States, which alone barred the way toward the world revolution. He believed that it would be necessary to destroy all existing institutions in order to establish communistic society, and saw in the coming revolution the only salvation for Germany. The Spartacans announced that they would lay Germany in ruins, convinced that from the ashes of the empire a new and greater nation would arise.

OUTBREAK OF REBELLION

Under the military leadership of Robert Eichhorn, Chief of Police of Berlin, the Spartacan rebellion broke out on Jan. 5, 1919, in the capital of Germany. That day the Spartacan and Independent newspapers called for demonstrations in the Siegesallée against the Majority Socialist Government. Enormous crowds of workmen were addressed by Eichhorn, Liebknecht and Ledebour, who described the Majority Socialists as "bloodhounds" and denounced them for convening the National Assembly of the reactionaries. That night the armed forces of Spartacus seized the principal newspaper offices of the city, with the object of preventing the appearance of the Social Democratic and bourgeois press. Everywhere their efforts were successful, and their leaders believed that within twelve hours the Social Democratic Government would cease to exist. Vorwärts, the official paper of the Majority Socialists,

now appeared under Spartacan control and printed a proclamation demanding the disarming of the counter-revolutionists, the arming of the proletariat, the formation of a Red Army, the union of all revolutionary troops with the workers, the seizure of power by the councils, and, finally, the "overthrow of the traitors Ebert and Scheidemann."

With the seizure of the Brandenburg Gate, the Government printing offices and several barracks and railway stations, the terror began in Berlin. Ledebour, Liebknecht and Scholze formed a provisional Government and sent a detail to seize the Ministry of War. Many Government troops surrendered without fighting, and the marine division declared its neutrality. Had the Spartacans possessed able military leaders and abandoned their speechmaking for fighting, they could easily have overthrown the Socialist Government in the Wilhelmstrasse and established the Soviet system in Berlin. They wasted two valuable days, until the vacillating Socialist Government appointed Noske Commander in Chief in the Marks and Governor of Berlin. The Spartacans, who were supported by the left wing of the Independent Socialists, failed also to win over the Independent party leaders. Yet they almost succeeded in seizing the former capital of militarism from the Majority Socialists. Having completely paralyzed transportation and industry in Berlin, Liebknecht, addressing his followers on Jan. 6, said that the fall of the Government was a matter of hours.

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ROSA LUXEMBURG

Spartacan leader, killed at the same time as Liebknecht

DEFEATED BY GOVERNMENT FORCES

Meanwhile, however, Noske gradually drew into the city the skeleton regiments of the old Imperial Army, which were stationed at Potsdam and neighboring camps. On Jan. 8 he announced in a proclamation to Berlin:

> Spartacus fights now to secure control of the State. The Government, which will bring about within ten days the free decision of the people concerning their own fate, is to be overthrown by force. The people shall not be allowed to speak. Their voices shall be suppressed. You have seen the results. Where Spartacus rules, all personal security and freedom are abolished. * * * The Government is, therefore, taking the necessary measures to end the reign of terror and prevent its recurrence once for all.

The Government's counter-attack began on Jan. 9, when loyal troops, supported by machine guns, mine-throwers and even howitzers, attacked the Spartacan strongholds. Eichhorn was finally defeated by this remnant of the Prussian guard, fighting under the banner of the Socialist Republic. The Police Presidency on the Alexander Square and at the Silesian Railway Station, the last Spartacan strongholds,

were taken by storm, and the first attempt to establish a dictatorship of the proletariat collapsed. Of this battle the writer was an eyewitness.

The failure of the Spartacans was due primarily to their lack of proper military organization and to their inability to obtain the support of the revolutionary troops stationed in Berlin. They were vanquished by small but disciplined forces equipped with artillery and commanded by able officers of the old army. Nevertheless, it took the weak Socialist Government sixteen days to put down the rising. It is therefore reasonable to conclude that if Liebknecht had carefully prepared a military coup d'état, Bolshevism would have been established in Berlin in January, 1919.

MURDER OF LIEBKNECHT AND LUXEMBURG

After their final defeat the Spartacan leaders disappeared. Eichhorn and Radek fled from the capital. A report was circulated that Liebknecht and Luxemburg had gone to Holland. Liebknecht, however, wrote to the Rote Fahne (Red Flag):

> We have not fled, we are not defeated, we will remain here, and victory will be ours. For Spartacus is the personification of socialism and world revolution. The Golgotha way of the German revolution is not yet ended, but the day of salvation nears.

On the night of Jan. 15, however, Liebknecht and Rosa Luxemburg were arrested and brought to the headquarters of the Guard Cavalry Division. Rosa Luxemburg was brutally murdered by Government troops and her body thrown into one of the Berlin canals. While being taken to Moabit Prison, Karl Liebknecht was shot by his guards, ostensibly because he tried to escape. Thus political murder ended the revolt which a remnant of the old Imperial Army had suppressed. These murders stamped out the fiery protests of communism against democracy, and the followers of Liebknecht and Luxemburg, deprived of leaders, were promptly scattered. The bourgeoisie and the Social Democrats openly rejoiced over the death of the two communist leaders, who had threatened the peace of the defeated and exhausted Fatherland and had not shrunk from plunging the capital of Germany into civil war. The failure of the German communist rising was the signal for the triumph of German democracy in the national elections, which were held on Jan. 19.

RED AGITATION CONTINUES

The defeat of the Spartacans in Berlin did not, however, end their propaganda in Germany. Munich, Düsseldorf, Duisburg, the Ruhr, Brunswick, Wilhelmshaven and Bremen contained strong groups. The internal condition of Germany, moreover, rapidly altered the situation in their favor. The danger of national starvation was imminent, the industrial life had collapsed, wild strikes and widespread agitation created economic unrest, the National Assembly failed to bring order out of chaos, and the reports from Paris indicated that the final terms of peace would be almost unbearable. Faced by these dangers, large classes of Germans turned to the Spartacans and Independents for salvation. Intellectuals, such as Hans Delbrück, openly threatened the Entente with Bolshevism. Lenin, who had planned to make Germany the first link in his chain of world revolution, had his agents in Berlin working with the Spartacans. Trotzky's slogan, "The failure of communism means that Europe

(© *Central News*)
STREET SCENE IN BERLIN SHOWING EFFECTS OF SPARTACAN SHELL FIRE

Spartacans in Berlin training their rifles on Government troops from behind a barricade built of bundles of the Socialist newspaper, Vorwaerts

relapses into barbarism," was placarded on the walls of the capital, while Lenin's dogma, "The Bolshevist theory is a consistent carrying-out of Marxism and strives to re-establish the true teachings of Marx concerning the State," won many converts for the Spartacans among the workers.

By the end of the Winter, the Coalition Government of Majority Socialists, Catholics and Democrats found it increasingly difficult to maintain order in Germany. The National Assembly was unable to agree upon an economic policy that would restore the nation's industrial life. The Independents, enraged by their recent political defeats and by the betrayal of their cause at the hands of the Majority Socialists, now encouraged "direct action." The Spartacans determined, therefore, to strike once more for the dictatorship of the proletariat and to avenge the murder of their former leaders. Aided by the Bolshevist agents and by Russian gold, they planned a revolution for the first week of March, 1919. While their leaders secretly conspired with the troops of the Berlin garrison, the Independent and Spartacan newspapers openly attacked the Government. For the first time the Spartacans dominated the Berlin workmen's councils, which, as a prelude to rebellion, proclaimed a general strike on March 4.

SUPPRESSION OF NEW OUTBREAKS

On the day set the Spartacans again raised the red flag of Bolshevism on the Alexander Square in Berlin. This time they were joined by the Marine Division, the Republican Guards and bands from the criminal classes. Heavy fighting continued for a week between the loyal Government troops and the Spartacans. Machine guns, airplanes and artillery were freely used on both sides. To inflame the people against the communists Noske falsely accused them of a general massacre of prisoners, and on this alleged ground ordered them to be exterminated. So low, however, had the military power of Germany sunk since the ar-

Mounted guards in Munich charging upon a dense crowd of Spartacan rioters who were tearing up the paving stones

mistice that the Government could not muster three full divisions to suppress the insurrection. For the second time the Berlin communists were put down by volunteers from the middle classes, who supported the regular troops.

Though twice defeated, the Spartacans did not abandon faith in the method of "direct action." In Bremen and Hamburg disturbances occurred, and attempts were made to establish the Soviet system. In Bavaria, after the murder of Kurt Eisner, the left wing of the Independents united with the communists to establish the dictatorship of the proletariat. On April 6 the Central Council of Bavaria proclaimed to the people:

> The decision has been made. Bavaria is a republic of councils. The working people are masters of their fate. * * * The Landtag is dissolved. * * * All co-operation with the contemptible Government of Scheidemann is refused.

Thus the rising which had failed in March temporarily succeeded in April. Here the influence of the Russian Bolsheviki was more pronounced than in Berlin, and the plan of spreading the revolution throughout Germany was worked out in detail.

DEFEAT IN BAVARIA AND ELSEWHERE

Although the extremists triumphed in Munich, the rest of Bavaria soon united against the Spartacans under Levien. Hoffman, the head of the Socialist Government, did not hesitate to summon the armed forces of the several States to destroy Bavarian communism. After severe fighting, the brief Bolshevist reign of terror was ended by Noske's Prussian troops. The proletarian dictatorship of foreign intriguers collapsed and the boasted Soviet Army of Liberation never advanced to the German frontiers.

German communist risings also occurred in the Rhineland, Westphalia, the Hanseatic Republics, Thuringia, Saxony and several industrial centres of Brandenburg and Bavaria. Except in Berlin and Munich, they failed to threaten seriously the Coalition

Government. At the end of Spring, 1919, the national interest was diverted from internal affairs to the drama of Versailles. The communists advocated acceptance of the allied peace terms in the spirit with which the Bolsheviki had received the conditions of peace at Brest-Litovsk. The Social Democrats, however, regarded the treaty, even in its final form, as unbearable. But military resistance to the allied demands was impossible, and the Independents denounced any attempt at passive resistance. After Scheidemann resigned, Bauer formed a Ministry of Socialists and Catholics, which secured from the National Assembly the ratification of the Treaty of Versailles. With this ratification ended the first and violent phase of the effort to establish Spartacism in Germany, and here this account may close. Though the embers of the conflagration still smoldered, and even threatened at times to burst again into flames, the democratic principle triumphed, and the machinations alike of the Russian Bolsheviki and the German communists came to naught.

HOW LIEBKNECHT AND ROSA LUXEMBURG WERE MURDERED

The published confession of a German soldier who says he was ordered to shoot down the communist leaders

IN the German Socialist newspaper Freiheit, on Jan. 9, 1921, appeared a statement signed by "Hussar Otto Runge," which, though vague and elusive on points involving self-incrimination, is in effect a confession revealing a deliberate plot by the military authorities in control of Berlin to shoot down the two Spartacan leaders, Karl Liebknecht and Rosa Luxemburg, at the time when the communist uprising ended with their murder. Runge's story throws no light on the relations, if any, between the murderers and the Government; it may not be wholly true in details, as there are obvious omissions, due to the author's fear of compromising himself; the fact, however, that Runge was one of the soldiers stationed at the door of the Eden Hotel, where the two communist leaders were last seen alive, gives his statement some value as an eyewitness account of what happened. His narrative, when translated, reads as follows:

On Jan. 15, 1919, between 7 and 9 o'clock in the evening, I was stationed as sentry before the chief entrance of the Eden Hotel; Cavalryman Dräger was with me. About 9 o'clock there was a great to-do and excitement; it was rumored that Liebknecht and Luxemburg had been brought in. Several orders were at once given me by officers and Sergeants, and the remark was dropped that these creatures must not be allowed to leave the hotel alive.

Concerning Liebknecht, I received strict orders from officers to knock the fellow down with the butt of my rifle wherever he emerged. I was new at my job and could not know the officers; but afterward I recognized them as my fellow-accused. As for Frau Luxemburg, officers came to me and said: "I order you to see that Luxemburg doesn't leave the hotel alive; mind you swallow that!" Lieutenant von Pfluck-Hartung made a note of my name and said to me: "First Lieutenant Vogel will send her straight to you; all you'll have to do is to strike hard." When Frau Luxemburg was being dragged into the motor, somebody jumped up behind just as it was driving off and sent a bullet into her head; I could see that very clearly, as I was only a short distance away. He then jumped down and reentered the Eden Hotel from the Nürnberger Strasse.

The next minute an officer came up to me from the entrance and told me to go up to the fourth floor and clear things up there. "The fellows up there are no good," he said, "they're rotters. Your orders are to shoot the editor of The Red Flag."

A Sergeant met me on the staircase and said I was to come up at once and clear up things. I told him I'd got my orders already and asked him where he got his. He then said: "Captain Pabst gives orders here." When I got upstairs there was one man standing against a wall and another sitting next to him. The Seregant ordered

me to point my gun, and to shoot when he came back for the third time; that was to be the signal. I had already lifted my rifle, but thought better of it, and lowered it again; the man of The Red Flag also came toward me and said he had a last commission to give. He was led into a room, and as he left an officer said to a Sergeant: "Take the man off and see that nothing happens." I then went back to my sentry duty and Dräger said to me: "Well, I suppose you didn't shoot the fellow upstairs after all; you were such ages about it."

Meanwhile the others had come up and were boasting: "We've done for Liebknecht nicely. A trick was played on him, and so he was induced to try to escape." Chief Lieutenant von Rittgen later repeated that to me when we were in prison; he also said he had heard reports of the pistols. Of Luxemburg it was said: "The old sow is already afloat." [Frau Luxemburg's body was found three weeks later in the canal.]

I have this to say about my flight: At first everybody in the Eden Hotel congratulated me, and I was told that nothing would happen to me. "We'll see to that," they said. "We'll send you to another nice little town and look after you." One evening after sentry duty, when I was walking through the Zoo, Lieutenant Liepmann came up to me with Chasseur Friedrich and said: "Well, my man, I've been a good time looking for you; you've got to get away; you've got to make yourself scarce, or else we'll all be sitting in prison." Various of my superiors in my cavalry regiment also began to urge me to flee. Lieutenant Liepmann then took me from recruiting quarters to the Eighth Hussar Regiment. I told my superiors there about the murder and was instantly hailed as a hero.

One day in January, or the beginning of February, I was cleaning in the courtyard and two children came to me and said: "Hussar Runge is to come into the street and speak to a soldier." A non-commissioned officer came to me and said: "Runge, I've been ordered to come by President Freiherr von ——, Adjutant of the Eighth Hussars. He's got a warrant out against you; you're to be arrested. It can't be allowed. Here's a copy of the warrant." He gave me 240 marks and a military pass for Cologne. I at once told my Captain, got my pay, and was told by Captain Weber to make myself scarce, but to call at the Eden Hotel once more. I did so. At the Eden hotel I was told more: I was told that the order of arrest would not be acted on until I had got clear; 4,000 marks were brought to me in my lodgings, with a written message, telling me to get to Prague and to call on Consul Schwarz at the Consulate and ask for work. I refused, because I had no passport. Then I was kept a prisoner for four days with Lieutenant Liepmann at his place in the Kurfürstenstrasse until people began to smell a rat. I then got a military pass to Flensburg, and false identity papers; these were taken from me when I was arrested.

The examination was a farce. I had several private conversations with Military Judge Jörns and he told me: "Confess to everything without any misgiving; it will only be four months, and you can come to us again afterward if you are in distress." The cell doors were always left open. All the prisoners pretended to be the court; I had to pretend to be the prisoner, and I was told that if I didn't learn my confession off nicely, one fine night I should find a hand grenade in my bed. I was also urged to say that I had got my false papers, which the officers had given me, by buying them from the Spartacists in the Weinmeisterstrasse. The officers often had their girls to visit them up to midnight; there was music and wine. I several times telephoned to the Eden Hotel staff. I had to tell them the exact train I was taking for Flensburg, and what time I should arrive there.

HUSSAR OTTO RUNGE.

THE UPS AND DOWNS OF RED PROPAGANDA

VIRTUALLY every Government of Europe has had to fight the menace of Bolshevist propaganda, and the United States has had to do the same. New light has been thrown upon the organization and extent of this widely ramified propaganda by a series of documents published in The London Times in February. The documents, vouched for as authentic, consist of "reports actually presented at a congress of Bolshevist Directors of Propaganda in Foreign Countries, which took place in all secrecy toward the end of December in the neighborhood of a North German city." The city was Bremen; the date of the congress was Dec. 26. The reports presented covered the work of Bolshevist propagandists in England, France, the Iberian Peninsula, Germany, the smaller States of Central Europe and the newly formed countries of the Middle East. In its preliminary explanation The Times says:

> The Bremen Congress was a very carefully camouflaged affair. With the exception of Commissar Eliawa, a representative of the Department for Eastern Propaganda in Moscow, all the delegates were men engaged

in the propagation of communist ideas in Western Europe. The agents for England and France were Julius Fachers, Antonowski and Müller. The Iberian Peninsula was represented by Rudan, Germany by La ge, Czechoslovakia by Gutmann, Denmark and Holland by Horenberg. They all entered Germany under assumed names and received, it is stated, new passports on crossing the frontier.

The conference began with a report by Fachers on the progress of the Bolshevist agitators in Great Britain. The results were discouraging—for the revolutionists. England and her democratic Constitution were shielded by the armor of "bourgeois" immobility. The situation, from the Bolshevist standpoint, was better in Scotland and Wales. The Irish Sinn Fein leaders had been alienated from the start by the mistakes of Moscow and a great opportunity had thus been lost of gaining Ireland as a powerful ally. In the whole of England some seventy-nine communist district organizations had been established, distributed over twenty-six areas of agitation. The expenses during the last half a year had amounted to £23,750 monthly, not including the costs of the Krassin Trade Delegation in London. The necessity for doubling these outlays was urged.

The same agent claimed greater efficiency and richer harvests in France. "Where we are gaining in experience and numbers," said Fachers, "and our legations and representatives do not disturb us, as in other States, we record successes. Paris, Lyons, Chaleroi, Brest and Marseilles are our firm bases."

Dr. Lange, for Germany, reported with great disappointment the "apathy of the German masses." The Spartacists had increased, between March and July last, from 36,000 to 140,000, but the German "small-bourgeois" nature, narrow nationalism, and ingrained fear of the result of a Bolshevist upheaval had brought a serious check to the further growth of the movement in Germany.

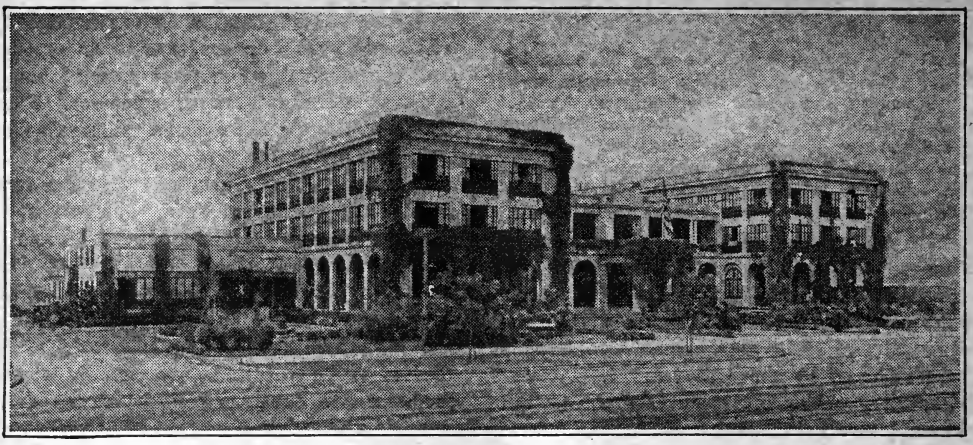
Encouraging reports were submitted for Spain, Austria and Czechoslovakia. The greatest progress reported was in the Near and Middle East, in Transcaucasia, Persia and British Indian dominions. Commissar Eliawa was boastful of the Bolshevist achievement in the East. The winning of Turkestan, Azerbaijan, Afghanistan, was triumphantly recorded. By the Autumn of 1920 the map of Transcaucasia was red with the exception of Armenia and Georgia. Since this report was presented, Armenia has been sovietized, and dispatches indicate that Georgia—long resistant—has at last succumbed.

THE VOICE OF THINKING GERMANY

SOME very remarkable letters, published during 1919 in an important Swiss journal, have now been made accessible to a larger public in book form.* Friedrich Curtius, the author of these "German Letters," is a son of the famous German historian of ancient Greece. He is a distinguished jurist, who spent thirty-seven years in the civil administration of Alsace and Lorraine, for the most part as Provincial Governor, with a considerable degree of independent power. The letters show that there were Germans in high official positions who stood ethically head and shoulders above the brutal Prussianism displayed at Zabern. Though he is no pacifist, this German Governor shows himself to be an implacable enemy of Prussian militarism, which, in his opinion, made war inevitable. He characterizes the invasion of Belgium as "a lasting dishonor to Germany," due wholly to the criminal folly of the military party, and declares that it bore the germ of defeat from the beginning. Though, as a German, he resents the conditions of the allied peace, he is glad that Germany lost the war. His view is expressed in the following quotation:

> The war plan was the product of purely military judgment of international problems * * * in defiance of all political and ethical considerations. We must own to ourselves that if that war plan had succeeded we could not, as believers in an ethical view of the world, have rejoiced in the victory. Did England suffer no moral hurt by its triumph over the Boers? Was not the imperialistic policy of Louis XIV. and Napoleon fatal to France? Our people also was in danger of becoming the irredeemable prey of the evil spirit of a cynical national egotism. The German overthrow has saved the German soul.

*"Deutsche Briefe." By Friedrich Curtius. Frauenfeld: Huber & Co.



New Army and Navy Club at Manila, centre of social life of our soldiers and sailors in the Philippines

UNCLE SAM'S "MANDATE" IN THE PHILIPPINES

By O. GARFIELD JONES, PH.D.
Professor of Political Science
in Toledo University

The wonderful work accomplished by a heroic band of American school teachers in the Philippines is here described by one who has known many of these educators personally and who has made a close study of the subject for the last twenty years. His article forms a chapter of American achievement, all too little known in this country, worthy to rank with the proudest in the nation's annals

ENGLAND'S administration of India and Egypt has been excellent, but the Filipinos have made more political and social progress in the last twenty years than the people of India or Egypt have made in the last half century. In view of the Oriental environment, the Spanish traditions and culture, and the section of Mohammedan population which occupies almost one-third of the Philippine archipelago, our experience in developing a Filipino State on democratic principles should be illuminating.

As a colonial administrator the American has labored with his usual intensity, and, wonderful to tell, he has inspired the Filipino to work with almost equal zeal. America, despite Kipling's warning, has "hustled the East," and we have accomplished what we set out to do. These statements may sound somewhat sweeping, but when it is understood how thousands of highly trained Americans, distributed over the Philippine Islands in different kinds of work, strove, by experiment and invention, by individual initiative and by highly organized group effort during twenty long years, to accomplish these results, one tends to become, like the American in the Philippine Government service, not a skeptic as to the results, which are evident, but rather disappointed that so much vigorous, persistent and intelligent effort has not produced even greater results.

HOME RULE FOR FILIPINOS

Just as soon as civil government was established in 1901, a large measure of au-

tonomy was granted to the City Governments and—in a lesser degree—to the Provincial Governments. The Filipinos naturally made many blunders in exercising these new functions, for which they had had little if any training. The American teachers, of whom some 800 were scattered through the archipelago in 1901, rendered great assistance to these inexperienced municipal officials, while the three Americans in the Provincial Government aided and advised the Filipino Governor and the Filipino Prosecuting Attorney. But the main responsibility for keeping these local Governments going fell upon the Governor General's Under-Secretary, called the Executive Secretary. This office was first filled by Arthur W. Fergusson, who was a man of great executive ability. He advised, admonished, reprimanded, suspended, and, with the consent of Governor Taft, expelled local officials when necessary.

In these early days it was often found that the Municipal President collected funds for the insurrection army instead of taxes for the use of the Municipal Government. It was found necessary to reduce the autonomy of the municipalities in many ways. First, the fiscal and accounting functions were taken from the Municipal President and given to a new officer, the Municipal Treasurer, who was elected by the Council.* In 1903 this Municipal Treasurer was taken entirely from the control of the Municipal Council, was put under civil service laws and regulations, and was appointed by the Provincial Board from an eligible list.† Next the Municipal Treasurer was made a deputy of the Provincial Treasurer, who at that time was an American and was required to keep a close check on his deputies.

EXPERIMENTAL CHANGES

In the first municipalities established after the American occupation, the municipal executive, then called *Alcalde,* had judicial functions.‡ This was soon corrected, however, by the re-establishment of the office of Justice of the Peace,§ a post which had been established by the Spaniards in 1890. The Justice of the Peace was given concurrent jurisdiction with the Municipal President. Though this change was an improvement over having the Municipal President exercise both executive and judicial functions alone, it was still far from satisfactory. One man was found "guilty of habeas corpus proceedings," and other absurd or arbitrary acts were committed by the newly-appointed Justices. Governor Taft was so discouraged that he recommended the combining of municipalities to form larger judicial districts in order that fewer but abler Justices might be appointed.

Nothing was done, however, except that several of the provincial Judges, who were capable jurists, called the Justices of the Peace of the respective provinces to the provincial capital and gave them lessons in law and court procedure. In 1912 the Justices of the Peace were put on a semi-civil service basis, the fee system of remuneration was abolished, and they were placed on insular salary. Mr. Taft's idea of larger districts was utilized at this time by putting two small municipalities under one Justice of the Peace in several instances. At present the Philippine Justices of the Peace are doing very well, considering their lack of training, the total absence of lawyers in most towns, and the ignorance of the people in regard to any phase of the legal side of government.

At first the police were put entirely under control of the city officials, but this proved so unsatisfactory that by 1903 the provincial boards were required by law to prescribe the number of police for each municipality, the kind of uniform to be worn, and, if need be, to place all the municipal police in the province under the direct control of the chief constabulary officer of the province.* In 1912 an insular law was passed putting all the municipal police in the archipelago under closer supervision of the constabulary, and placing the office of Chief of Police on a semi-civil service basis.

The Municipal Council was originally quite independent of the Provincial Board. The experiment did not prove a success,

*House Doc., Vol. 100, Doc. 659, 56th Congress. 1st Session. General Orders No. 40, Military Governor, 1900.

†Act 999, Phil. Comm., Nov. 20, 1903.

‡General Orders No. 43, D. of Pac., 1899. House Doc., Vol. 5, Doc. 2, p. 144, 56th Congress, 1st Session.

§1902, House Doc., Vol. 7, Doc. 304, p. 13, 58th Congress, 2d Session.

*Act. P. Comm. No. 781.

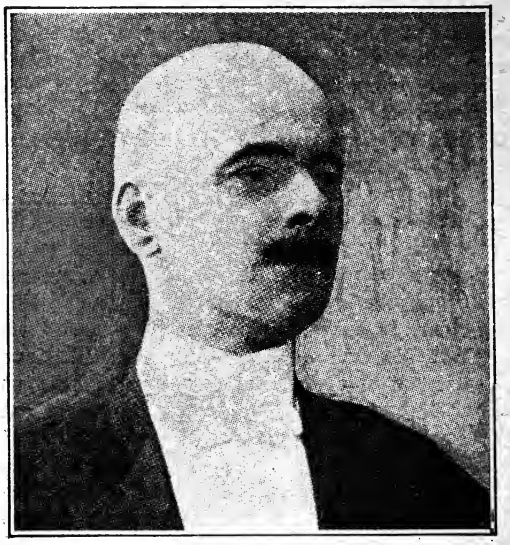
FRANCIS BURTON HARRISON
Governor General of the Philippines from 1913 to 1921

however, and when the Executive Secretary began to be flooded with complaints against the former body he got a law passed giving the Provincial Board, a majority of whom were Americans, supervision over the acts of the Municipal Council.*

THE EXECUTIVE SECRETARY

In the development of these various municipal offices there have been increases in autonomy as well as decreases in autonomy, and the increases in efficiency and initiative have been very marked. It is the purpose of this article to show only that the Executive Secretary and his corps of assistants were the essence of the executive branch of the municipal and provincial Governments, and that when by administrative measures they could no longer make these local Governments work they resorted to legislative action, causing the local Governments to be changed to such a form as they thought would work under existing conditions.

The Executive Secretary of the Philippines is the Superintendent of the local Governments. Figuratively speaking, he walks from one local Government to the other to see that each is working as it should, and if he finds one out of adjustment he must put it in running order at once. The success of the local Governments during their formative period was due in a large measure to the executive genius of Arthur W. Fergusson and his successor, Frank W. Carpenter. Both were men of remarkable



FRANK W. CARPENTER
Executive Secretary, later Governor of the Department of Mindanao and Sulu

ability for the kind of work they had to perform. Mr. Fergusson died at his post in 1909. Mr. Carpenter was promoted to a still more difficult position in 1914—that of first Civil Governor of the Moro Province—and was given the task of preparing the Moros promptly for complete absorption into the body politic of the Philippines. The Executive Secretaries since 1913 have striven to free the local Governments as much as possible from this close supervision. This is a much simpler problem than the one their predecessors had to face. Time alone will tell whether there has been sufficient progress along all lines to make this abandonment of close super-

*Act. P. Comm. No. 679.

vision of the local Governments a success. The gross election frauds of Camarines and Capiz Provinces in 1916 tend to show that the executive supervision has become too lax.

THE PUBLIC SCHOOLS

The Philippine Bureau of Education not only fulfilled the ordinary functions of an educational system, but also played an important part in the establishment of general peace conditions within the archipelago in the development of good local government among the adult population, and in the introduction of modern sanitation and hygiene throughout the islands.

The American soldiers had scarcely completed the occupation of Manila before the military authorities opened the public schools, with soldiers dedetailed as teachers. This policy was followed by the miltary commanders in every town they occupied. In 1901 some eight hundred American teachers were brought from the United States and sent all over the archipelago to open primary schools in English; indirectly they served as hostages to the Filipino people, a guarantee of the good intentions of the United States.

In 1901 no organized school system existed. There were only these 800 unsupervised American school teachers in more or less isolated stations. In most cases there were no schoolhouses, and chart classes were held in a rented room with few, if any, benches; the pupils ranged in age from 6 to 36 years. The teachers had no adequate or uniform texts, in some cases no texts at all; no uniform curriculum had been laid down for them, and they had no experience in teaching English to people of a foreign tongue. Some Spanish texts had been inherited from the Spanish era and some had been purchased by the military Government, but it was soon ascertained that not one pupil in twenty knew any more Spanish than English, and that no two sections of the people spoke even the same native dialect; the necessity, therefore, of teaching English, the only language that the instructors knew how to teach, became evident. By 1901 the Government was definitely launched upon the policy of teaching nothing but English in the schools.

TEACHERS AS HEALTH OFFICERS

These 800 Americans were primarily teachers of chart-class English. Their other functions were to make friends with the people, assist them in their local Government and serve as local health officers.

A terrible epidemic of Asiatic cholera broke out in 1902, and it took the combined action of almost every branch of the Government to stop it. Those stricken with

(© *Moffett, Chicago*)
EX-PRESIDENT WILLIAM H. TAFT
First Governor General of the Philippines

cholera had about three hours of the most terrible suffering imaginable, and then died. The disease is an intestinal parasitic contagion and can be contracted only through the mouth; consequently, if the persons dying from the disease are buried in lime to prevent the spread of contamination from their bodies, and if the people of the community cook or boil everything that they eat or drink, the disease cannot spread.

It became the principal duty of these American teachers to see that the sanitary regulations were carried out. This meant the suspension of teaching. When a school teacher finds himself in an ignorant, superstitious community, whose language he speaks poorly, if at all, and whose people are dying off like rats from a frightful disease; when he is responsible for the enforcement of strict sanitary regulations that are new to the people, and has, perhaps, not even a squad of Filipino soldiers to back him up in his work, it is obvious that he has no time for school duties. Nor were his difficulties lightened by the spreading of reports that the disease was caused by poison put into the wells by the Americans.

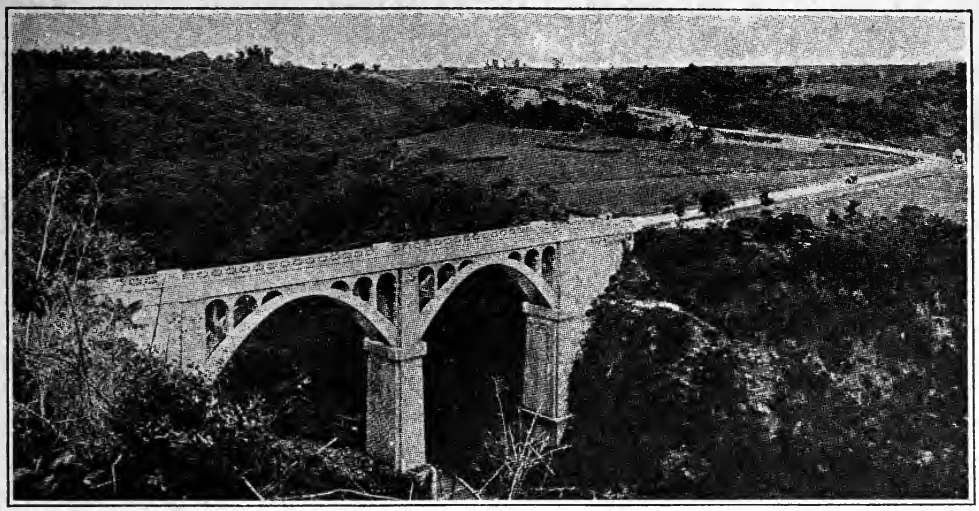
Such was the situation of many of the American teachers stationed at the 400 or 500 isolated posts in the Philippines in that early period. The people objected to burying their dead immediately without a church ceremony, and in at least one place the priest refused to perform the ceremony at the houses. The American teacher at this place saved the situation by learning the Lord's Prayer in Spanish and reciting it after reading passages from a ritual in English as the bodies were deposited in the cemetery. In this way this one American teacher succeeded in persuading the people to bury their cholera victims immediately, although they did not know a word of the ritual in English, and probably did not understand the Lord's Prayer in Spanish. The satisfactory part of it to them was that he read from a book as the priest did and that he chanted his Spanish prayer in true priestly style.

The strain put upon these early American teachers was so great that it is not surprising to find that quite a number died at their posts, and that a large percentage of the survivors left as soon as possible. It was a veritable "Charge of the Light Brigade" upon the ignorance and superstition of the Filipinos, and upon the almost insuperable obstacles of tropical climate and Oriental disease. But the commander had not blundered. There was injustice to individuals, of course; it is always an apparent injustice to send an individual to face the cannon's mouth or to labor among plague-infected people. The only real injustice, however, in the case of Americans in the Philippines is that the people in the United States have allowed political issues to blind them to the fact that the grandest heroism has been displayed by the American civil servants in our Oriental colony, and that this heroism has been largely unnoticed and unrewarded.

THE EDUCATIONAL CAMPAIGN

What the main lines of our educational policy would have to be was seen almost from the start, and so keen were the army officers for the success of this work that many of them paid from their own pockets the expense of sending Filipino teachers to

FREDERICK W. ATKINSON
First General Superintendent of Education in the Philippines



Sarang Bridge and Batangas-Ibaan Road through one of the many scenic regions that can now be enjoyed by automobilists in the Philippines

the Manila Normal School in April, 1901.* It is no uncommon occurrence even today for an American official to pay from his own pocket the money needed to make a certain project go when Government funds are lacking or are tied up by red tape. The big problem at the start, however, was not so much one of general policy or of promoting enthusiasm, as it was one of finding out how to develop an effective organization.

It was the task of Dr. Fred W. Atkinson, the first General Superintendent of the Philippine School system, to outline the work to be done. The actual organizing was accomplished by Dr. David P. Barrows, who was Director of the Bureau of Education from 1903 to 1909. The appointment of Dr. Barrows was particularly fortunate, because he had been Superintendent of the Manila Schools in 1900 and 1901, had had experience with Filipino teachers from all over the islands at the Manila Normal School which he reorganized in 1901, and had just spent a year traveling over the archipelago in 1902 as chief of the new Bureau of Non-Christian Tribes, and studying the various tribes of Filipinos, their customs, and social and economic conditions. A young man of vigorous emotions, splendid health and strong body, and educated both in government and in ethnology, he had just the equipment necessary in 1903 to tackle the formidable task of evolving a compact and efficient organization out of the 800 Americans and more than 2,000 Filipinos who at that time made up the personnel of the Philippine school system.

HOW TEACHERS WERE ENCOURAGED

One of Dr. Barrows's most important tasks was to visit the various teachers at their isolated stations, share their hardships, encourage them to persevere, and convince them that in their chief they had a personal friend, who saw and appreciated their good work. By this development of personal loyalty he not only succeeded in retaining the services of valuable teachers and administrators who otherwise would have left, but also succeeded in imposing necessary regulations as to standards of work, curriculum, reports, &c., on these lonesome and weary teachers—regulations which they never would have agreed to had it not been for their loyalty to the chief. By six years of ceaseless effort this Director was able to bequeath to his successor one of the most highly organized school systems in the world.

The defect in this organization in 1909 was that, having developed it by capitalizing personal loyalty, Dr. Barrows refused to desert his friends after they had served

*House Doc., Vol. 5, Doc. 2, part 2, pp. 349-387.

his purpose. A number of American teachers had become inefficient because of the climate or for other reasons. There being no pension system, Dr. Barrows refused to throw them into the discard after their five or ten years of faithful service. The next Director, Frank R. White, did dismiss these teachers. He was a remarkably keen judge of men, and when he found a teacher or supervisor or superintendent who was no longer able to do his work efficiently, that man was asked to resign. Mr. White had started as a teacher in the field in 1901, and worked his way to the top; consequently, he knew every detail of the system. He compelled every American teacher to live in a good house, wear good clothes, and be in every way an example of intelligent and right living in the community. He perfected the organization and worked so ceaselessly for the development of the industrial work of the schools that he died at his post from general debility and consumption in the Summer of 1913.

INTRODUCTION OF ATHLETICS

The next Director, Frank L. Crone, made a specialty of athletic work in the schools, and through the effective personal support of the Governor General, W. Cameron Forbes, and the scientific assistance of E. S. Brown of the Y. M. C. A., the entire athletic activities of the islands were organized into the very efficient Philippine Amateur Athletic Federation. The Far Eastern games were instituted between China, Japan and the Philippines in 1913 to provide the Oriental counterpart of the Occidental Olympiad. The playground movement, which was organized throughout the Philippine Islands by these three Americans in 1912 and 1913, might well serve as a model both as to plan and as to achievement for similar nation-wide movements throughout the world.

Dr. M. W. Marquart, who came to be Director of Education in 1916, had just the combination of thorough education, long experience in the bureau, administrative ability and political keenness to round out the policies of his predecessors, secure the very large appropriations necessary to provide school facilities for every child of school age, and thus complete the grand plan of an adequate education for every Filipino boy and girl. The culmination of this original plan is probably coincident with the passing of the American Directors. It is highly probable that a Filipino of long experience in the bureau, who received his theoretical training in pedagogy in the United States, will succeed Dr. Marquart as the next Director of Philippine education.

TAFT COMMISSION'S PLAN

The report of the Shurman Commission in 1899 gave rather vague generalities regarding an educational system, but by the end of 1900 the Taft Commission, with the assistance of the several educators who had been brought from the United States, formulated a pretty definite outline of what the educational system should be, and this outline has proved so satisfactory that with a few exceptions it is embodied in the school system as it is today. This outline as given in the first report of the Taft Commission on Nov. 30, 1900, is as follows:

1. The system of instruction in the Philippine Islands must be, at least in the beginning, largely centralized. There will be a general Superintendent of Education and as many Assistant Superintendents as there are departments.
2. There will be need for a system of local advisory boards.
3. Textbooks, charts, stationery and English teachers will have to be furnished to municipalities by the Insular Government.
4. As far as possible, school buildings will have to be constructed and native teachers supported by local taxation.
5. All schools supported by public funds must be free and non-sectarian.
6. Emphasis must be placed upon elementary education of the masses.
7. The education furnished must be of a practical utilitarian character. What is attempted in the way of instruction must be done thoroughly, and the aim must be in particular to see that the children acquire in school skill in using their hands and heads in a way to earn a livelihood.
8. Normal, agricultural, commercial and trade schools will early receive attention.
9. Native teachers must be paid more than under Spanish rule, and in every way possible teaching be made a desirable calling. Native teachers in office will be taught a broader and more thorough conception of education. To this end courses of instruction for teachers will be provided. Teachers will be examined, certified and classified.
10. The present educational system will be modernized and secularized and adapted to the needs of a people who have hitherto been deprived of the opportunities of a rational education.*

*House Doc., Vol. 12, p. 113, 56th Congress, 2d Session.

The Filipinos were ready for such a reform in their school system, because, in the main, they were thirsting for education for their children. They were very much opposed to the domination of the Spanish friars, of whom they had just been rid, and they looked upon book education as one of the "open sesames" to liberty, prosperity and happiness. As early as the school year of 1899-1900 the Military Government reported as follows:

> Great activity is observable in all garrisoned towns in the establishment of schools of primary instruction. The results attained are measurably due to the initiative of local commanding officers, but are to be mainly credited to the people themselves, among whom the desire for educational facilities is everywhere general and unmistakable, and who have expended considerable sums of money for such purposes collected through the medium of municipal taxation and private subscription.

There were 100,000 pupils attending the schools opened by the military commanders at this early period.*

MOST CENTRALIZED SYSTEM

The outline of the Taft Commission was put into operation as rapidly as possible. The system was centralized till today it is the most highly centralized school system in the world. It is very probable that from now on the tendency will be to decentralize it, as the younger, public-school-educated generation of Filipinos takes control of the Municipal and Provincial Governments; the degree of decentralization that characterized the school system of the United States in times past, however, will never be established in the Philippines, because the movement of the entire educational world is toward more, rather than less, centralization. The Philippine school system at present is an extreme form that is justifiable only when the mass of the people are illiterate, inexperienced in school affairs, and under the impelling necessity of rising rapidly to a higher plane of civilization in order to survive in that competition of nations which they can not escape.

The local Advisory Boards that were established from 1900 to 1905 served a useful purpose at first in securing local support, but the total ignorance of the adult population with regard to modern education made these local boards more of a nuisance than otherwise, once the school system was organized. They gradually fell into disuse and are a rarity in the islands at the present time. But when the public-school-educated generation comes into control of local affairs it is probable that some form of local school board will be established, and will assume its proper rôle in the public school system.

DEVELOPMENT OF NATIVE TEACHERS

After a sufficient number of native teachers had been developed, the American teachers were assigned to the higher grades or were used as supervisors, while the Filipino teachers were given complete charge of the classroom in the lower grades. At the present time American teachers are to be found only in the high schools or in supervisory work, the Filipino teachers, 14,000 in number, having developed sufficiently to do all the teaching of English and other subjects in the primary and intermediate grades. These native instructors are nearly all supported by municipal taxation. The Insular Government provides some 1,800 teachers from insular funds, but four-fifths of these are Filipinos and all are supervising teachers or teachers in the high schools and larger intermediate schools.

There are several provinces where every school official, superintendent, high school principal, supervisor, and teacher, is a Filipino. After the first pioneer work, from 1901 to 1905, when 800 American teachers were sent into the unknown wilderness of the Philippines, the general movement of the American teaching force has been one of retreat before the rising generation of Filipino teachers. Now there are a number of Filipino Superintendents, a Filipino Assistant Director of the Bureau, and a Filipino Under-Secretary of the Department of Public Instruction, who on several occasions has been Acting Secretary of Public Instruction.

The justification of an imperialistic policy, according to Professor Hobson, the English authority on anti-imperialism, is that it shall as rapidly as possible make itself unnecessary. The American educator is rapidly doing this very thing in the Philip-

*House Doc., Vol. 11, Doc. 2, p. 26, 56th Congress, 2d Session.

pine Islands. Although his retreat has been too rapid at times, there can be no doubt that in a few more years the American educator will be found in the Philippines only as a specialist.

INDUSTRIAL TRAINING

Elementary education of the masses has been the chief aim of the school system. Nearly all the pupils are in the four primary grades, and nearly all the school money is spent on these grades. A certificate is given for the completion of this four-year primary course, as is done in the United States for the completion of the eighth grade. The four-year primary course has been designed with the idea in mind that relatively few of the pupils would ever go beyond the fourth grade. The Philippine school authorities are ready at any time to revise this course, if it is found that even one-third of the pupils will attend for a fifth or sixth year; but at present not even one-fourth of the pupils take the fourth year, and scarcely one-tenth take the first year of the intermediate grades.*

The curriculum is as utilitarian as twenty years of steady effort and experience have enabled the school authorities to make it. Splendid normal, agricultural, commercial and trade schools have been established—for advanced pupils. In the primary schools every possible effort has been made to work out a system of industrial training that will equip the mass of Filipinos for earning a better living. Gardening and simple agriculture are taught from the first grade on. So also are the simple handicrafts, so that in the evenings, and when other duties do not need their time, they can, on leaving school, make hats, baskets, mats, slippers and lace, either for their own use or for sale. The girls are taught plain sewing and the rudiments of housekeeping. The boys are taught simple carpentry in wood and bamboo. Without having worked in the Philippine school system itself it is impossible for one to appreciate how conscientiously and vigorously the school teachers and higher authorities have labored to devise by invention, experiment and past experience a curriculum and methods of instruction that will give the Filipino youth in four years of schooling the equipment he must have to become the provider for a decently supported and happy family, and a good citizen of a self-governing country.

The salary reform recommended by the Taft Commission was not carried out to any great extent prior to 1918, for the simple reason that the money was not available. Up to 1912 it was not uncommon to find a Filipino teaching in a village school regularly day after day without getting one cent of salary. He did it because his year's teaching experience, thus gained, increased very greatly his chance of being appointed as a salaried teacher the next year. The salary paid under the American régime is much greater than that of the Spanish era, but the cost of living is also much higher. It is doubtful if the increase up to 1918 was as great as the increase in prices plus the increase in standard of living. Fortunately the rapidly increasing supply of educated Filipinos and the present financial prosperity of the Government have combined to make the problem of securing good teachers at reasonable salaries a fairly simple one.

HIGH PITCH OF ENDEAVOR

The Filipino teachers of the last two decades should go down in history as patriots who made their country free, and did not spare themselves to accomplish this liberation. When change is in the air and the feeling is abroad that the future holds great things in store for the people of a certain country that people seems to get keyed up to self-sacrifice and the achievement of great things. This spirit characterized the pioneers ("conquistadores") of colonial Spain in the sixteenth and seventeenth centuries; it made the reign of Elizabeth a golden age for England; it made the Thirteen Colonies rise to superhuman efforts and achievement at the end of the eighteenth century, and did the same for the States of the Middle West in the nineteenth. There is evidence that it is doing the same for the Filipinos today. There may be racial limitations to what they can achieve, but ten years of study have convinced me that the younger generation of Filipinos is being gradually keyed up to the pitch that will make possible achievements that could not be expected of the same people under normal conditions. If this keyed-up energy of self-sacrifice is properly directed it will

*See Ann. Rep't Dir. Edu., 1910 to 1918.

bring about a change in Philippine conditions that will make unnecessary the continued expenditure of such extraordinary efforts. In the life of a nation, as in that of an individual, it is only at a crisis that great deeds are required.

Filipino teachers have taught primary schools of a hundred or more pupils all day long, then gone home at night and studied with desperation to pass the fifth or sixth grade examination at the end of the year in order not to be barred from teaching the next year by the requirements of the Superintendent's office. When the provincial Normal Institute convened in November these teachers were required to cover in five weeks the work which the regular intermediate schools or high schools took more than four months to cover. And when vacation time came many of them were expected to have saved enough from their pittance of a salary to go to Manila or Iloilo and spend that vacation in a normal school. Nothing was thought of asking and expecting a teacher to walk ten or fifteen miles through the mud or over the mountains to attend a teachers' meeting every week, and, what is more, they did it.

AMERICAN EXAMPLE CONTAGIOUS

Fifty years hence, when the Filipinos have found themselves, when change will have ceased to be in the air, and when the cold argument of hopes unrealized will have damped their ardor, it will be useless to try to drive the Filipino school teachers in this extreme manner. But the Filipinos are making their history today, and they feel it, even though they do not realize it. Their strenuous efforts do credit both to them and to those Americans who by their own example and enterprise spurred the natives to this pitch of endeavor.

The example of the Americans, indeed, has made teaching a desirable calling. Like Garibaldi, the American teachers have said, "With me you will find hunger, thirst, cold, heat, no pay. Let whosoever loves his country follow me!" Like Garibaldi, these Americans have had a contagious enthusiasm for their work. They have shown pride at having taught youngsters to read and speak English; the Filipino youth, in consequence has come to think that teaching is a desirable calling for a vigorous, educated person. The Filipino teacher was averse to soiling his hands in a school-garden, but the high-salaried, fine-looking American teacher, and also the still higher-salaried American Superintendent, seemed to delight in tending the garden, breathing in the fresh odor of new-turned soil, and watching the seeds sprout into plants, the plants burst into bloom, and the blossoms give way to ripening fruit; thus, by the irresistible force of the imitative instinct and the contagion of bubbling enthusiasm, these Filipino teachers came to look upon manual labor as a thing to be proud of, instead of a sign of ignorance and servitude.

In addition to school and home gardening, handicraft work and carpentry work, the pupils of the Philippine public schools have to do all the work of improving the school grounds. It is a part of the classroom program. They clear and level the ground, plant the Bermuda grass joints in rows, build fences, plant also the flowers and shrubbery and keep them in condition and build fences. The Philippine schools can boast of better-kept grounds and athletic fields than can any State School system in America, and it is all due to the manual work of teachers and pupils. There is absolutely no doubt that the American public school system in the Philippines has made manual labor respectable for the younger Filipinos. Such respect for manual labor is absolutely imperative in a country like the Philippine Islands, where prosperity depends on agricultural development. The conversion of the educated Filipino in his attitude toward manual labor has been a wonderful achievement. The English in India said it could not be done. It has been done in the Philippines by means of the public schools. Today the labor supply is more satisfactory where there are schools than where there are no schools. Furthermore, the many Filipino teachers who now do manual labor in the field, in the shop or on road construction during vacation to earn more money, bear witness to the extent to which Filipino ideas have changed regarding education and manual labor.

In accordance with the last item in the original outline of the Taft Commission for Philippine education the schools have been modernized and secularized and adapted to the needs of the people. It is the boast of the Philippine Bureau of Education that "No other school system has been so spe-

cifically adapted to the needs of its people."

EFFECTS OF THE WAR

By cutting off the supply of European laces and embroideries, the world war enabled the dexterous Filipinos to show what they could do. With their ten years of public school training in lace and embroidery work, the pupils and former pupils began supplying the American demand for hand-made waists and lingerie. Philippine designs became the style, and the export of hand-made waists and lingerie from the Philippine Islands jumped from a few thousand dollars' worth in 1912 to a value of more than $4,500,000 in 1918. Filipino girls with only a fourth or fifth grade education are now making twice the normal daily wage for manual labor by their skill in lace and embroidery work. The economic independence of Filipino women, gained by skilled labor on a large scale, is bound to have a profound influence on the future social life of the Islands.

The war also gave a great impetus to the gardening and food-production campaign, which the Bureau of Education, in conjunction with the Bureau of Agriculture, had been pushing since 1908. Corn production was quadrupled, rice production was increased, and the growing of wholesome vegetables became general among the families having children in the public schools. The primary schools, which place special emphasis on practical farming, have been the prime factor in civilizing the Moros and in inducing the mountain peoples to give up their roaming life, to form settled villages, and to become peaceful farmers. The varied diet which now has become general throughout the public-school towns of the archipelago has practically eliminated *beri beri* from these communities.*

In order to complete the development of this public school system, tried and tested through twenty years of strenuous evolution, Dr. Marquart, the Director of Education, and the Hon. Sergio Osmeña, leader of the Filipino people and Premier of the present administration, in 1918 worked out a new educational program and secured a $30,000,000 appropriation to put it through. By this plan it is contemplated that primary education for every Filipino child of school age will be a realized fact by 1923. This large sum is a continuing appropriation, in addition to the regular public schools appropriation, which averages $10,000,000 annually.

So universal education has been attained, and one of the best school systems of the world developed within twenty-five years of the American entrance into these Islands. It is a miracle of American efficiency, American ideals, and Filipino cooperation. The Philippine public school system is the finest fruit of American democracy produced outside the favoring clime of the United States. It was the marvel of the International Educational Congress at the Panama Pacific Exposition of 1915.

**Beri beri* is a serious dropsical disease caused by eating nothing but polished rice, which lacks phosphorus and other elements essential to proper nutrition.

A GERMAN VIEW OF BRITISH POWER

ADMIRAL VON TIRPITZ, ex-Minister of the German Navy under the Kaiser, in an interview given in Baden on Feb. 16, 1921, voiced the old German jealousy of England in the form of a warning to the United States. The burden of his warning was: Look out for Japan and England! "It must be considered," he said, "that England has gained absolute supremacy in Europe; that her power covers all Africa, Mesopotamia and India, and that she now holds the keys to the Mediterranean, at Constantinople, the Suez Canal and Gibraltar. This control counterbalances the compactness of America's territory." Furthermore, declared the Admiral, England, regardless of her treaty with Japan and her friendship with America, would turn where her political interests lay in case of a conflict between Japan and the United States.

"The English," he concluded, "would do as they have successfully done for centuries, with the result that Europe is now ruined while England herself, as always, stands there lord of the world."

MANDATES AND AMERICA'S STAND REGARDING THEM

President Wilson's warning to the Allies that mandates for ex-German colonies must not be alotted or defined without consulting the United States—Important notes on Mesopotamia and Yap—Text of the typical "C" mandate over German Southwest Africa

THE question of distributing the former German and Turkish territories among the allied and associated powers has recently acquired new prominence, owing to the attitude of the United States regarding mandates. The Allies had assumed, after our failure to ratify the Peace Treaty, that the Supreme Council possessed the power to allocate mandates—while the League of Nations was to define and control them—without consulting the United States. It was considered that the United States, though it was one of the participants in the victory over Germany, had lost the right of consultation by its rejection of the treaty and its refusal to send representatives to sit in the League Council.

That this was neither the understanding nor the intention of President Wilson was first brought out plainly in a note sent to Earl Curzon, the British Foreign Minister, by Secretary Colby last November. In this note the United States Government put on record its objections to the British mandate for Mesopotamia. Its contention, referring specifically to oil concessions, was that all mandates should leave an open door of free business opportunity for every nation in the mandated territory. When the British reply arrived in March it rejected this contention, so far as Mesopotamia was concerned, declaring that Great Britain would not "discriminate" against its own nationals there, some of whom had acquired monopolistic rights in Mesopotamia before mandates were conceived, and even before the outbreak of the war. Here the matter still rests, awaiting the action of President Harding and Secretary Hughes.

Meanwhile President Wilson had shown no intention of letting the question drop, as was shown by the attitude of the Government's representatives at the International Congress of Communications, held at Washington, in sessions several times adjourned and resumed from November to March. The whole question of mandates became acute in the controversy that arose at this congress between the United States and Japan with regard to cable control on the Island of Yap. Japan, supported by both Great Britain and France, declined to give up the absolute sovereignty over this far-off island in the Pacific, which the Supreme Council and the League of Nations had assigned her as mandatary.

The next movement of the United States was to send an official protest to the League Council regarding the allocation of this mandate to Japan, seizing at the same time the opportunity to reassert its right to consultation on mandates before they were submitted to the Council. [The Yap controversy is treated separately in an article on page 108.] The acuteness of the situation was considerably relieved at the beginning of March by the reply of the Council of the League, which showed a conciliatory spirit by promising to defer consideration of the mandates already assigned until such time as the United States should be able to take part in the discussions. Only in respect to the Yap mandate did the Council fail to give the American Government satisfaction. The allocation of mandates, it said, concerned solely the Supreme Council, and the League's function was confined to defining the powers of the mandates assigned. Further action by the United States Government then awaited President Harding's inauguration.

The full text of the American note to the Council of the League of Nations in Paris was made public by Secretary Colby on Feb. 24. It read as follows:

Feb. 21, 1921.

To the President and Members of the Council of the League of Nations.

Gentlemen: The Government of the United

States has received information that the Council of the League of Nations at its meeting which is to be held in Paris on this date (Feb. 21) proposes to consider at length the subject of mandates, including their terms, provisions and allocation, and accordingly takes this opportunity to deliver to the Council of the League of Nations a copy of its note addressed under date of Nov. 20, 1920, to his Excellency Lord Curzon of Kedleston, the British Secretary of State for Foreign Affairs, in which the views of the United States are quite fully set forth regarding the nature of the responsibilities of mandatory powers.

The attention of the Council of the League of Nations is particularly invited to the request therein made on behalf of this Government that the draft mandate forms intended to be submitted to the League of Nations be communicated to this Government for its consideration before submission to the Council of the League, in order that the Council might thus have before it an expression of the opinion of the Government of the United States on the form of such mandates and a clear indication of the basis upon which the approval of this Government, which is essential to the validity of any determinations which may be reached, might be anticipated and received.

It was furthermore stated in said note that the establishment of the mandate principle, a new principle in international relations and one in which the public opinion of the world is taking special interest, would seem to require the frankest discussion from all pertinent points of view, and the opinion was expressed that suitable publicity should be given to the drafts of mandates which it is the intention to submit to the Council in order that the fullest opportunity might be afforded to consider their terms in relation to the obligations assumed by the mandatory powers and the respective interests of all Governments who deem themselves concerned or affected.

A copy of this note was transmitted to the Governments of France and Italy, requesting an interpretation by each Government of the provisions of the agreement between Great Britain, Italy and France, signed at Sèvres on Aug. 10, 1920, relating to the creation of spheres of special interest in Anatolia, in the light of this Government's note to the British Government of Nov. 20, 1920.

A reply has thus far been received only from the French Government, in which attention is directed to Article X. of the so-called Sèvres Treaty, which provides in favor of nationals of third powers for all economic purposes free access to the so-called zones of special interest.

THE PACIFIC MANDATE

This Government is also in receipt of information that the Council of the League of Nations at its meeting at Geneva on Dec. 17 last approved among other mandates a mandate to Japan embracing "all the former German islands situated in the Pacific Ocean and lying north of the equator." The text of this mandate to Japan, which was received by this Government, and which, according to available information, was approved by the Council, contains the following statement:

"Whereas, the principals of the Allied and Associated Powers agreed that in accordance with Article XXII., Part 1 (Covenant of the League of Nations) of the said Treaty, a mandate should be conferred upon His Majesty the Emperor of Japan to administer the said islands and have proposed that the mandate should be formulated in the following terms," &c.

The Government of the United States takes this opportunity, respectfully and in the most friendly spirit, to submit to the President and members of the Council of the League that the statement above quoted is incorrect, and is not an accurate recital of the facts.

On the contrary, the United States, which is distinctly included in the very definite and constantly used descriptive phrase "the principal allied and associated powers," has not agreed to the terms or provisions of the mandate which is embodied in this text, nor has it agreed that a mandate should be conferred upon Japan covering all the former German islands situated in the Pacific Ocean and lying north of the equator.

The United States has never given its consent to the inclusion of the Island of Yap in any proposed mandate to Japan, but, on the other hand, at the time of the discussion of a mandate covering the former German islands in the Pacific north of the equator, and in the course of said discussion, President Wilson, acting on behalf of this Government, was particular to stipulate that the question of the disposition of the Island of Yap should be reserved for future consideration.

Subsequently this Government was informed that certain of the principal allied and associated powers were under the impression that the reported decision of the Supreme Council, sometimes described as the Council of Four, taken at its meeting on May 7, 1919, included or inserted the Island of Yap in the proposed mandate to Japan.

This Government, in notes addressed to the Governments of Great Britain, France, Italy and Japan, has set forth at length its contention that Yap had, in fact, been excepted from this proposed mandate, and was not to be included therein. Furthermore, by direction of President Wilson, the respective Governments above mentioned were informed that the Government of the United States could not concur in the reported decision of May 7, 1919, of the Supreme Council.

The information was further conveyed that the reservations which had previously been made by this Government regarding the Island of Yap were based on the view that the Island of Yap necessarily constitutes an indispensable part of any scheme or practicable arrangement of cable communication in the Pacific and that its free and unham-

pered use should not be limited or controlled by any one power.

POSITION WAS MADE CLEAR

While this Government has never assented to the inclusion of the Island of Yap in the proposed mandate to Japan, it may be pointed out that even if one or more of the other principal allied and associated powers were under a misapprehension as to the inclusion of this island in the reported decision on May 7, 1919, nevertheless the notes, above mentioned, of the Government of the United States make clear the position of this Government in the matter.

At the time when the several notes were addressed to the respective Governments above mentioned, a final agreement had not been reached as to the terms and allocation of mandates covering the former German islands in the Pacific.

Therefore the position taken in the matter by the President on behalf of this Government and clearly set forth in the notes referred to necessarily had the result of effectively withdrawing any suggestion or implication of asset, mistakenly imputed to this Government, long before Dec. 17, 1920, the date of the council's meeting at Geneva.

As one of the principal allied and associated powers, the United States has an equal concern and an inseparable interest with the other principal allied and associated powers in the overseas possessions of Germany, and concededly an equal voice in their disposition, which it is respectfully submitted cannot be undertaken or effectuated without its assent. The Government of the United States therefore respectfully states that it cannot regard itself as bound by the terms and provisions of said mandate and desires to record its protest against the reported decision of Dec. 17, last, of the Council of the League of Nations in relation thereto, and at the same time to request that the council, having obviously acted under a misapprehension of the facts, should reopen the question for the further consideration which the proper settlement of it clearly requires.

Accept, gentlemen, the assurance of my high consideration.

BAINBRIDGE COLBY,
Secretary of State.

THE COUNCIL'S REPLY

The reply of the League Council to Secretary Colby's note was handed to the American Ambassador at Paris on March 1. It conceded the American Government's right to be consulted in the determination of mandates. It reported the League Council's decision to postpone consideration and action on the mandates for Mesopotamia, Syria, Palestine and South Africa until May or June of the present year, in order to enable the United States to set forth its views on them. The text of the note was as follows:

To the Secretary of State of the United States of America:

I am directed by the Council of the League of Nations to acknowledge the receipt of your communication of Feb. 21 on certain matters connected with the mandates which under the provisions of the covenant will define the responsibilities and limit the powers of the Governments intrusted with the administration of various territories outside Europe formerly in the possession of Germany and Turkey.

The main points brought out in the American note, if I may be permitted to summarize them, are that the United States must be consulted before any mandates are allotted or defined and that the frankest discussion from all pertinent points of view should be encouraged. In the "A" mandates exception is taken to the possible limitation of commercial opportunity as regards oil in Mesopotamia, and in the "C" mandates to the allocation of the Island of Yap to Japan.

The Council wishes to express its deep satisfaction at the interest shown by your Government in this question, which the Council has long felt to be among the most important assigned to the League. Undoubtedly also it is one of the most difficult, and the Council not only welcomes but feels justified in claiming the sympathy and support of the Governments which devised the scheme which the Council is required to administer.

The most fundamental contention brought forward by the American note is that the "approval of the United States of America is essential to the validity of any determination which may be reached" respecting the mandates which have been or may be submitted to the judgment of the Council. The United States was one of the leading actors both in the war and in the negotiations for peace. The rights which it acquired are not likely to be challenged in any quarter. But the American Government will itself recognize that the situation is complicated by the fact that the United States—for reasons which the Council would be the last to question—has so far abstained from ratifying the Peace Treaty, and has not taken her seat on the Council of the League of Nations.

The Council might easily have dwelt on the controversial aspects of the American note. But this procedure would ill represent their true attitude. They prefer to examine the subject from the broad basis of international co-operation and friendship, in the belief that this course will appeal to the spirit of justice of the Government and people of the United States.

The Council has taken several important decisions with regard to mandates, which it confidently hopes will commend themselves to the American Government.

The Council had already determined on Feb. 21, before the receipt of the American

note, to postpone the consideration of the "A" mandates for former Turkish possessions, including Mesopotamia. No conclusions will, therefore, be reached with regard to "A" mandates until the United States Government has had an opportunity to express its views.

The Council had expected to approve finally at the session now being held the "B" mandates for the former Central African colonies for Germany. In view of the desire expressed by the United States, the Council is, however, deferring its consideration of these mandates until its next session, which will probably take place in May or June. It is hoped that the delay will not hamper the administrative progress of these territories.

The Council invites the United States to take part in the discussions at its forthcoming meting, when the final decisions as to the "A" and "B" mandates will, it is hoped, be taken. A problem so intricate and involved as that of the mandates can hardly be handled by the interchange of formal notes. It can only be satisfactorily solved by personal contact and by direct exchange of opinion. Not only do such direct negotiations, which correspond to the true spirit of the League of Nations, effect an increase of freedom, flexibility and speed, but they create a spirit of mutual good-will and co-operation among people meeting around the same table.

Regarding the third type of mandates, the "C" group of former German possessions in South Africa and the Pacific, the Council has not the advantage of the same liberty of action as in the "A" and "B" types. The "C" mandates were defined by the Council at its meeting in Geneva on Dec. 17, 1920. The main American objection in this case, it is understood from your Excellency's note, is to the effect that the Island of Yap was included by the Council in the mandate given to Japan, whereas your Excellency states that the United States has on several occasions refused to agree to the allocation of this island to any one State.

The League of Nations Council would remind your Excellency that the allocation of all the mandated territories is a function of the Supreme Council, and not of the Council of the League. The League is concerned not with the allocation, but with the administration of these territories. Having been notified in the name of the allied and associated powers that all the islands north of the equator had been allocated to Japan, the Council of the League merely fulfilled its responsibility of defining the terms of the mandate.

Consequently, if a misunderstanding exists as to the allocation of the Island of Yap, that misunderstanding would seem to be between the principal allied powers rather than between the United States and the League. However, in view of the American contention, the Council of the League has hastened to forward the American note to the Governments of France, Great Britain, Italy and Japan.

The Council hopes that explanations will prove satisfactory to the United States Government, and that reciprocal good-will will find a solution in harmony with the generous spirit which inspired the principle of the mandates.

GASTAO DA CUNHA,
President of the Council of the League of nations.
Paris, March 1, 1921.

THREE CLASSES OF MANDATES

The three classes of mandates referred to in the foregoing notes—designated as "A," "B" and "C"—are those created by the Treaty of Versailles. Under Article 22, Clauses 3 to 7, the various types of mandate are generally defined. The category that has since become known as "Class A" is there defined as follows:

> The character of the mandate must differ according to the stage of the development of the people, the geographical situation of the territory, its economic conditions and other similar circumstances.
>
> Certain communities formerly belonging to the Turkish Empire have reached a stage of development where their existence as independent nations can be provisionally recognized subject to the rendering of administrative advice and assistance by a mandatary until such time as they are able to stand alone. The wishes of these communities must be a principal consideration in the selection of the mandatary.

The category that has since become known as "Class B" is defined in the treaty thus:

> Other peoples, especially those of Central Africa, are at such a stage that the mandatary must be responsible for the administration of the territory under conditions that will guarantee freedom of conscience and religion, subject only to the maintenance of public order and morals, the prohibition of abuses such as the slave trade, the arms traffic and the liquor traffic, and the prevention of the establishment of fortifications or military and naval bases and of military training of the natives for other than police purposes and the defense of territory, and will also secure equal opportunities for the trade and commerce of other members of the League.

"Class C" is defined in these terms:

> There are territories, such as Southwest Africa and certain of the South Pacific islands, which, owing to the sparseness of their population or their small size, or their remoteness from the centres of civilization; or their geographical contiguity to the territory of the mandatary, and other circumstances, can be best administered under the laws of the mandatary as integral portions of its territory, subject to the safeguards

above mentioned in the interests of the indigenous population.

DISTRIBUTION OF MANDATES

Types of "Class A" are the British mandate for Mesopotamia and Palestine, and the French mandate for Syria. "B" is represented by the British mandates for Togoland and the Cameroons, the French mandates for part of the same territories, the British mandate for the former German East Africa. Under "Class C" fall all the Pacific group: New Zealand's mandate for Samoa; Australia's mandate for New Guinea, and the other islands south of the equator; Great Britain's mandate for the island of Nauru; South Africa's mandate for Southwest Africa; Japan's mandate for the Pacific islands north of the equator—the Caroline Islands, the Marshall Islands, the Island of Yap, the Ladrones Islands, (except Guam), the Island of Ogasawara.

The mandate drafts for the "Class A" type have not as yet been published, with the exception of the one for Palestine. The refusal of the League Council to make the terms of these mandates public aroused considerable hostility in the Assembly of the League during its recent sessions in Geneva. Recommendations to the Council adopted by the Assembly included one to the effect that "future drafts of mandates should be published before they are decided on by the Council." Six other recommendations were made. The first three dealt with the Permanent Mandates Commission, the creation of which was approved by the Council on Dec. 1, 1920. It was recommended that (1) the members of this commission should not be dismissed without the assent of the majority of the Assembly, (2) the commission should include at least one woman, (3) the mandataries should be asked to present to the commission a report on the recent administration of the territories confided to their care, of which, generally speaking, they have already been in armed occupation. In regard to mandates "A" it was recommended that (1) the mandatary should not be allowed to make use of its position to increase its military strength, (2) the mandatary should not be allowed to use its power under the mandate to exploit for itself or its friends the natural resources of the mandated territory, (3) an organic law should be passed in the mandated territories as soon as possible, and before coming into force should be submitted to the League for consideration.

WATCHFUL WAITING

It was in reference to stipulation (2) in regard to mandates "A" that the Washington Government, in its note sent to the allied powers last November, stated its views regarding the nature of the responsibilities of mandatory powers. In this same communication the United States asked that "the draft mandate forms intended to be submitted to the League of Nations should be communicated to this Government for its consideration before submission to the Council of the League." The dissatisfaction of the United States with the terms of the British mandate for Mesopotamia, according to which outside nations were excluded from the benefits of oil exploitation, was sharpened by official reports received toward the end of February that a part of Syria had been transferred by France to Great Britain under an agreement concluded without reference to the League of Nations. This was interpreted at Washington as an apparent violation of the terms of the Versailles Treaty. Furthermore, this action had been taken without consulation with the United States.

Nor was the apprehension of the American officials diminished by receipt of the terms of the mandates for the African territories taken over by Great Britain, France and Belgium. ("Class B.") These texts revealed that the French mandate in the French part of Togoland and the Cameroons provides that native troops may be raised in these districts at any time for use in Europe or elsewhere. This right is denied to the British and the Belgians in the territories which they will control. Furthermore, the Britich and Belgian mandate drafts contain an article declaring for the principle of the "open door." This clause reads as follows:

> The mandatary will insure to all nationals of States members of the League of Nations, on the same footing as his own nationals, freedom of transit and navigation, and complete economic, commercial and industrial equality; provided that the mandatary shall be free to organize essential public works and services on such terms and conditions as he thinks just.
>
> Concessions for the development of the

national resources of the territory shall be granted by the mandatary without distinction on grounds of nationality between the nationals of all States members of the League of Nations, but on such conditions as will maintain intact the authority of the local Government.

It is said that France obtained the right to levy native troops in her mandated territory only by the strongest representations, and it is believed that the situation thus created will lead to controversy in the next League Assembly. The measure in question is in conflict with the mandate principles laid down by President Wilson in his letter of Nov. 20, 1920. The open-door restrictions, moreover, have a direct bearing upon the rights of the United States as a non-member of the League, and represent a similar violation of the idealistic principles laid down by the American President.

TEXT OF THE MANDATE FOR SOUTHWEST AFRICA

The mandate for German Southwest Africa, the full text of which is given below, falls under "Class C" and is of special interest because its provisions are practically the same as those of the Yap mandate, which the United States is contesting. All mandates of this type confer complete sovereignty over the territory assigned under them. The mandate assigning German Southwest Africa to the Union of South Africa (British) makes it an integral part of that Union. The text was published by the League of Nations on Feb. 8, 1921, and the official version in full is as follows:

THE COUNCIL OF THE LEAGUE OF NATIONS:

Whereas by Article 119 of the Treaty of Peace with Germany signed at Versailles on June 28, 1919, Germany renounced in favor of the Principal Allied and Associated Powers all her rights over her oversea possessions, including therein German Southwest Africa; and

Whereas the Principal Allied and Associated Powers agreed that, in accordance with Article 22, Part I (Covenant of the League of Nations) of the said treaty, a mandate should be conferred upon his Britannic Majesty, to be exercised on his behalf by the Government of the Union of South Africa, to administer the territory aforementioned, and have proposed that the mandate should be formulated in the following terms; and

Whereas his Britannic Majesty, for and on behalf of the Government of the Union of South Africa, has agreed to accept the mandate in respect of the said territory and has undertaken to exercise it on behalf of the League of Nations in accordance with the following provisions; and

Whereas by the aforementioned Article 22, Paragraph 8, it is provided that the degree of authority, control or administration to be exercised by the mandatary, not having been previously agreed upon by the members of the League, shall be explicity defined by the Council of the League of Nations:

Confirming the said mandate, defines its terms as follows:

Article 1—The territory over which a mandate is conferred upon his Britannic Majesty for and on behalf of the Government of the Union of South Africa (hereinafter called the mandatary) comprises the territory which formerly constituted the German Protectorate of Southwest Africa.

Article 2—The mandatary shall have full power of administration and legislation over the territory subject to the present mandate as an integral portion of the Union of South Africa, and may apply the laws of the Union of South Africa to the territory, subject to such local modifications as circumstances may require.

The mandatary shall promote to the utmost the material and moral well-being and the social progress of the inhabitants of the territory subject to the present mandate.

Article 3—The mandatary shall see that the slave trade is prohibited, and that no forced labor is permitted, except for essential public works and services, and then only for adequate remuneration.

The mandatary shall also see that the traffic in arms and ammunition is controlled in accordance with principles analogous to those laid down in the Convention relating to the control of the arms traffic, signed on Sept. 10, 1919, or in any convention amending the same.

The furnishing of intoxicating spirits and beverages to the natives shall be prohibited.

Article 4—The military training of the natives, otherwise than for purposes of internal police and the local defense of the territory, shall be prohibited. Furthermore, no military or naval bases shall be established or fortifications erected in the territory.

Article 5—Subject to the provisions of any local law for the maintenance of public order and public morals, the mandatary shall insure in the territory freedom of conscience and the free exercise of all forms of worship, and shall allow all missionaries nationals of any State member of the League of Nations to enter into, travel and reside in the territory for the purpose of prosecuting their calling.

Article 6—The mandatary shall make to the Council of the League of Nations an annual report to the satisfaction of the Council, containing full information with regard to the territory and indicating the measures taken to carry out the obligations assumed under Articles 2, 3, 4 and 5.

Article 7—The consent of the Council of the League of Nations is required for any modi-

fication of the terms of the present mandate. The mandatary agrees that, if any dispute whatever should arise between the mandatary and another member of the League of Nations relating to the interpretation or the application of the provisions of the mandate, such dispute, if it cannot be settled by negotiation, shall be submitted to the Permanent Court of International Justice provided for by Article 14 of the Covenant of the League of Nations.

The present declaration shall be deposited in the archives of the League of Nations. Certified copies shall be forwarded by the Secretary General of the League of Nations to all powers signatories of the Treaty of Peace with Germany.

Made at Geneva the 17th day of December, 1920.

JAPAN'S RESERVATION.

Of other mandates assigned under "Class C," that granted to Australia for the former German islands south of the equator—New Guinea, Bismarck Archipelago and the Solomon Islands—was published in London on Feb. 9. On the same date the League of Nations Council also published Japan's declaration regarding "Class C" mandates (See below). Samoa has been assigned to New Zealand. A "White Book" recently issued by Great Britain shows that the New Zealand Government, acting with the approval of the Imperial Government, has not only extended the existing indentures of the coolie laborers, but is preparing to make renewed shipments of coolies under the supervision of British officials in Hongkong. This is in direct contravention of the principles advocated by the American Government in its November note to the allied powers.

In assenting to the sanction of the South Sea mandates at the meeting of the League of Nations Assembly in Geneva, Japan filed what was tantamount to a protest and reservation affecting all the "Class C" mandates. This reservation was aimed at the Assembly's rejection of the Japanese proposal to insert in "C" mandates a clause guaranteeing equal opportunities for trade and commerce to all outside nations. The reservation was published by the League of Nations. It read as follows:

> From the fundamental spirit of the League of Nations and as a question of interpretation of the covenant, his Imperial Japanese Majesty's Government have a firm conviction in the justice of the claim they have hitherto made for the inclusion of a clause concerning the assurance of equal opportunities for trade and commerce in "C" mandates. But from the spirit of conciliation and co-operation and their reluctance to see the question unsettled any longer, they have decided to agree to the issue of the mandate in its present form. That decision, however, should not be considered as an acquiescence on the part of his Imperial Japanese Majesty's Government in the submission of Japanese subjects to a discriminatory and disadvantageous treatment in the mandated territories; nor have they thereby discarded their claim that the rights and interests enjoyed by Japanese subjects in these territories in the past should be fully respected.

By the League Council's reply to the American note the whole mandate issue has been clarified, but the controversy, not only over the Island of Yap and its cable communications, but over the entire question, still remains one of the most important to which President Harding and Secretary Hughes have fallen heir.

MARKING THE GREAT BATTLEFRONT

A VAST and patriotic enterprise has been undertaken by the Touring Club of France. At its own expense, it is planning to erect a great line of white memorial stones along the famous line where French, Belgian, British and American soldiers outfought and defeated the proud armies of Germany. Marshal Pétain is to choose the site for each memorial stone. The design chosen was submitted by the sculptor, Paul Moreau Vaultier. Pyramidal in form, its only ornament is a soldier's helmet, surrounded by a laurel crown, and bearing the following inscription in French: "Here was stopped the onrush of the barbarians."

THE CONTROVERSY OVER YAP ISLAND

Summary of the dispute with Japan, due to the Allies' action in giving away the sovereign rights over a Pacific island in which the United States has vital cable interests

THE dispute which has arisen between the United States and Japan over the question of cable rights in the Island of Yap, the former German possession in the South Pacific Ocean, was originally but a part of the whole problem of dividing up the ex-German cable lines. It has rapidly broadened, however, into the much more important matter of the United States Government's efforts to establish its rights to consultation on all mandates assigned by the Supreme Council or defined by the Council of the League of Nations.

The history of the case goes back to the Peace Conference in Paris, when the allied diplomats were drafting the plans for mandates over the former German colonies. It was later alleged by President Wilson that when the question arose of granting a mandate to Japan over certain former German islands north of the equator, he was particular to move an exception in the case of the Island of Yap, on the ground that it represented the terminus of important cable lines necessary to the United States for uninterrupted communication with China and the Far East. It was the President's understanding that the validity of this exception had been admitted, and that Japan would not be given the sovereignty over

Yap when she received the mandate for the other German islands north of the equator.

This was the situation when the international Congress of Communications was called in Washington during the last weeks of 1920. The main function of this congress was to determine the disposition to be made of the cables taken from Germany during the war. The five main powers concerned—Great Britain, France, Italy, Japan and the United States—were represented by official delegates. The sessions of this international conference, it soon developed, were destined to be stormy, subject to repeated interruptions, and, so far as actual achievement up to the present time is concerned, virtually sterile of results, except that of accentuating the discord among all parties concerned.

CRUX OF THE CONTROVERSY

The difficulties that arose were due to the insistence of the American delegates, supported by the Washington Government, that the two former German cables connecting New York with Emden, Germany, lines which had been cut and diverted by Great Britain and France during the war, should be returned to the possession of this country, and that the cable lines to the Far East, via the Island of Yap, should be internationalized. One of the two Emden cables had been cut and diverted by France to Brest; the other had been cut and diverted by Great Britain to Halifax. As for the Far Eastern cables, it had been supposed that these would be internationalized in view of President Wilson's reservations at the Peace Conference; to the surprise of the American delegates, however, it appeared that Japan had no intention of internationalizing these cables, and insisted on her right of absolute sovereignty over Yap. This, combined with the refusal of both Great Britain and France to restore the two Emden cables, led to a situation which had in it the possibilities of a very animated quarrel.

The American contention was that the United States could not consent to lose control over its only undersea communications with Germany and the Scandinavian countries, on the one hand, and with China and the Far East, on the other, and that this would be the result if the three lines in question were allowed to remain in the actual ownership of the three other nations involved. In the first case the British and Italian delegates were inclined to favor the American contentions, but the French and Japanese delegates fought shoulder to shoulder against the demands of the American representatives. After weeks of discussion the congress reached its first decision on Dec. 14, a decision which amounted to declaring that no agreement could be reached at that time; the cables were to be administered jointly until an understanding was reached.

CONFLICT OF RIGHTS

The Congress continued, with adjournments and resumptions, until February of 1921, and still the deadlock could not be resolved, both the French and Japanese delegates refusing to alter their position. The dispute with Japan took on a more serious aspect when the Tokio Government announced its intention to stand upon its rights in Yap as defined in the mandates under "Class C," the third mandate type laid down by Article 22 of the Treaty of Versailles. The Washington Government refused in any way to modify its demand that the Yap cables be internationalized; in this it had the full support of the Senate and its Foreign Relations Committee. The Administration took its stand squarely upon the ground that, as one of the belligerent countries, it had won the right of consultation on all mandates to be conferred; that the mandate had been offered to Japan without consulting the United States, that President Wilson had specifically excepted the Island of Yap at the Paris Peace Conference and that the granting of complete sovereignty to Japan could not be admitted.

These contentions were all embodied in the note of protest sent by Secretary Colby to the Council of the League of Nations on Feb. 21. After referring to the note that had been sent to Lord Curzon, Nov. 20, 1920, laying down the American conception of how mandates should be administered, and demanding the "open door" in Mesopotamia, the American note took cognizance of the fact that the Council of the League on Dec. 17, 1920, at Geneva, had approved the mandate to Japan over the Pacific group of islands, and proceeded to give notice that the United States had never given its consent to the inclusion of the Island of Yap in this Japanese mandate; on the contrary,

President Wilson had stipulated that the question of the disposition of Yap should be reserved for future consideration. Secretary Colby also pointed out that the United States Government had given notice of its understanding of this exclusion in official notes sent to the Governments of the other powers involved, in view of which the alleged agreement said to have been reached at the Peace Conference on May 7, 1919, under which Yap was to be included in the mandate of Japan, could not be sanctioned by the United States. This nation, therefore, as one of the "allied and associated powers," which had not agreed that Japan should receive the mandate under Class C for all the islands stated, requested the Council, which had "obviously acted under a misapprehension of the facts," to reopen the question in order that it might have proper settlement.

THE PRESENT STATUS

The reply of the Council, received at Washington on March 2, was conciliatory, and admitted the American contention regarding the right of consultation on all mandate drafts. With regard to Yap, however, it declared that the right of allocation pertained only to the Supreme Council, and that the function of the Council of the League was limited to the definition of the mandates allocated. This left the whole question pending either between the United States and the Supreme Council, or between the United States and Japan directly. Neither the Government headed by President Wilson nor the Imperial Government of Japan showed any intention to modify its position. Japan has pointed out that, in the procès-verbal of the 1919 meeting of the Supreme Council, it has found no evidence of any exception made by President Wilson. The former President insists that the exception was made and clearly understood. The whole attitude of the United States as repeatedly set forth by the press has been that it would be intolerable for Americans to have to submit their cable dispatches to the Philippines and to the countries of the Far East to the official censorship of the Japanese Government. Japan is equally convinced that her right to the sovereignty over Yap is incontestable, inasmuch as it has been conferred by the Supreme Council of the allied and associated powers. The whole problem is one of the many which President Harding will have to solve. [For the documents in the case, see article on "Mandates."]

NINE MILLION AUTOMOBILES IN THE UNITED STATES

FIGURES compiled by the American Automobile Association show that there were 9,180,316 passenger and commercial motor vehicles used in the United States during 1920, of which 8,234,490 were passenger cars. The receipts from registration totaled almost $100,000,000. This means that there is now one motor vehicle for about every eleven persons.

New York, which for many years has led all the other States in the number of automobiles owned within its boundaries, maintains its motor supremacy with a total of 683,919 vehicles, of which 559,521 are passenger cars and 124,893 commercial vehicles. In motor truck use New York is also in the lead. Ohio and Pennsylvania are strong competitors for second place, Ohio leading with 620,600 cars and Pennsylvania coming third with 570,164. Ohio, with 82,600 trucks, is also second in the commercial list. Illinois takes fourth place with 568,914 cars, very close to Pennsylvania, but in the use of commercial cars both Illinois and Massachusetts exceed Pennsylvania, Illinois having 64,674, Massachusetts 51,386, while Pennsylvania's number is 48,329. California is the fifth State in motor use, with a total of 568,892 cars; Iowa sixth, 437,030; Texas seventh, 427,693; Michigan eighth, 412,717.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

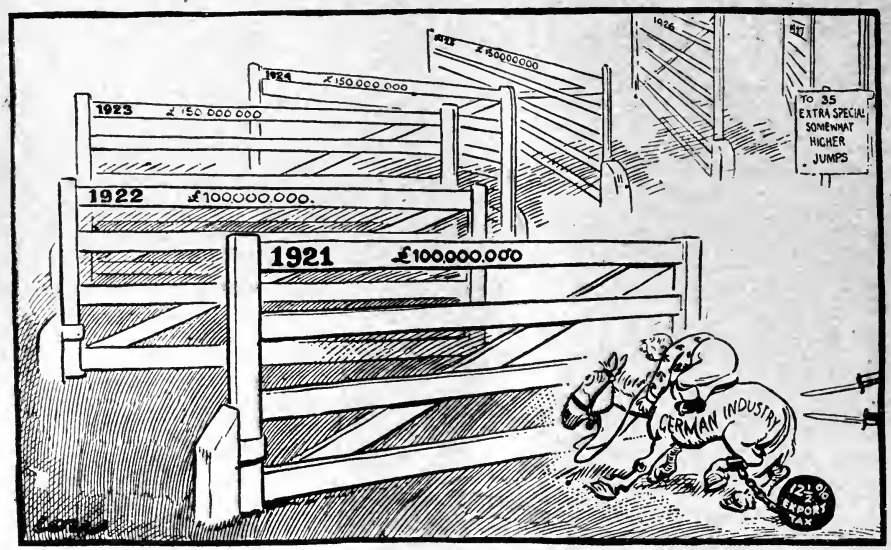
[American Cartoon]

FAIR WEATHER OR FOUL

—Central Press Association, Cleveland

[English Cartoons]

SOME STEEPLECHASE



—*The Star, London*

—*Reynolds's Newspaper, London*

He May Kick, but—

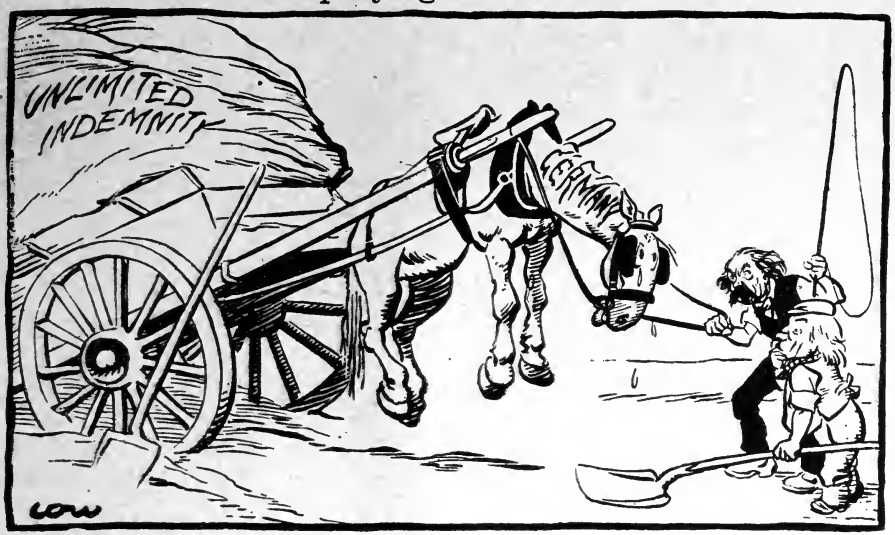
The convict tethered to the weight
May storm and rail against his fate;
But if he kicks, well, he may find
That ball will prove more hard than kind.

1870—1921

The Hun: "I worship you just as much as ever, but your precedent of 1870 is making it very awkward for me just now."

[English Cartoon]

Simplifying the Problem



—*The Star, London*

"Perhaps, Briand, it would gee-up better if we let it touch earth."

[American Cartoon]

The Howl of the Wild

—*Newspaper Enterprise Association*

[American Cartoon]

The Real Iron Cross

—*The Providence Journal*

THE indemnity demanded of Germany by the Allied Governments amounted to $56,000,000,000, in addition to 12 per cent. duty on exports, the payments to be spread over a period of 42 years. The Germans at the London Conference that began Feb. 28, 1921, offered counter-proposals placing the sum at $7,500,000,000, of which they declared a third had already been paid. The Allies rejected this offer without ceremony and demanded compliance with the Paris demands, under penalty of having the allied forces occupy Düsseldorf, Duisberg and Ruhrfort, take possession of customs, and tax German exports.

[American Cartoon]

BRITANNIA'S TROUBLES

"She Has So Many Children She Doesn't Know What to Do" —*Detroit News*

IN almost every part of her far-flung empire Great Britain is faced with serious problems. Ireland is on the brink of civil war, a strong secession party exists in South Africa; Egypt and India are restless; Australia and Canada are self-assertive.

[American Cartoon]

Stringing 'Em

John Bull adding new beads to his string of possessions

—*San Francisco Chronicle*

[German Cartoon]

THE CAUSE OF FRANCE'S NEW PANIC

—*Kladderadatsch, Berlin*

Fear of the Bavarian Mouse

THE question of disarming Germany in accordance with the terms of the Peace Treaty is a matter of great concern to allied statesmen, who hold that Germany has not fulfilled its obligations in good faith. Special complaint is made of the Bavarian organization, the Orgesch, a word coined from "organization" and "Escherich," the latter being the name of the leader in the movement. It is claimed by the Bavarians that the retention of arms by the Orgesch is necessary to repress Bolshevist outbreaks; but this is not accepted by the Allies, who see in the organization a nucleus for a new German army.

[Dutch Cartoon]

THE BLOOD-BAPTISM OF HUNGARY

—*Notenkraker, Amsterdam*

Entente: "Am I my brother's keeper?"

[American Cartoon]

Waiting for Him to Fall

—*Rocky Mountain News, Denver*

THE plight of Austria and Hungary is perhaps more desperate than that of any other of the vanquished countries. Both have been shorn of their richest provinces and thus deprived of an opportunity for economic rehabilitation. Austria, especially, is in the depths of destitution, and would have fallen a prey to famine except for the food furnished by other nations. In Hungary reaction has assumed an extreme form, and General Horthy's Government is charged with many harsh measures against radicalism.

[American Cartoon]

Baby Food

—*Detroit News*

[American Cartoon]

"The Poor We Have Always With Us"

—*Brooklyn Eagle*

[English Cartoon]

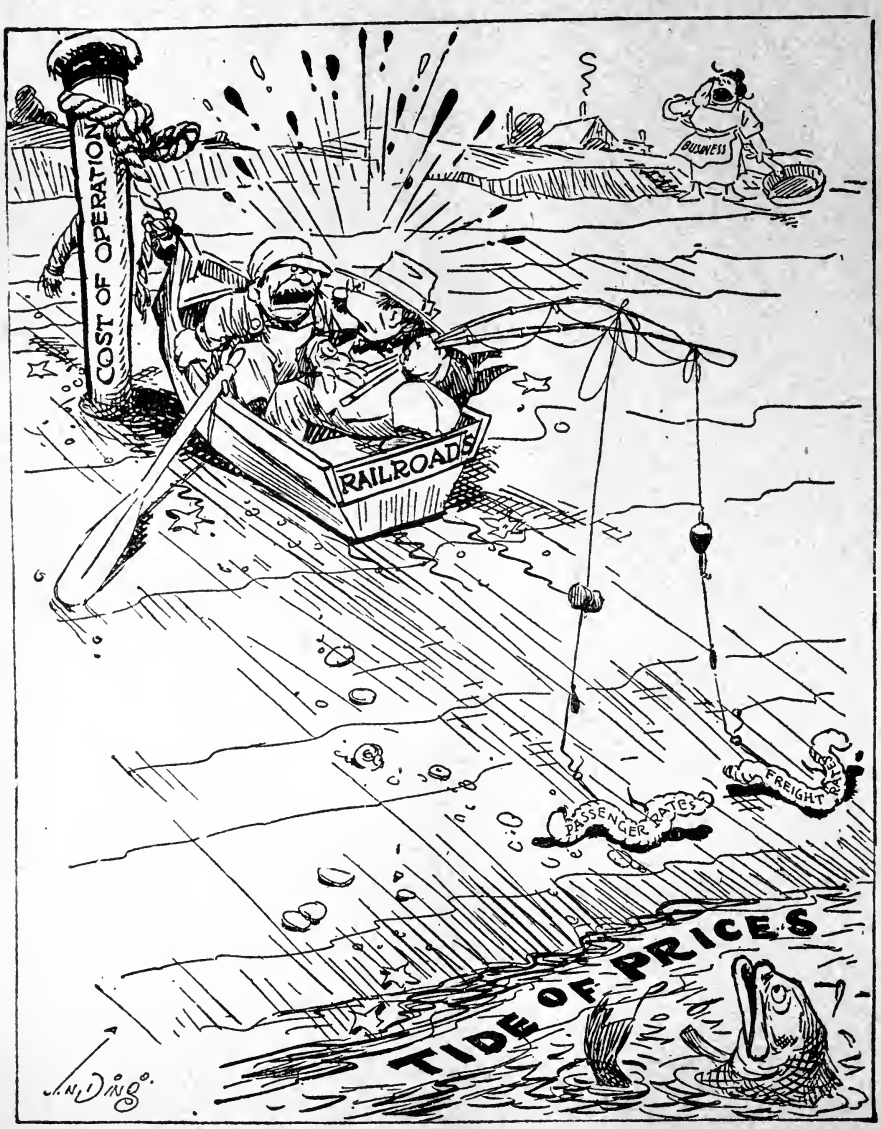
The Descent

—*Reynolds's Newspaper, London*

The mountaineers who climbed so fast,
At last the topmost peak have passed;
And though to stay there was in vain
They don't like coming down again
(Except the little chap behind,
Who seems more cheerfully inclined.)

[American Cartoon]

LEFT BY THE RECEDING TIDE



© *New York Tribune*

WHEN the railroads were permitted a 20 per cent. increase in passenger rates in addition to higher tariffs on certain commodities, it was thought that their rehabilitation would be speedy and certain. The industrial depression, in reducing the number of passengers and amount of freight carried, has, however, produced a deficit instead of a surplus in earnings, and the roads are now endeavoring to secure governmental sanction for a reduction in the wages of their employes.

[American Cartoons]

What Will the Harvest Be?

—*San Francisco Chronicle*

AS March 15 approaches each year the spare time of the average citizen is engrossed by the task of making out his income tax to the Federal Government, and in some cases an additional tax to the State. Usually it is a painful duty, but the cartoonists, at least, manage to find humorous aspects of the theme. The theory of the tax is that those who have profited most pay the most for the protection and opportunities afforded by the Government. This, of course, presupposes that the returns are honest.

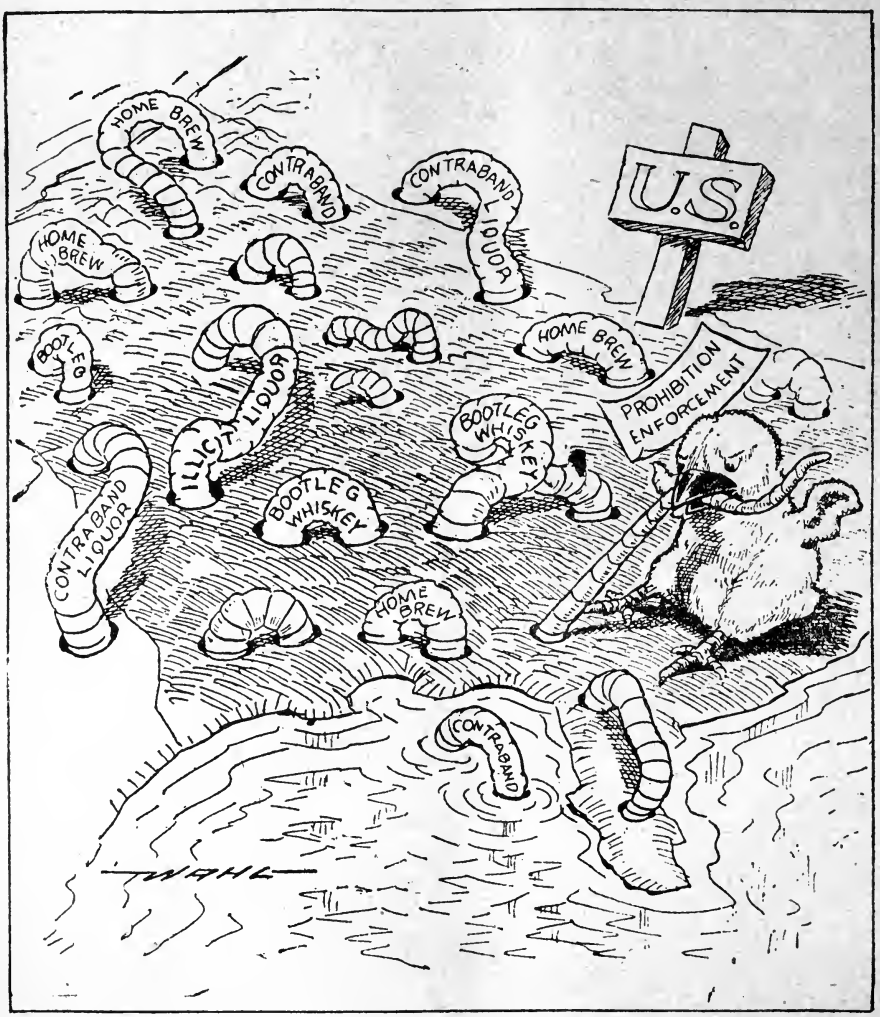
The Moral Effect of the Income Tax on the Rising Generation

WITH the best intentions in the world, the work of the citizen who tries to find out how much he owes the Government is perplexing, and often entails a severe strain on his temper, to say nothing of his conscience. The forms are intricate, and many items are omitted in the printed blanks. The missing information can, of course, be ascertained at the Internal Revenue office, but this takes time and trouble, adding to the burden. Thus the average taxpayer is in need of all the aid the cartoonist can give him in the way of a smile.

—© *New York Tribune*

[American Cartoon]

IT'S A LONG WORM!



—*Sacramento Bee*

PROHIBITION enforcement has encountered many difficulties in the comparatively short period since the law was enacted. All sorts of evasions have been practiced, especially in the great centres of population, where public feeling has been either apathetic or openly hostile to the amendment. The permissions to withdraw liquor from bonded warehouses for medical and commercial purposes have furnished a fruitful field for violators of the law. Forged permits have secured hundreds of millions of dollars' worth of liquor for illegal uses. Contraband shipments in great quantities have come over the Canadian border. "Home brew" is being made to an extent that can only be guessed, but is without doubt enormous. The work of the law enforcement officials has been made difficult also by the faithlessness of some of their own employes, who have been shown to be working hand in glove with the violators of the law.

[Italian Cartoon]

THE SITUATION IN ITALY

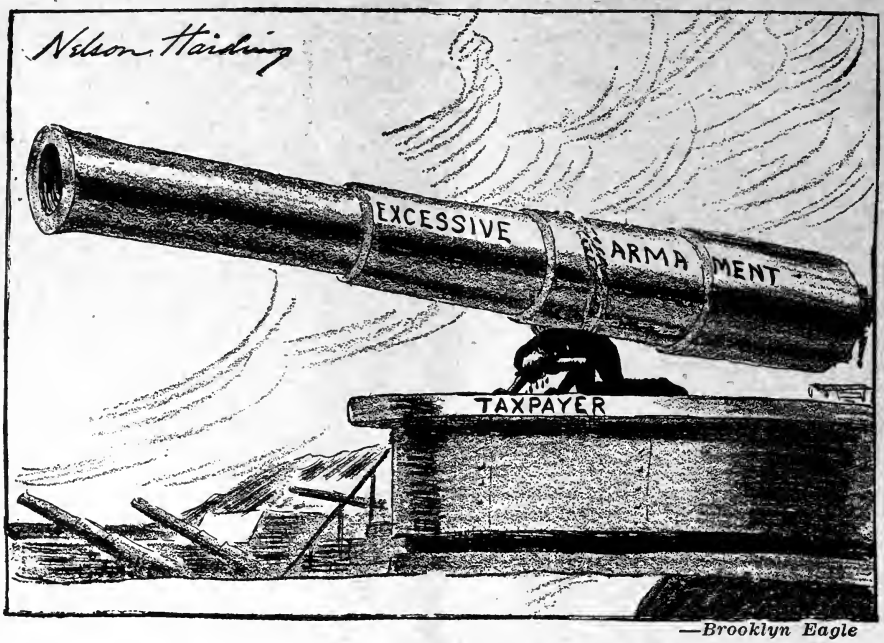
—*Il 420, Florence*

PREMIER GIOLITTI (to Mme. Middle-Class): "Disarm at once!"
MME MIDDLE-CLASS: "One moment! First disarm that ruffian, Bolshevist Proletariat; he took to arms first."

ITALY, ever since the war, has been a fertile field for Bolshevism or its close analogue, Syndicalism. Struggles have been frequent between the proletariat and the other classes, resulting in such manifestations as the workmen's seizure of the factories in Turin and the peasants' seizure of lands in Sicily. At times the troubles seemed to have been composed, only to break out again with greater virulence. In some of the industrial centres the streets had to be swept by machine gun bullets before order was restored. As late as March 2 the great San Marco shipyards at Trieste were burned by communists, with a damage of $5,000,000.

[American Cartoons]

THE HUMAN GUN-CARRIAGE



—*Brooklyn Eagle*

Well, Why Doesn't the Gentleman Put Away His Guns?

—*St. Louis Times*

Where Shall He Begin?

DISARMAMENT is as yet nothing but a dream. It is one of the things that every nation professes to want, and which none dares to put in practice. In a world still armed to the teeth, each nation distrusts its neighbor and fears to set the example of laying down its arms.

[German Cartoon]

Up-to-Date Sport

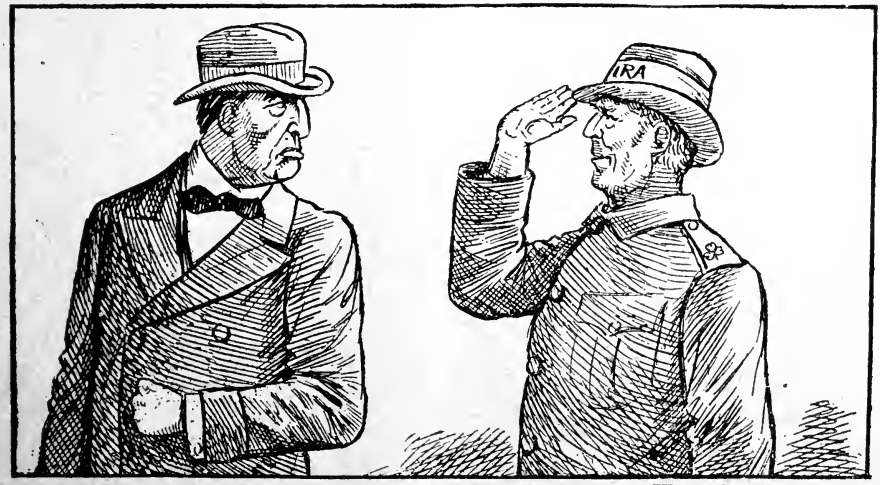
—*Kladderadatsch, Berlin*

In at the Death

DESPITE the negotiations which have been in progress, the Irish problem seems as far as ever from solution. Killings and reprisals are of daily occurrence, and instead of abating are growing in severity and frequency. What were formerly individual clashes have now been replaced by conflicts rising almost to the dignity of pitched battles. The Home Rule bill passed by the House of Commons has proved unsatisfactory to both Nationalists and Ulsterites, and although the British Premier has recently declared that the situation is improving, his hopeful view is not widely shared.

[English Cartoon]

Teacher and Pupil



—*Westminster Gazette*

Sir Edward Carson: Don't salute me! You're a rebel in arms against the Government!

Pat: Shure, Sir Edward, didn't yourself tache us the gun runnin' and the drillin' and the rebillin' in 1914?

[American Cartoons]

LOVE ME, LOVE MY DOG

—*Brooklyn Eagle*

Another Bridge Pier Listing and Cracking

—*Dayton News*

After You, Sir!

—*San Francisco Chronicle*

[American Cartoon]

THE RISING SUN OF JAPAN

—*Daily Mail, New York*

YAP is only a little island in the Pacific, about seventy-nine square miles in extent and with a population of 8,000, but it has assumed an importance altogether out of proportion to its size, because of the mandate over it given to Japan. This was in accordance with a treaty made between England and Japan before the United States entered the war, which treaty this country has never recognized. The importance of Yap arises from the fact that it is the landing place of three cables formerly owned by the Germans. The three cables are the only means of communication with the Orient in certain circumstances. If Japan were in complete control of the cables she could at any time cut off the United States from the benefit of their use. Strong protests against the mandate have been made by the American Government.

[American Cartoons]

—© *New York Tribune*

Folks Really Ought to Count Their Money Before Ordering Their Dinners

Of Course Uncle Will Understand How it Is—(?)

THE question of the repayment of allied loans has recently been prominent in the news. About nine billion dollars was lent to the allied nations during the war by the United States, with no very definite guarantee of repayment. At the Paris Conference and on several occasions since then the suggestion was broached that these loans be canceled, so that the nations might start afresh, but the proposition has not been received with favor by this Government. Diplomatic exchanges regarding these loans are still in progress.

The Place to Stop Them

APPREHENSION has been aroused by cases of typhus that were discovered to exist among immigrants arriving at the port of New York. Rigid regulations have been established to prevent the spreading of this dreaded disease, which has been rife in many of the European countries whence the stream of immigrants is coming. The Dillingham bill, recently passed by Congress, but left unsigned by President Wilson, would have limited the possible immigrants for fifteen months to 3 per cent. of the number of alien residents in this country in 1910.

—*Providence Journal*

ENGLAND'S ROYAL PAGEANT

Picturesque scenes attending the opening of Parliament by the King and Queen in a blaze of pre-war magnificence—Cabinet changes and waning strength of Lloyd George

[PERIOD ENDED MARCH 12, 1921]

IF the sudden breaking down of the London Reparations Conference, with the occupation of additional German territory, was the most momentous event of the month in England, unquestionably the most picturesque event was the formal opening of Parliament by the King on Feb. 15.

For the first time the pageant was restored to its full pre-war splendor, with a noticeable disappearance of the familiar khaki from the military part of the spectacle. The King and Queen proceeded in state from Buckingham Palace to the House of Lords, escorted by detachments of Household Cavalry in gleaming cuirasses and plumed helmets, while the Foot Guards in tunics of British scarlet and huge "bearskins" lined the route. Hardly less of a delight to the populace than the golden magnificence of the old state coach was the reappearance, after years of disuse, of the official coaches of the Ambassadors of France, Italy, Spain and Japan, with coachmen, and with footmen hanging deftly behind, in the liveried gorgeousness of a departed age.

In the House of Lords a half-medieval and half-modern scene awaited the King. The eye swept from the scarlet and ermine robes of the peers, Bishops and Judges—from the brilliant display of jewels among the peeresses—to the everyday attire of the Members of Parliament. In the diplomatic group Herr Sthamer, the German Ambassador—so soon to be recalled—was noticeable for having followed the American custom in wearing plain evening dress, presumed to be a concession to the republican order of things in Germany.

The King entered the House leading the Queen by the hand. He wore a Field Marshal's uniform, over which a crimson robe of state was hung, and a crown blazing with jewels. The Queen's dress was of old brocaded gold. Across her breast was the broad blue ribbon of the Garter, and from her corsage gleamed the Star of South Africa and other gems. In his speech King George made special references to trade agreement with Russia, the passing of political strife in India, and the relief of Ireland from the misguided people who were attempting by violence to set up an Irish republic. A new democratic note was remarked throughout the whole speech, but especially in the use of the term "our fellow-citizens" instead of the customary "my subjects" or "my people." So far as the record goes, this was the first occasion on which a King of England addressed his subjects as fellow-citizens.

CABINET CHANGES

It was officially announced on Feb. 14 that the King had accepted the resignations of Viscount Milner, Secretary of State for the Colonies, and Walter H. Long, First Lord of the Admiralty. At the same time the following appointments were approved: Winston Spencer Churchill to be Secretary of State for the Colonies; Sir Lamar Worthington-Evans, Secretary of State for War; Lord Lee of Fareham, First Lord of the Admiralty, and Lieut. Col. Sir Arthur Griffith-Boscawen, Minister of Agriculture and Fisheries.

Indications that the strength of the Coalition Party, both in and outside of Parliament, was less secure in Mr. Lloyd George's hands than formerly was disclosed in a vote on an amendment to the Address to the Throne on Feb. 18, and in the vote to elect a Member of Parliament for Woolwich on March 2. The address amendment, regretting the Government's failure to deal adequately with unemployment, was moved by Mr. J. B. Clynes. The Prime Minister defended the Government, and in closing the debate declared they would never solve the unemployment problem till the workers frankly considered what was best for the interests of the industry in which they were concerned. Mr. Lloyd George added:

To demand that everybody should have the right to work, and then to support the trade union policy which prevents people from getting work when work is available, is a sham and a hypocrisy. They are all interdependent. "Love your neighbor" is not only good Christianity but good business.

In spite of this plea, the vote resulted in a Government majority of only 178. As the normal Unionist vote had been more than 500, in a House of 707 members, it was inferred that a considerable number of the Premier's supporters had followed Lords Robert and Hugh Cecil over to the opposition. At the by-election for Woolwich, a big industrial constituency, the Government narrowly escaped defeat, electing its candidate by a majority of only 684 out of a total vote of 26,764.

"The Tribulations of an M. P." might have been the apt title of a White Paper issued on Feb. 23 detailing the hardships involved in the attempt to live on the official salary of £400 ($2,000 normal exchange) a year. Among several M. P.'s without private incomes who gave evidence, Mr. Thompson Donald, an Ulster member, complained that he was compelled to travel third class on the subway to Parliament, holding on to a strap, which, he thought, was beneath the dignity of a Member of Parliament. He believed M. P.'s ought to travel free, first class. Mr. Adamson, another member, said that his first-class pass on the railway cost him £180 yearly, and that his hotel expenses were £160 and his postage £15; he thought the M. P.'s salary should be increased to £800 with a free railway pass.

HOUSING THE CONFERENCES

In order to accommodate an almost unprecedented number of foreign statesmen and diplomats attending the various conferences in London, the King gave the use of St. James's Palace for their deliberations. No less than twenty-five or thirty countries were to be represented by important missions. For the housing of the 300 members of these delegations—including the German representatives—as guests of the Government, accommodation was provided in various hotels.

In addition to the two conferences on the

(© International)

British King and Queen in the gilded coach of state on their way to the opening of Parliament. The ancient coach, drawn by eight black horses, is escorted by horse guards in glittering uniforms, and beside it walk the heralds, rod bearers, and other functionaries in mediaeval garb

(Photo Raphael Tuck)

KING GEORGE AND QUEEN MARY
In the robing room on the occasion of the opening of Parliament, Feb. 15, 1921

Treaty of Sèvres and Reparations there was also fixed for Feb. 27 a conference of Ministers of Commerce and business experts for seventeen countries. Meantime a petition had been received from the Austrian Chancellor for permission to visit London, accompanied by his Ministers of Food and Finance, to discuss allied financial assistance, since the Paris plan for an international bankers' syndicate had failed to materialize. The Supreme Council granted this request on March 7 and invited the Austrian delegation to London immediately.

LABOR AND OTHER PROBLEMS

An estimate of the working days lost by labor through trade disputes in December totaled 429,000. This compared favorably with November, when 3,631,000 days were lost through the coal strikes, and 1,808,000 days in December, 1920, when the iron founders were out.

The dispute between the farmers and the Government regarding the price of wheat was adjusted in a conference at the Ministry of Agriculture on Feb. 17, when the Government pledged itself to give a maximum price of 95 shillings per quarter of 504 pounds, provided that the c. i. f. cost of imported wheat was the same figure or over, and so long as wheat prices were controlled. This practically signified a year's guarantee.

After considerable criticism from the Laborities, the second reading of the Government bill increasing unemployment in-

(© Underwood & Underwood)

WINSTON SPENCER CHURCHILL
Former British War Minister, now Minister for the Colonies

surance payments was carried by a closure motion of 148 to 50 on Feb. 23. The new bill raised the benefit from 15 to 18 shillings a week, and allowed twenty-six weeks' pay in each year in place of fifteen. During debates Dr. MacNamara, Minister of Labor, in repelling the charge that the Government had not exercised adequate forethought, gave details of schemes providing useful and productive work for 70,000 men, including a main roads project involving more than ten millions sterling.

That war control of the railroads by the Government may cost the country £150,000,000 in claims is the opinion of an official investigating committee. The claims are divided as follows: £90,000,000 for arrears in maintenance, £40,000,000 for abnormal wear and tear and £20,000,000 for the replacement of stores.

HOSTILITIES INCREASE IN IRELAND

End of the peace negotiations between the Sinn Feiners and the British Government —A brief summary of the month's events in the war of assassinations and reprisals

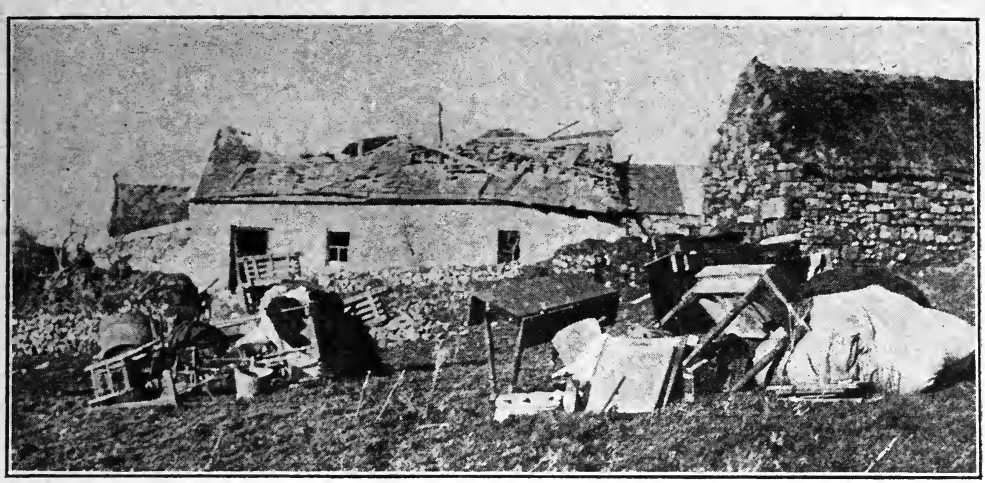
[PERIOD ENDED MARCH 12, 1921]

PREMIER LLOYD GEORGE asserted early in March that conditions in Ireland were definitely better; gone, he said, were Sinn Fein patrols and military police, Sinn Fein courts, insults heaped on the Government police, boycotting, &c.; the authority of the Crown was being recovered. Nevertheless, it was maintained by critics of the Government that a mere statistical comparison of the serious outrages credited to both sides during the seven weeks of the Parliamentary recess and any like period in the history of last year was enough to show how groundless would be the pretense that any improvement had taken place. That dissatisfaction with the Government's Irish policy of repression and reprisal was growing among thoughtful Englishmen was evidenced by the statement of the Archbishop of Canterbury in the House of Lords, Feb. 22, that he voiced the feeling of many persons when he vigorously condemned both the Sinn Fein campaign of "murder and outrage" and the reprisals taken by the Crown forces. The resignations of Brig. Gen. Crozier, head of the Auxiliary Cadets, and his Adjutant, Captain McFee, were regarded as indicating that the ruthless activities of the Black and Tans were creating an increasingly bad impression.

An inner history of the recent peace negotiations was cabled from Dublin on Feb. 14, as having been published in the Sinn Fein Bulletin from a disclosure made by Eamonn de Valera at a recent session of the Dail Eireann. According to this version, Archbishop Clune of Perth, West Australia, was commissioned by Premier Lloyd George to approach Sinn Fein leaders "as official intermediary to arrange a truce." After the Archbishop had made three visits to Ireland and reported to Mr. Lloyd George, the British Cabinet intimated its willingness for a month's truce in certain general terms which had been discussed. These terms were then reduced to a formula and presented by the Archbishop to Dublin Castle on Dec. 16, as follows:

> The British Government undertakes that during the truce no raids, arrests, pursuits, burnings, shootings, lootings, demolitions, courts-martial or other acts of violence will be carried out by its forces, and that there will be no enforcement of the terms of martial law proclamations.
>
> We, on our side, undertake to use all possible means to insure that no acts whatever of violence will occur on our side.
>
> During the period of the truce the British Government on its part and we on ours will use our best efforts to bring about the conditions above mentioned, with the object of creating an atmosphere favorable to the meeting of representatives of the Irish people with a view to bringing about a permanent peace.

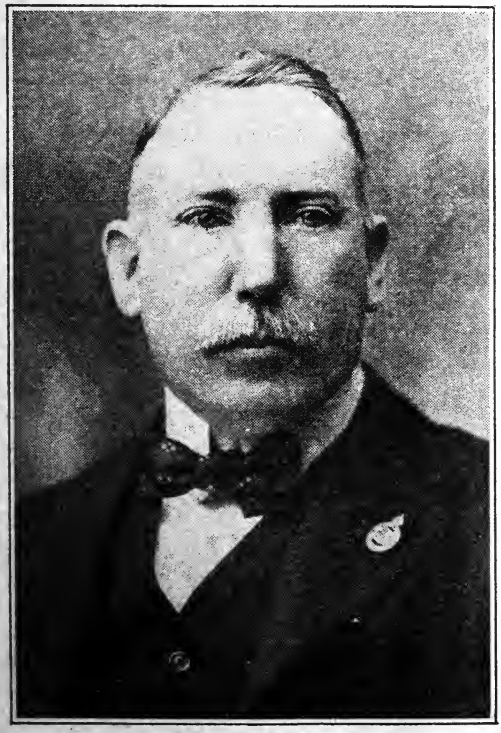
Up to this point both sides appeared to be approaching an agreement without serious hindrance, but in accepting the formula Dublin Castle added the condition that



(Press Illustrating Service)

A wrecked cottage in Mellin, Ireland, from which, as usual, the furniture has been removed by the soldiers before destroying the house in reprisal for an assassination

the Sinn Fein surrender their arms. To this the Sinn Fein leaders objected. Thereupon the Archbishop again intervened and was able to induce the Castle to waive the condition. In the meantime, however, Premier Lloyd George had become convinced that the arms condition could not be waived, and was supported by Andrew Bonar Law. Upon this obstacle the negotiations broke asunder, although they hung in abeyance until Dec. 30, when they were finally disposed of at a meeting of the British Cabinet and the matter ended.



(Central News Service)

SIR JAMES CRAIG

Unanimously chosen leader of the Ulster Unionists in succession to Sir Edward Carson

IRISH PLOTS IN ENGLAND

Rumors of Sinn Fein activities in England seemed to acquire definite authenticity early in February. Series of fires in Manchester and other parts of Lancashire were credited to Sinn Fein origin. In the important cotton manufacturing centres of Oldham, Failsworth, Royton and Rochdale the outbreaks were of a serious character. In Manchester it was discovered that at least three men were engaged in each outrage, and there was every indication that the plot had been well organized. Broken windows and the finding of beer bottles filled with petrol indicated the method of attacking the factories, which so far had resulted in comparatively slight damage owing to the alertness of the police and fire brigades.

Corroboration of Sinn Fein plans for fires was furnished by Sir Hamar Greenwood in the House of Commons on Feb. 20 from a number of documents seized at Irish Republican Headquarters in Dublin. Producing one of the documents, Sir Hamar read:

Further, the officer in charge [of operations] should not be tied down by instructions as to sparing lives of enemy subjects. * * * For instance, if one train was wrecked it should have the effect of causing considerable alarm to the traveling public. * * * Also if gas works were blown up, no doubt lives would be lost, but it would have the effect of throwing the town into darkness and would encourage looting.

The Sinn Fein had long been trying in Ireland to keep young Irishmen from emigrating to America. On the night of Feb. 18 these measures were extended to English soil when armed bodies of Sinn Feiners raided three Irish boarding houses in Liverpool and at the point of revolvers took from a number of young Irishmen about to sail for America their passports, passage tickets and money.

MANIFESTO BY DE VALERA

The long-promised manifesto by Eamonn de Valera, the Irish Republican leader, was issued on March 7 through the Sinn Fein publicity department. It was signed by de Valera and almost all the other members of the Dail Eireann, including Arthur Griffith and several others in jail. It was issued in the form of an address adopted at the January meeting of the Dail Eireann to the representatives of foreign nations.

The manifesto reviewed the Irish struggle for independence from earliest times and recited the circumstances culminating in the declaration of the establishment of the Irish Republic. Denunciatory and often violent in tone against British rule, it made use of such appeals to passion as that "ex-convicts and degenerates from the trenches could be depended upon to have few qualms in dealing with their victims. * * * An orgy of murder and robbery began, neither age, sex nor profession was respected. * * * English jails are filled with our countrymen, some have been murdered, others tortured therein."

The manifesto declared that the Irish people demanded self-determination, and concluded:

We, their official spokesmen and their elected Parliament, call upon mankind to witness that our people have ever been ready to welcome peace with England that has a just basis. No other basis of peace is possible. We have pledged ourselves and people faithful to the cause until death. You representatives of sister nations cannot be insensible to the issue.

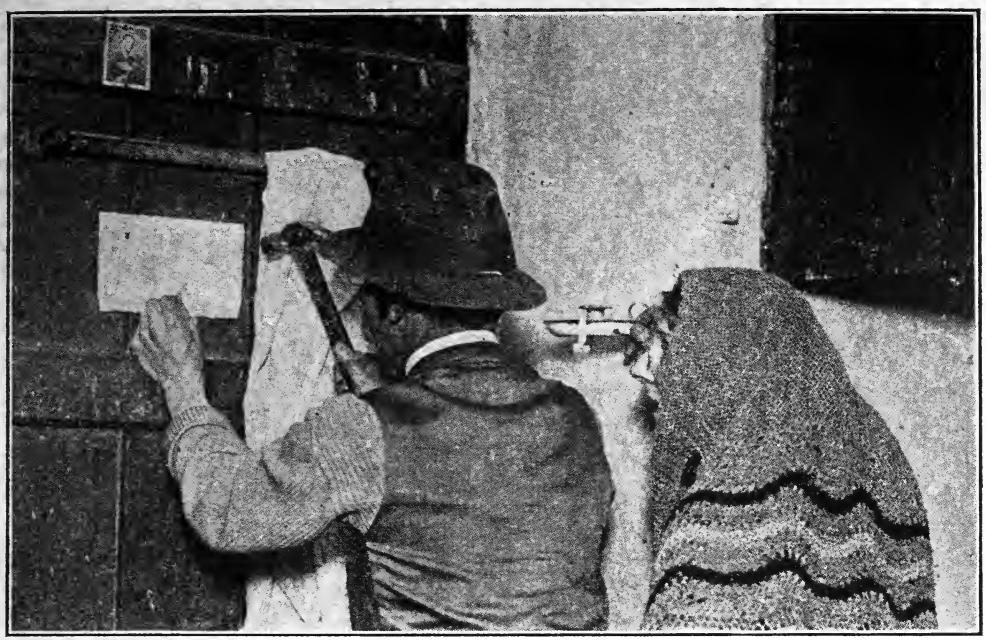
A BIT OF REAL WARFARE

The most elaborate military operation that had yet taken place in Ireland was the investment of the Dingle Peninsula in West Kerry early in February. The object was to round up a number of rebels "on the run" and search their possible hiding places. As a Sinn Fein stronghold the locality could hardly have afforded better advantage, since the peninsula occupies a wild tongue of mountainous and rugged land, sparsely populated, and jutting out thirty miles into the Atlantic Ocean. After the occupation of Tralee, at the base of the peninsula, by the British military, a strict blockade of the district was enforced, entry into which was prohibited. Since then little news from either Dingle or Tralee has been received. A station master on the Tralee & Dingle Railroad, however, telegraphed on Feb. 14 that supplies were exhausted and the women and children on the verge of starvation. This the military denied, but on March 4 a Dublin dispatch stated that the Crown forces were carrying out their threat to reduce the district to submission by hunger, and that on the previous day two bridges were blown up by them, cutting off Tralee from the district which supplied provisions.

OUTRAGES AND REPRISALS

Again a long list of acts of violence, of which a few of the most conspicuous follow: On Feb. 15 the 9:30 A. M. Cork-Bantry train, carrying military reinforcements, had just shut off power at Upton when practically every compartment was swept by a shower of bullets. Two commercial travelers were killed with the first volley. The soldiers promptly returned the fire of the ambushers, and a short but brisk engagement ensued, during which the passengers huddled together on the floors of the carriages. When the attacking party had been driven off it was found that eight civilians and two Sinn Feiners were slain, and five civilians and six soldiers wounded.

Hundreds of troops supported by tanks and armored cars cordoned a section of central Dublin on Feb. 18 for the purpose of making a house-to-house search for "wanted" men. The method adopted was to surround the whole area with barbed wire entanglements, to pass through which required a special permit. No newspapers



(Colonial Press Service)

In the martial law area of Ireland the head of each household is compelled by law to nail on his door a list describing every member of his family

were allowed inside the prohibited space, and there were no postal deliveries. If residents desired to make purchases outside the cordon they were escorted to the shops by armed pickets. Ladders were used to search the roofs, while in certain windows machine guns were posted to command the thoroughfares. In each street it was the rule to parade all male residents under military guard for inspection by special service agents. In Ballybunion, County Kerry, more than twenty private and public houses were burned on Feb. 23 in retaliation for the shooting of two constables.

A two hours' battle in the open occurred on Feb. 20 near Middleton, County Cork, in the martial law area. A party of the Hampshire Regiment came into conflict with armed civilians, with the result that thirteen civilians were killed and eight captured, three of whom were wounded. Another fight which extended over five miles of country and lasted for five hours took place near Macroom, Feb. 25. From the point of view of numbers engaged it was said to have been the largest engagement that had yet taken place. It commenced with an intensive rifle fire and bombing attack upon a convoy commanded by Major Seafield Grant, and developed a general engagement as reinforcements were hurried to the support of both sides. At one time the Government troops were nearly surrounded, but they finally succeeded in compelling the Republicans to retreat, apparently in good order, into a wild territory.

As a result of the shooting of six soldiers and the wounding of six others in Dublin on the night of Feb. 31 the curfew was advanced to 6 o'clock. The attacks began punctually at 7 P. M., the soldiers, unarmed and on walking-out passes, being shot down in such crowded thoroughfares as Patrick Street and the Grand Parade. Pedestrians fled in a panic and the assassins escaped. On the night of March 4 police lorries escorting prisoners to Dublin Castle were fired on along the north quays, and subsequently subjected to a fusillade of bullets on reaching Grantham Bridge. In returning the fire the police killed three persons and wounded several. In an ambush of a military convoy at Clonbanin, West Cork, March 5, Brig. Gen. H. R. Cumming, D. S. O., in control of a Kerry Brigade, was shot and instantly killed when leaving his car to direct the fight against the ambushers.

A tragedy which recalled similar events

in Cork occurred in Limerick early in the morning of March 7. A band of assassins forced their way into the house of ex-Mayor O'Callaghan, and in spite of the heroic efforts of his wife to protect him, they mortally wounded the ex-Mayor. The assassins then proceeded to Mayor George Clancy's residence, and, gaining an entrance, fired several shots into the Mayor's body after wounding his wife. Both the Mayor and the ex-Mayor died later. The third house visited was that of a resident named O'Donoghue, whose lifeless body was found in a nearby field.

It was announced on March 11 that the General Officer Commanding in Chief had confirmed the court-martial death sentences on Bernard Ryan, Patrick Doyle, Thomas Bryan, Frank Flood and Dermot O'Sullivan, tried for high treason and levying war on the British Crown. In the case of O'Sullivan, who was 17 years old, the Lord Lieutenant commuted the sentence to penal servitude for life.

CANADA AND OTHER BRITISH DOMINIONS

Britain's wartime embargo on cattle a live issue in the Canadian Parliament—Recent developments in Australia—Freedom for Eygpt urged by Lord Milner's report

[PERIOD ENDED MARCH 12, 1920]

IN the course of a lively debate in the Canadian House of Commons on March 9, Premier Meighen stated that the Government was maintaining its protests against the British cattle embargo. The Government rested its case upon the promise made in 1917 to Sir Robert Borden, who was then Premier, that the embargo would be abolished after the war. Several cattle breeders, members of the Commons, were of the opinion that the embargo could be turned to advantage in connection with fostering a big trade in meat. This view was not concurred in by the majority of the House. Possible restriction of the United States market was urged by some members as a reason for persistent efforts to get the British Government to change its attitude. The Hon. Manning Doherty, Ontario's Minister of Agriculture, is in Britain at this writing in the hope of assisting in bringing about that change. Many critics of the embargo voice opposition against Mr. Doherty's presence in England, arguing that Canada should be content with dignified protests made through the regular channels by the Federal Government.

For expenditures in the fiscal year beginning April 1, Canada will require $582,062,698, according to the main estimates presented by Sir Henry Drayton, Minister of Finance. This is less by $31,000,000 than the total appropriations for the closing fiscal year. Of the required amount $226,757,087 comes under war expenditure headings, including $140,613,163 for interest on debt, $31,816,923 on pensions, $35,017,000 on soldiers' land settlement and $19,310,000 on the re-establishment of soldiers in civil life. It is, however, in regard to the operation of Government-owned railways that the estimates have aroused most discussion. The vote asked for this is roughly $179,000,000, of which $49,250,000 is to meet deficits on operation and interest account. This is $11,000,000 less than the rumored deficit. Supporters of Government ownership urge that there should be some readjustment as between operating costs and support from the public Treasury. The Toronto Globe, arguing that on both sides of the Canadian-United States border operating costs—especially for labor—are too high, says that the question of railway finance is the greatest that confronts the people of the Dominion today.

In the first division in the House of Commons, taken on March 4, the Government had a majority of 25, one less than in June, 1920, the final test of the last session.

A judicial decision on a test case is to

the effect that the Province of Ontario has no power to enact legislation prohibiting betting on race tracks licensed by the Province, the inference being that this authority rests with the Federal Government.

The Rev. William Ivens, John Queen and George Armstrong, three of the leaders of the great Winnipeg strike, who have served their full term of one year in prison—less one month off for good conduct—took their seats in the Manitoba Legislature on Feb. 28. They were elected to the Legislature while in prison.

The Federal Government is taking precautions to prevent tragedies in connection with the expected rush to the newly discovered oil regions in the Mackenzie district. Airplanes and river steamers, specially constructed, will play a considerable part in the rush. Claim holders must do their own locating. Claims, it is understood, are to be restricted to 640 acres, one-half of which is to be held by the Government as a reserve.

Leases are 50 cents per acre for the first year and $1 per acre thereafter, according to present indications. The ninety square miles located around Fort Norman by the original discovering company and others will not come under these proposed new regulations. The Government will, however, collect from these and from other claims taken up a royalty of 5 per cent. of the value of the oil at the point of production for the first five years, and thereafter 10 per cent.

FREEDOM FOR EGYPT URGED

Lord Milner's report urging negotiations for a treaty according self-government to Egypt, a summary of which was published in CURRENT HISTORY for January (p. 92), was at last laid before Parliament on Feb. 18. After stating that the spirit of Nationalist Egypt cannot be extinguished, and that fulfillment of the promise of self-government cannot be postponed, it adds:

> There are formidable difficulties, however, in a sudden and complete transfer of all powers of Government to Egyptian hands. It is essential to insure that independent Egypt does not pursue a foreign policy hostile or prejudicial to the interests of the British Empire. It is also imperative to insure the safety and protect the rights of foreign residents. We hold that in fact, as well as in theory, Egypt should be governed by Egyptians. We have sufficient faith in the reform work of the last forty years to believe that such a course now can be followed with good prospects of success, but it must be adopted whole-heartedly, and in a spirit of hopefulness and sympathy.
>
> We do not attempt to conceal our conviction that Egypt is not yet in a position to dispense with British assistance in her internal administration. We are greatly fortified in the belief that the Egyptians will acquiesce in this view by our own experience in dealing with representatives of the Egyptians with whom we have come in such intimate contact. We are not discouraged by the fact that they are not all as yet prepared to commit themselves unreservedly to every point in a settlement they collaborated with us in devising.

Despite Lord Milner's recommendation that negotiations be entered into without delay, it was decided, according to The Daily Mail, that representatives of the British Dominions, who will meet in London next Summer, will be asked to express their views on the subject, and their decision will have great weight. Their right to a voice in the matter is argued from the fact that so many Dominion troops fell while fighting to preserve the Suez Canal and the Egyptian hinterland. Lord Milner's ideas are not approved by all his former colleagues in the Cabinet, especially by Winston Spencer Churchill, the new Colonial Secretary. It was stated, however, in the House of Commons on Feb. 28 by Premier Lloyd George that Mr. Churchill would not have charge of Egyptian affairs, Egypt, the Sudan and the Hedjaz remaining under control of the Foreign Office.

Nevertheless, the impression prevailed in Egypt that the new Secretary would have charge of Egyptian affairs. Mr. Churchill arrived in Cairo on March 10, accompanied by War Office representatives, in connection with Arab and Palestine affairs. He avoided a hostile demonstration of students who were awaiting him at the station by leaving the train a few miles outside the city and motoring to his hotel. Police in Alexandria attempted to break up an anti-Churchill demonstration on March 11, but were stoned and compelled to flee. Twenty policemen were injured by stones and nine rioters received bullet wounds.

PREMIER HUGHES INJURED

AUSTRALIA—William Morris Hughes, Premier of Australia, was seriously injured

in the back while playing in a departmental cricket match at Sydney on Feb. 17.

Alexander Poynton, Australian Minister of Home Affairs and Territories, on March 11 renewed a protest to Washington against a charge of $10 which Australians are compelled to pay to land at Honolulu or Manila, according to a dispatch from Melbourne of that date.

Australia's shipping strike continues to disorganize business and increase unemployment. Steel and iron works are discharging large numbers of men, and curtailment of gas, electric light, railway and tramway services continues. The Queensland railway men voted by a large majority in favor of a strike for increased wages.

A dispatch from Perth, dated March 13, stated that Mrs. Cowan, a candidate in the West Australia elections, had defeated the Attorney General for his seat in the Australian Parliament, of which she becomes the first woman member.

SOUTH AFRICA—Prospects of improved trade have given a more optimistic undercurrent to business in South Africa, although the general situation is far from normal. A drop in the gold premium has caused some concern, owing to its probable effect on low-grade mines, and the slump in the price of diamonds has caused many diggers to abandon their claims. A dispatch from Johannesburg, dated Feb. 14, announced that there was a three-to-one majority against a strike of the amalgamated engineers and a majority of fifty to one in favor of acceptance of the Chamber of Mines offer to continue wages at the prevailing rate until the end of the year. The offer, however, excluded members of the Mine Workers' Union, owing to the heavy losses wantonly forced on the industry by the unconstitutional action of the strikers in violation of agreements with the Chamber.

IRELAND THE UNKNOWN.

By William Watson

[In The London Times, Jan. 29, 1921]

Thou whom ten thousand searchlights leave obscure;
The white foam's sister, as the white foam pure;
The dark storm's daughter, guarding long and late
That far-descended heirloom, ancient hate;—
I cannot say: "In all things that concerned
Thee and thy hopes I never swerved or turned,
Or held with stumbling mind a wavering creed."
But this at least I can declare indeed:
Through days with tempest packed, with thunder piled,
My dream is of an Ireland Reconciled;
Not mocked and thwarted, conquering some vain goal
That only baulks the hunger of the soul;
Not still uncheered, and in fierce mood unchanged,
The spouse whom wedlock hath the more estranged,
Whom bonds have the more direly wrenched apart;
But after that long solitude of heart,
And all the dissonance of the loveless Past,
An Ireland willing to be loved at last;
An Ireland healed with a more sovereign balm
Than the old deep hurts have known, and in blest calm
Risen from a hundred shatterings, great and new.
Oh, that the dream might even now come true!

INDIA'S NEW PARLIAMENT AT DELHI

Opening of the Advisory Assembly by Queen Victoria's son in the ancient capital of the Moguls marks the first great step toward giving India self-government—Impressive addresses and solemn pledges in the presence of the panoplied Princes

[PERIOD ENDED MARCH 12, 1921]

GREAT BRITAIN'S love of historical continuity and her genius for impressive stage-setting never found better scope than in the recent ceremonies at Delhi, when, before a picturesque throng of gorgeously robed native princes, the splendid buildings constructed for the deliberations of the new Advisory Assembly were thrown open amid impressive ceremonies. The importance which this event assumed in the minds of the British rulers was evidenced by the fact that they sent Queen Victoria's only surviving son, the Duke of Connaught, to make the opening address.

This new Parliament embodies tangibly, as well as spiritually, the latest stage in Great Britain's endeavor to adapt an originally autocratic rule to a developing people. Sixteen years ago, under Lord Curzon, then Viceroy, the partition of Bengal set the match to Indian discontent. Lord Morley, a great Liberal, as Secretary of State saw that the times had moved, and, against the opposition of the superannuated Indian officials, pushed through the so-called Morley-Minto reforms. Then came the war, with its disturbing aftermath of Bolshevism, and the growth of Indian nationalism, headed by Mr. Gandhi, in alliance with the Moslems and naturally in sympathy with the Turks. The moving finger wrote, and Lord Montagu, the present Indian Secretary, read its message. Four years ago the investigation on Indian soil was begun which has culminated in the Indian Home Rule bill. The opening of the magnificent Parliamentary buildings at Delhi was the first step in the execution of the measures to be initiated under that bill.

While Lord Reading, after resigning from the Lord Chief Justiceship, was preparing in England for his long journey to the East, there to assume new duties as Viceroy and to bring his cool, detached judgment and great administrative ability to bear on the new problems, in India the old régime was being ushered out, and the first step toward Indian *Swaraj* (Home Rule) was being formally celebrated.

A PICTURESQUE CEREMONY

The great hall of audience of the Mogul Emperors on Feb. 8 witnessed one of the most beautiful and impressive ceremonies it had ever beheld. Beneath the canopy of the red stone arcades of the *Diwan-i-Am*, and the great *shamiana* upheld over the semicircular amphitheatre built out from the floor of the hall, the dais was spread with crimson and gold. On the dais stood two golden thrones, one for the Viceroy and one for the Duke of Connaught.

For the first time in their history the Princes and ruling chiefs of India met as a consultative body. They were robed and adorned in all their panoply. There was the Maharaja of Kashmir, old and feeble, yet full of dignity; the Prince of Scindia, in the uniform of a General, but with the robes of the Order of the Star of India; Alwar and Kapurthala, in the splendid blue of the Order of the Indian Empire; Bikanir, "King of the Desert"; the Sikh Prince, Patiala, wrapped in paler silk, with jeweled headdress. The most conspicuous was the envoy from Nepal, with a huge bird of paradise rising from the emeralds and diamonds of his coronet.

The ceremony began with a flourish of trumpets, and the vast audience, which contained representatives of the Indian Government, as well as five British Generals headed by General Lord Rawlinson, rose to greet the Duke of Connaught, who entered

robed in the mantle of the Garter, in company with the Viceroy, who wore the robes of the senior Indian order.

Sir A. B. Wood, Joint Foreign Secretary, read the proclamation of the British Emperor, which made the Chamber of Princes an auxiliary and guide at the side of the Government of India, to advance the interests common to their territories and to British India. The Viceroy then rose and, in a carefully framed speech, explained the steps by which the Chamber had been brought into being, tracing briefly the various stages of progressive legislation of which the new Parliament was the culmination. He pointed out the regulations which had been devised to insure the smooth working of the future deliberations and to bring the several States into direct relations with the Central Government.

THE DUKE'S HISTORIC SPEECH

In a felicitous speech the Duke of Connaught conveyed the greetings of the British King to the new Assembly. Despite the original autocratic principles on which British rule in India was based, he said, the desire of his mother, the late Queen Victoria, and of England's successive rulers, had been to work for the contentment and prosperity of the Indian people. The autocratic principle was now definitely abandoned as "inconsistent with the legitimate demands and aspirations of the Indian people and the stage of political development which they have attained." Henceforth India would have to bear her own burdens. These were not light. A contagious ferment of skepticism and unrest was seething everywhere in the hearts of men, and its workings were plainly visible in India.

And India had also her special problems. She must overcome political inexperience, the ignorance of the electorates, the difficulties of handling questions of race, religion and custom. The new Indian Parliament must feel its responsibility. On the way in which this responsibility was faced depended the progress of India toward the goal of complete self-government. As contrasted with the upper chamber, a true Senate of elder statesmen, the Assembly would be called upon to voice more directly the needs of the people. Soldier and trader, owners of land and dwellers in cities, Hindu and Mohammedan, Sikh and Christian, all classes and communities would have their share of representation. Strong differences of opinion would make themselves felt. At this point the Duke of Connaught made an earnest plea for moderation and self-control, which he declared would be the best pledge of enduring success. After a brief but eloquent tribute to the retiring Viceroy, he declared the Council of State and the Legislative Assembly open under the Government of India act of 1919.

A PERSONAL PLEA

The Duke added to this formal speech a few personal words which made a deep impression on the assembled Princes. In these words he appealed to them to forget old grudges:

> Since I landed [he said] I have felt around me bitterness and estrangement between those who have been and should be friends. The shadow of Amritsar has lengthened over the fair face of India. I know how deep is the concern felt by his Majesty the King-Emperor at the terrible chapter of events in the Punjab. No one can deplore those events more intensely than I do myself. I have reached a time of life when I most desire to heal wounds, and to reunite those who have been disunited. In what must be, I fear, my last visit to the India I love so well, here in the new capital inaugurating a Constitution, I am moved to make you a personal appeal, put in simple words that come from my heart, not to be coldly and critically interpreted. My experience tells me that misunderstandings usually mean mistakes on either side. As an old friend of India, I appeal to you all, British and Indians, to bury along with the dead past the mistakes and misunderstandings of the past, to forgive where you have to forgive, and to join hands and to work together to realize the hopes that arise from today.

The Duke was followed by the Prince of Scindia, who thanked the British for the inauguration of the new Parliament, and promised on behalf of his fellow-Princes that they would prove their loyalty by their use of this great privilege. Several other Princes spoke in similar vein, and the ceremonies were ended. Other ceremonies and receptions were attended by the Duke in the next few days. When he departed many of the shops which had been closed by the non-co-operationist adherents of Mr. Gandhi still remained barred and shuttered, mute symbols of the undercurrent of distrust and hostility to British rule felt among the masses of the Indian people today.

The first meeting of the new Council of State was held on Feb. 14. The session was mainly devoted to a resolution proposing a committee to consider the repealing or modifying of "repressive laws." The debate showed the effect of Connaught's appeal for moderation. The resolution was supported by all sections and was accepted by the Government. The proposer of the resolution, Mr. Sastri, argued that the repressive laws engendered discontent. An amendment to demand the repeal of the Press act and the Seditious Meetings act was rejected. The Indian members of both houses showed intense interest in the Fisher report and in the whole question of military expenditure. Replying to interpellations, General Lord Rawlinson stated that the British regular troops garrisoned in India totaled 8,353 officers and 62,393 other ranks. The Indian officers and other ranks aggregated 253,651. He further said that there were no troops, British or Indian, in Mesopotamia, Asiatic Turkey or on the East Coast of Africa which were maintained on the revenues of India. It was indicated that the military authorities believed the army reduction agreed to by the Government represented the maximum consistent with India's safety.

At the session of Feb. 15 the Legislative Assembly unanimously adopted a resolution, moved by Mr. Jamnadas Dwarkadas, recommending the Governor in Council to declare for the principle of racial equality, to express regret that the martial law administration in the Punjab had departed from this principle, and to see that adequate compensation should be paid the families of Indians killed at Amritsar on an equal scale to that paid to the families of Europeans killed at the same place. A proposal to obtain punishment for the officers guilty of the excesses referred to was rejected by General Lord Rawlinson on the ground that this question had already been decided by a higher military authority.

FRUITS OF MONTAGU BILL

The consequences of the act under which this new Council has begun to function, like those of the Home Rule act for Ireland, represent a great advance toward autonomy. The law creates electorates where none existed before. It gives to each Province a qualified autonomy like that enjoyed by each American State. For each it sets up an Executive and a Legislature into which the native and elected element is introduced. It provides arrangements for increasing year by year the responsibilities of these Legislatures as they gain in experience. It still leaves the franchise narrow. The separate vote to be allowed the Sikhs and other special groups is anomalous. It puts no check on the power of the native rulers who, by support of Great Britain, may hold back the tide of progress in their respective realms. Yet the Montague bill marks an era in the history of India, and the best earnest of the future lies in the fact that it will come up every ten years for revision and extension. Its ultimate success will depend in great part on its acceptance by the Indian intellectuals, and it is here that the influence of Mr. Gandhi, with his preachment of boycott and non-cooperation, may prove most dangerous. It will be the task of Lord Reading, as Viceroy, to allay the deep resentment and hostility felt by great masses of Indian people over the Amritsar massacres and the repressive measures adopted under the Rowlatt laws. The mind in which Lord Reading will attack the problems facing him was revealed by him at a dinner organized by the English-Speaking Union in London on Feb. 12, when he declared his belief that "the people of India will make the same warm response to generous treatment as our own people," and that "in India, as here, justice must reign supreme."

Important changes of practice were announced on Feb. 12 regarding the settlement of disputes between the Indian Government and the native Princes. Cases of local misrule in future are to be referred to a Commission of Investigation, unless the safety of the State is involved, when the State reserves its right of immediate action. Disputes are to be settled henceforth by a Court of Arbitration. A standing committee of the new Chamber of Princes is also to be instituted, to include representatives from Western India, Central India, Rajputana and the Punjab. Its function will be to consider all questions referred to it by the Viceroy and to advise him concerning them. This standing committee will also consult with the Political Secretary in framing agenda for the Chamber.

JAPAN'S DOMESTIC TROUBLES

Continued opposition to the Government's policies in Siberia and Korea—A growing movement for reforms and for the elimination of "Invisible" Government—Apology to the United States for the murder of an American officer

[PERIOD ENDED MARCH 12, 1921]

THE Siberian and Korean policies of the Japanese Cabinet are extremely unpopular among an ever-growing opposition element at home. The onslaughts against them are by no means confined to the floor of the Diet. Viscount Kato's recent attacks have shown clearly enough that the Government's continued occupation of Siberia, as well as its course in Korea, is strongly disapproved by the powerful Kenseikai, or Opposition Party. The dissatisfaction extends to the whole policy relating to the war, from which Japan is alleged to have come out second best, and to the relations with America. According to Viscount Kato's speeches, there is a general feeling that under Premier Hara Japan has lost prestige.

The Government has thus far held firm against these onslaughts, but its position is by no means enviable. The expedition to Chentao, ostensibly to put down Korean Bolshevist uprisings on the Manchurian border, brought an aftermath of the most bitter attacks both abroad and at home. What must be the feelings of sensitive Japanese when they read such words as those spoken, for instance, by the Rev. R. P. Mackay of Toronto before the opening session of the American Section of the Executive Commission of the Reformed Churches of the World, held in Washington, Pa., on Feb. 16? Dr. Mackay, who is Secretary of the Board of Foreign Missions of the Canadian Presbyterian Church, said in part:

> The brutality of Japan's treatment of the Koreans is unique in modern times. It is comparable only to Turkish massacres in Armenia. One illustration of such barbarity will suffice. It is from a missionary who speaks from personal knowledge.
>
> The scene is Manchuria, in Chinese territory, to which many Koreans had migrated in order to escape Japanese tyranny in their own country. Against earnest protests from China, Japan sent 15,000 men with the seeming purpose of wiping out the whole Korean community, especially young men. Village after village was methodically burned and the young men were shot. This method was simple. At daybreak a complete cordon of Japanese infantry surrounded a village, set fire to immense stacks of unthrashed millet, barley and straw, and then ordered the inhabitants of the houses outside.
>
> In each case, as soon as father and son appeared, they were shot at sight, and as they fell on their faces, wounded and dead alike, they were covered with burning straw. The missionary saw with his own eyes the bloodstains caused by bayonet thrusts inflicted upon wounded men as they strove to rise from the flames.
>
> The missionary quoted states that he had in his possession the names and accurate reports of thirty-two villages subjected to such fiendish inhumanity. In one village 144 men were killed, houses burned, women and children perishing in the flames. In one village fourteen men were made to stand in front of a large open grave, shot, and their bodies consumed with wood and oil.
>
> These are but typical cases. Such a reign of terror prevailed and prevails still at the hands of a nation that claims and resents any lack of recognition among civilized nations. Such was her conduct at home, even when her representatives sat as members of the Council of the League of Nations.

GOVERNMENT ATTACKED ON KOREA

Such a statement goes far toward explaining the bitterness of the Opposition attacks in the Japanese Diet. One of the latest of these was delivered by Representative Ichiro Kiyose of the Kokumin-to, or Nationalist Party, before the Diet on March 2. The Representative mentioned especially the destruction by Japanese troops of Christian churches and schools at Chentao. Reports abroad, he declared, had made the Japanese appear "in the rôle of bloodthirsty devils."

Admiral Saito, Governor of Korea, on the other hand, in a statement to the press issued on the same date, denied that the Japanese troops had singled out Christian converts in Manchuria for persecution and death, and charged that many Koreans had adopted the Christian religion merely as a cloak to cover anti-Japanese agitation. He

also charged that many Koreans had made untruthful reports, on the basis of which a number of innocent people had been executed. Orders had now been issued to all troop commanders not to accept false Korean testimony.

The hatred of the Koreans for any compatriot who sanctioned the Japanese policy of forcible assimilation was dramatically emphasized on Feb. 18, when Bingen Shoku, a native Korean, who was a strong advocate of this policy, was assassinated in a hotel at Tokio. Mr. Yamagata, editor of the semi-official Seoul Press, then in Tokio, stated that Bingen Shoku was the most hated man in Korea because he supported the Japanese administration. Other Korean leaders of this type, as well as prominent Japanese officials, had been marked for death, said Mr. Yamagata.

At various sessions of the Diet the Government's policy in Siberia was also made the object of attack, and the withdrawal of the Japanese forces was demanded. The Government maintained its view that the withdrawal could not be effected until a stable Siberian Government existed. The relations between the military command in Siberia and the semi-Bolshevist Chita Government continued to be strained, and the Japanese protection accorded the former anti-Bolshevist General, Semenov, in Harbin, was much resented. The Chita Government charged in a long note sent to Tokio in January that Semenov was preparing to launch a new onslaught on the Russians, and declared that the whole policy of the Japanese was one of encouragement of bandit attacks upon the Russian inhabitants.

REJECTION OF DISARMAMENT

Fear of the proposed intention of the United States to expand its navy led to rejection of a resolution offered by Yukio Ozaki, an Opposition leader, before the Japanese House of Representatives on Feb. 10,

(*Times Wide World Photos*)
HIROHITO SHINNO
Crown Prince of Japan, who recently married the oldest daughter of Prince Kuni

PRINCESS NAGAKO
Bride of the Crown Prince of Japan

calling for a curtailment of Japan's naval armament. General Tsuda, on behalf of the Government, declared that conditions in China and Siberia were unsatisfactory, and on this account Japan could not check her proposed military and naval growth. Undiscouraged by this rejection, Representative Ozaki continued his campaign for disarmament, and formed several associations to promote the movement. Leading men of Osaka, Japan's great industrial centre, agreed to form a league for this purpose and to get the co-operation of business communities in other parts of the country.

The whole movement was regarded in Tokio as a serious attempt to control the policies of the militarists, and to do away with the "invisible Government" which they exercised. It has been asserted by students of modern Japan that there are in reality three Governments, the Cabinet, the Militarists, and the Capitalists. The Militarists impose their will more or less openly, and it is they who are responsible for the Korean and Siberian policies; their interests coincide with those of the capitalists, with whom several eminent Japanese statesmen are allied. One of the main reasons for the opposition to the military-capitalistic policies is the desire to save some of the enormous costs of armaments and to use the funds so saved for internal economic and educational improvements, of which the country is sorely in need.

A crisis between the Oppositionists and the Cabinet came on Feb. 19, when the former offered a resolution of lack of confidence in the Government. The session was extremely turbulent, the galleries crowded, and the police reserves were stationed both within and outside the building. Speakers on both sides were hooted alike from the galleries and from the floor. Tokitoshi Taketomi, former Minister of Finance, spoke for the Kenseikai or Opposition Party. He declared that the Government had failed in its efforts at home, and that it had brought disgrace to Japan abroad. Mr. Moka, former Speaker of the Chamber, defended the Government. The Opposition resolution was defeated in the House by a vote of 259 to 141. Following this vote, violent demonstrations began outside the Diet. The police intervened and made many arrests. At simultaneous meetings in various city parks the resignation of the Government was demanded. At a mass meeting attended by at least 20,000 people a resolution was passed declaring that the people had no confidence in the Government.

RELATIONS WITH AMERICA

Regarding California's anti-Japanese legislation, the attitude of the Japanese Government is one of watchful waiting. The treaty negotiations at Washington have not yet been completed. Japan's main demand has been that the application of the new land-ownership laws in California should not be discriminatory in her case alone. The dispute between the United States and Japan over the island of Yap has grown into a serious issue, which is treated fully elsewhere. [Pages 101-110.]

The complication caused by the act of a Japanese sentry at Vladivostok in shooting and killing Lieutenant W. H. Langdon, an American naval officer, early in January, was settled when Japan, on Feb. 22, sent to the American Embassy at Tokio a full apology, together with a report on the findings of the court-martial instituted. Major Gen. Nishihara, commander of the Japanese garrison at Vladivostok, had been found primarily responsible for the fact that the sentry had been improperly trained and that his instructions had been unclear; the General had been removed from active service. Other officers had been punished by suspension. The sentry, Toshigora Ogasawara, had been exonerated of ill intention, but had been punished for deception in giving his version of what had occurred. The facts were that the sentry had challenged the officer three times on seeing him approach in the early hours of the morning with a pocket lamp; receiving no answer, he had run after him and asked him in Russian if he was an American; not understanding the answer, he had tried to seize the light, had thought himself threatened, and had fired when the officer moved away. The Government's note of apology expressed "deep regret" and offered to make all possible reparation. Secretary Colby praised Japan's action as prompt and sincere, and declared that it would be appreciated in the United States.

All the larger islands of the Caroline group, in the Pacific, of which Japan has

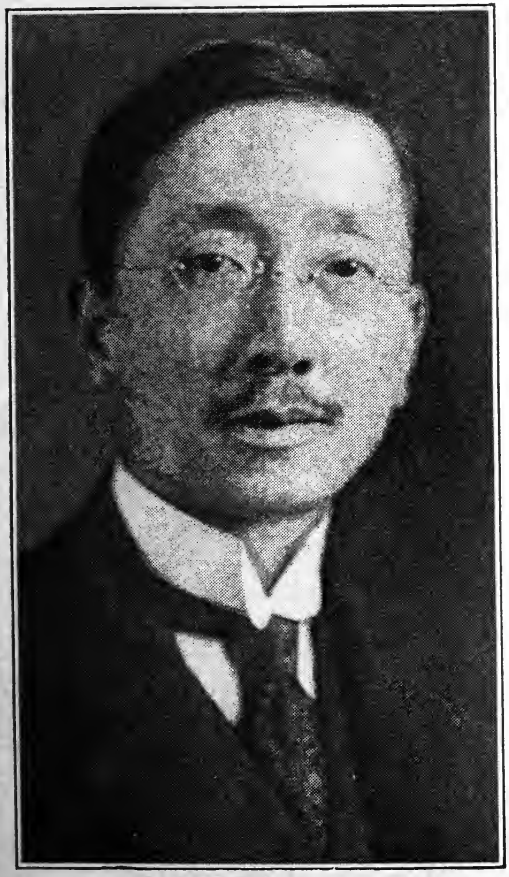
become the mandatary under the League of Nations, joined in a celebration Feb. 11 of the anniversary of the foundation of the Japanese dynasty. Games and other exercises were closed by the singing of the Japanese national anthem. The Japanese navy was represented. Similar celebrations occurred in the Marshall Islands.

Announcement of the resignation of Prince Yamagata as President of the Privy Council coincided with the official announcement of the betrothal of the Japanese heir-apparent, Hirohito, to Princess Nagako. Prince Hirohito was planning a visit to England—a project which had met with opposition in the press. Prince Yamagata, who is over 83 years old, has long been condemned by a section of the Japanese public and press as the ruling spirit of the military party.

THE CURSE OF MILITARISM IN CHINA

Helplessness of the people under the burden and lootings of the provincial Governors' armies—Millions still facing death by starvation—America's contributions for relief

[PERIOD ENDED MARCH 12, 1921]



(© *Harris & Ewing*)
DR. ALFRED SAO SZE
New Chinese Minister to the United States, succeeding Wellington Koo

THE woes of China suffer no abatement. Sun Yat-sen, the first President of the Chinese Republic, has remained with his adherents encamped in the southern city of Canton, irreconcilably hostile to the Peking Government, which the Canton faction continues to denounce as unspeakably corrupt and in sympathy with the Japanese exploiters. Active hostilities between the Northern and Southern forces have momentarily died down, but the ills of the years of protracted strife are rampant in the life of the nation everywhere.

The combined military forces in all the provinces have been estimated at over a million and a half. What is most needed is disbandment, for which the Tuchuns, or Military Governors, of the respective provinces show no inclination. Counting long arrears of pay, the cost of disbanding the armies would probably exceed the vast sum of $100,000,000, and the Chinese Government is bankrupt. Meanwhile the long-suffering people are compelled to endure the lootings, incendiarism and murder perpetrated by the lawless and discontented soldiers, and the richest cities are forced to pay tribute for their support—in sums euphemistically called "loans." In certain districts—notably in Kweichow, Szechuan and Fukien—the militarists have been forcing the farmers to cultivate again the prohibited poppy, to provide opium for the soldiers, inflicting drastic punishment on all

who refuse. So military anarchy reigns, and the Chinese people have no redress, as the Peking Government has no power over the arrogant and powerful Tuchuns, who rule only for their own advantage.

China, it appears, is again to lose Mongolia. Outraged by the lawless actions of the 10,000 Chinese soldiers garrisoning Urga, the Mongols called in some 2,000 "White" Russians, under Baron Ungern, one of Semenov's former Generals, and besieged the Mongol capital for three months. On Feb. 14 the Chinese soldiers gave way before the incessant shellfire and evacuated Urga, bag and baggage. The Chinese were said to be in a serious position, for the whole breadth of the Gobi Desert, open to the operations of the Mongol cavalry, lay between them and their base. Since the coup d'état in November, 1919, the Mongols had been awaiting an opportunity to recover their lost dominion.

The Chinese famine still threatens death to millions, but the inpour of relief has been having some effect since February. The funds in sight on Feb. 18 amounted to about $10,000,000, which included contributions from America amounting to $6,000,000. Sums approximating $4,000,000 had been contributed by the Rockefellers alone. The American Red Cross had accomplished miracles in road building and direct relief measures. Many rich Chinese had also responded. It was estimated that $7,000,000 additional would be necessary to take care of the famine-stricken areas until the coming harvest. Official figures quoted by Senator Kenyon of Iowa on Feb. 25, in presenting his Senate bill for relief, indicated that 14,000,000 Chinese were then facing starvation, and that the daily death toll was about 7,000. The Senate voted a grant of $500,000 to defray the cost of moving across the ocean grain given by the American farmers. Statements made by Thomas W. Lamont, Chairman of the American committee, showed that American churches had contributed more than $3,000,000.

Alfred Sao Sze, the new Minister of the Chinese Republic, arrived in New York on Feb. 24. Mr. Sze spoke optimistically of conditions in his country. He admitted that unrest and political disturbance existed in China, but declared that such conditions always prevailed for a time in every country where a fundamental change in the life of the people had taken place. New parliamentary machinery was being worked out in China, he said, by men trained under the old system. It was a question of training, not of racial incapacity or faults of character. The eventual peaceful development of China was a certainty, he declared, if that development were not deflected by foreign agencies into channels of militarism. The Chinese were adaptable, and would survive, not as an ancient, dying race, but as "a great, coherent body of 400,000,000 people."

A note dispatched by the Washington Government to Peking on Feb. 16 declared that the United States would regard as an unfriendly act the cancellation by the Chinese Government of a contract made with the Federal Telegraph Company, an American company, to erect a high-power wireless plant at Shanghai. This note followed receipt of information that a British Marconi company, supported by the British Minister to Peking, was endeavoring to have the American company's contract abrogated. The United States also sent a note on the subject to the British Government, insisting on the maintenance of "the open door."

MEXICAN RECOGNITION DELAYED

Demand that Mexico sign a written agreement to protect American lives and property likely to hinder resumption of relations indefinitely—Status of the oil question

[PERIOD ENDED MARCH 12, 1921]

SENATOR ALBERT B. FALL, in a letter written a few days before he was appointed Secretary of the Interior by President Harding, said: "So long as I have anything to do with the Mexican question, no Government in Mexico will be recognized, with my consent, which Government does not first enter into a written agreement promising to protect American citizens and their property rights in Mexico." Should Mexico refuse to enter into such an agreement, he added, "then the question would arise as to whether the United States should simply pursue a silent policy of inaction or whether it should take immediately other action."

This letter was written to the National Association for the Protection of American Rights in Mexico, and that body made it public on March 1, announcing that it was "a concise and comprehensive statement of the policy for which this association stands." Although recognition would come from the State Department and not from the Secretary of the Interior, Mr. Fall's position of close intimacy with President Harding is sufficient to indicate the possibility that the United States may not recognize the Mexican Government during the present Administration. On the other hand, the Mexican Foreign Office, according to a dispatch dated March 5, announced that Mexico would appoint no Ambassador to the United States until recognition was tendered by the American Government. Thus there is a deadlock on both sides.

Virtually all the American oil companies are in agreement with Secretary Fall's policy, according to Guy Stevens, a Director of the Association of Producers of Petroleum in Mexico. Mr. Stevens says that the property of American petroleum producers is menaced by the threat of confiscation contained in the new Mexican Constitution and the Carranza decrees. A new organization, called the American Association of Mexico, takes up practically the same cry, demanding that Mexico rewrite her Constitution, eliminating particularly clauses against foreigners holding land—clauses somewhat similar to those which California is enforcing against the Japanese.

PRESIDENT OBREGON REASSURED

President Obregon, who had sent a telegram of congratulation to President Harding, told a group of newspaper men on March 5 that he believed the new Administration would be fair and just. He thought the naming of Mr. Fletcher as Under Secretary of State was a guarantee to Latin America, as Mr. Fletcher was in sympathy with Latin-American countries. President Obregon had not made efforts for recognition, as he thought the United States would recognize Mexico when most convenient to the interests of the United States.

Mexico was not seeking a loan, the President said, but expected to make arrangements with creditors to settle her debts. An invitation had been sent to creditors to discuss the manner to regulate all debts. During the three months of his Administration the budget had been equalized, expenses reduced and the agrarian problem had been expanded. The country was at peace with herself for the first time since 1910, and reconstruction was proceeding rapidly. The railroad situation, he predicted, would be normal within six months.

Regarding the oil question, President Obregon declined to make a statement pending action by Congress. The American State Department in February inquired of the Chargé d'Affaires in Mexico City concerning reports that the Obregon Government had put into force a provision that drilling permits would be granted only to such companies as had registered their properties. It was intimated that the Aguilar, a British company, was the only one complying with the law, which, it was alleged, favored British interests. The Chargé d'Affaires replied on Feb. 22, quoting the Mexican De-

partment of Industry as declaring that applicants for permits to drill oil wells "are only required to prove with authentic documents that they own or rent the lands on which they wish to drill."

A plot to capture Tampico by forces headed by Humberto Barros and Velasco Rus was frustrated on Feb. 18, both leaders fleeing. Mexican newspapers accused the American oil companies in the Tampico and Tuxpam fields of being back of the abortive revolt and of furnishing arms to American workmen. As a precautionary measure, the Government on Feb. 23 ordered that all arms and ammunition at Tampico be seized.

NATURE MAY SETTLE THE OIL QUESTION

There is a possibility that the oil controversy will be settled without any serious trouble by Nature herself through the failing of the oil wells. Ralph Arnold, Chairman of the petroleum and gas section of the American Institute of Mining and Metallurgical Engineers, at its annual meeting stated that at the present rate of production the latter part of 1922 would see the end to the proved big oil fields of Mexico. About two-thirds of Mexico's production was coming from Los Naranjos, a pool which probably would be extinct by early Summer on account of the encroachment of salt water.

Reports from Tampico on Feb. 17 stated that the oil districts of Amatitlan were showing signs of exhausion, due to the companies forcing production, and a large number of wells were coming into salt water.

The oil companies of the Tampico region have announced a cut of 20 per cent. in wages and are about to reduce their forces.

A new record for export of oil from Mexico, however, was made in January, when twenty companies shipped 18,481,137 barrels. Despite Mexico's large production, amounting to 87,073,000 in 1919, it was only 16 per cent. of the world output of 544,885,000 barrels. Of this total America produced 377,719,000, standing first with 69 per cent.

A general strike was begun on the National Railroad lines on Feb. 22. A long section of the Colima road to the west coast was torn up, telegraph stations were entered and instruments destroyed. President Obregon replied by stationing troops in the railway offices in Mexico City and dispatching others to take possession of outlying stations. More than 10,000 volunteer strikebreakers applied for jobs, and by Feb. 25 trains were operated on all railroads, despite the fact that more than 125,000 employes had joined the strike. Two days later all trains were being operated on only slightly reduced schedules.

The strikers who remained out then resorted to violence, causing a wreck on the Tampico line and the killing of twelve passengers, besides the injury of twenty. The War Department ordered the Chief of Operations to proceed against the authors of the wreck, treating them as common highwaymen and subject to immediate execution. On the road between Monterey and San Luis Potosi fifteen belligerent strikers were captured and executed summarily. Evidence is accumulating that the railroad strike was largely political in its inception, and was an attempt to embarrass the Administration.

Four sailors, said to be Americans, part of the crew of the Norwegian ship Sazon, were killed in Tampico on March 11, according to newspaper dispatches received in Mexico City. They were attacked, as they were boarding a launch, by five masked men in another launch.

American, German and Russian agitators have been busy in Mexico City urging overthrow of the Government and the establishment of a Soviet régime, but have received no encouragement from Mexican labor. Concerning all such activities perhaps the best comment is that of William G. McAdoo, who said on his return from Mexico City: "Under President Obregon the prospects of clean, efficient and stable Government in Mexico is better than at any time since the revolution began ten years ago."

DR. ZAYAS ELECTED PRESIDENT OF CUBA

Elections held in four Provinces to settle the dispute regarding the Presidency result in confirming the claim of the Conservative candidate

[Period Ended March 16, 1921]

GENERAL CROWDER succeeded in bringing together José Miguel Gomez, who was defeated for the Presidency last Autumn, and President Menocal, who favored the candidacy of Alfredo Zayas, who was elected on the face of the returns. He asked them to agree to abide by the secondary elections in places where fraud was charged, which were postponed to March 15. A pact of honor was effected at a meeting of all political factions on Feb. 26. President Menocal agreed to refrain from nominating military supervisors, and it was decided to have an Inspector for each voting district to represent the Central Electoral Board.

Nevertheless, feeling was very bitter, and it was said the Miguelistas, or adherents of Gomez, were determined to force American intervention if they could not win, and the Liguistas, or Conservative-Zayas coalition, were no less determined that Gomez should not be President. Matters came to a head at Colon, in Matanzas Province, on March 9 as the result of a gunfight in the City Hall between partisans of Mayor Sotolongo and members of the police force. Three hundred shots were fired, the Chief of Police was seriously wounded, and the Assistant Chief killed. When the new elections were held in four provinces on March 15 the Liberal Party stayed away from the polls. The returns reported next day showed that Dr. Zayas had again been elected President of Cuba by a substantial majority.

President Menocal has signed a bill to create a selling commission to handle the 1920-21 sugar crop, and the commission was organized on Feb. 24. Manuel Rienda of the Cuba Cane Sugar Corporation and R. B. Hawley of the Cuban-American Company, representing the large producers; J. M. Tarafa and Manuel Aspuru, representing the independents; Porfirio Franca of the National City Bank, Frank J. Beatty of the Royal Bank of Canada, and General Eugenio Agramonte, Cuban Secretary of Agriculture, representing the Government, form the commission. No shipments of sugar are to be made from Cuba except upon its authorization. It will fix prices, which will be changed fro mtime to time, with due regard to market conditions, and will make sales to be distributed pro rata among the holders of sugar.

Cuba is bidding for Chinese labor to work in the cane fields. The steamship Penza, plying between Asiatic and Cuban ports, left Honolulu with 700 Chinese immigrants aboard, according to a dispatch from Havana on Feb. 19.

SANTO DOMINGO

A Dominican commission, authorized in the proclamation of Dec. 23, 1920, promulgated as the first step in the direction of eventual withdrawal of the American forces from Santo Domingo, it was announced by Secretary Colby on Feb. 18, had been appointed by Admiral Snowden as Military Governor of the Dominican Republic, and had organized for business, with Judge Ostrand of the Dominican Land Court acting temporarily as technical adviser to the commission. It is composed of seven members, headed by Mgr. Adolfo A. Nouel, former President of the Dominican Republic and Archbishop of Santo Domingo.

BRITISH WEST INDIAN FEDERATION

A movement to unite all the British colonies in the West Indies, including the Bahamas and Bermuda, British Guiana and British Honduras, is making rapid progress. A West Indian Court of Appeal has been formed and first steps have been taken to bring about uniform laws. A West Indian university, a uniform currency and a regular line of steamers are among the projects favored. Aviation will play its part in welding together West Indian interests. Bermuda and the Bahamas are today centres of flying, and a base will soon be

established at Trinidad for an extension of a mail air route from Canada to South America via Bermuda, the Bahamas and Trinidad.

Quick response was given by the British Foreign Office to a resolution introduced by Senator Reed on Feb. 18, requesting the President to "ascertain whether Great Britain is willing to consider the cession by it to the United States of all or any part of its possessions in the West Indies" in return for cancellation of war debts. On Feb. 19 the British Foreign Office announced that the Government's attitude had not changed from that of a year before, when Lloyd George announced that Great Britain had not the slightest intention of bartering or selling any part of the West Indies. The London Daily Telegraph on March 9 tersely summed up the question by quoting the Prince of Wales's remark at Trinidad last year: "British subjects are not for sale."

MIAMI-BARBADOS CABLE

United States Subchaser 154, on March 5, fired a shot across the bow of the Western Union cable ship Robert C. Clowry off Miami to prevent her from connecting the Barbados cable with the mainland. This was in pursuance of the policy of the Wilson Administration opposing the linking of the cable with a British line having a monopoly on the coast of Brazil. The Clowry was ordered to Miami, where it berthed in the municipal dock with the Subchaser 154 watching her, aided by the Subchaser 320, sent from Key West. Secretary Hughes maintains the attitude of the previous Administration, and efforts are being made to obtain a speedy decision from the Supreme Court.

COSTA RICA INVADES PANAMA

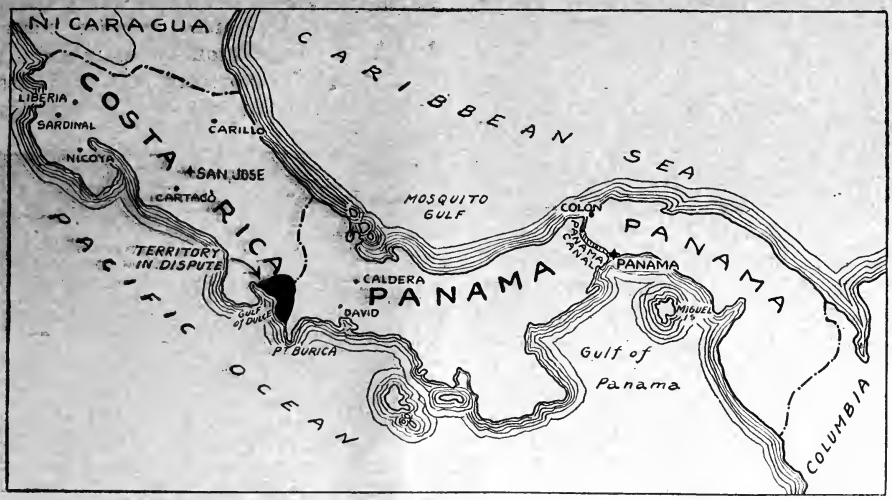
An old boundary dispute develops suddenly into a small war, but Costa Rica withdraws her troops when the United States intervenes and offers mediation

[PERIOD ENDED MARCH 15, 1921]

WITHOUT warning, on the evening of Monday, Feb. 21, Colonel Mora of the Costa Rican Army arrived at Coto, Panama, aboard a vessel with 100 soldiers and commanded Manuel Pinzon, the Panaman Police Inspector, to surrender the town to him. Pinzon refused, but offered no resistance, and telegraphed the news of the invasion to David, capital of Chiriqui Province, whence it was relayed to Panama. The district thus invaded is at the extreme western end of Panama on the Pacific Coast, nearly 250 miles from the City of Panama. Costa Rica has a population of 441,000 and an army of 1,000 men. Panama has a population of 401,000 and no army, her only protection being a police system organized on military lines.

The boundary between Costa Rica and Panama, which had been in dispute for many years, was fixed by the arbitration of President Loubet of France in 1900. It begins at Monkey (Mona) Point on the Atlantic, follows a ridge of hills overlooking the Valley of the Sixola River, westward to Mount Chirripo and Mount Pando. Thence the line strikes southeast along the crests of the Talamanca Mountains as far as 9 degrees north latitude, where it turns sharply south to Burica Point, cutting Burica Peninsula in half.

West of this peninsula is the Golfito River, near the mouth of which is Coto. The territory had been in possession of Panama ever since the republic was founded and of Colombia before that. The Golfito River empties into the Golfo Dulce about thirty miles west of Burica Point ridge, and the point where its headwaters rise is fifty miles inland. The river, the ridge and the gulf coast form a triangle which is the Coto territory in dispute. It was awarded to Costa Rica by President Loubet in compensation for a considerable area of land awarded to Panama on the Atlantic side between the Sixola River and the ridge north



Map of Costa Rica and Panama: The black area on the Pacific side indicates the main issue over which the dispute arose. The boundary on the Atlantic side should show a deeper angle into Costa Rican territory, where another phase of the conflicting claims is located

of its valley extending west to Mount Chirripo.

Nevertheless, Costa Rica, ever since 1881, has occupied the Sixola River wedge despite President Loubet's decision, and on Feb. 21 invaded the Coto triangle that Panama had been holding. Panama asserted that the Loubet award was not clear, and Chief Justice White of the United States Supreme Court was asked to render a legal interpretation of it, which he did in 1914. This decision did not end the dispute, Panama declining to accept it, on the ground that the Chief Justice had covered more territory than was included in the portion in dispute. Costa Rica continued to hold the Sixola watershed and Panama retained the Coto triangle until the recent invasion.

PANAMA PREPARES TO RESIST

There was great excitement in Panama on Feb. 24, when news of the capture of Coto reached that city. An angry crowd tore the coat of arms from the Costa Rican Consulate, and President Porras dispatched an armed mission to the region by way of David, where civilian troops were being mobilized. At the same time he asked the United States to use its good offices to prevent bloodshed. A proclamation was issued calling on the people to maintain the national dignity, followed by a Presidential decree on Feb. 26, reciting the necessity of expelling the invaders, declaring martial law, calling on all Panamans between 18 and 40 years old to register for military service, and convoking the National Assembly in special session, beginning March 1. At the same time President Porras prepared a declaration of war.

More than 2,000 men enrolled in Panama for military service and enlisting elsewhere was brisk. About 500 men, consisting of national police and volunteers, started for the Costa Rican frontier. They made short work of Colonel Mora and his hundred men, recapturing Coto and taking prisoner the entire Costa Rican contingent on Feb. 27. In the afternoon the Panamans captured Costa Rican reinforcements arriving in the gasoline motor vessel Sultana, taking the boat after an hour's fighting, in which the enemy lost four men killed and nine wounded.

President Porras, having remarked in an interview that war between Panama and Costa Rica over valueless land was an absurdity, was waited on by a committee on Feb. 28, who demanded his resignation, bent on forcing more aggressive action. The President refused and a mob broke into the palace. Guards fired upon and dispersed the crowd, killing one and wounding several persons. As a result 200 American soldiers from the Canal Zone appeared in the city in the afternoon to keep order.

PANAMA ASSEMBLY MEETS

The special session of the Panama Assembly met on March 1 and defensive measures were proposed, including one that authorized President Porras to organize an army of whatever strength he might deem necessary. A message from the President was read reciting recent events, but making no mention of a declaration of war.

Costa Rica, meanwhile, had sent 2,500 men to the Panaman frontier, the action of the Government having been approved by the Chamber of Deputies in session at San José. Fighting was renewed in the Coto region on March 1, and another motor vessel with 100 men was captured by the Panamans.

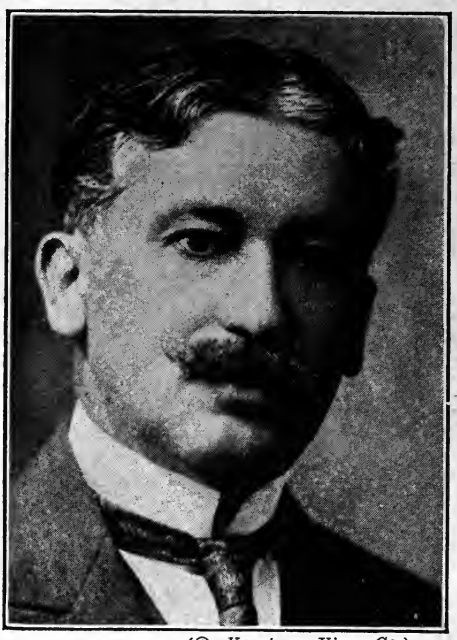
Julio Acosta, President of Costa Rica, set forth the attitude of his country in a dispatch dated San José, March 3, in which he said that Panama was violating its own Constitution, which established the same limit that Costa Rica claimed.

Defeated on the Pacific side, Costa Rica next turned her efforts to the Atlantic end of the boundary along the Sixola River, first reinforcing her garrisons there, and then crossing the frontier. This threatened to involve the United States, as the United Fruit Company owns extensive banana plantations there and has railroads extending southerly from Puerto Limon, Costa Rica, into Panama. Almirante, in the Province of Bocas del Toro, was the objective of this second attack. Guabito was first taken without serious resistance on March 4. The Panamans retired toward Bocas del Toro, leaving behind eighteen dead and many wounded. The Costa Ricans occupied the Almirante Railroad and advanced on Almirante, taking it, and later Bocas del Toro.

UNITED STATES MOVES

Naturally, the United States had been appealed to at the start of the trouble, being by treaty bound to protect the integrity of Panama. The first request was for arms to repel invasion, as the country had been disarmed by General Clarence Edwards of the United States Army in 1915, when disorders were threatened. The request for arms was denied.

Secretary Colby, instead, sent two notes to Costa Rica and Panama on Feb. 28, expressing the United States Government's strong disapproval of the effort to settle the dispute by force. Replies were received in Washington on March 5. That from Panama expressed a willingness to accept the good offices of the United States, but the message from Costa Rica was described as unsatisfactory. A few hours later, after consulting with President Harding, Mr. Hughes, the new Secretary of State, sent identical notes to Panama and Costa Rica, which, while not suggesting mediation, conveyed the impression that the United States stood ready to enforce, if necessary, a peaceful solution.

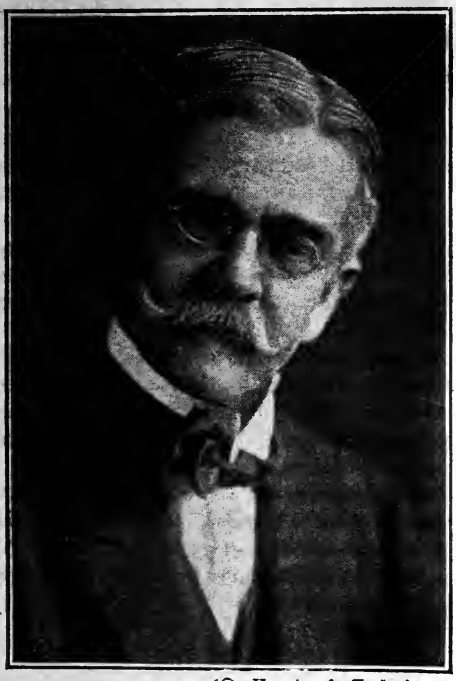


(© *Keystone View Co.*)
JULIO ACOSTA
President of Costa Rica

Both countries were called upon for an immediate suspension of hostilities, and United States warships were ordered by the Navy Department to the disputed areas on both sides of the Isthmus. The cruiser Sacramento was sent to Almirante to protect American property, and instructions were given to Rear Admiral Bryan, commanding a special Central American squadron ,that if the authorities could not protect American lives and property he was to use his discretion in disposing of his vessels and armed forces. The Sacramento arrived at Almirante on March 5, and

Commander Bingham invited the commander of the Costa Rican troops to lunch on board, and an armistice with the Panamans was suggested.

President Porras on March 6 announced that Panama was willing to accept mediation by the United States on condition that Costa Rica withdraw her troops to the left bank of the Sixola River and refrain from attacking the Panaman forces, which had reoccupied Coto. He offered to submit the



(© *Harris & Ewing*)
DR. BELISARIO PORRAS
President of Panama

dispute to the A B C Commission of Argentina, Chile and Brazil, to the League of Nations tribunal, to a council of international law professors from American universities, or to three international lawyers, one from an American university, one from Chile and the other from an Argentine, Uruguayan, Peruvian or Brazilian university.

Meanwhile the National Assembly had passed bills appropriating $100,000 to buy arms, authorizing the President to organize a national army, and authorizing a loan of $500,000 for ten years at 7 per cent. President Porras named a Defense Council of five to select men for the Panaman Army.

PEACE AT LAST

Prompt action by the United States had its effect on both belligerents. On March 7 it was announced that Costa Rica had ordered the withdrawal of her forces beyond the Sixola River and had halted the troops, which had advanced into the Coto region on the Pacific side. Panama recalled her troops from the Bocas del Toro region and also those from Coto, but announced her intention to keep the civil and police authorities in the latter district. An armistice was arranged and put into effect along the whole frontier, thus reverting to the condition of affairs before the invasion and leaving the settlement open to further negotiation.

Threatened complications between the United States Government and the League of Nations over the affair were cleverly avoided by the League after brief consideration. Sir Eric Drummond, Secretary General of the League, on Feb. 28 had instructed the political advisers of the League Council to investigate the differences between Panama and Costa Rica, basing his action on the fact that both countries were members of the League. The Council, which was meeting in Paris, sent a cable dispatch to the foreign Ministers of both countries on March 4, reminding them of their obligations as members. A few hours later the Secretary received a dispatch from the Government of Panama giving a history of the Costa Rican attack and subsequent developments. On its receipt the Council was called together again and the following cable was sent to Panama:

> Your telegram of March 3 has been communicated to the Council of the League of Nations, which regrets that the reports of differences between Panama and Costa Rica are well founded, but it is happy to know that the United States Government has offered its good offices, and that these have been accepted by the Government of Panama. The Council would be glad to be kept informed of the development of the situation.

In an official communication on the subject the phrase used with regard to American action was: "The Council has decided to await the result of this happy intervention." A note sent to Panama by Secretary Hughes on March 14 put an end to the possibility of League action in the case by calling attention to a treaty signed

in 1915, whereby Panama and Costa Rica agreed to submit disputes to the United States as mediator. The United States therefore will act as arbitrator in negotiations looking to a settlement of the boundary dispute, using the decisions of Chief Justice White in 1914 and President Loubet in 1900 as a basis.

PANAMA CANAL ZONE—The United States naval fleets returned from the west coast of South America to Panama on Feb. 14, and on Feb. 24 the Atlantic fleet passed through the canal on the way to Guantanamo.

Vessels flying the American flag led all others in setting a new record of canal traffic in 1920. Of the 2,814 merchant ships using the canal, 1,281 were American; Great Britain came next with 867, and Japan was third with 122.

NICARAGUA—The twenty-one American marines who, on Feb. 9, wrecked the offices of the Tribuna of Managua, a news paper which they charged with defaming some of their number, were tried by court-martial and found guilty, according to a report from Rear Admiral Henry F. Bryan. They all pleaded guilty and were sentenced to dishonorable discharge and confinement for five years, but upon recommendation of clemency by the court the prison term was reduced in each case to two years.

Nicaragua's refusal to join the Central American Union was approved at a joint session of the House and Senate in Managua on Feb. 22. President Chamorro was authorized to continue negotiations, but was intrusted not to sacrifice any Nicaraguan rights or infringe upon any of the country's international obligations. She will not join the Central American Union unless the other members agree to respect her existing treaties with the United States.

The Nicaraguan Senate, on March 12, rejected a motion to request the United States to withdraw the American troops stationed in Managua.

SALVADOR—A seditious movement occurred in San Salvador, capital of Salvador, on Feb. 28, but was put down by the police after several casualties on both sides. The National Congress met and declared martial law, but quiet was restored by March 4. The movement, which was local in character, is said to have been a form of protest against the union of Central American republics.

On March 9 it was announced that immigration of Chinese to Salvador is prohibited under terms of the alien law, which does not, however, apply to Chinese who are already residents of the country.

The Salvadorean Cabinet, headed by Dr. Francisco Juan Paredes, together with all Under Secretaries, resigned on March 11, but President Melendez refused to accept their resignations.

AMERICAN LOAN OPENS A NEW ERA FOR LIBERIA

CHARLES DUNBAR KING, President of Liberia, arrived in New York on March 6, 1921, on his way to Washington to conclude negotiations with the United States for a credit of $5,000,000, which was agreed upon in September, 1918. With him, as members of a Plenary Mission, were E. R. Johnson, Associate Justice of the Supreme Court; John L. Morris, formerly Secretary of the Treasury, and Gabriel L. Dennis, a prominent business man of the African republic.

The purpose of the loan is to begin an extensive program of harbor improvements, road construction, installing telephone and telegraph facilities and opening industrial schools. Mr. King was elected President of Liberia in 1919, taking office on Jan. 1, 1920, for the term of four years. The loan will open a new era for Liberia, paving the way for development by American interests, which are cordially invited. Recent reports indicate important discoveries of gold and tin, and there are vast forests of valuable timber in Liberia's great and wealthy interior.

PACT OF THE CENTRAL AMERICAN UNION

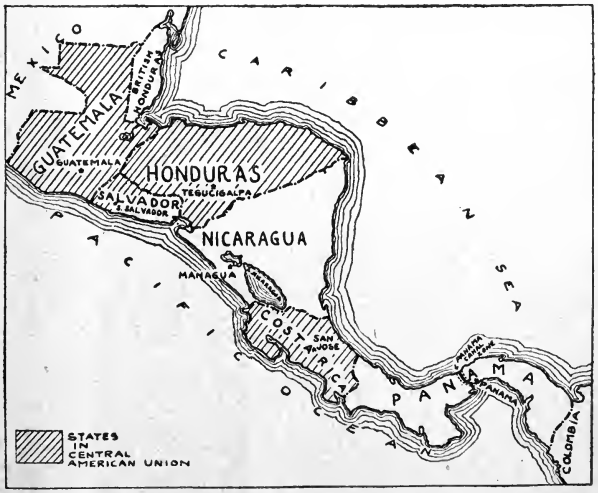
Text of the treaty creating the union of Costa Rica, Honduras, Salvador and Guatemala, to be known as the Federation of Central America—Details of the agreement that establishes a new State of 5,000,000 people—Nicaragua alone stays out of the Federation

CURRENT HISTORY presents herewith the full text of the important compact that now binds Guatemala, Salvador, Honduras and Costa Rica into one federated republic, to be known as the Federation of Central America, and to be administered under a single President. The treaty, according to its own statement, was signed by the delegates of the four countries at San José, Costa Rica, on Jan. 19, 1921. (The press dispatches gave Jan. 22 as the date of actual completion.) The delegates of the fifth Central American Republic—Nicaragua—acting on instructions from their Government, refused to sign, on the ground that Nicaragua did not wish to relinquish treaty-making powers in view of her arrangement with the United States regarding a possible Nicaragua Canal. A provision was inserted in the compact to permit Nicaragua's admission at any time she may desire it. The refusal of the delegates to sign was approved by the House and Senate of Nicaragua on Feb. 22, but all comments during debate were friendly to the new Federation, and President Chamorro was authorized to negotiate for admission at any time when such action could be taken without curtailing Nicaragua's international rights and obligations.

According to the terms of the agreement, the ratification of three of the signatory powers will suffice to put it in operation. Before the end of February, Honduras and Salvador had ratified the pact, and there was every indication that the other two would soon follow suit.

The agreement that now goes into force provides for the creation of a Provisional Council, which will meet at Tegucigalpa, Honduras, thirty days after the third ratification, and which is commissioned to call a Constituent Assembly. This assembly is to meet not later than Sept. 15, 1921, and is to have full power to draw up a permanent and binding Constitution for the new State, based on the general principles laid down in the preliminary pact. The Federation of Central America is to be governed by an Executive Council, with the collaboration of a Senate and a Chamber of Deputies. The Provisional Council that is to call the Constituent Assembly is empowered to issue orders for the election of the permanent Councilors, Senators, and Deputies, after which it will hand over its functions to the Federal Council and terminate its existence.

The new federated republic, which has more than 5,000,000 inhabitants, is the culmination of a long-enduring sense of solidarity among the States now united, a neighborliness that has always made their



Map of Central America, showing the States which—excepting Nicaragua—have united to form the new Federation of Central America

those between the States of the United States. When these Central American republics cut loose from Spain in 1821, indeed, they formed a federal republic at first, but since 1840 they have been separate; the new union practically reconstructs the original federation on more modern lines. Though its scheme of government is modeled largely on that of the United States, a reading of the pact will disclose many interesting variations from the model; the Federal Council, for instance, which is to wield the executive power, will consist of one Councilor elected by each State for a five-year term. The President and Vice President, who will hold office for only one year, are to be chosen by the Federal Council. The treaty guarantees freedom of conscience, provides for compulsory education, and refuses to recognize any federated State whose head has come into power through a revolution.

TEXT OF THE COMPACT

The official text of the compact of union, in the translation sent to the State Department at Washington, is as follows:

Preamble—The Governments of the Republics of Guatemala, Salvador, Honduras and Costa Rica, regarding it as a high patriotic duty to bring about as far as possible the reconstruction of the Federal Republic of Central America upon bases of justice and equality that will guarantee peace, maintain harmony among the States, insure the benefits of liberty, and promote the general progress and welfare, have seen fit to conclude a Treaty of Union achieving that end, and to that effect have appointed as plenipotentiary delegates, namely:

The Government of Guatemala—The Most Excellent Licentiates, Don Salvador Falla and Don Carlos Salazar;

The Government of Salvador—The Most Excellent Doctors, Don Reyes Arrieta Rossi and Don Miguel T. Molina;

The Government of Honduras—The Most Excellent Doctors, Don Alberto Uclés and Don Mariano Vásquez;

And the Government of Costa Rica—The Most Excellent Licentiates, Don Alejandro Alvarado Quiros and Don Cleto González Víquez.

Who, after communicating to one another their respective full powers, which they found to be in good and due form, have agreed upon the following stipulations:

ARTICLE 1—The Republics of Guatemala, Salvador, Honduras and Costa Rica join in a perpetual and indissoluble union, and will henceforth constitute a sovereign and independent nation, whose name shall be Federation of Central America.

It will be the right and duty of the Federal power to maintain the union, and in accordance with the Federal Constitution, internal order in the States.

ARTICLE 2—The four States will convene through Deputies in a Constituent National Assembly, and here and now accept as the supreme law the Constitution that may be framed by the said Assembly in accordance with the stipulations of this treaty.

ARTICLE 3—In so far as it may be consistent with the Federal Constitution, each State will preserve its autonomy and independence in the handling and direction of its domestic affairs, and likewise all the powers that are not vested in the Federation by the Federal Constitution.

The Constitutions of the States will remain in force in so far as they do not conflict with the provisions of the Federal Constitution.

ARTICLE 4—So long as the Federal Government through diplomatic action shall not have obtained the modification, denunciation or substitution of the treaties in force between the States of the Federation and foreign nations, each State shall respect and continue faithfully to observe the treaties that bind it to any one foreign nation or more to the full extent implied in the existing agreements.

ARTICLE 5—The Constituent National Assembly in framing the Federal Constitution will respect the following bases:

a. There shall be a Federal district under the direct rule of the Federal Government. The Assembly will designate and mark out the territory that is constituted, and within that area will designate the town or place that is to be the political capital of the Federation. The State or States from which territory is taken to constitute the Federal district here and now convey it gratuitously to the Federation.

b. The Government of the Federation will be republican, popular, representative and responsible. Sovereignty will reside in the nation. The public powers shall be limited, and must be exercised in accordance with the Constitution. There will be three powers—the executive, legislative and judiciary.

c. The executive power shall be exercised by a Federal Council composed of delegates elected by the people. Each State will elect a principal and an alternate of 40 years of age or more, and native citizens of the State which elects them. The term of the Council will be five years.

The delegates and their alternates shall reside in the Federal capital. The alternates will attend the meetings of the Council without vote, but they shall cast their vote, however, whenever the meeting is not attended by their principals.

In order to impart validity to the action of the Council it is necessary that all the States be represented therein. The decisions are arrived at by a plurality vote, except in cases where the Constitution may call for a greater majority. In case of a tie the President will cast two votes.

The Council will elect from among the delegates a President and a Vice President, whose term of office will be one year. The President

of the Council cannot be re-elected for the year immediately following.

The President of the Council will be regarded as President of the Federation, but he will always act in the name and by a resolution or direction of the Federal Council.

The Council will apportion among its members in the manner it may deem most appropriate the handling of public affairs, and may put any one of the alternates or more in charge of a department or more that it may deem expedient. The Constitution will determine the form in which foreign relations are to be conducted and will complete the organization of the executive power.

d. The legislative power will be vested in two houses—the Senate and the Chamber of Deputies. The Senate will consist of three Senators from each State, elected by the Congress thereof. The Senators shall be 40 years of age or more and citizens of any one of the States. Their term will be six years, and they will be renewed every other year in thirds. The Chamber of Deputies will consist of Representatives elected by the people, one Deputy for every 100,000 inhabitants or fraction of more than 50,000. The Constituent Assembly will determine the number of Deputies to be elected by each State until a general census of the Federation is taken.

Senators and Deputies may be re-elected indefinitely. In each house three-fourths of the whole number of members will form the quorum.

No law will be valid unless it has been approved in the separate houses by a plurality of votes in the Chamber of Deputies and by two-thirds of the votes of the Senators, and unless it has been sanctioned by the Executive as the Federal Constitution may provide.

e. The judicial power shall be exercised by a Supreme Court of Justice and by the lower courts that may be established by law. The Senate, from a list of twenty-one names submitted by the Federal Executive, will elect seven incumbent Magistrates, who will constitute the court, and three alternates to fill the temporary absence of the incumbents. Vacancies will be filled by new elections of incumbents or alternates. The Magistrates shall not be removed from office unless the removal be authorized by a judicial sentence.

The Supreme Court will have jurisdiction in disputes to which the Federation is a party, the legal controversies that may arise between two or more States, the conflicts that may occur between the power of any one State or of the Federation as to the constitutionality of their acts, and of all other matters which may be referred to it by the Federal Constitution or the organic law.

The States having pending questions among themselves as to boundaries or the validity or execution of judgments or awards made before the date of this treaty will be at liberty to refer them to arbitration. The Federal court may take cognizance of such questions in the capacity of arbitrator, if the States concerned should refer to its decision.

f. The Federation guarantees to every inhabitant freedom of thought and conscience. There shall be no legislation on religious subjects. In all the States toleration of cults that are not against morals or public policy shall be an obligatory principle.

g. The Federation recognizes the principle that human life is inviolable as to political and like offenses, and guarantees all men equality before the law and the protection that the States must grant to destitute classes as also to the proletariat.

h. The Federation guarantees the freedom of teaching.

Primary instruction shall be compulsory and that which is given in public schools shall be free, under the direction and at the expense of the States.

Colleges of secondary instruction may be founded and supported by the Federation, the States, municipal Governments and private persons.

The Federation will create as soon as possible a national university and will give preference, with regard to their early establishment, to the sections of agriculture, industry, commerce and mathematical sciences.

i. The Federation likewise guarantees in every State the respect of individual rights as also the freedom of suffrage and the rotation in power.

j. The army is an institution intended for national defense and the maintenance of peace and public order; it is essentially a passive body and may not engage in debates.

Soldiers on active duty shall have no right to vote.

The army will be exclusively under the orders of the Federal Council. The States shall not maintain any force other than of police for the maintenance of public order.

The garrisons which may be kept permanently or temporarily by the Federation in any State will be under the command of national chiefs that the Council shall freely appoint and remove; but if in any State there should occur a subversive movement or serious grounds may exist to apprehend a grave disturbance, those forces shall place themselves at the command of the Government of the State. If those forces should be insufficient to suppress the rebellion, the Government of the State will ask for, and the Council will supply, adequate reinforcements

Military service, garrison duty and military instructions will be regulated by law so as to be governed by fixed rules.

The Council shall have the free disposal of the armament and war material that may now exist in the States after those States shall have been supplied with the amount needed for the police force.

The States acknowledge it to be necessary and expedient that the Federation should reduce armaments and armies to the strictly necessary so as to return hands to farming and manufacturing and restoring and promoting to common advantage the excessive amounts taken by that branch.

l. The Federal Government will administer the national public finances which will be different from those of the States.

The law will create Federal revenues and taxes.

m. The States will continue the service of their present domestic and foreign debts. It will be the duty of the Federal Governmnet to see that the service is faithfully performed and that the revenues pledged for that purpose be applied thereto.

Henceforward none of the States shall contract for or issue foreign loans without being authorized by a law of the State ratified by a Federal law, nor shall it enter into contracts that may in any way compromise its sovereignty or independence or the integrity of its territory.

n. The Federation shall not contract for or issue foreign loans without being authorized to do so by law approved by two-thirds of the votes in the Chamber of Deputies and three-fourths of the votes in the Senate.

o. The Constitution may set a term after which the ability to read and write may be set up as an essential requisite for the exercise of the right of suffrage in the elections of Federal authorities.

p. The Constitution will lay down the course through which amendments of its dispositions may be ordered. However, if the reform should make any change in any one of the bases set forth in this article, it will be absolutely necessary, in addition to the other general requirements of the Constitution, that the Legislatures of all the States shall give their consent.

q. The Constitution will determine and specify the subjects that shall be exclusive matter for Feredal legislation.

The Constituent National Assembly, in framing the Constitution, will complete the plan and purpose of the said Constitution, developing the foregoing bases, but in no case conflicting with them.

Immediately after the enactment of the Constitution the Assembly will pass the complementary laws concerning the freedom of the press, habeas corpus, and state of siege, which shall be held as part of the Federal Constitution.

ARTICLE 6—The Constituent National Assembly referred to in Article 2 of this treaty will consist of fifteen Deputies for each State, who shall be elected by their respective Congresses. In order to be a Deputy one must be 25 years old or more and a citizen of any one of the five States of Central America.

The Deputies shall enjoy immunity for their persons and property from the moment when they are declared elected by the Congress of a State until one month after the sessions of the Assembly are closed.

ARTICLE 7—Three-fifths of the total number of Deputies will form a quorum of the Assembly. The vote will be cast by States. If one or more Deputies of one State should be absent, the Deputy or Deputies present will assume the complete representation of the State.

If the Deputies of one State should disagree, the vote of the majority of the Deputies will be regarded as the vote of the State, and in case of a tie, it will be regarded as concurring in the majority vote of the other States; or, if there should be a tie among those States themselves, that which agrees with the majority of the personal votes of the Deputies. The decisions of the Assembly will be taken on a majority vote of the State.

ARTICLE 8—For the performance of these stipulations, there is instituted here and now a Provisional Federal Council, consisting of a delegate from each State. The said Council will take charge of the duty of ordering all the measures preliminary to the organization of the Federation of its initial Government, and especially that of calling the Constituent National Assembly; of promulgating the Constitution, constituent laws and other resolutions passed by the Assembly; to issue appropriate orders to have States elect in good time their delegates to the Council, Senate and Chamber of Deputies; and, finally, to give possession to the Federal Council, whereupon its functions will terminate.

ARTICLE 9—Delegates to the Provisional Council must be 40 years old or more and citizens of the State by which they are elected. They shall enjoy immunity for their persons and property from the moment they are elected until one month after they retire from their office. They shall in addition enjoy in the State where they perform their duties all the privileges and immunities which by law or usage are granted to the heads of diplomatic missions.

ARTICLE 10—The Congress of each State, immediately upon approving this treaty, shall elect the delegate that belongs to it in the Provisional Council, and through the proper channel give notice of that election to the Central American International Office. That office in turn will communicate to the Governments and also to the elected delegates the fact of its having received the ratification of three States, to the end that within the time stated hereafter the delegates may meet and begin their labors.

ARTICLE 11—The Provisional Federal Council will meet in the City of Tegucigalpa, capital of Honduras, not later than 30 days after the third ratification of this covenant shall have been deposited in the Central American International Office.

ARTICLE 12—In order to impart validity to the acts of the Provisional Council, the presence of not less than three delegates will be required.

ARTICLE 13—The Provisional Council will elect a President and a Secretary, who will sign all the papers needed. The correspondence shall be conducted by the Secretary.

ARTICLE 14—When the fourth ratification takes place the Central American International Office or the Provisional Federal Council, if still in session, will call upon the delegates concerned to join the Provisional Council.

ARTICLE 15—The Congress of each State at the same time it elects its delegate to the Provisional Council, in accordance with the provision in Article 10 of this treaty, will elect the Deputies to the Constitutent Assembly that belong to the State.

ARTICLE 16—After the Deputies to the Constituent Assembly shall have been elected the Minister of Foreign Relations of the State concerned will so notify the Central American International Office, and issue the proper credentials to the Deputies that have been elected.

ARTICLE 17—After the Central American International Office shall have informed the Provisional Federal Council of the election of the Deputies by three States at least, the Provisional Federal Council shall call the Constituent National Assembly, so that it may organize in the City of Tegucigalpa on the date set by the decree calling the Assembly, which shall be made known by telegraph to the Ministry of Foreign Relations of each State and to each Deputy individually not less than thirty days in advance. The Provisional Council shall see that the Constituent Assembly shall organize not later than the 15th of September, 1921, which is the centennial of the political emancipation of Central America.

ARTICLE 18—It will be sufficient that three of the contracting States ratify this treaty to have it considered as final and binding among them and to have it carried into effect. The State that should not approve the covenant may, however, join the Federation at any time it applies therefor, and the Federation will admit it without any other formality than the presenting of a law approving this treaty, the Federal Constitution and constituent laws. In that event the Federal Council and the two legislative houses will be enlarged in the proper degree.

ARTICLE 19—The contracting States are sincerely sorry that the sister Republic of Nicaragua does not desire to join the Federation of Central America. If the said republic should later decide to join the union, the Federation will extend the greatest facilities for its joining in the treaty that may be made for that purpose.

In any event, the Federation will continue to consider and treat her as a part of the Central American family, just as it will any State that for some reason or other should not ratify this covenant.

ARTICLE 20—Each State shall deliver to the Provisional Council the moneys that may be named by it to defray the expenses incurred in the discharge of its mission, and will determine and pay their salaries to the several constituent Deputies.

ARTICLE 21—The present treaty shall be submitted in each State as soon as possible to the legislative approval that its Constitution may require, and the ratification shall be immediately notified to the Central American International Office, to which a copy will be sent in the customary form. On receipt of the copy of that ratification the aforesaid office will so advise the other States, and the notice will be held and will have the same value as an exchange.

Done at San José, Costa Rica, in quadruplicate on the 19th day of January, 1921.

GERMANY REGAINING SOUTH AMERICAN MARKETS

Apparently she will become the chief competitor of the United States, while Britain and Italy are losing

[PERIOD ENDED MARCH 12, 1921]

PEACEFUL penetration of South America has been begun by the Krupps, the great German iron and steel manufacturers, who are making serious inroads upon United States trade in machinery, pipe, railroad equipment and similar products. Germany has recovered considerable South American trade, and evidently is destined to become the chief competitor of the United States. Two German engineers recently purchased in Chile 25,000 acres of land as a site for a great industrial plant, and other deals are in progress for similar establishments in Argentina and Brazil.

A contract for 10,000 car wheels in Argentina was recently awarded to the Krupps at a price far below the lowest bid by United States manufacturers. In many lines of goods Germans are underselling American firms by an average of 60 per cent. in Brazil, 40 to 60 per cent. in Argentina and 20 per cent. in Chile. In Argentina German hardware is being sold from 15 to 30 per cent. cheaper than similar American goods, but deliveries are slow and uncertain. In Chile German salesmen are increasing and are offering silver-plated and nickel goods, pottery and enamel ware below American prices, but not yet in large quantities.

Professor Vittorio Orlando, formerly Premier of Italy, who recently returned to Rome after an extended visit to South American countries, on Feb. 20 addressed an audience of 6,000 persons on conditions

there. Germany, he said, was trying to regain her South American markets, while Italian trade was diminishing in favor of the United States. Italian goods were not pushed sufficiently by exporters, especially automobiles, which were in good demand. He urged the necessity of a direct cable to Italy, and said Italians in South America purposed raising funds to lay one. British trade was falling off as well as Italian.

Bolivia, Colombia, Peru, Nicaragua, Honduras, Cuba and the United States made a convention with Spain at the recent Postal Union Congress in Madrid by which domestic rates on newspapers, books and other printed matter were extended to all the signatory countries, so that books and commercial samples may flow back and forth between the United States and South America or Spain with the same facility and at the same cost as between New York and Philadelphia. The enormous advantage accruing to American advertising and business is evident. A one-cent stamp will carry a postcard to any of the member countries, and the maximum weight limit for printed matter is raised.

So many American vessels are now operating in South American trade that owners are planning exclusive routes to prevent cutthroat competition between the different lines. Negotiations are in progress for the Munson Line to stay out of Cuban and Porto Rican trade, while the Ward Line will leave Brazil and the River Plate routes to the Munson Company. A dispatch from Buenos Aires of Feb. 20 said the Ward Line offices there were about to be closed in pursuance of this plan.

Less commercialized projects are under way for the organization of an Institute for Research in Tropical America to promote investigation in fauna, flora, geology, soils and climate to aid in the development of South America. The Smithsonian Institution, the National Geographic Society, the Museum of Natural History and a number of similar scientific establishments have united for the work. An organization of a Pan-American association along social and cultural lines, to have branches in twenty-one American republics, has also been tentatively formed by John Barrett, former Director General of the Pan American Union and a group of men representative of the United States and South America.

ARGENTINA—A request of the Allies that Argentina take measures to prevent German exports of war material in violation of the Treaty of Versailles was rather coldly refused, the Argentine Government replying that it was not concerned in the stipulations of a treaty between other nations. [See Germany.]

Five German steamers belonging to the Hamburg-South American Company were transferred to the Argentine flag in January, and the charge was made in the British House of Commons on March 2 that the Argentine company which took them over was formed to avoid their surrender to the Reparations Commission. This was denied by Antonio Delfino, agent of the line, who said he received a power of attorney in 1911 to dispose of the ships.

The Argentine steamer Bahia Blanca was received with great rejoicing on its arrival at Hamburg on Feb. 22. The Hamburg Senate and Chamber of Commerce made addresses of welcome, referring to Argentina's sympathy during the war and the cordial relations existing. The vessel took 7,000 tons of foodstuffs, a gift to Austria from Argentina.

BOLIVIA—The Bolivian Government, headed by Bautista Saavedra, was recognized by the United States on Feb. 10. A regiment of the Bolivian Army mutinied on March 3, but was soon overpowered.

BRAZIL—A loan of £6,000,000 was floated in February by the Brazilian State of Sao Paulo, of which £2,000,000 were offered in London, 18,000,000 guilders in Amsterdam and $10,000,000 in New York. The loan consists of fifteen-year 8 per cent. sinking fund gold bonds, due Jan. 15, 1936, issued at 97½. The bonds are secured by a first charge on the surtax of five francs a bag on all coffee exported from the State.

A decree raising the Brazilian Legation in Brussels to an embassy was signed by President Pessoa on Feb. 24.

CHILE—Under the patronage of six large American banking houses a loan of $24,000,000 8 per cent. twenty-year sinking fund gold bonds was successfully floated in February. The money will be expended on road building and public works and will do much to restore Chilean exchange.

Chile has increased import duties 50 per

cent., a bill to that effect receiving the approval of the Council of State on Feb. 24. It is expected to yield 30,000,000 pesos a year. Exempted from its provisions are rice, coffee, sugar, burlap, gasoline, locomotives and industrial machinery.

COLOMBIA — General Rafael Reyes, former President of Colombia, who carried through a measure for the separation of Church and State, died in Bogota on Feb. 19.

President Harding, on March 9, sent to the United States Senate a message urging ratification of the long-delayed treaty with Colombia in the interest of cordial relations. It appropriates $25,000,000 to be paid to Colombia in consideration of the loss of Panama when that province was pried loose from the mother State and erected into a separate republic. The expression of regret that anything should have occurred to mar friendly relations has been eliminated in deference to the friends of President Roosevelt. Thus amended, the treaty was reported favorably on March 7, but twenty-one Republican Senators were said to be opposed to it and the matter was postponed until the extra session of Congress in April.

ECUADOR—Export duties must be paid in gold, according to a decree issued by the Government of Ecuador on March 8.

Dr. Leon Becerra, Chief Health Officer of Guayaquil and a member of the commission of the Rockefeller Institute studying the yellow fever situation, died in Guayaquil on March 3, owing to injuries received in a street-car accident.

PARAGUAY—The general moratorium in Paraguay has been extended to April 11, and that of the Banco Mercantil to May 16.

PERU—Addition of a medical mission to the Peruvian Embassy in Washington was announced on Feb. 13.

URUGUAY—Many merchants of Montevideo have refused to accept delivery of American goods consigned to them because, instead of arriving boxed as requested, they came in bales and many articles were broken. Such occurrences, one newspaper said, lead to strained commercial relations, adding: "The difference in exchange rates and the irritation which accumulated during the war, when American manufacturers took advantage of having no competitors, appear to be bearing fruit," alluding to the steady recovery of European trade.

VENEZUELA—The Government of Venezuela has decided to send a special mission to the unveiling of the monument to Simon Bolivar in Central Park, New York, on April 19.

"GERMANY DELIVERS ALL HER CANARIES"

THE following specimen of German humor, translated from Jugend and published by The London Morning Post at the end of January, is aimed at the long delays and vacillating policy of the allied Premiers in settling the boundaries in the Near East. It also takes a fling at the alleged non-pacific nature of the League of Nations, which the Germans, like the Russian Bolsheviki, interpret as an agency of Entente "imperialism." The German belief that the allied powers are bent on stripping Germany of everything is embodied in the satirical coda with which each paragraph concludes:

EPOCHS IN THE WORLD'S HISTORY

1950—Allied Conference in London. Thrace is taken away from the Turks and handed over to the Jugoslavs. Armenia is placed under Belgian protection; Smyrna becomes English. Germany delivers all her thoroughbred dogs up to France.

1955—Allied Conference in Paris. Thrace is returned to the Greeks; Armenia is incorporated in the Caucasian Republic; Anatolia becomes French; Smyrna is to be transformed into a fortified port for the League of Nations. Germany delivers all her cats up to the Allies.

1960—Allied Conference in Bru sels. Thrace becomes Chinese territory; Armenia is assigned to the Kingdom of Honolulu; Smyrna is placed under Polish protectorate. Germany delivers all her canaries up to the Allies.

GERMANY'S "WATCHFUL WAITING"

Dr. Simons warmly welcomed on his return from the London Conference, which had ended in allied invasion—People of the occupied Ruhr district remain calm—Reactionaries and revolutionists gain at the expense of moderate elements in the Prussian Diet elections

[PERIOD ENDED MARCH 12, 1921]

WHEN Dr. Walter Simons, the German Foreign Minister, arrived in Berlin the evening of March 9 from the London Conference [a detailed report of which is printed elsewhere in this issue] the large crowd at the railroad station greeted him as a conquering hero rather than as an unsuccessful diplomat. "Deutschland über Alles" and other patriotic airs were sung, and there was an insistent demand for a speech by Dr. Simons, who was congratulated by Chancellor Fehrenbach for his "courageous attitude" at the conference. The next day the Cabinet unanimously approved Dr. Simons's work in London.

This was followed, on March 12, by the passage by the Reichstag of a resolution approving Dr. Simons's stand by a vote of 268 to 49, only the Communists and some of the Independent Socialists opposing it. In his Reichstag speech, the Foreign Minister, while maintaining that the penalties were illegal, expressed his opposition to breaking off relations with the Allies, and said:

"I must say that when one comes face to face with our opponents in London, when one hears what the situation is in their countries and under what distress and cares they themselves are laboring, it becomes clear that their demands are not inspired merely by the intoxication of victory or lust for power, but that, on the contrary, they are the result of extraordinarily heavy troubles and distress in their own countries."

Dr. Simons declared that the Treaty of Versailles had not been voided and that Germany must try to carry out its terms as far as possible.

On March 14 Berlin addressed a note to the Secretariat of the League of Nations protesting against the Allies' penalties.

Meanwhile, Düsseldorf, Duisburg and Ruhrort, the three cities in the Ruhr district, the "heart of the German coal, steel and iron industry," had been occupied by French, Belgian and British troops on March 8 as the first step toward imposing the penalties incurred through the German refusal to meet the Allies' reparation terms, and the population was calmly accepting the situation, with apparently little regret and an attitude of watchful waiting. In fact, with the exception of some of the Junker reactionaries and the Communists, the German people seemed content to await developments, evidently believing that conditions could not get much worse and might possibly be improved by a change of heart on the part of the Allies should the occupation fail to produce the desired results.

The Berlin Communists, in holding a protest meeting in the Lustgarten, declared that a new world catastrophe was at hand, and urged a military alliance with Soviet Russia as the only means of salvation for the German proletariat. The responsible German labor leaders refused to heed the Communist call for a general strike. General Gaucher, commanding the French troops in Düsseldorf, was informed by the local union leaders that they regarded the occupying forces not as enemies, but rather as "bailiffs come to collect a legal debt."

German official resentment at the result of the London Conference was shown by the recall of the German Ambassadors from London, Paris and Brussels on March 8. On the same day, addressing the Reichstag, Chancellor Fehrenbach said: "The Allies have already begun to put the penalties into effect. This, in plain German, means an act of violence, for penalties have nothing to do with the usual principles of right. The conditions imposed upon us are to be secured by force. This rupture can neither be disguised nor justified by legal decep-

tion." President Friedrich Ebert's official proclamation, issued on March 8, read:

Fellow-Citizens: Our opponents in the World War imposed upon us unheard-of demands, both in money and kind, impossible of fulfillment. Not only ourselves, but our children and grandchildren, would have become the work-slaves of our adversaries by our signature. We were called upon to seal a contract which even the work of a generation would not have sufficed to carry out.

We must not, and we can not, comply with it. Our honor and self-respect forbid it.

With an open breach of the Peace Treaty of Versailles, our opponents are advancing to the occupation of more German territory.

We, however, are not in a position to oppose force with force. We are defenseless.

Nevertheless, we can cry out so all who still recognize the voice of righteousness may hear.

Right is being downtrodden by might. The whole German people is suffering with those of our citizens who are forced to endure domination. With firm bonds must this sorrow unite us in one sentiment, one will.

Fellow-citizens, meet this foreign domination with grave dignity. Maintain an upright demeanor. Do not allow yourself to be driven into committing ill-considered acts. Be patient and have faith. The National Government will not rest until the foreign power yields before our right.

This defiant note was re-echoed in the press of all political shades. Some of the reactionary papers even expressed satisfaction at what they called the smashing of the Versailles Treaty by the Allies and the saving of Germany from a great calamity. While the Liberal and Socialist papers were inclined to censure Dr. Simons and his associates for not having shown better bargaining ability at London, none of them was offended at his refusal to accept the Allies' terms. Nevertheless, neither the Majority Socialists nor the Independent Socialists were disposed to enter the Fehrenbach Cabinet and co-operate with Hugo Stinnes and his "big business" party (the People's Party) in handling the situation created by the Government's defiance.

The occupation of the three Ruhr cities was effected by 10,000 French, 5,000 Belgian and two squadrons of British troops, all under the command of General Degoutte, in the midst of a real or affected apathy on the part of the inhabitants. The official proclamation posted up by the allied authorities read as follows:

TO THE POPULATION:

The official representatives of the German Government have just presented to the London Conference propositions which show that the German Government does not wish to fulfill the engagements it assumed in signing the Treaty of Peace.

Before this attitude the allied powers are constrained to pass to penalties. Unanimously they have decided to assure themselves new guarantees in order to force the German Government to execute the clauses of the treaty.

In consequence, the allied troops have received orders to occupy as guarantees Düsseldorf, Duisburg and Ruhrort.

This occupation constitutes in no fashion a measure of hostility toward the population. Under the reserve of strict observance of orders, which the military authority will judge indispensable to promulgate, there will be no interference with the economic life of the region.

Not only will the working population have all facilities for work, but the allied authorities are willing to help them to better their situation and in particular to assure their food supply.

The allied command intends to maintain in the territories newly occupied a régime of liberty and order in which the prosperity of the country can develop.

DEGOUTTE,
Commander-in-Chief of the Allied Forces of Occupation.

Another proclamation informed the population that a state of siege would be maintained, with press and mail and telegraph censorship, and that severe penalties would be imposed for sabotage and carrying arms. Strikes in public utilities were forbidden. The day after the occupation the French began opening soup kitchens in the poor quarters of Düsseldorf. General Gaucher received the notables of the city and told them the conditions of occupation would be as lenient as was compatible with security. On March 10 a report to a Brussels newspaper told of the wounding of a Belgian guard in Duisburg by a shot fired by an unknown person.

Fearing trouble between the so-called Security Police and the forces of occupation, as well as possible clashes between this body of State police and the workers of the Ruhr district who consider them as nothing but "White Guards" ready to suppress labor uprisings, General Degoutte ordered the Security policemen in the occupied district to disband and leave on March 12. The local traffic police was to continue in service and was counted upon to co-operate with the occupying troops in maintaining order.

The taking over of the Custom Houses

along the Rhine was effected on March 8 without difficulty. The American troops of occupation took no part in these new activities of the allied forces.

On March 14 the Reparations Commission called upon Germany to prepare to pay by May 1 the balance of the 20,000,000,000 gold marks then due under the terms of the Versailles Treaty. This balance has been estimated at 12,000,000,000 marks and the commission said 1,000,000,000 of it must be paid by March 23.

MOVE TOWARD DISARMAMENT

Against stubborn opposition by the seven representatives of Bavaria, the Federal Council voted on March 12 to approve the draft of a law intended to meet the demand of the Allies for disarmament legislation carrying out the articles in the Versailles Treaty prohibiting the maintaining of warlike organizations, and two days later the bill was introduced in the Reichstag and referred to a special committee. Alarmed at the possibility of seeing the wiping out of its reactionary "Orgesch," the organization embracing hundreds of thousands of armed farmers and bourgeois counted upon to hold down any revolutionary uprising by the Bavarian working people, the Bavarian Government, headed by Dr. von Kahr, ordered its supporters in the Reichstag to fight the bill to the limit and even, according to a Munich report, asked them to withdraw their support from the Fehrenbach coalition Cabinet.

To a request by the Allies that Argentina stop the German exportation of war materials to that country, the Argentine Government replied that it had nothing to do with treaties negotiated between other nations, so it must deny the request; but on Feb. 22 Dr. Julio Morone, the Argentine Minister of War, stated that Argentina had made no purchases whatever of war materials in Germany since the war, nor was it negotiating for any such purchases. The Allied Control Commissions in Germany, it was announced in British official circles, will see to it that no shipments of war materials are made from Germany to any neutral country.

The contrast between governmental poverty on the one hand and the increase in prosperity by the huge business concerns on the other continued to grow sharper during the period. This was accentuated by semi-official reports showing that about 4,000,000 Germans were out of work, or working only part time. Of these 432,000 were drawing unemployment benefits in February, an increase of 32,000 over December. The State pawnshops reported a great increase during the last few months in the number of middle class persons obliged to pawn their least necessary possessions in order to keep alive. The Leipsic Fair opened on March 6, with 15,000 exhibitors and 100,000 visitors from twenty-five countries, and furnished further evidence of German determination to try to regain foreign trade, in spite of all handicaps. A Treasury statement for the eleven months ended Feb. 28 showed a deficit of 70,100,000,000 marks, receipts having been only 24,500,000,000. The deficit included a loss of 15,500,000,000 marks on railroad operation, and brought the floating debt up to 161,670,000,000 marks.

Reports from Berlin and Buenos Aires told of the Chilean Government's granting to the Krupp Company a thirty-year concession for 350,000 acres of land in the Province of Llanquihue, upon which to erect the biggest steel and munitions plant in South America. The North German Lloyd stockholders on March 5 voted annual dividends of 8 per cent. for 1919 and 1920 and increased capitalization by 250,000,000 marks. The tonnage of the oceangoing vessels entering Hamburg in February totaled 672,278, a gain of 16,831 tons over January. German exports to Great Britain in the last quarter of 1920 had amounted to £10,494,000, against £8,743,000 in the preceding quarter, and had contributed somewhat to the depression of the British labor market.

An appropriation of 4,700,000,000 marks to indemnify German shipping companies for war losses was voted by the Reichstag on March 12, bringing the total voted for that purpose up to about 12,000,000,000 marks. The companies pledge themselves to build at least one-third of Germany's pre-war tonnage within the next ten years, or about 2,500,000 tons.

THE PRUSSIAN ELECTIONS

The elections to the first regular Prussian Diet on Feb. 20 followed the same lines as those for the National Reichstag last June, i. e., a strong drift to the two extremes of

reaction and revolution, with the exception of a gain in votes by the Majority Socialists. This did not offset, however, that party's loss in Deputies, compared with its strength in the Prussian Constitutional Assembly chosen on Jan. 26, 1919. The new Diet is made up of 428 Deputies, apportioned at the rate of one for about every 40,000 votes. The old Assembly had 401 members. The results, as announced by the semi-official Wolff Telegraph Bureau on Feb. 23 and compared with the former Assembly, were as follows:

	New Diet.	Old Assembly.
Majority Socialists	114	144
Centrists	92	94
Democrats	26	66
Nationalists	75	50
People's Party	58	23
Independent Socialists	29	24
Communists	30	..
Middle-Class Party	4	..

The eleven Guelphs (Hanoverian Separatists) in the new Diet, as well as their six brethren in the old Assembly, are counted with the Centrists, as they generally work together on important questions. One of the Democrats from Slesvig-Holstein in the old Assembly was officially known as a Farmer Democrat.

Although the majority in the Diet controlled by the Government, composed of Majority Socialists, Centrists and Democrats, has been heavily reduced, it is still enough to work with, especially as there is little possibility that its opponents of the Right and Left can unite for its overthrow. So it appears likely that Otto Braun, a Socialist, will remain at the head of the Cabinet, although the formality of resigning was gone through on March 10. The People's Party (Hugo Stinnes's big-business political group), backed by the reactionary Junker Nationalists, is anxious to get places in the Government, but it is not expected that the Majority Socialists will let in its representatives, unless a defection by the Democrats or Centrists absolutely necessitates it. There were by-elections on Feb. 20 in Slesvig and East Prussian Reichstag districts. Count Bernstorff was elected as a Democrat from Slesvig.

The result of these by-elections was again for the Right and Left in the Reichstag and an increase in the total number of Deputies from 466 to 469. The Nationalists increased from 66 to 71, the People's Party from 62 to 65, the Communists from 24 to 26, the Independent Socialists from 59 to 61, and the Centre from 67 to 68, while the Democrats fell from 45 to 40 and the Majority Socialists from 113 to 108. The minor parties were not affected.

The Independents were the hardest hit in the popular Diet vote, compared with the Reichstag vote of last June, losing heavily to the new United Communist Party and to the Majority Socialists. In new Greater Berlin the vote was as follows: Majority Socialists, 427,300; Independents, 332,500; Communists, 194,900; Democrats, 147,800; Nationalists, 329,000; People's Party, 301,300; Centrists, 74,500; Middle Class Economic League, 98,300.

During the period there were the usual stories of plotting by the Junkers for the restoration of the monarchy and by the Communists for the setting up of a Soviet régime, but up to March 15 nothing serious along that line had developed.

Some excitement was caused by the publication in Holland and Germany of excerpts from a book said to have been written by ex-Kaiser Wilhelm for private distribution among his friends, in which he reviewed the causes of the World War and tried to shift the blame for its outbreak to Great Britain. Some of the Socialist and Liberal papers remarked that the ex-Kaiser was evidently trying to rehabilitate himself in the eyes of the monarchist element with the view of staging a "comeback" in the not distant future.

VOTERS RUSHED TO SILESIA

The days immediately preceding the plebiscite in Upper Silesia on March 20 were utilized to the limit by the Germans for rushing German voters to the district from every part of the Fatherland, under the direction of the German Defense League and a special railroad division headed by General Groener, wartime manager of the military railroad lines. Arrangements were made for 227 special trains to carry 200,000 German Silesians, resident in other districts, back to their old home, free of charge. These voters were to receive pay for lost time and free board and lodging while away.

Over the votes of the Independents and the Communists the Reichstag increased President Ebert's salary from 100,000 to 150,000 marks and his allowances for offi-

cial expenses from 200,000 to 250,000. The exchange value of a mark during the last few weeks has ranged from 1½ to 1¾ cents. A Berlin cablegram of Feb. 23 told of a shot, fired from the building opposite President Ebert's residence, which wounded a sentry on duty there.

There was an outburst of anti-Semitism in Berlin on Sunday, Feb. 27, when a mob of students raided the Jewish quarter and beat hundreds of Jews badly, despite the presence of many policemen, the latter confining their activities, according to a cabled report, to trying to pull the victims into trucks, out of reach of their assailants.

The campaign against the use of colored French troops in the occupied territory, begun many months ago by the Junker press and supported by some of the German Liberal papers, although deprecated by the Socialist and Communist press, continued, both in Germany and the United States, with renewed vigor. An official report by Major Gen. Henry T. Allen, commanding the American troops on the Rhine, submitted to the Senate on Feb. 19, showed that this campaign was largely based on exaggerated reports of outrages committed by the colored troops; these troops, he said, were under good discipline, and only sixty-six cases of alleged assault upon women had been officially reported to the French military authorities from the beginning of the occupation in 1918 to June 1, 1920. Of these only twenty-eight were proved and the culprits punished, while the results of twenty-three trials had not yet been made public.

FRANCE UNITED ON MAKING GERMANY PAY

Determined support of all the people given to the Briand Government in its invasion of the Rhine region—French Communism and how the authorities are dealing with it—Industrial depression makes the indemnity problem more acute

[PERIOD ENDED MARCH 12, 1921]

THE Briand Government, in its determination to make Germany pay for the damage she has wrought—a determination grimly evidenced in the early days of March by the invasion of Rhenish Germany—has the satisfaction of knowing that the whole nation is solidly behind it. A strong wind of impatience has long been blowing from the devastated regions of the North, where the people have become weary of waiting for reparations that never come, while their homes remain in ruins for lack of funds and building material. "Even where our factories have been rebuilt," said one of the victims of the German invasion, "they are empty. Why not make Germany give us back our looms and lace frames, so that we can get to work again?" The industrial depression visible in many parts of France has increased the feeling of belligerency, and keen observers have reported that, from the colliers of the north to the farmers of Alsace, the whole population is prepared to support the demand, "Make Germany pay!" French farmers everywhere, though now far more prosperous than the dwellers in the towns, as many of the peasant class have acquired new landholdings since the war, have no desire to give up their accumulated savings to a Government in financial straits while Germany evades the responsibilities of its wrongdoing. To the strength of this universal feeling were due the fall of the Leygues Ministry, the rise of Aristide Briand as Premier and the policy of "blood and iron" which that experienced statesman has conducted in closest co-operation with the taciturn but determined President Millerand.

Opposition to the new policy of drastic measures has come almost entirely from

the Socialist and Communist elements, which have been active in attack upon the Government since the seizure of the German towns upon the Rhine. An important part of the propaganda which their organs spread was based on the old charges that France was maintaining black troops in the German area, and that many outrages had been committed by the blacks, and by the French troops in general. It was also declared that the American Government was wholly opposed to the new invasion, and that the failure of the American troops in Germany to join the invaders was proof of this. To counteract this pro-German propaganda, Stephane Lausanne, editor of the Matin, and one of the most energetic advocates of a strong policy in regard to German reparations, went to Coblenz early in March to interview General Allen, the American General in command on the Rhine. Questioned, General Allen replied as follows:

> It is shoulder to shoulder we march; it is heart to heart. In everything we are in accord. * * * Moreover, there is uniformity of action in the four sectors occupied by the four allied nations. There is not any French régime, American régime, British régime or Belgian régime. There is only one allied régime, which we apply in perfect harmony. This is the first time the American troops do not do the same thing as their brothers in arms. But the American troops are not far away. They are quite ready and our flag still flies on the banks of the Rhine beside the French flag. For myself, I hope that it will fly there as long as the occupation lasts.

Regarding the black soldiers and the charge against them, General Allen said:

> On my honor, it is absolutely false. I have sent the State Department a report which tells the whole story. Whatever the Germans or excited Irish in America say in their campaign, facts are facts. These facts are that since many months there have been no black soldiers in the Rhineland, and that these soldiers when they were here committed no atrocities. * * * Only thirteen crimes were established, and these were severely punished.

VIVIANI'S NEW MISSION.

To counteract this propaganda more effectively, the French Government decided early in March to send, on an official mission to the United States, M. René Viviani, former Premier of France, noted for his efforts on behalf of the League of Nations. The appointment was officially announced on March 7, with the explanation that M. Viviani, better than any one else, "was fitted to bear witness to the pacific purpose of France, * * * and to prevent by disarmament a repetition of Germany's crime against civilization and liberty."

The story of the allied invasion of Germany is told elsewhere in these pages. Military and naval plans were making for the future. Though the Commission of the Chamber of Deputies reduced the proposed war budget for the year by a little over 1,000,000 francs, the sum actually reported by the commission totaled 5,144,000,000 francs. Furthermore, the naval program announced by M. Guisthau, the new Secretary of the Navy, called for a fleet able to defeat any fleet Germany might send to sea until the terms of the Versailles Treaty were fulfilled. Reports that Germany was already building new cruisers, reported to be of high speed and long cruising radius, were the explanation of this new French program, which called for six fast cruisers adapted to carry out a blockade, should it prove necessary.

The appointment of three new Marshals of France was announced on Feb. 20. The men so honored were General Lyautey, renowned for his activities as Resident General of Morocco; General Franchet d'Esperey, whose war record in France and in the Balkans was one of great brilliancy, and General Fayolle, who with his reserve army barred the way to Paris in 1918, who for a year was in command of the French Armies of Occupation along the Rhine. The appointment of these three new Marshals aroused a storm from the friends of other Generals not so honored, and it was said at the end of February that a bill introduced by these factions provided for the elevation of six more Generals to the rank of Marshal.

REPRESSION OF COMMUNISTS

The French Government continued to show a strong hand in checking the seditious activities of the Communists. Though the General Confederation of Labor had shown a strong tendency to drive out all those who advocated the application of the doctrines of Lenin, the plotters against the Government continued their underground activities. The arrest of the Russian agitator Abramovitch and his French accom-

plices showed that the French Intelligence Department was keeping its eyes open. The effect of the Communist teaching was brought into strong relief toward the end of February, when 800 workmen in an electrical factory at Argenteuil, a Paris suburb, hoisted red and black flags over the factory buildings and planned to take possession of the plant upon a Soviet basis. The police forestalled this plan, and the insurgents were paid off and new men sought to fill their places. Hundreds of gendarmes and Republican Guards patrolled the works and repelled a rush of the Red workmen across the bridge. No one was seriously injured.

Meanwhile the Government on Feb. 27 arraigned for trial ten Communist leaders implicated in the plots of last May to overthrow the Government by means of a general strike. Eighty witnesses were called to testify. The prosecution charged that the strikes were fully prepared with the intention of seizing supreme power and establishing a Soviet rule.

COMMERCIAL DEPRESSION

Unempoyment remained one of the great domestic problems with which the Government had to deal. One favorable feature was the downward trend in the price of coal. Daniel Vincent, the new Minister of Labor, explained to the Chamber in February the efforts being made to remedy the situation. Places were being found for men unemployed. Former agriculturists were being encouraged to return to the land; over 50,000 had responded to this appeal within a year. An increase of the Government allowance for those without work was advocated, and municipal and departmental work was being pushed, especially in the devastated area, to provide work for those unemployed. M. Vincent proposed some form of effective and intelligent control of immigration to diminish foreign competition.

Falling prices and commercial depression, however, were undeniable. Fear of a bank crash toward the end of February aroused serious proposals to launch what was called a "tacit moratorium" in Paris. Every one was trying to sell values, and no one was willing to buy. Debts could not be paid, and the situation was one that aroused alarm in business and financial circles. The Government, on its part, was doing all it could to recoup its shattered finances by means of taxation, which, as the French Government has shown, weighs much more heavily on the French than similar taxation on the Germans. One considerable source of tax income, the imposts levied on goods sent up the Rhine from Antwerp to Strasbourg, had aroused discontent in the latter city, and a strong Alsatian movement was on foot to induce the Central Government to remove these taxes, which, it was contended, were preventing Strasbourg from assuming its rightful place as the main seaport on the Rhine.

A new census of France was begun on March 5. The last French census was taken in 1911. In deaths on the battlefield France lost 1,700,000, but many causes combined to make the loss still greater. It is generally estimated that there are 3,000,000 fewer French than the 38,000,000 shown in the last census. Paris and the Mediterranean cities have received an influx of immigrants from the disturbed countries of Europe. It is estimated that there are 100,000 Russian refugees in Paris alone. The French method of taking the new census consists of determining who spent the night of March 5-6 in every house of France. The general results are expected to be published early in April.

CZECHOSLOVAKIA VETOES THE HAPSBURGS

Foreign Minister Benes warns Hungary that the restoration of the former reigning house would mean war—The schools desecularized

[PERIOD ENDED MARCH 12, 1921]

SPEAKING before the House of Representatives, Foreign Minister Benes of the Czechoslovak Republic announced that the purpose of his visit to Rome was to discuss with the Italian Government the questions of Austria and Hungary and of Hapsburg restoration. He declared he knew the Italian attitude to be in full accord with that of the Little Entente States. As to Austria, the Minister said, the union with Germany is impossible under the Treaty of St. Germain; moreover, Germany could not assume the contingent financial burden. The Minister then added that the republic had no conflict whatever with Germany, and continued:

"I wish to emphasize that we are willing to negotiate with the Magyars on every important question. But the Magyars must change their mentality and stop their insane propaganda in America, England and France, directed, first of all, against our State."

The Minister then pointed out the contrast between the domestic policies of Czechoslovakia and Hungary. In the former country, he said, the nobility, the anti-democratic upper hierarchy and the hereditary bureaucracy are wiped out; the affairs of the State are directed by the parties of the people. In Hungary, on the other hand, the social revolution which has taken place in Czechoslovakia was never achieved. That accounts for the utter difference in outlook, domestic and foreign; that is the obstacle to co-operation and rapprochement. The Minister proceeded:

Even more important is the issue of the form of government in Hungary. The return of the ex-King Charles to Hungary would mean for the neighbor countries an actual and justified casus belli. The elevation to the throne of a foreign dynasty or a Magyar noble house is neither timely nor possible, for internal reasons. As to the selection of another Hapsburg King, especially that of the Archduke Joseph, it was the Czechoslovak Government which after the overthrow of Bela Kun caused the retirement of Archduke Joseph from the regency; it was supported by the Jugoslav and Rumanian, as well as by the French, British and Italian Governments.

In accordance with the decision of the Council of Ambassadors, the return of the Hapsburg dynasty to any Central European throne, in any form and in the person of any Archduke, is precluded. The Czechoslovak Government adheres to this standpoint consistently and unconditionally. If the Hungarians attempt to challenge this determination of ours, we, together with our friends, would fight them with all means at our disposal, for we are convinced that the return of the Hapsburgs would endanger the new mid-European order. The Czechoslovak Government claims no right to interfere with the domestic affairs of other countries, and the question of the form of government in Hungary belongs to these domestic affairs. On the other hand, it cannot be doubted that the democratic principles of Hungary's neighbors are very valuable safeguards of peace, stability and the final restoration of friendly co-operation. If the Hungarian people would conceive of its political and national problem in this light it would find out soon what would be the best solution of its inner crisis.

NO GRUDGE AGAINST REPUBLIC

Ninety-five per cent. of the difficulties outstanding between Hungary and her neighbors would be eliminated if we could see that Hungary is developing in the direction of republicanism and democracy. Without wishing to interfere with Hungary's domestic affairs, we declare that as soon as Hungary decides for a republic the question of rapprochement, of friendship and co-operation, even of assistance, becomes timely at once.

In the Hungarian question we and our allies are in full accord. We are prepared for any emergency and have agreed as to the necessary action. We cannot imagine to shut ourselves off from Hungary, politically and economically, for any length of time. History teaches us that we cannot live in continued enmity with the Magyars.

Mr. Benes then said that Czechoslovakia did not object to a Polish-Hungarian entente, but expected loyalty from her ally, Poland. As to Russia, he said, after the débâcle of Wrangel nobody could think of intervention. Russia must stop her propaganda in and against the Western countries. Bolshevism in its present form is doomed, but the process of healing will be long, and

Russia in the meantime will not occupy the place due to her in the European ensemble. Czechoslovakia's attitude toward Jugoslavia and Rumania was defined by the policy of the Little Entente, Mr. Benes said, and concluded: "Our policy is that of peace, democracy and progress."

The Prague press reports that instruction in religion will cease in all Czechoslovak schools within the immediate future. Parents who wish that their children be instructed in religion may make arrangements with the priest or minister of their denomination, such arrangements to be supervised by the State. In the public schools ethics will supplant the classes in religion. All denominational schools are dissolved unless they give up their religious character.

RELIGIOUS FEUDS DIVIDE HUNGARY

The Horthy regime being opposed by the Protestants—Intrigues for restoration of the Hapsburgs—Anti-Jewish discrimination.

[PERIOD ENDED MARCH 12, 1921]

CHAOTIC conditions which have characterized Hungarian political life for the last two years continued throughout the first quarter of the year. Attempts by leading politicians to form new alignments merely served to bring into relief the lack of a constructive program and the dread of definite issues that mark the National Assembly of the Horthy régime. Notwithstanding the desperate economic situation of the country, with its Government bankrupt in all but name, its production completely paralyzed and its currency sunk to one-hundredth of its pre-war value, a sterile discussion of the problem of succession to the throne continued as the sole preoccupation of political leaders. The endeavor of Count Julius Andrassy, one of the main pillars of the old régime, to form a new "Christian national" party out of the governmental bloc, the pro-Hapsburg dissenters of the Farmers' Party, the "Democratic" followers of the exiled boss of Budapest municipal politics, Vazonyi and a few free lance politicians who under the old order belonged to the bodyguard of Premier Tisza, ended in complete failure owing to personal feuds and the refusal of the Count to profess his true colors, gleefully exploited by his opponents.

It was generally understood that Count Andrassy intended to issue from his retirement as the leader of the "Carlist" element, to champion the return of King Charles IV. He and his lieutenants insisted, however, that they wished to postpone the settlement of the succession issue "until all other problems of domestic and foreign policy will have been solved." This ambiguous statement did not satisfy the Carlists or legitimists, and alienated the anti-Hapsburg partisans.

In the meantime Mr. Rubinek and other leaders of the Farmers' Party made an effort to commit that group formally to the principle of electing a new King. Their failure, like that of Count Andrassy, is explained by the Vienna Hungarian Gazette on the ground that the whole issue concerning succession is an artificial one, as the majority of the people want a republic.

Much more important and promising than the bickerings of the Budapest politicians appears to that newspaper as well as to others the organization of a new Party of Independence by the Calvinist Bishop Balthazar at Debreczen. This event is generally interpreted as the declaration of war of Magyar Protestantism on the Horthy régime. Disagreement between the Catholic Clerical supporters of the Government and the Calvinist element, whose centre is Debreczen, nicknamed the Calvinistic Rome, had been manifest for several months. Calvinists were discriminated against, frequently crowded out from public office, and Calvinist sentiment was constantly and deliberately insulted by the Governor, Mr. Huberth, and his retinue, the local branch of the Society of Awakening Hungarians, cor-

responding to the Black Hundreds of Czaristic Russia. Bad feeling was accentuated by the arrival in Debreczen of the Hejjas detachment, most dreaded of Admiral Horthy's terror troops, billeted on the population as an express warning to behave and do the bidding of the Governor. The Municipal Council repeatedly requested the Governor's recall, but without success.

The climax came when the Calvinist "Main Church," highest shrine of Magyar Protestantism, was defiled in the most disgusting manner by "unidentified malefactors," known by everybody to be members of the Awakening Hungarians and partisans of Governor Huberth. The angered citizens demanded instant prosecution of the guilty, but no action was taken by the authorities. Instead, a few days later, when another Calvinist congregation was preparing to hold a musical fête in its church, the Governor sent a detachment of police to dissolve the crowd as an illicit political gathering. A riot was barely averted as the minister, in the last moment, announced that a religious service would be held in lieu of the musical exercises, and dared the police to interfere. These events stirred to the utmost Protestant sentiment in Debreczen and elsewhere, and the developments culminated in the organization of the new party by Bishop Balthazar, with the express purpose of rallying all the liberal and progressive elements of the country in opposition, not only to the present Ministry, but to the Horthy régime in general. Old time radical independents like Count Theodore Batthyanyi, Samuel Bakonyi, John Benedek and others immediately joined the Bishop and the movement is gaining strength. It is understood that the new party demands cessation of the persecution of liberals and Jews, disbandment of the terrorist army, renunciation of all monarchist plans and a democratic reorganization of the State.

PEASANTS AGAINST MONARCHY

A characteristic episode, throwing light on the anti-monarchist sentiment of the Magyar peasantry, occurred at the convention at Gyoma of the National Agricultural Federation. This body is the Hungarian branch of the notorious "Green International," founded by partisans of Wittelsbach and Hapsburg restoration. One of the speakers referred to the question of succession, whereupon the audience, about 3,000 strong, broke out in cries like "Down with the Hapsburgs!" "We want no King!" "Let's have a republic again!"

According to recently enacted law partially restoring old-time disabilities, enrolment of Jews in the universities is limited to 5 per cent. of the total number of enrolments, that percentage representing the proportion of Jews in the country's population. Even such rights, however, as are enjoyed by Jews under this measure are nullified by the action of the Faculty at Budapest in organizing "Committees on Credentials," consisting of professors and students. These committees pass upon the political reliability and general desirability of applicants, and under their rulings practically all Jews, however well qualified, were refused admission to the university. Special committees investigate the political soundness of professors. All these committees are controlled by the Society of Awakening Hungarians, and professors of Jewish race or advanced political views are relentlessly discriminated against. Thus Professor Alexander, noted philosopher, was removed in spite of almost half a century of distinguished service record; he now occupies a chair in the University of Geneva. Professor Marczali, greatest of Magyar historians, has been pensioned; Professors Beke, mathematician; Kövesligethy, physicist; Schmidt, Indologist and Revesz, psychologist, all men of European repute, are suspended.

A new fashion has been inaugurated at Budapest with governmental sanction; the greetings good morning, good evening and the like are to be supplemented by a new patriotic exclamation. Acquaintances meeting on the street call out to one another, "Magyar!" the response being, "For the Magyar." The reform is compulsory; those disregarding it are threatened with social ostracism and were in several instances mishandled by "Awakening Hungarians."

AUSTRIA RESENTS MAGYAR CLAIMS

[PERIOD ENDED MARCH 12, 1921]

COMMENTING on a statement by the new Magyar Foreign Minister, Dr. Gratz, to the fact that the Austrian Constitution guarantees a plebiscite to the population of Western Hungary, ceded to Austria in the Treaty of Trianon, a semi-official declaration published in the Vienna press says that such interpretation of the Austrian Constitution is wholly erroneous. All Austrian parties agree that the question of Western Hungary is finally settled, and that no plebiscite is necessary or even permissible. According to the second clause of the Constitution—containing the only reference to the district—the territory in question becomes one of the Austrian Federal States, under its ancient German name of Burgenland.

Vienna papers publish a price list on rifles, machine guns, cannon and ammunition, the document having been found on the person of an arrested Hungarian agent engaged in the smuggling of arms. The list contains, among other items, 162 field guns, quoted at 50,000 kronen each; 100 howitzers, at 120,000 kronen each, and three of the famous 30½ centimeter mortars, at 460,000 kronen each. It is reported that another large scale expedition for the smuggling of arms and ammunition has been organized by the Hungarian Government, and six officers of the Magyar Army have arrived in Vienna to negotiate and execute the matter. Vienna papers greet with satisfaction the demand of the Entente to deliver war material under the peace treaty, as such material merely serves as a temptation to the Horthy Government and usually finds its way across the Magyar border. The danger to Austria is obvious.

The meeting of the Austrian Anti-Semitic Association at Vienna on March 14 was followed by anti-Semitic demonstrations, which were subdued by the police without bloodshed; the demonstrators charged that the Jews were guilty of profiteering.

RUMANIA IN A NEW TRIPLE PACT

Inspired by France, she links up with Poland and Hungary against the Bolsheviki, with gratifying domestic results

[PERIOD ENDED MARCH 12, 1921]

THE Rumanian statesman Take Johescu may be considered the Father of "The Little Entente," yet when Prague and Belgrade failed to agree to the anti-Bolshevist provisions demanded by him (on the advice of France) he allowed Dr. Edouard Benès, the Foreign Minister of Czechoslovakia, to complete the work while he himself sought approval for his anti-Bolshevist policy at Warsaw and Budapest. There is absolutely no doubt of the Franco-Polish declaration negotiated by the Polish President, Marshal Pilsudski, at Paris, on Feb. 3, which paved the way to a realization of M. Jonescu's policy elsewhere, for we have the text of that declaration, issued Feb. 6, which reads:

> The two Governments of France and Poland, equally anxious to safeguard their security and the peace of Europe, have once more recognized the community of interests which unite the two friendly countries. They have agreed to confirm their will to co-ordinate their efforts and, with this aim in view, to maintain close contact for the defense of these higher interests.

Then, as we saw last month, M. Take Jonescu was able to bring his country into closer communion with France, via the Polish-Rumanian Treaty negotiated at Warsaw. In a series of articles, interviews and addresses he showed that the utmost goodwill existed between Bucharest and Budapest, which gave promise of closer relations between Rumania and Hungary. This attitude was cordially reciprocated by M. Praznowsky, the Hungarian delegate at Paris. Thus, the ground having been prepared, the Polish-Rumanian Treaty was

supplemented by the signing on March 2 at Budapest of a formal alliance against Bolshevism by Poland, Rumania and Hungary. Colonel Starzea signed for Rumania and Count Dembinsky for Poland.

A formidable barrier was thereby presented to Bolshevism in Central Europe, the dominating figure of which, on account of the Franco-Polish declaration of Feb. 3, is undoubtedly France—actually a defensive triple alliance of Poland, Rumania and Hungary against Soviet Russia—directed from Paris. The benefits to Hungary in her present economic distress are expected to be great, while it will probably demonstrate the futility of all attempts of the reactionaries at Budapest in their propaganda for a return of the Hapsburgs and a new union with Austria. This should give satisfaction to France, Italy and to "The Little Entente," and allay the fears of Dr. Benès, communicated last month to Italian statesmen in Rome. Indeed, in a way, it may be said measurably to strengthen "The Little Entente," the ultimate conception of which was to stop all attempts at a restoration of the Hapsburg régime, either at Vienna or Budapest.

The foregoing had an encouraging effect immediately in financial and industrial circles at Bucharest, where, although no official budget had been issued, the expenses of the State were 400,000,000 lei monthly and the receipts only half as much, with a deficit for 1920 of 2,400,000,000 lei, a consolidated debt of 4,486,000,000 lei, and a floating debt of 7,162,400,000. Added to the total national debt was the 5,000,000,000 lei paid for kronen of Transylvania and the rubles of Bessarabia, the annexed regions, in an attempt to unify the currency. The effect of the news from Budapest was to bring the lei nearer the franc.

Rumania recently purchased a number of British locomotives and by the end of the year order had been restored to the chaotic operation of the railways left by the Germans. This was a great asset for agriculture, as the peasants had found it more profitable to use their cattle in hauling products to towns than employing them in cultivating the soil. The rise of the lei also caused them to disgorge their hoardings, which had seriously embarrassed the Government, for the purchase of new stock and agricultural implements. As soon as the agricultural situation has become sufficiently stabilized, it is expected that the agrarian reforms, the expropriations of the large estates, will gradually go into effect as the peasants' ability and means for enlarging their areas of cultivation become manifest. Two syndicates, one British and one French, have undertaken to keep the railways and their rolling stock in repair.

BULGARIA COUNTS ON NEW SEVRES TREATY

[Period Ended March 12, 1921]

BELIEVING that the new position of Greece, the strength of the Kemalists in Turkey, and the changed attitude of France and Italy would impress Great Britain with the necessity of modifying the Treaty of Sèvres, at the Near East Conference begun in London on Feb. 21, Bulgaria spared no pains to revive her claims to Thrace and Macedonia. A large mass meeting was held in the hall of the Military Club in Sofia, which adopted a resolution to be sent to the London Conference demanding that Eastern Thrace, or that part of it which was not to be restored to Turkey, be given Bulgaria. At the same time the Executive Committee of Macedonian Societies in Bulgaria sent a manifesto to the Council of the League of Nations, attempting to reopen that subject on ethnic and historic grounds. All the old propaganda of the armistice days was revived in the press, where the Napred and the Proporetz called attention to the fact that Bulgaria, although her interests were as great as those of Turkey or Greece, had not been invited to the London Conference.

This attitude produced almost no repercussions at Athens, and consequently the Bulgar-Greek Immigration Commission sitting at Sofia to arrange a method under the Neuilly Treaty, by which minorities of Bulgars in Greek majority communities

might be taken care of, continued in the best of humor. However, there were repercussions in Belgrade, and the Serbian Government sent Sofia an ultimatum on Feb. 15, insisting on the execution of that article in the treaty in which Bulgaria had undertaken to return so many head of cattle to Serbia. The reply to the ultimatum was a good-natured document asking, in effect, that Serbia have patience, as Bulgaria was doing her best.

The Mir praised the good taste of the reply; the Zora declared that the Serbs were growing day by day more exacting; the Preporetz advised the Government, if the exactions of the Serbs were to continue, to appeal to the League of Nations. All three repudiated the charge made by the press of Belgrade that Bulgaria was getting ready to denounce the Treaty of Neuilly on the field of battle if she did not obtain what she desired from the London Conference.

Only second in interest to the foregoing question was the great meeting of 15,000 farmers and farm hands, which began in the hippodrome of the Military School at Sofia, Feb. 15. This was called the Agricultural Congress, and the chief importance of the gathering was its attitude toward Premier Stambolisky's program for a "Green International." The doings of this Congress, the particulars of which have not yet reached America, should be viewed in two aspects: The political and the agricultural. The present Sobranje, or Parliament, is made up of 216 Deputies, ranged as follows: Peasants, 110; Communists, 42; Democrats, 21; Popular Progressives, 21; Radical Democrats, 8; Social Democrats, 8, and National Liberals, 6. The rural representation is not astonishing when it is considered that 80 per cent. of the present Bulgar population of 5,001,000 are peasants, but that the urban population of the remaining 20 per cent. should have returned so large a representation of Communists has been of grave concern to the Government.

The decorations of the hippodrome were such as to lend emphasis to the new "Green International." Some of the placards were against the "Red International"; some against the "White International"—against the Bolsheviki on the one hand and against the reactionaries and militarists on the other. The largest placards read:

> Long live the International, which shall consecrate the brotherhood of European peoples and suppress the dictatorship of the minorities! In union there is strength. Farmers: Reach out your hands; the plow and the spade nourish the world. Render to the hangman those guilty of catastrophe and the militarists.

Between the speeches, the chief one of which was naturally made by M. Stambolisky, the delegates and their supporters viewed—through moving pictures—scenes of rural life and the way in which the new agricultural machinery from America was operated. The press of the capital grew very enthusiastic over the congress, said that Bulgaria's strength lay in her fields, and advised it to spread the gospel of the "Green International" abroad.

PERSIA'S COUP D'ETAT

[Period Ended March 12, 1921]

WHILE the Shah's Government was still wavering between the demands of the Moscow Government and the appeals of the Teheran merchants to defy Lenin and the Soviets, on Sunday night, Feb. 20, the Persian General Reza Khan, with 2,500 National Cossacks, took possession of the capital and deposed the Siphadar Cabinet, replaced its officials by Cossack officers, and sent agents to the British troops requesting them not to withdraw to the south. The coup, however, was made from Kasvin, which is the British headquarters.

In the following days the Cossacks made several arrests among the pro-Bolshevist agitators, and even certain Nationalists with anti-British proclivities were not overlooked. Guards were given to important foreigners, not propagandists, and their dwellings picketed for protection. There was no counter-rising whatever.

The new Cossack administration declared that it is only temporary, that it is loyal to the Shah, but will in the future direct how he shall negotiate with the Soviet Government.

JUGOSLAVIA COMPLAINS ABOUT BULGARIA

Formal charges that the treaty of Neuilly is violated are filed with the Supreme Council —Death of ex-King Nicholas helps to end Montenegrin propaganda

[PERIOD ENDED MARCH 12, 1921]

JUGOSLAVIA on Feb. 15 formally complained to the Supreme Council that Bulgaria was not carrying out the terms of the Treaty of Neuilly, particularly those clauses relating to restitutions to be made to Serbia. It was also pointed out, in a note to the Council of the League of Nations, that no sooner had Bulgaria's position as a member of the League been assured than, by a new application of the Law for Compulsory Labor, she had repudiated Article 65 of the treaty, which abolished compulsory military training, and by a ministerial decree issued Dec. 29, 1920, had transgressed Articles 66 and 67, which stipulated respectively that the Bulgar Army should be limited to 20,000 men and that the largest military unit should be the division. Belgrade alleged that the army had grown to 45,000 men, that the country had been divided into three military regions, each of which contained a division, officially scheduled as a "regiment."

It was also alleged that Article 78, which limits fortified places, had been violated. Bulgaria never had any fortified places, but hastened, it is said, to create five, now armed by heavy field and mountain artillery, which, according to Article 77, should have been handed over to the Allies. In the same way 110,000 rifles were retained when the treaty permits only 37,950.

The Politika of Belgrade in a series of articles has spread its doubts of the sincerity of the Bulgar Premier, Stambolisky, and even charged that he was not the firm friend of the Allies he pretended to be during the war. Although there have been no revelations from Sofia on this point, the Politika of Belgrade affirms that at a recent sitting of the Bulgarian Sobranje Professor Dansiloff, one of the leaders of the Democratic Party, produced and read a secret letter, dated Sept. 20, 1917, which had been sent by representatives of the Peasant (Stambolisky) Party to General Zhekoff, Commander in Chief of the Bulgarian Armies, expressing the readiness of the party to support the pro-German Government and continue the war, and asking certain political concessions in return. The Politika continued:

> The reading of the letter caused a sensation in Sofia and consternation in the ranks of the Government. The Minister for the Interior immediately had a search made in the houses of the two Democratic leaders, Danailoff and Vasilieff, with a view to seizing the original. * * *

Thereupon the Bulgarian Minister at Belgrade, M. Todoroff, undertook to explain matters. He did not deny the authenticity of the letter, but he urged that M. Stambolisky had wished to avail himself of the misunderstanding that had arisen between the Supreme Command and the Radoslavoff Cabinet, in order to pull down the latter and set up a government under Malinoff. The secret aim of this new Government was to be a reversal of "Czar" Ferdinand's policy, while they maintained at the same time a show of friendship toward Germany in order to deceive the "Czar" and his entourage. In reply to this explanation the Politika said:

> The policy of M. Stambolisky and his party is of a duplicity unexampled outside Bulgaria. It is impossible to tell when they are speaking the truth and when, in their hearts, they conceal something totally different from that which they have on their lips.

Two events occurred which have gone far to remove the Montenegrin question from being a thorn in the side of the Belgrade Government, particularly among its enemies abroad—the death of the dethroned King Nicholas and the reports of the British Commissioners, Roland Bryce and Major L. E. Otterley, in regard to the elections in Montenegro.

As long as King Nicholas lived he could not help but have a following, particularly among the older Montenegrins, who had regarded him as the natural head of the Serbo-Montenegrin people—an opinion, however, which will not descend to his sons, Danilo and Paul (Mirko, the third son, is believed to be dead). To advance the interests of the Serbo-Montenegrins he mar-

ried two of his daughters to German Princes and two to Russian Grand Dukes, one into the then exiled Karageorgovitch house of Serbia, one into its rival, the Obrenovitch dynasty, and finally one to the then heir apparent to the Italian throne, now Victor Emmanuel III.

Although he declared war on Austria-Hungary shortly after Vienna had declared war on Serbia, his negotiations for a separate peace with the enemy show that he believed the cause of the Allies to be lost. There are documents in existence even betraying his lack of sincerity toward the Entente. Since the armistice he had been a pensioner of the French Government at Antibes, where he conducted a propaganda for the recovery of his throne until his death there, on March 1.

It is now expected that the Nationalist Party in Montenegro, which has been campaigning for independence, but without a restoration, will gradually cease hostilities toward the established Government, and that the Supreme Council will finally define the actual status of Montenegro as a part of the monarchy of the Croats, Serbs and Slovenes—Jugoslavia.

GREECE AND THE CONFERENCE ON THE TURKISH TREATY

[PERIOD ENDED MARCH 12, 1921]

DURING the Near Eastern Conference at London, from Feb. 21 to March 12, the Greek Bulé (Parliament) several times adopted resolutions directing the conduct of the Greek delegates, M. Kalogeropoulos, Premier and Foreign Minister, and M. Gounaris, Minister of War. Former Premier Venizelos was not present at the convention officially. He went to London from Nice to advise and lend his moral support to the Greek delegates, if requested and required, because, to use his own words: "I believe Greece capable of carrying out the requirements asked of her in the Treaty of Sèvres, and I love Greece more than I dislike Constantine."

During the absence of the delegates from Athens, M. Baltazzis acted as Foreign Minister. The entire Cabinet, reconstructed by M. Kalogeropoulos on the eve of his departure, was as follows, aside from his own portfolio and that of M. Gounaris:

Agriculture	M. Baltazzis
Justice	M. Theotokis
Finance	M. Protopapadakis
Marine	M. John Rhallis
Education	M. Theodore Zaimis
Interior and Communications	M. Tsaldaris

All were drawn from the personal party of M. Gounaris, and all, with emphasis on the leader, who was the faithful friend of Professor Streit, King Constantine's Kaiserlich adviser, had been noted for their pro-German tendencies. In passing through Paris, on Feb. 17, M. Kalogeropoulos, following the example of other visiting statesmen, placed a wreath on the tomb of "the unknown hero," which act was bitterly resented by the Paris press. Then the Greek Premier explained his mission as follows:

> We shall wait the first move from Turkey. I understand that the Turkish delegations will come forward with demands for the revision of the Treaty of Sèvres, which it would be impossible for my Government to accept.
>
> All the treaties, and the Treaty of Sèvres in particular, have given freedom to peoples who have heavily and brutally suffered under the foreign yoke, and I cannot humanly imagine that the great powers will dream of allowing these redeemed peoples to go back to foreign enemy domination. Greece stands entirely by the Treaty of Sèvres as it exists today. She has absolute confidence in her ability to make it respected by Turkey to its full and entire extent.
>
> As Greece is fighting a common struggle, which also affects the position of the allied powers in the East, we consider it to be just that no hindrance shall be placed in our way, but that assistance shall be granted us. When I say assistance, I mean that Greece will be very pleased to do everything humanly in her power for the common cause and to offer all her assistance to the great allied powers.

On March 2 he sent a dispatch to his Government giving the Lloyd George-Briand plan for relieving Greece of some of her responsibility under the Sèvres

Treaty. The proposals principally concerned the Smyrna district, now occupied by the Greeks. This was to be converted into a semi-independent province, administered by Christian Governors appointed for terms of five years, the Turks retaining the civil and military control, but the judiciary and finances to be under an international commission, and with a police force composed of both Greeks and Turks.

This plan was rejected by the Athens Bulé in a dispatch to M. Kalogeropoulos two days later. About the same time the Greek delegation received resolutions adopted by the Committee of Unredeemed Greeks at Constantinople and from various Greek bodies abroad, many of which, while condemning King Constantine and praising Venizelos, still implored M. Kalogeropoulos to stand by the treaty. The Bulé voted that to accept the proposals would be "equivalent to the surrender of rights definitely established by endless sacrifices made by the Greek Nation in common with her great allies."

The Bulé presented a united front on this question and is preparing to legalize certain, although not all, acts of the former Government, by which means the Constantine Government hopes to obtain the balance of the $50,000,000 American loan contracted by Venizelos. However, the duel has already begun between the only two organized bodies in the Bulé—the followers of Gounaris, who number 70, and those of Venizelos, who number 110—for the remaining 185 Deputies. Many of these are believed ready to go over to the Venizelos side should a crisis arrive in which the honor of the nation would be at stake—as, for example, too great a curtailment of Greek rights in the Treaty of Sèvres.

Although M. Gounaris had declared before he left Athens that the censorship of the press, posts and telegraphs would not be restored, things are happening in the capital which reach foreign lands only through travelers from Greece. The wide sweep made of the supporters of Venizelos in the civil service, particularly in the judiciary and the schools, was mentioned last month, but there are the strikes in the city transport service and on the provincial railways. In many services the places of the strikers have been taken by soldiers and marines. Delegations of strikers interview King Constantine every day with a more and more determined air. Hs listens quietly, bids them be patient and usually sends them away in good humor. Yet the conditions of which they complain are not changed; so they come again.

CONSTANTINE'S DUAL ATTITUDE

This is one phase of the Constantine attitude—the approachable, democratic phase. There is another—the autocratic. It will be noticed that the cable dispatches speak of the Bulé, or one-chamber Parliament, as the "Assembly." That is because the King has proclaimed it to be the "National Assembly." There appears to be a grave question whether he could constitutionally do this. Outside the Bulé and his Government there is no power adequate to call him to account; within, there is no disposition to do so, for this reason: As a National Assembly, the present Bulé is the supreme authority in the State; it directed the Greek delegates at London; it can revise the Constitution, rescind laws and annul all local legislation. It does not, like other Parliaments, come to an end after a definite term, although, as the Bulé, it was elected last November for four years. It pronounces its own dissolution and so can sit as long as it desires, unless, indeed, the King should meanwhile declare it to be what it probably legally is, the Bulé, and so be able to dissolve it or allow it to run its legal term.

The matrimonial alliances just formed between the reigning houses of Rumania and Greece—of German and British origin on one side, and German, Russian and Danish on the other—are viewed much more seriously in Athens than they are in Bucharest. There Emperor Charles's note to King Ferdinand advising him to surrender, and adding, "We Kings must stick together," is still jeered at. At least some of the Athenians believe that what prestige they may lose with the Allies will be more than counterbalanced by their new gains through the royal alliances.

The weddings took place as per schedule: That of Prince George, Duke of Sparta, heir apparent to the Greek throne, and Princess Elizabeth of Rumania, at Bucharest on Feb. 27; that of Crown Prince Carol of Rumania to Princess Helen of Greece on March 10 at Athens.

REVISING THE TURKISH TREATY

Delegates from Greece and from the two rival Governments of Turkey meet with the Supreme Council in London—What each delegation seeks

[PERIOD ENDED MARCH 12, 1921]

THE eagerly awaited New East conference, to which the Supreme Council had invited delegates from Greece and from the two Turkish Governments—the Constantinople and the Angora—to debate the expediency of maintaining the Treaty of Sèvres in its present form, was held in London, Feb. 21 to March 12. By the latter date the Greek delegates had reluctantly taken under advisement the proposal of the Supreme Council to accept certain changes in the status of Thrace and Smyrna, now occupied by Greece, while the Turkish delegation had agreed to accept these changes and other concessions, provided they "be adapted to conditions indispensable to the existence of free and independent Turkey."

Then while the Constantinople delegation awaited the Sultan's verdict on the rapprochment it had made with the Angora delegation of Nationalists, the latter went to Paris to negotiate directly with the French Government that portion of the agreement which pertained to the French occupation of Syria and Cilicia and peace with France.

While the conference met at St. James's Palace as often as the health of the Turkish Grand Vizier permitted, the Supreme Council interviewed the delegations separately at the British Foreign Office, 10 Downing Street. At the palace the delegations also had meetings when the Supreme Council was not present in an attempt to effect a modus vivendi.

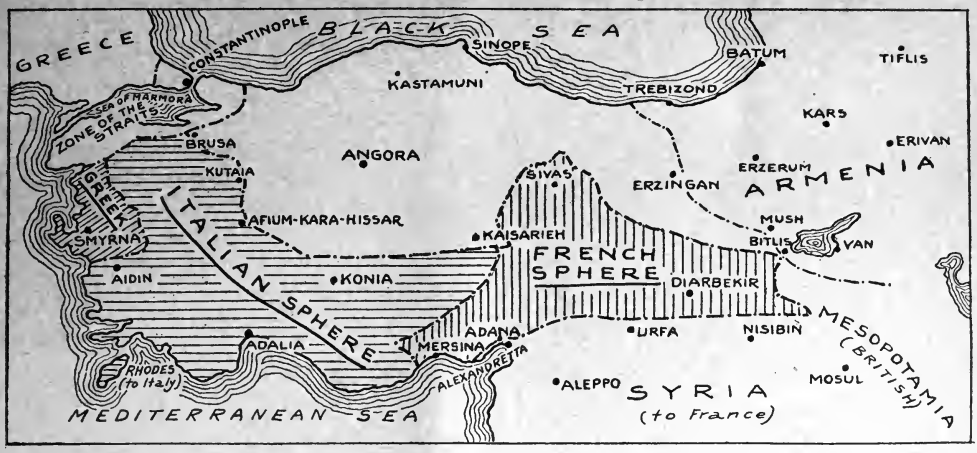
THE CHIEF CONFEREES

On the Supreme Council the British Prime Minister usually represented Great Britain, although at times the empire's representative was either Lord Curzon, Secretary for Foreign Affairs, or Robert G. Vansittart of the Foreign Office. France was usually represented by Premier Briand, with Philippe Berthelot as second French delegate, and Count de Saint-Aulaire, the present French Ambassador at London, as third. Count Carlo Sforza, the Italian Foreign Minister, represented Italy. Baron Gonsuke Hayashi, completing the Supreme Council, represented Japan.

The Greek delegation was headed by the new Prime Minister, M. Kalogeropoulos, and with him was M. Gounaris, the Greek War Minister. Armed Tewfik Pasha, the Grand Vizier, headed the Sultan's delegation from Constantinople, while Bekir Sami Bey headed the delegation sent by Mustapha Kemal Pasha from the Turkish Nationalist capital at Angora. At certain meetings were heard Nubar Pasha, who spoke for the Armenians of Anatolia, and A. Haronian, who spoke for those of the Transcaucasia.

The influences which finally induced the British Prime Minister to call the Near East conference had been at work ever since Greece exchanged Venizelos for King Constantine last December, and since the continued resistance of the Nationalist Turks made it apparent that the Treaty of Sèvres could not be executed except through a prolonged struggle. Thus France, who was not willing that King Constantine should undertake to carry out the pledges given by Venizelos, began to negotiate a separate peace with the Turkish Nationalists, and expressed her willingness to have the terms of the treaty modified in favor of Turkey. Italy, who had been forced to surrender much to Venizelos, saw a chance to recover some of her prestige, if not her concessions in the Levant, also urged a review of the treaty.

The British Prime Minister, when he consented to the conference, however, declared to the House of Commons that the British Government could not repudiate the Constantinople Government, which it had brought into being, nor the Greek mandates, which it had aided in bestowing; suggestions for changes must come from others. Both the Turkish Governments were naturally ready to suggest these changes, while the Greek Government was just as naturally adverse to any change at all.



The above map shows the area left to the Turks in Europe and in Asia Minor by the Treaty of Sèvres, together with the Armenian frontier as laid down by President Wilson in accordance with the treaty. It also shows the territories within which France and Italy, in virtue of the Tripartite Agreement signed at Sèvres on Aug. 10, 1920, enjoy preferential claims to supply the staff required for the assistance of the Porte in organizing the local adminisrtation or police. The contracting powers in that agreement have undertaken not to apply for, nor to make or support, applications on behalf of their nationals for industrial concessions in the areas allotted to another power. In the Greek area—Ionia—the Greek Government is to enjoy administrative privileges for five years, and at the end of that time a plebiscite is to decide whether or not Ionia is to be annexed to Greece. For the zone of the Straits a special international régime is prescribed.

The treaty of peace between the allied powers and Turkey, which was signed at the porcelain establishment at Sèvres, France, Aug. 10, 1920, has never been ratified. When the draft was handed to the Sultan's representatives in Paris on May 11, 1920, it was described as designed, first, to set forth the conditions upon which the allied powers would make peace with Turkey, and, secondly, to establish those international arrangements which the Allies had devised for more stable and equitable conditions among the conflicting races of the old Turkish Empire.

THE SULTAN AND KEMAL

The Sultan, importuned by the French and Italian members of the Inter-allied Commission, and, it is understood, so secretly advised by the British, was about again to importune Mustapha Kemal Pasha that the delegates from Constantinople and Angora to the London Conference form one Pan-Islamic body. Then he heard that the Turkish Nationalists had offered his throne with the Caliphate to his cousin, Osman Fouard Effendi. Osman Fouard is a grandson of Murad V. and his wife, who was the daughter of Abbas Hilmi, Khedive of Egypt. Ordered to the Palace, where the Sultan is said to have expressed great anger, Osman Fouard said that he was sorry at the precipitate action of the Nationalists in calling him; but they could hardly be blamed, as all they desired was union, also moderation in order to secure peace. He added that he had several times declined importunities to go to Angora, believing that the interests of Turkey urged that he remain in Constantinople.

With the interview, however, had ended all hopes of a joint Turkish delegation to London. On Feb. 16, the Constantinople delegation departed, traveling by way of Paris. It was composed of Ahmed Tewfik Pasha, the Grand Vizier; Sefa Bey, a former Foreign Minister, and, on the way, was to pick up Osman Nizami Pasha, Minister at Rome. On the same day the Angora delegation, led by a man of great eloquence and learning, Bekir Sami Bey, was reported at Brindisi, on the Italian coast, having come from Adalia, the Italian zone port in Asia Minor. It should be remembered that the Italians, on account of their having been obliged to surrender much to the Greeks by the Treaty of Sèvres, were even more anxious to have the treaty revised

than were the French. The latter, aside from their hatred of the Constantine Greeks for their massacre of French soldiers at Athens in 1916, also desired peace with the Nationalists, whose supremacy at Constantinople would greatly weaken the prestige of the British, by whom alone the Sultan's Government had been created and kept in power.

WHAT THE SULTAN WANTS

Both delegations came loaded with data and accompanied by a corps of secretaries. It was reported that the Sultan's delegation bore demands based on what they understood were Kemal Pasha's desires. The demands of the Sultan's party were these:

1. The economic independence of Turkey, without limiting its national and natural frontiers.
2. The Turks undertake to bestow upon the minority Christians all the guarantees of protection capable of safeguarding their liberty and their religion.
3. The Turks ask a modification of the clauses of the Treaty of Sèvres on certain economic, financial, naval and military questions.
4. The Turks ask for the financial aid of the Allies in rehabilitating Turkey.

Kemal's delegation was ordered to secure peace without surrendering in principle any of the Nationalist former demands; if possible in conjunction with the Sultan's delegation, and if not in London, then in Paris. There the Nationalists were prepared to concede to France economic, educational and constructive demands in Syria, provided the French evacuated Cilicia, surrendered Aintab and Ourfa, acknowledged full Turkish sovereignty over the Port of Alexandretta and the mutual use of the Hedjaz railway. This road, however, would be operated by the French under a mixed directorate. Their proposals to be presented at London, and to form the basis of their negotiations at Paris, were as follows:

WHAT KEMAL WANTS.

1. That all countries inhabited by the Turks, excluding those in which Arabs are in the majority, should remain part of Turkey, and that within those areas the Turkish nation should exercise full sovereign rights.
2. That the Turks are willing to concede to minorities the same rights as are provided for in the minority clauses of other treaties, subject to themselves receiving similar rights in countries in which they are in a minority.
3. That the Turks are prepared to concede freedom of navigation to all nations through the straits provided that Turkish sovereignty be unaffected.

Just before the departure of the Angora delegation it was reported in Constantinople that Enver Pasha had returned from negotiating with the Bolsheviki in Transcaucasia and had declared that they were not to be trusted. Kemal is reputed to have replied that he, too, distrusted Moscow, but that they suited his own policy well enough for the time being. He sent this message by Bekir Sami Bey to the London Conference:

> In participating in the Conference of London we do not permit ourselves to prejudice the friendly relations existing between Turkey and Russia.
>
> That does not mean that we adopt the principles of communism, for social conditions in Turkey do not permit of their application. The parties which were recently organized among us with this end in view have comprehended this truth and have ceased their activity.

A Pan-Turkish Congress was quietly held in Rome on the eve of the London Conference. Here secret delegates from both the Constantinople and the Angora Governments were present. A note containing the six resolutions adopted by the Congress was handed to the French Ambassador at Rome, M. Barrère, with the request that it be transmitted to M. Briand. This was done. A copy of the note was given to Count Sforza, the Italian Foreign Minister, on his departure for London. At Paris he and Briand are said to have viewed the joint demands favorably, although with reservations. The text of the six resolutions has not been revealed, but the preamble is known to state that they were adopted after complete understanding had been established between the Constantinople and Angora delegates.

Talaat Pasha, former Grand Vizier and Minister of Finance of Turkey, was assassinated in Charlottenburg, a suburb of Berlin, March 15. He was shot to death. The murderer, an Armenian student, who accosted Talaat in the street and then fired the fatal shot, was arrested. He also wounded Talaat's wife.

Talaat Pasha was walking with his wife when he was spoken to by the student, who approached him from behind. As Talaat turned to return the greeting the stranger fired at the former Grand Vizer's head, kill-

ing him instantly. A second shot struck Talaat's wife. The assassin threw away his weapon and attempted to escape, but a crowd of pedestrians captured him, beat him severely and then turned him over to the police. His name is said to be Salomon Teilirian.

Responsibility for the massacres of Armenians was thrown on Talaat Pasha and soon after his arrival in Berlin it was reported the Turkish Government would demand his extradition, along with that of other Turkish Generals.

STABLE CONDITIONS IN SCANDINAVIA

A temporary Cabinet crisis in Sweden—Swedish exchange rates the highest in Europe, in spite of a decline in business activities—Developments in Norway and Denmark

[PERIOD ENDED MARCH 12, 1921]

THE political deadlock in Sweden prevented the formation of a Cabinet to take the place of the De Geer Ministry, which resigned in February on losing its support in both Chambers of the Riksdag. First, M. Goeste Tamm, Minister of Finance, resigned as a protest against the rejection by both Chambers of a bill to increase the import duty on coffee. The other Ministers soon followed, owing to the Government's failure to cope with the situation left by the Hjalmar Branting Cabinet of Socialists in October, 1920. The Swedish press assigned as reasons for this failure the futility of Baron de Geer's efforts to form a Government on a parliamentary basis, the appropriations of his Government for socialistic purposes, such as socialization of juries and establishing the eight-hour law and the neglect of measures to better the economic and trade situation.

King Gustav applied to Hjalmar Branting to form a new Ministry, but he declined, declaring his inability to do so with the Liberal minority left in the Riksdag by the defeat of the Socialists last Fall. Then the King requested, in turn, Admiral Lindman, leader of the Conservatives, and Professor Eden, leader of the Liberals, to undertake the task, but they also declined. Henning Elmquist, the outgoing Minister of Social Welfare, also was a candidate, but was opposed by the powerful Peasant Party in the Riksdag. Finally, King Gustav asked M. von Sydow, the Governor of Gothenburg, to form a new Cabinet, and he was expected to succeed in reconstructing the old Cabinet. It was understood that he would probably replace the former Minister of Finance by M. Beskow, a bank Director, or by M. Knut Dahlberg, a Stockholm Alderman.

The exchange rate of the Swedish krone on March 12 was 22.70 cents, as against 20 cents a year ago; that of the Danish krone was 17.20 cents, as against 17 cents a year ago, and that of the Norwegian was 16. In all Scandinavian countries the par value of the krone is 26.8 cents. In Norway the krone is only a little lower proportionally than the Swiss franc; otherwise the Scandinavian rates are all proportionally higher than those of any other European coins. The German mark is almost at the lowest exchange rate; though its normal value is 23.8 cents, it is now quoted at 1.62 cents, as against 1.32 cents a year ago.

The low rate for the German mark is considered the key to the general depression of exchange for all European countries, and not until the indemnity question is settled does much rise in trade appear probable for other lands. The fact that the German mark has greater purchasing power at home than its exchange rate abroad and the cheapness of German labor have had a depressing effect on the trade and industry of Sweden and the other Scandinavian countries.

The "dumping" of German goods on Sweden, strangely enough, has caused Sweden to import more steel and pig iron than she has exported in the past year. This accounts for the closing down of many factories, slumps in business and financial stringency in Sweden toward the end of 1920, in contrast with the lively markets and great commercial activity that marked

the first half of the same year. Trade was hampered by falling prices for most articles of native manufacture, uncompensated by any fall in the price of labor and general costs. Increasing scarcity and dearness of money reduced purchasing power. Backed by cheaper labor and lower general costs, German goods could compete with Swedish even in the Swedish markets.

The monthly returns of the Board of Trade in London showed for the last half of 1920 an excess in the value of Swedish imports over exports which resulted in an unfavorable trade balance of increasing importance. The difficulty of financing this trade deficit, which was expected to reach about 1,000,000,000 kroner (£55,500,000), has been the chief cause of the financial strain in Sweden. The banks were selling credit for the purpose of meeting the indebtedness of the trade to foreign markets. Special cable reports recently received at the National City Bank of New York, however, show continued prosperity for Scandinavian banks.

Meanwhile many Swedish foundries had to close down or keep short hours, owing to the fact that German foundries could convert exported Swedish iron ore into pig iron and steel more cheaply and undersell the native product in Swedish markets. Scarcity and dearness of coal further hampered Swedish industry, necessitating the laying under contribution of the Swedish coal mines in Spitzbergen, and importation of coal from America, South Africa and Australia on account of the limitation of coal exports from England.

Negotiations continue for a trade agreement with Soviet Russia, but the education and intelligence of the middle classes have balked Bolshevism in Sweden, according to Professor Per Hugo, a delegate of the Swedish Royal Board of Education, sent recently to study conditions in the United States.

DENMARK—King Christian and Queen Alexandrina will visit the Faroe Islands, the Kingdom of Iceland, and the Colony of Greenland at the end of June, according to an official announcement. The visit to Iceland was arranged for last Summer, but had to be postponed because of the injury the King received when thrown from his horse before the solemn entry into Hederslev, in Danish Slesvig. The visit to Greenland is to celebrate the bicentenary of the resettlement of that Dominion, in June, 1721, when the Norwegian missionary, Hans Egede, was surprised to find only Eskimos there, not knowing that Eskimos, in the sixteenth century, had destroyed the descendants of the colony of Eric the Red, who settled there in the ninth century. No Danish King has yet visited Greenland. Iceland was visited by King Christian IX. in 1874, when the millenary of the old Norse settlement of Iceland was celebrated, and the Icelanders were granted the Althing, their local Parliament. Later King Frederick VIII., with members of the Danish Rigsdag, went to Reykjavik in 1907, when the revision of the relationship between Denmark and Iceland began to be seriously discussed. Queen Alexandrina will be the first Danish Queen to visit those far northern countries known as Danish America.

For the last thirty years no criminal has undergone capital punishment in Denmark, though Danish courts may impose death sentences. Owing to the recent increase of murders, there is a growing public demand for more drastic penalties. Minister of Justice Rytter announced in March that hereafter justice will be meted out, in accordance with the strictest reading of the laws, to persons guilty of violence, robbery and similar crimes.

According to a cable received at Washington from Copenhagen, March 14, the Danes in Central Slesvig polled a very considerable number of votes in the elections March 13 to the German Reichstag and Landtag. In the city of Flensborg the Danes polled 3,670 votes out of 28,000, and in the city and county of Flensborg there was a total of 4,300 Danish votes. A Dane has been elected to the Council of the Flensborg County District. The Danish newspaper Flensborg Avis says that even the Danish optimists were not disappointed by the result of the election.

In the plebiscite in Central Slesvig last year the territory voted to remain under German rule, but there was a considerable Danish minority, especially in Flensborg and the northern rural districts.

NORWAY—In a general way, Norway's export trade had a satisfactory year in 1920. Sections of the electro-chemical industry prospered, owing to the immense resources of hydro-electricity, but mining and canning industries suffered. The rising

quotations in whale oil made the whaling industry satisfactory, but the other fisheries underwent depression, owing to the loss during the war of the South European markets. Norway's exports were sufficient to force up the exchange value of the krone. Lumber and wood pulp made considerable increases. In the middle of February a shipping crisis was reported; vessels aggregating 700,000 tons, one-fifth of the total tonnage, were laid up. One-tenth of the national capital of Norway is invested in shipping, and the owners were appealing to the State, the banks and other organizations interested to aid in removing the difficulties.

COUNTER-REVOLUTION IN RED RUSSIA

Menace to Soviet Dictatorship in serious Outbreaks in Petrograd and Disaffection of the Baltic Fortress of Kronstadt—Desperate Food and Fuel Situation a Factor in Growing Spirit of Revolt—Crisis faced by Bolsheviks from the Inside

[PERIOD ENDED MARCH 12, 1921]

WITH the defeat and rout of the armies of General Baron Peter Wrangel, the Moscow dictators believed Red Russia's military troubles were over, affording a breathing space in which to prepare the gigantic work of economic reconstruction. The events of the first two weeks of March, however, indicated that the Soviet's way to absolute power was not yet clear, and that the new enemy, coming from within, was more formidable than any before encountered. General strikes in Petrograd and Moscow led to serious street fighting, in which many were killed and injured. The Petrograd workers were joined by sailors from Kronstadt, and the holders of that important fortress on the Neva, a city in itself, finally arrested the Bolshevist commissaries within its walls, hoisted the flag of revolt, and declared war on the Soviet régime. The small fort across the river, known as Krasnaya Gorka (Red Mountain) at first threw in its lot with Kronstadt, but was finally recapured by the Bolshevist forces, and its guns turned on Kronstadt. Battle by bombardment was still continuing when these pages went to press. Though the dictators at first belittled the insurrection, they finally realized the seriousness of the situation, especially as the counter-revolutionary movement was spreading all over European Russia and into Siberia. The Moscow rulers were taking extraordinary measures to crush the movement, without any appreciable success.

The first intimation of revolt reached Riga (Latvia) on Feb. 25. Some 14,000 Government workers in Petrograd, including the printers, had gone on strike the day before. They demanded an increase bread ration, the convocation of a Constituent Assembly, and the right of free trade. Disorders followed, which Government troops were called out to suppress. Machine guns were turned on the demonstrators. The number of the strikers killed or wounded was estimated at 150. Deserters from the Red Army joined the revolters. Serious fighting lasted for several days. Then the strikers were joined by a detachment of sailors who had come up from Kronstadt on an icebreaker. Food troubles had already alienated the Kronstadt garrison, which on Feb. 26 revolted and seized the local Bolshevist commissaries as hostages. At the same time news came of a general strike in Moscow, which, as in Petrograd, had developed into a pitched battle, in which many persons had been killed and hundreds wounded.

The Soviet authorities, threatened with the overthrow of their power, took active steps to fortify both Moscow and Petrograd, and Lenin promised in a proclamation that the Government would use every possible means to relieve the food-shortage.

A proclamation issued by the Moscow Soviet and published in the official press blamed the trouble on the Socialists, the Russian aristocracy, and the capitalists and foreign bankers, all of whom it accused of plotting to overthrow the Government by fomenting uprisings in Siberia and the Ukraine, in order to paralyze the forwarding of food supplies to the proper centres.

THE KRONSTADT REVOLT

Though M. Tchitcherin, the Bolshevist Foreign Minister, minimized the reports of the uprisings in wireless notes from the Kremlin to Litvinov, head of the Soviet Embassy at Reval (Esthonia), the seriousness of the situation soon became apparent. The revolt of the Kronstadt sailors was not suppressed, and the garrison of Krasnaya Gorka, across the river, joined the revolters. All classes of citizens in Kronstadt were united in the uprising against the Soviet Government. A revolutionary committee had been organized, which later became a Provisional Government, chosen wholly from sailors and workmen without political affiliations. The Kronstadt leader was said to be a sailor named Petresenko. The Kronstadters and the garrison of Krasnaya Gorka turned their guns on the Petrograd-Moscow railway line around March 7. Eight ships of the Baltic fleet participated in the firing. Subsequently the Red forces regained possession of Krasnaya Gorka and bombarded Kronstadt. The bombardment was still continuing on March 15. The Revolutionary Committee in Kronstadt declared that it would fight until the Soviet rule was overthrown. Trotzky was preparing plans to blockade Kronstadt in spite of the presence in the fortress of large numbers of women and children.

Prominent Russians in Paris, who recently organized a new Constituent Assembly made up of delegates to the Assembly dispersed by the Bolsheviki, declared that this revolt heralded a formidable explosion which would sweep the Bolshevist dictators away. The latter were showing feverish energy. The famous Red cavalry leader, Budenny, had been ordered to bring his forces from the South. Infantry regiments from the South could not arrive without considerable delay, owing to the stoppage of the railway service. The Bolshevist commanders were forcing unwilling soldiers to march against Kronstadt at the point of the bayonet. Fighting was still going on in parts of Petrograd on March 15. Several thousand Red soldiers had marched from the fortress of Oranienbaum and joined the besieged sailors. Food supplies were getting lower in Kronstadt, but hopes were entertained of procuring supplies from the American Red Cross at Viborg, Finland.

Interviewed in Moscow on March 13 by a correspondent of The New York Herald, Lenin called the Kronstadt revolt "foolish." Lenin's point of view was brought out as follows:

> To seize an icebound island, containing very little food and absolutely dependent for all its supplies on Russia, was a foolish thing to do, although, to be sure, it was only part of a much larger plot which missed fire everywhere else. * * * What can they do if they take Petrograd? Only one thing—starve. They will have a big, foodless city on their hands and we shall have more food for Moscow, as more supplies are coming in from Kuban and Siberia, and for a short time we will no longer have to feed Petrograd, which of late has been a strain on our resources owing to its remoteness from the grain districts. * * * An advance on Moscow over the melting snow and swampy ground, and because of the torn-up railroads and devastated country, is impossible. The sailors at the head of this foolish mutiny at Kronstadt will be out of their element as soon as they lose sight of the Gulf of Finland. * * * If they accept supplies from foreign powers they will brand themselves at once as traitors to Russia and the whole country will rise against them, just as it rose against Denikin and Kolchak. * * * This Kronstadt affair in itself is a very petty incident. It no more threatens to break up the Soviet Government than the Irish disorders are threatening to break up the British Empire. It is simply a case of discontent among some foolish sailors, and this discontent is being utilized by some Czarist officers, reactionaries, Mensheviki, social revolutionaries and foreign powers.

TRADE PACT SIGNED WITH BRITAIN

The long desired trade compact with Great Britain was signed in London on March 16. Certain clauses which had prevented agreement had been rewritten.

The agreement is essentially the same as the draft taken to Moscow by Leonid Krassin, Soviet Minister of Trade and Commerce, in January, the most important terms of which follow:

> Each party agrees to refrain from hostile action or propaganda outside its borders

against the other's institutions or giving assistance or encouragement to any propaganda outside its own borders. The Soviet Government particularly agrees to refrain from any encouragement of Asiatic peoples to action against British interests, especially in Asia Minor, Persia, Afghanistan and India.

British subjects in Russia and Russians in Great Britain will be permitted to return to their homes if they so desire.

Each agrees not to impose any form of blockade against the other or any discriminations against trade not imposed on other foreign countries.

Ships in each other's harbors shall receive the treatment usually accorded foreign merchant ships by commercial nations.

The agreement provides for the clearance of mines from the Baltic and the approaches to Russia, and the exchange of information regarding mines.

It provides for the admission to both countries of persons appointed to carry out the agreement, with the right to restrict them to specified areas and the exclusion of any who are persona non grata, and also free communication and exemption from taxation.

A renewal of telegraphic and postal facilities, including parcel post, will be arranged.

With regard to the seizure of Russian gold exported from Russia as payment for imports, the British Government does not concede the Soviet claim that such gold should be regarded as immune from seizure to pay British claims. The agreement leaves this as a matter to be settled by ordinary court procedure.

ITALY MOVING SLOWLY FORWARD

[Period Ended March 12, 1921]

DEBATES in the Chamber on the bread subsidy and the Government bill for checking up the "controllo" of the big businesses by the workers continued with gains for Signor Giolitti, the Premier, in the first, and a growing opposition organized and led by his predecessor, Signor Nitti, in the second. There was a project to reduce but not to abolish the bread subsidy, by having two grades of bread, one for the rich and one for the poor, as even the Socialists realized that to continue the subsidy at its present figure would mean national ruin.

The "controllo" bill pleases neither the workers nor the owners. Under its delay the workers in the big metallurgic plants, notably the F. I. A. T., became restive and refused to work on war material, although it had been ordered from abroad. The "controllo" allows the workers to know the destination of their work.

In the politico-labor field, the resolutions of the Federation of Labor, adopted at the Leghorn Congress condemning communism and unnecessary strikes, went far toward pacifying the smaller industries not to be affected by the "controllo."

The riots between the Communists and the Fascisti centred in the towns of Tuscany. There, however, early in March, the Communists were reported to have been frightened into obeying the laws, and so the Fascisti marched the streets in vain. In the southern Province of Bari, though, the peasants attempted to do what the metallurgic workers did last Autumn. They seized farms instead of plants. This caused a rising of the Fascisti in the rural districts which was with difficulty put down by the carabinieri.

On March 13 the Government of Fiume solemnly informed Wilbur Keblinger, the American Consul accredited there, that it could not receive him, as the United States had not yet recognized the independence of the State of Fiume, which President Wilson labored so hard to place on the map.

THE VATICAN—At a secret consistory on March 7 the Pope announced the creation of six new Cardinals. One was Dennis J. Dougherty, Archbishop of Philadelphia, who succeeded the late Cardinal John Farley of New York. The others were Monsignori Francisco Vidal Barraquer, Archbishop of Tarragona, Spain; Juan Benoloch y Vivo, Archbishop of Burgos, Spain; Josef Schulte, Archbishop of Cologne; Michael von Fauhaber, Archbishop of Munich, and Francesco Ragohesi, Papal Nuncio at Madrid.

The Pope delivered an allocution on universal peace. He said, among other things, that such peace was impossible without renewal of the private life of individuals, as witness the disastrous civil strife [in Italy]

and the new seeds of discord sown by racial strifes [in Upper Silesia, Lithuania, Ukrainia, Poland and other small countries]. He condemned crimes against morality and humanity concomitant to the renewal of ancient struggles [alluding to Ireland]. He concluded that treaties would be futile unless citizens become permeated with sentiments of the justice and charity inculcated by Christian doctrines.

SPAIN'S PREMIER ASSASSINATED

Victim of the Sindicato Unico in revenge for General Anido's success in bringing its members to justice

[PERIOD ENDED MARCH 12, 1921]

WHILE returning home from the Chamber, where he had been threatened with defeat, Premier Dato was shot dead by two members of the Sindicato Unico, Spain's terrible society of coercion by assassination, the character of which has several times been described in CURRENT HISTORY. This was on March 8. On the 13th one of his assailants, Pedro Mateo, was arrested and next day confessed the crime, naming Ramon Cassanova as his accomplice. The deed is supposed to have been a premature act in a great conspiracy embracing not only the Sindicato Unico of Spain but Communist bodies in France and Italy for the removal of the heads of State in all three countries on May 1.

A Paris dispatch dated Feb. 14 said that documents revealing such a conspiracy had been seized in Paris, Barcelona and Madrid; also that among the documents had been found "checks emanating from Berlin, and paid through an American transportation company." A more direct cause for the murder, however, it is believed, may be found in the fact that last Autumn Premier Dato sent General Martinez Anido as Military Governor to Barcelona. Anido was successful in uncovering the secret head of the Sindicato Unico, in sending thirty-six *prominenti* to prison, and in scattering its rank and file. Shortly after the shadow of the dread society fell upon the capital, and the press united in demanding that Anido be made military dictator of the kingdom until he had stamped out the band of assassins.

The death of Señor Dato left politics in a confused state. Being Minister of Marine and not Minister of the Interior, he had lost many Deputies at the last election. For the time he is succeeded as Premier by the Minister of the Interior, Count de Bugallal; although, on March 14, it was said that the King would ask the veteran Antonio Maura to form a Ministry.

The Spanish Cortes is made up of personal factions. In it Señor Dato, with 127 Deputies, had been principally opposed by Señor Maura with 22 and Juan de la Cierva, also with 22. All are nominally Conservatives. Then there are the Liberal leaders: Count Romanones with 21, the Marquis de Albucemas-Prietistas with 43, and Santiago Alba with 29. Then come a dozen personal factions, with one or two Deputies, and the Catalonian Regionalists with 17. The Cortes has been in session since Feb. 22; during the previous session Señor Dato had a total of 215 out of 409 members.

PORTUGAL—The Cabinet formed by Liberato Pinto on Dec. 2 resigned on Feb. 18. It had been weakened by the withdrawal of Julio Martins, Minister of Marine, but more especially by that of Cunha Leal, who had attempted to solve the distressing problem of national finance in a fantastic way. Senhor Leal's resignation was simply due to a point of order raised between himself and the President of the Chamber.

From Feb. 13 until Feb. 23 the President of the republic, Senhor Almeida, tried in vain to find Pinto's successor. The difficulty lay in the group divisions of Parliament. He then summoned a Council of State to discuss a dissolution. At the conference on Feb. 24 several names were put forward as Prime Minister, but all were objected to by one party or another. At length Senhor Bernardino Machado was proposed and accepted by all the party leaders.

CURRENT HISTORY

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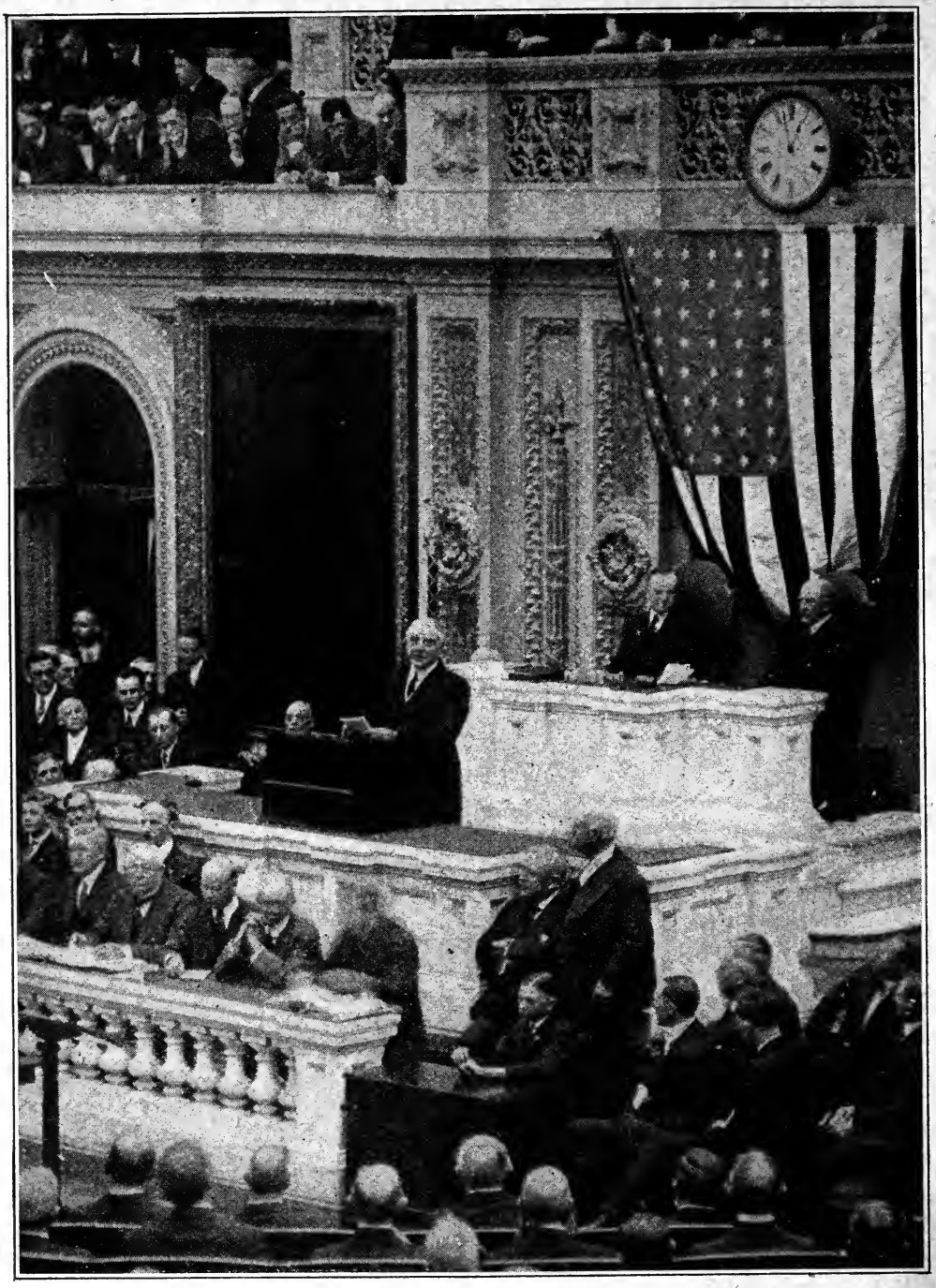
United States Ambassador to Great Britain, succeeding Mr. John W. Davis



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PRESIDENT HARDING DELIVERING HIS FIRST MESSAGE BEFORE THE JOINT SESSION OF CONGRESS, IN THE HOUSE OF REPRESENTATIVES, APRIL 12, 1921. BEHIND HIM ARE SEATED VICE PRESIDENT COOLIDGE (LEFT) AND SPEAKER GILLETT

FOREIGN POLICY OF THE UNITED STATES

Soviet Russia rebuffed—Germany's responsibility toward Mandates—League of Nations rejected—State of war with Germany to cease—Revised treaty to be negotiated

AMONG the problems inherited by the Harding Administration few involved a severer tax on statesmanship than those bearing on foreign relations. Grave questions were at issue with Russia, Japan and Great Britain; the United States was still technically at war with Germany and Austria-Hungary; its exact attitude remained to be defined toward a host of issues springing from the World War.

The Russian Soviet Government on March 20 sent to the United States Government a formal appeal for the conclusion of a trade compact by negotiation. From the point of view of the Soviet authorities the message was adroitly timed. It was an attempt to break down American hostility to the reopening of relations by an appeal to the new Administration, which, it was assumed, might be readily inclined to reverse the policy of its predecessor. Moreover, it was thought that the ratification by Great Britain of the trade treaty negotiated by Leonid Krassin and Lloyd George would favorably influence President Harding.

The text of the Russian note follows:

Reval, March 21, 1921.

TO THE CONGRESS OF THE UNITED STATES AND HIS EXCELLENCY, PRESIDENT HARDING, WASHINGTON:

I have the honor to transmit, as instructed by my Government, the following message.

LITVINOV, Plenipotentiary,
Representative of Russian Republic to Esthonia.

March 20, 1921.

From the first days of her existence Soviet Russia had nourished the hope of the possibility of a speedy establishment of friendly relations with the great Republic of North America and had firmly expected that intimate and solid ties would be created between the two republics to the greater advantage of both. At the time when the Entente Powers had begun their invasion of Soviet Russia unprovoked and without declaration of war the Soviet Government repeatedly addressed itself to the American Government with the proposal to adopt measures for the cessation of bloodshed. Even when the American troops, together with the others, participated in the attack upon Soviet Russia the Government of the Russian Republic still expressed the hope of a speedy change of America's policy toward her, and demonstrated this by its particularly considerate treatment of the Americans in Russia. But President Wilson, who, without cause and without any declaration of war, had attacked the Russian Republic, showed during his whole administration a growing hostility towards the Russian Republic. Soviet Russia hopes that the American Republic will not persist in obdurately following this path and that the new American Government will clearly see the great advantage for the two republics of the re-establishment of business relations and will consider the interests of both peoples which imperatively demand that the wall existing between them should be removed. The Soviet Republic, entirely absorbed in the work of internal reconstruction and of building up its economic life, has not the intention of intervening in the internal affairs of America, and the All Russian Central Executive Committee makes herewith a categorical declaration to this effect. At the present time, after Soviet Russia has concluded treaties and established regular relations with numerous States, the absence of such relations with America seems to Soviet Russia particularly abnormal and harmful to both peoples. The All Russian Central Executive Committee addresses to you the formal proposal of opening trade relations between Russia and America, and for that purpose the relations between the two republics have to be on the whole regularized.

The All Russian Central Executive Committee therefore proposes to send a special delegation to America which will negotiate upon this matter with the American Government in order to solve the question of business relations and of resumption of trade between Russia and America.

M. KALENIN,
President of the All Russian Executive Committee.

P. ZALUTSKY, Secretary.

REPLY FROM WASHINGTON

Secretary of State Hughes on March 25 sent by cable to the American Consul at Reval, for transmission by him to Litvinov, the following reply:

The Government of the United States views

with deep sympathy and grave concern the plight of the people of Russia and desires to aid by every appropriate means in promoting proper opportunities through which commerce can be established upon a sound basis. It is manifest to this Government that in existing circumstances there is no assurance for the development of trade, as the supplies which Russia might now be able to obtain would be wholly inadequate to meet her needs, and no lasting good can result so long as the present causes of progressive impoverishment continue to operate. It is only in the productivity of Russia that there is any hope for the Russian people, and it is idle to expect resumption of trade until the economic bases of production are securely established. Production is conditioned upon the safety of life, the recognition by firm guarantees of private property, the sanctity of contract and the rights of free labor.

If fundamental changes are contemplated, involving due regard for the protection of persons and property and the establishment of conditions essential to the maintenance of commerce, this Government will be glad to have convincing evidence of the consummation of such changes, and until this evidence is supplied this Government is unable to perceive that there is any proper basis for considering trade relations.

This reply by the new American administration was an obvious rebuff, and was accepted as such by the Bolshevist leaders. One comment made by Jaan Antonovitch Behrein, Soviet Minister to Finland since the conclusion of Moscow's treaty with Finland, declared that, undiscouraged by this rejection, his Government would continue its efforts for trade with America. It was planned to secure the support of prominent American business men desirous of concessions. New overtures would be made officially whenever it became apparent that the attitude of the American Government had undergone a change. Whatever came, he declared, Russia would never give up communism and revert to the old system of private property.

Leonid Krassin, the Bolshevist envoy at London, expressed confidence that as soon as America became convinced that "the very existence of the Russian Soviet Republic is not propaganda, we will be able to establish relations to the mutual interest."

So confident had the Russian authorities been of the success of their overtures that, it was reported, large quantities of Russian gold were in transit to the United States to cover expected trade transactions. This was said to be in the form of gold ingots, stamped with the official seal of the Swedish Mint.

Raymond T. Baker, Director of the Mint of the United States, upon hearing of the gold shipment, stated that the policy of the United States Mint and Assay Offices had undergone no change. Gold stamped with the seal of the Mint of any friendly country could not be rejected, but Russian gold would still be refused.

The reply of Secretary Hughes to the Soviet proposal was hailed in Paris with gratification.

VIVIANI'S MISSION

An event of importance in its bearing on our foreign relations with the official visit to this country—as Envoy Extraordinary of France—of René Viviani, ex-Premier, who reached New York, March 28. The ostensible purpose of his visit was to present his country's respects to President Harding. Developments indicated that M. Viviani was deeply concerned on behalf of his Government in securing the moral support of this country in the matter of the German reparations. It was also apparent that he viewed with apprehension the prospect that the United States might make a separate peace with Germany. Evidence was given that France would view with gratification this country's ratification of the Treaty of Versailles with almost any modifications and reservations that it might think proper, and that, in any event, our co-operation was earnestly desired in the effort to bring Europe out of the chaos that the World War had produced. He met with a warm reception and his views were given careful consideration, but the policy of the Administration with respect to foreign affairs had been formulated before his arrival and his visit effected no apparent change.

GERMANY

Immediately preceding the arrival of M. Viviani a note was dispatched by Secretary Hughes on March 29 to the American Commissioner in Berlin to be communicated to Dr. Walter Simons, the German Minister for Foreign Affairs. The note was in the nature of a reply to an informal memorandum of Dr. Simons, which had been telegraphed to the State Department by the

American Commissioner, Loring Dresel, under date of March 23.

Secretary Hughes's note follows:

The American Government is pleased to note in the informal memorandum of Dr. Simons the unequivocal expression on the part of the German Government of its desire to afford reparation up to the limit of German ability to pay. This Government stands with the Governments of the Allies in holding Germany responsible for the war and therefore morally bound to make reparation, so far as may be possible. The recognition of this obligation, implied in the memorandum of Dr. Simons, seems to the Government of the United States the only sound basis on which can be built a firm and just peace, under which the various nations of Europe can achieve once more economic independence and stability. This Government believes that it recognizes in the memorandum of Dr. Simons a sincere desire on the part of the German Government to reopen negotiations with the Allies on a new basis, and hopes that such negotiations, once resumed, may lead to a prompt settlement which will at the same time satisfy the just claims of the Allies and permit Germany hopefully to renew its productive activities.

The important parts of the German memorandum which elicited this reply are herewith given:

It is the earnest desire of the Government of Germany to reach an accord with the governments of the allied and associated powers, and it is sincere in its purpose to meet their requirements as far as possible. That an agreement was not reached at the Conference of London on the question of reparations is a matter of extreme regret to the Government of Germany. In their effort to reach an agreement the delegates from Germany went far beyond the limits considered possible for Germany, in the judgment of an overwhelming majority of her economic experts.

It has been asserted that Germany is reluctant to recognize her obligation to make reparations. This is not correct. It is entirely clear, not only to the Government of Germany but to the German people also, that Germany must make reparation to the limit of her ability to pay. This realization on the part of Germany will not be altered in any way by any changes which may take place in the internal politics of the country. Every responsible group, particularly the workmen, of Germany are imbued with the determination to do all that lies in their power to help in reconstructing the regions which have been devastated. Fundamental to this determination is the sober conviction on the part of responsible circles in Germany that an early removal of all traces of the devastation caused in France is to the best interest of Germany. It is the consensus of opinion, also, that the proposals made by Germany in regard to reparations must consider fully the financial necessities of the allied and associated governments, and particularly of France.

At this point arguments were introduced relative to some methods of reparation that had been proposed. Complaint was made against France for not accepting Germany's offer to reconstruct the devastated regions of Northern France with German labor and materials. Attempt was made to show that the establishment of an actual sum of cash money in foreign exchange of important proportions would only be possible for Germany by an increase in exports that would menace the economic life of other countries. That her former opponents should participate in the returns from German industry was pronounced not feasible, because the proceeds would be in paper marks, valueless to foreign creditors. Therefore, the note concluded:

An international loan, in favor of which the allied and associated governments would waive their general mortgage, constitutes the only solution of the problem. The Government of Germany is prepared to offer the necessary securities for the safety of such a loan. It is the opinion of the German Government that if the loan were properly organized and offered, and if those who have evaded taxation be granted a general amnesty, the large sums of German capital which have been secretly withdrawn from Germany could again be drawn in for the loan and thereby become available for the reparations. It has been reiterated by the allied and associated governments that the situation of Germany is better than that of many of the allied and associated countries, due to the fact that Germany has no foreign debts. Germany would not be unwilling to assume the obligation of the interest and the amortization of the foreign debts of the allied and associated powers, within the limit of her capacity, should this measure be entertained by the allied and associated Governments and their creditors.

Germany stands ready to meet any proposal which appears feasible for the solution of the economic and financial problems of Europe, and would invite the examination by unbiased experts of its own ability to make payment. It is the opinion of Germany that the heavy weight of debt now borne by all the States which were participants in the World War, and the damages which were wrought in the course of that war, cannot be laid upon the shoulders of any single people. Germany believes also that a policy of duress and coercion will not bring about the reconstruction of international economic life, and that only by way of peaceful discussion and understanding can such reconstruction be

obtained. The German Government considers it important to give, with solemn emphasis, the assurance that for its part it is honestly willing to follow the path which it has suggested. SIMONS.

The note of Secretary Hughes was received with unqualified satisfaction by the allied Governments, by whom it was regarded as greatly strengthening the pressure that could be brought to bear upon Germany to fulfill the reparations demands. Conversely, it produced depression in Germany, which had clung to the hope that the United States would either assume a neutral attitude or aid materially in persuading the Allies to modify their requirements.

PROTEST AGAINST THE YAP MANDATE

What may prove to be an epoch-making document, defining as it does the attitude of the United States on the whole subject of mandates, was the note addressed by the United States Secretary of State to Great Britain, France, Italy and Japan on April 2. The note to Japan contained additional paragraphs referring to previous correspondence between the two Governments. This was not made public. The note to the other powers follows:

April 2, 1921.

With respect to the mandate to Japan, purporting to have been confirmed and defined in its terms by the Council of the League of Nations, of the German possessions in the Pacific Ocean, lying north of the equator, this Government deems it appropriate to state the fundamental basis of its representations and the principles which, in its view, are determinative.

It will not be questioned that the right to dispose of the overseas possessions of Germany was acquired only through the victory of the allied and associated powers, and it is also believed that there is no disposition on the part of the British Government to deny the participation of the United States in that victory. It would seem to follow necessarily that the right accruing to the allied and associated powers through the common victory is shared by the United States and that there could be no valid or effective disposition of the overseas possessions of Germany, now under consideration, without the assent of the United States. This Government must therefore point out that, as the United States has never vested either the Supreme Council or the League of Nations with any authority to bind the United States or to act on its behalf, there has been no opportunity for any decision which could be deemed to affect the rights of the United States. It may also be observed that the right accruing to the United States through the victory in which it has participated could not be regarded as in any way ceded or surrendered to Japan, or to other nations, except by treaty, and that no such treaty has been made.

The fact that the United States has not ratified the Treaty of Versailles cannot detract from rights which the United States had already acquired, and it is hardly necessary to suggest that a treaty to which the United States is not a party could not affect these rights. But it should be noted that the Treaty of Versailles did not purport to secure to Japan or to any other nations any right in the overseas possessions of Germany, save as an equal right therein should be secured to the United States. On the contrary, Article 119 of the Treaty of Versailles provides: "Germany renounces in favor of the principal allied and associated powers all her rights and titles over her oversea possessions." It will not be questioned that one of the "principal allied and associated powers" in whose favor Germany renounces her rights and titles is the United States. Thus, not only could the position of the Government of Japan derive no strength from the Treaty of Versailles or from any discussions preliminary thereto, but the terms of that treaty confirm the position of the Government of the United States.

Further, the draft convention relating to the mandate for the German concessions in the Pacific Ocean, north of the equator, which was subsequently proposed, proceeded in the same view, purporting on behalf of the United States as one of the grantors to confer the mandate upon Japan, thus recognizing the right and interest of the United States and the fact that the proposed action could not be effective without the agreement of the United States as one of the principal allied and associated powers.

As the United States did not enter into this convention, or into any treaty, relating to the subject, this Government is unable to understand upon what grounds it was thereafter attempted to confer the mandate without the agreement of the United States. It is manifest that the League of Nations was without any authority to bind the United States, and that the confirmation of the mandate in question, and the definition of its terms, by the Council of the League of Nations in December, 1920, cannot be regarded as having efficacy with respect to the United States.

It should be noted that this mandate not only recites Article 119 of the Treaty of Versailles, to the effect that "Germany renounced in favor of the principal allied and associated powers all her rights over her oversea possessions, including therein the groups of islands in the Pacific Ocean, lying north of the equator," but also recites that "the principal allied and associated powers agreed that in accordance with Article 22, Part I (Covenant of the League of Nations), of the said treaty, a mandate

should be conferred upon His Majesty, the Emperor of Japan, to administer the said islands and have proposed that the mandate should be formulated" as set forth. While this last quoted recital, as has already been pointed out in previous communications by this Government, is inaccurate in its terms, inasmuch as the United States as one of the

(*Wide World Photos*)

RENE VIVIANI
Special Envoy from the French Republic to the United States

principal allied and associated powers had not so agreed and proposed, the recital again recognizes the necessity of the participation of the United States in order to make the proposed disposition effective.

As, in the absence of any treaty with the United States relating to the matter, there was no decision of May 7, 1919, binding the United States, it is deemed to be unnecessary again to examine the brief minute of the meeting of the Supreme Council on that date. It may, however, be proper to say that the minute of this meeting, although obviously without any finality, could not properly be construed without due regard to the other proceedings of the Supreme Council and without taking account of the reservations which President Wilson had already made in the previous meetings of the Supreme Council on April 21, April 30 and May 1, 1919. The attitude of President Wilson is sufficiently shown by the following statement which he made to the Department of State on March 3, 1921:

"I beg to return the note received yesterday from the Japanese Government, which I have read, in relation to the proposed mandate covering the Island of Yap.

"My first information of a contention that the so-called decision of May 7, 1919, by the Council of Four assigned to Japan a mandate for the Island of Yap, was conveyed to me by Mr. Norman Davis in October last. I then informed him that I had never consented to the assignment of the Island of Yap to Japan.

"I had not previously given particular attention to the wording of the Council's minutes of May 7, 1919, which were only recently called to my attention. I had, on several occasions prior to the date mentioned, made specific reservations regarding the Island of Yap, and had taken the position that it should not be assigned under mandate to any one power but should be internationalized for cable purposes. I assumed that this position would be duly considered in connection with the settlement of the cable question and that it therefore was no longer a matter for consideration in connection with the peace negotiations. I never abandoned or modified this position in respect to the Island of Yap, and I did not agree, on May 7, 1919, or at any other time, that the Island of Yap should be included in the assignment of mandates to Japan.

"As a matter of fact, all agreements arrived at regarding the assignment of mandates were conditional upon a subsequent agreement being reached as to the specific terms of the mandates, and further, upon their acceptance by each of the principal allied and associated powers. The consent of the United States is essential both as to assignments of mandates and the terms and provisions of the mandates, after agreement as to their assignment or allocation.

"The consent of the United States, as you know, has never been given on either point, as to the Island of Yap."

Apart from the expressed purpose of President Wilson in relation to the Island of Yap, inasmuch as the proceedings of the Supreme Council on May 7, 1919, did not, and in the nature of things could not, have finality, this Government is unable to perceive any ground for the contention that it was the duty of this Government to make immediate protest with respect to the so-called decision of May 7, 1919, and certainly it cannot be said that an omission to do so operated as a cession of its rights. It may be added, however, that when the matter was brought to the attention of this Government in connection with the Conference on Communications in October last, this Government informed the Government of Great Britain and other Governments (by notes of Nov. 9, 1920) that it was the understanding of this Government that the Island of Yap was not included in the action of May 7, 1919. Its position was subsequently stated at length.

It is a cause of regret to this Government, that after and despite this protest, there should have been any attempt to pass upon drafts of mandates purporting to deal with the Pacific Islands including Yap, and that a mandate should have been approved, or attempted to be put into effect, which, while

purporting to be made in the name of the United States, was without the assent of the United States. This Government trusts that this action, which it must assume was taken under a misapprehension, will be reconsidered.

In particular as no treaty has ever been concluded with the United States relating to the Island of Yap, and as no one has ever been authorized to cede or surrender the right or interest of the United States in the island, this Government must insist that it has not lost its right or interest as it existed prior to any action of the Supreme Council or of the League of Nations, and cannot recognize the allocation of the island or the validity of the mandate to Japan.

This Government, as has been clearly stated in previous communications, seeks no exclusive interest in the Island of Yap, and has no desire to secure any privileges without having similar privileges accorded to other Powers, including, of course, Japan, and relying upon the sense of justice of the British Government and of the Governments of the other allied and associated powers, this Government looks with confidence to a disposition of the matter whereby the just interests of all may be properly conserved.

JAPAN'S ATTITUDE BEFORE THE NOTE

Prior to the dispatch of the latest note of the United States State Department on the subject of the Yap mandate, a statement had been issued by the Foreign Office at Tokio on March 25 which, while avoiding the real crux of the American protest—exclusive control by Japan of cable communications—set forth the views of the Japanese Government on Yap and the other islands allotted to Japan by mandate. It was in part as follows:

In accordance with the Supreme Council's resolution in 1919 and the fixing by the League of Nations Council of the terms of the mandate in December of last year, Japan is now preparing a suitable administrative organ for promoting the moral and material happiness and the social progress of the inhabitants, and will shortly abolish the military administration. Recent rumors about fortifications and naval activity are entirely unfounded, and it is very regrettable that newspapers publish such fabrications. There is apparently a tendency to exaggerate the economic and strategic value of the islands and to attach undue importance to Japan's occupation, but the total area is less than that of Rhode Island.

Economically the islands are scarcely worth mentioning, and strategically they are unimportant, because Japan, true to the spirit of mandatory rule, has disavowed any intention to establish military or naval bases and fortifications. The Island of Yap is one-third of Guam's area, while its harbor will barely accommodate three small steamers. Except for its cable facilities Yap is worthless and barren soil in mid-ocean.

One might as well say America controlled the Atlantic through the purchase of the Virgin Islands as to say that by means of the Mandate Islands Japan staked out a set area of 4,000,000 square miles from Kamchatka to the South Pacific. There have been certain changes in the administrative posts owing to climatic and communication considerations, but rumors of strategic preparations are groundless.

THE FRENCH REPLY

A reply from France to Secretary Hughes's note on Yap, made public on April 14, stated that, as the Washington communication had gone to the four allied Governments, France would not formally reply until after the next meeting of the allied Premiers. While withholding a distinct pledge to adopt the American viewpoint, the tone of the note was friendly. Significance was attached to the statement in the note that the Japanese Government had official knowledge of the American reservation on Yap. The part of the note bearing on this point read as follows:

Already, as your Excellency is aware, the Government of the republic has done all that it could do to give in this matter aid to the American Government. In the note of Feb. 18, after having stated that the decision of May 7, 1919, did not admit of any restriction so far as the mandate attributed to Japan in the islands of the North Pacific was concerned, my department submitted to your Embassy that President Wilson and Mr. Lansing had nevertheless, during a previous meeting, formulated, in the presence of the representative of Japan, categorical reservations on the subject of the Island of Yap, that Baron Makino did not refuse to allow the question raised by the United States to be brought under discussion, and that in consequence the Japanese Government had cognizance of the American reservations. The note concluded that there was therein a basis for renewal of the conversations between the United States and Japan which the Government of the Republic would be happy to see lead to a satisfactory result.

It was stated that a preliminary reply had been received by the State Department from Great Britain on April 11, but up to April 15 had not been made public.

On April 12, the day after the convening of the Sixty-seventh Congress in special session, President Harding in the House of

Representatives read his message to the assembled members of the Senate and the House. In it he enunciated his domestic and foreign policy. Regarding the latter, he advocated ending the state of war with Germany by Congressional resolution; rejected the League of Nations, but committed his Administration to a plan of co-operation with foreign Governments for the rehabilitation of Europe, and to the formation of a non-political association of nations.

The President indicated that the Versailles Treaty, minus the League covenant and modified by reservation or otherwise, so as to preserve the United States from commitments to action that might be considered embarrassing, if this could be done, would be resubmitted to the Senate. He made it clear that this Government would stand with the Allies in compelling Germany to live up to her treaty obligations, and would assist them also in carrying out economic measures covered by the Versailles Treaty, even where America was not directly concerned in those measures.

PRESIDENT HARDING'S MESSAGE

The essential parts of the President's address dealing with foreign relations follow:

In the existing League of Nations, world governing with its super-powers, this Republic will have no part. There can be no misinterpretation, and there will be no betrayal of the deliberate expression of the American people in the recent election; and, settled in our decision for ourselves, it is only fair to say to the world in general, and to our associates in war in particular, that the League covenant can have no sanction by us.

The aim to associate nations to prevent war, preserve peace and promote civilization our people most cordially applauded. We yearned for this new instrument of justice, but we can have no part in a committal to an agency of force in unknown contingencies; we can recognize no super-authority.

Manifestly the highest purpose of the League of Nations was defeated in linking it with the treaty of peace and making it the enforcing agency of the victors of the war. International association for permanent peace must be conceived solely as an instrumentality of justice, unassociated with the passions of yesterday, and not so constituted as to attempt the dual functions of a political instrument of the conquerors and of an agency of peace. There can be no prosperity for the fundamental purposes sought to be achieved by any such association so long as it is an organ of any particular treaty, or committed to the attainment of the special aims of any nation or group of nations.

The American aspiration, indeed, the world aspiration, was an association of nations, based upon the application of justice and right, binding us in conference and co-operation for the prevention of war and pointing the way to a higher civilization and international fraternity in which all the world might share. In rejecting the league covenant and uttering that rejection to our own people, and to the world, we make no surrender of our hope and aim for an association to promote peace in which we would most heartily join. We wish it to be conceived in peace and dedicated to peace, and will relinquish no effort to bring the nations of the world into such fellowship, not in the surrender of national sovereignty but rejoicing in a nobler exercise of it in the advancement of human activities, amid the compensations of peaceful achievement.

In the national referendum to which I have adverted we pledged our efforts toward such association, and the pledge will be faithfully kept. In the plight of policy and performance, we told the American people we meant to seek an early establishment of peace. The United States alone among the allied and associated powers continues in a technical state of war against the Central Powers of Europe. This anomalous condition ought not to be permitted to continue.

To establish the state of technical peace without further delay, I should approve a declaratory resolution by Congress to that effect, with the qualifications essential to protect all our rights. Such action would be the simplest keeping of faith with ourselves, and could in no sense be construed as a desertion of those with whom we shared our sacrifices in war, for these powers are already at peace.

Such a resolution should undertake to do no more than thus to declare the state of peace, which all America craves. It must add no difficulty in effecting, with just reparations, the restoration for which all Europe yearns, and upon which the world's recovery must be founded. Neither former enemy nor ally can mistake America's position, because our attitude as to responsibility for the war and the necessity for just reparations already has had formal and very earnest expression.

It would be unwise to undertake to make a statement of future policy with respect to European affairs in such a declaration of a state of peace. In correcting the failure of the Executive, in negotiating the most important treaty in the history of the nation, to recognize the constitutional powers of the Senate we would go to the other extreme, equally objectionable, if Congress or the Senate should assume the function of the Executive. Our highest duty is the preservation of the constituted powers of each, and the promotion of the spirit of co-operation so essential to our common welfare.

It would be idle to declare for separate treaties of peace with the Central Powers on the assumption that these alone would be

adequate, because the situation is so involved that our peace engagements can not ignore the Old World relationship and the settlements already effected, nor is it desirable to do so in preserving our own rights and contracting our future relationships.

The wiser course would seem to be the acceptance of the confirmation of our rights and interests as already provided and to engage under the existing treaty, assuming, of course, that this can be satisfactorily accomplished by such explicit reservations and modifications as will secure our absolute freedom from inadvisable commitments and safeguard all our essential interests.

With the super-governing League definitely rejected, and with the world so well informed, and with the status of peace proclaimed at home, we may proceed to negotiate the covenanted relationships so essential to the recognition of all the rights everywhere of our own nation and play our full part in joining the peoples of the world in the pursuits of peace once more. Our obligations in effecting European tranquillity, because of war's involvements, are not less impelling than our part in the war itself. This restoration must be wrought before the human procession can go onward again. We can be helpful because we are moved by no hatreds and harbor no fears. Helpfulness does not mean entanglement, and participation in economic adjustments does not mean sponsorship for treaty commitments which do not concern us and in which we will have no part.

THE KNOX PEACE RESOLUTION

The day following the President's declaration of foreign policy, Senator Knox of Pennsyvania offered in the Senate his resolution declaring the war between the United State and the Teutonic powers at an end. It has been revised to meet the President's views, and was merely a declaratory announcement of the ending of the war, with a provision for preserving all the rights obtained by the United States under the armistice of Nov. 11, 1918, and the Versailles Treaty.

The revised resolution read as follows:

That the joint resolution of Congress, passed April 6, 1917, declaring a state of war to exist between the Imperial German Government and the Government and people of the United States, and making provisions to prosecute the same, be, and the same is hereby, repealed, and said state of war is hereby declared at an end:

Provided, however, that all property of the Imperial German Government, or its successor or successors, and all of the German nationals, which was, on April 6, 1917, or has since that date came into possession or under the control of the Government of the United States or any of its officers, agents, or employes, from any source or by any agency whatsoever, shall be retained by the United States and no disposition thereof made, except as shall have been heretofore, or specifically hereafter be provided by Congress, until such time as the German Government has, by a treaty with the United States, ratification whereof is to be made by and with the advice and consent of the Senate, made suitable provisions for the satisfaction of all claims against the German Government of all persons, wheresoever domiciled, who owe permanent allegiance to the United States and who have suffered, through the acts of the German Government or its agents since July 31, 1914, loss, damage, or injury to their persons or property, directly or indirectly, whether through the ownership of shares of stock in German, American, or other corporations, or in consequence of hostilities or of any operations of war, or otherwise, and also provisions granting to persons owing permanent allegiance to the United States, most favored nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce and industrial property rights, and confirming to the United States all fines, forfeitures, penalties and seizures imposed or made by the United States during the war, whether in respect to the property of the German Government or German nationals, and waiving any and all pecuniary claims based on events which concurred at any time before the coming into force of such treaty, any existing treaty between the United States and Germany to the contrary notwithstanding.

Section 2. That until by treaty or act or joint resolution of Congress it shall be determined otherwise, the United States, although it has not ratified the Treaty of Versailles, reserves all of the rights, powers, claims, privileges, indemnities, reparations or advantages to which its nationals have become entitled, including the right to cnforce the same under the terms of the armistice signed Nov. 11, 1918, or any extensions or modifications thereof or which under the Treaty of Versailles have been stipulated for its benefit or to which it is entitled as one of the principal allied and associated powers.

Section 3. That the joint resolution of Congress approved Dec. 7, 1917, "declaring that a state of war exists between the Imperial and Royal Austro-Hungarian Government and the Government and the people of the United States are making provisions to prosecute the same,' be and the same is hereby repealed, and said state of war is hereby declared at an end.

The resolution was referred to the Committee on Foreign Relations.

THE MONTH IN THE UNITED STATES

Convening of Sixty-seventh Congress—Aid for veterans—Army promotions—Supreme Court decisions—Railroad problems—Emergency Tariff Bill—Decline in prices—New Ambassadors—Prohibition enforcement—President Harding's message

[PERIOD ENDED APRIL 15, 1921]

A SPECIAL board was appointed by President Harding on March 29 to map out plans to aid American veterans disabled in the World War and to provide for the dependents of men killed in the conflict. It was announced at the White House that the committee, composed of nine men and two women, would investigate the War Risk Insurance Bureau and the Board for Vocational Training and make recommendations not only regarding the conduct of these activities but looking into the general scheme of caring for ex-service men. The plan was to have the committee make suggestions which the President could submit to Congress as the basis for future legislation.

AID FOR VETERANS

The committee was headed by General Charles G. Dawes of Chicago and included among its members the former and present Commanders of the American Legion, Franklin D'Olier and Colonel F. W. Galbraith Jr. The women members were Mrs. Douglas Robinson and Mrs. Henry R. Rea.

* * *

THE appointment of twelve new Major Generals was approved by the President, April 13, on the recommendation of Secretary Weeks. The list was headed by Brig. Gen. Clarence R. Edwards. Others included were Big. Gens. James W. McAndrews, John L. Hines, Henry T. Allen, David C. Shanks, Adelbert Cronkhite, William M. Wright, George W. Read, Charles H. Muir, Charles T. Menoher, William G. Haan and George Bell Jr.

ARMY PROMOTIONS

In order to promote General Edwards it was necessary to strike the name of some other officer from the list of Major Generals nominated by former President Wilson, and whose appointments were held up by the Senate so as to afford the new Administration an opportunity to deal with the question. Secretary Weeks recommended that the name of Brig. Gen. Omar Bundy, now commanding the Seventh Corps area with headquarters at Fort Crook, Neb., be eliminated.

General Edwards commanded the Twenty-sixth (New England) Division in France, and has for several years been the ranking Brigadier General in the army. He has been a Brigadier General since 1912, a period of more than eight years, during which one officer after another had been promoted over his head to be Major General.

Major Gen. Hunter Liggett, commander of the First American Army in the World War, retired, on March 21, as an active army officer after forty-two years of service. He was popularly credited with having directed the master stroke of the Americans in the war, and had the official distinction of having commanded the largest mobile fighting unit in the history of the world.

As a Lieutenant General he was in charge of 1,200,000 men, including five French divisions, and 5,000 field pieces. With this force, in October, 1918, he launched the great drive on the armies of the Crown Prince in the Argonne. He ended his overseas duty as commander of the Third Army, which marched into Germany, following the cessation of hostilities, returning to America in July, 1919, to resume his post as commander of the Western Department. He is 64 years old.

* * *

SECRETARY WEEKS announced on April 1 that the War Department had ordered 200 pursuit planes and thirty-five bombing planes for use by the American Army. He explained that these were the first purchases of aircraft made for the army since the war, and that the purpose was to provide army fliers with machines for their practice work. The 200 pursuit planes will be of the Morse-Thomas type and represent a contract price of $1,400,000. They will not be equipped

AIRPLANES FOR ARMY

with Liberty motors because they are not suited for that type of engine. The bombing planes will be of the Marlin type, and will be equipped with Liberty motors to be furnished by the army, which has a considerable surplus stock on hand.

* * *

IT was announced in Washington on March 16 that the Harding Administration had decided that the official honors to the American unknown soldier would be held on Nov. 11, 1921, the third anniversary of Armistice Day, at the National Cemetery at Arlington, Va. On that occasion the unknown soldier will be buried with the highest official honors in the presence of President Harding, Secretary Weeks, Secretary Denby, members of the Diplomatic Corps and, in all probability, representatives from the principal foreign nations. There are about 1,600 American soldiers who gave their lives for their country and whose identity has not been established.

UNKNOWN SOLDIER BURIAL

* * *

STATISTICS made available April 10 by the railway executives showed that the roads of the United States suffered a deficit of $7,205,000 in February, with 106 of the 200 lines reporting to the Interstate Commerce Commission failing to earn their expenses and taxes. In January the deficit was $1,167,800, and 109 of the 200 roads failed to make expenses and taxes. The 200 roads reporting in February represented a mileage of 235,362. Forty-six were in the Eastern district, sixteen in the Southern district and forty-four in the Western district. It was stated by the executives that, as a result of the deficit shown, the carriers fell short by $63,804,000 of earning the amount it was estimated they would earn, under the rates fixed by the Interstate Commerce Commission, in accordance with the provisions of the Transportation act of 1920.

RAILWAY DEFICIT INCREASED

Abrogation of the national agreements, defining the working conditions on all railroads of the country formerly under Federal control, was ordered by the Railroad Labor Board, in a decision issued on April 14.

The order of abrogation was made effective July 1, 1921, and in the meantime the officers and system organization of employers were called on by the board to confer and decide so much of the dispute relating to rules and working conditions as might be possible for them to decide. Such conferences were to begin at the earliest possible date. The board was to be kept informed of final agreements or disagreements, to the end that it might know prior to July 1 what portion of the disputes had been decided. The board reserved the right to stay the termination of its direction to a date beyond July 1, if it should have reason to believe that any carrier was unduly delaying the progress of the negotiations.

The decision meant that disputes about rules and working conditions were automatically referred back to conferences between each road and its employes. This plan had been urged by the railroads, while the labor leaders favored a national conference between representatives of all roads and all unions.

The board approved the principle of the eight-hour day, but believed it should be limited to work requiring practically continuous application during eight hours. Eight hours' work for eight hours' pay was enjoined. The right of seniority was upheld, as well as the right of employes to negotiate through representatives of their own choosing. Espionage by both sides was condemned.

* * *

SECRETARY OF WAR WEEKS stated on March 1 that work had just begun on the removal to this country of the soldier dead from the great American cemetery at Romagne, France, where lie the bodies of 22,000 American soldiers who fell in the Argonne. The shipment of the bodies will be expedited as far as is humanly possible, and will be delayed only by adverse weather conditions.

RETURN OF AMERICAN DEAD

The latest official figures showed that in all there were 75,882 dead overseas, of whom 13,616 had been returned. Requests had been received to allow 19,681 bodies to rest permanently abroad, but this number was constantly changing. Definite instructions had been received regarding 50,040 bodies, and there were 25,842 dead whose

final resting place had not been definitely decided.

* * *

THE United States Supreme Court on April 11 affirmed a decree of the Texas District Court enjoining the City of San Antonio from enforcing a 5-cent fare with universal transfers over the lines of the San Antonio Public Service Company. In its appeal the city had asserted that its franchise contract with the railroad called for service at 5 cents, and that the courts were without jurisdiction to interfere.

SUPREME COURT DECISION ON FARES

Injunctions obtained by the City of Fairfield, Iowa, in lower courts, restraining the Iowa Electric Company from increasing its rates above those set in its franchise also were set aside by the Supreme Court. The Court held that a contract calling for a "confiscatory rate" would not stand in law.

* * *

THE Sixty-seventh Congress convened in extraordinary session at noon on April 11, and, after short sessions, at which no business of importance was transacted except the choice in the House of Speaker Frederick H. Gillett of Massachusetts to succeed himself—by a vote of 298 as against 122 for Claude Kitchin of North Carolina—adjourned to the following day.

MEETING OF SIXTY-SEVENTH CONGRESS

On April 12 President Harding in the House of Representatives delivered his message to a joint session of the Senate and the House. The portion of the message that dealt with foreign relations is treated elsewhere in this issue.

The greater part of the address was devoted to domestic affairs. The President called for retrenchment in expenditures, a prompt and thorough readjustment of internal taxes, emergency tariff legislation, the repeal of the excess profits tax, protection for agricultural interests and the mature consideration of permanent tariff legislation. He also advocated the adoption of a national budget system. Congress was urged to take up the problem of the high cost of living. Railway rates and cost of operation, the President said, must be reduced. He gave notice that the United States meant to establish and maintain a great merchant marine. The encouragement of aviation was stressed, and the establishment of a Bureau of Aeronautics in the Navy Department recommended.

* * *

A TEMPORARY settlement of the differences between the big meat packing concerns and their employes was reached on March 23, after a conference of representatives of both sides with Secretaries Davis, Hoover and Wallace. The settlement was in the nature of a compromise, each side making concessions. The basic eight-hour day and overtime rates were restored. Wage cuts of 8 cents an hour for hourly workers and 12½ per cent. for all piece workers were to remain in effect as of the dates announced by the packers, and were not to be subject to any further arbitration. The agreement of Dec. 25, 1917, and extensions thereof and all decisions thereunder (except as modified by the March 23 decisions) were to remain in effect until Sept. 15, 1921, at which time the agreement was to terminate. President Harding on March 24 received a visit from the representatives of the packers and their employes, accompanied by the Secretaries who had taken part in the conference, and expressed personally his gratification over the peaceable settlement of the dispute.

TRUCE IN PACKING HOUSE CONTROVERSY

* * *

WILLIAM D. HAYWOOD and seventy-nine other Industrial Workers of the World who were convicted before Federal Judge Landis at Chicago in 1918 of attempting to obstruct the Government's prosecution of the war were returned to Federal prison as a result of the refusal of the Supreme Court, April 11, to review their convictions. Haywood, a former secretary of the I. W. W., and fourteen others were sentenced to twenty years each and fined sums ranging from $20,000 to $35,000. They and others had been sent to the Federal Penitentiary at Leavenworth, Kan., but subsequently were released on bail bonds aggregating $500,000, pending the outcome of their appeals.

I. W. W. MEMBERS MUST SERVE TERMS

In appealing to the Supreme Court from decisions of the Circuit Court of Appeals,

sustaining their convictions, the men had argued that the principal evidence used against them in their trials was illegally obtained in that it was seized by Federal agents during a raid without search warrants or other court orders.

* * *

THE Emergency Tariff bill, combining the farmers' tariff measure, vetoed by President Wilson, with the Anti-Dumping bill, was passed by the House on April 15 by a vote of 269 to 112. This first legislative act of the special session was accomplished by an almost united Republican vote. All efforts on the part of the Democrats under Representative Garner of Texas to force through amendments were rejected. Mr. Garner's motion to recommit the bill and strike out the section dealing with the difference of exchange rates was defeated by a vote of 265 to 118.

EMERGENCY TARIFF BILL PASSED

* * *

JUDGE ELBERT H. GARY, Chairman of the Board of the United States Steel Corporation, on April 12 announced a reduction in steel prices ranging from $1.50 to as much as $15 a ton for tin plate. The reduction was to take place immediately. The decreases, however, were confined to certain products. It was stated that a reduction on tubular and sheets would be announced later, as the adjustment in regard to these products had not yet been definitely decided upon. No statement was made as to whether there would be a reduction in wages following the decrease in prices.

CUT IN STEEL PRICES

* * *

BRADSTREET'S approximate index number of ninety-six staple commodities, as of April 1, was reported on April 7 as 113,749, which marked a decline of 4.1 per cent from March 1, of 45 per cent. from April 1 a year ago, and of 45.4 per cent. from the peak point of Feb. 1, 1920. Compared with the level of prices on Dec. 1, 1918, just after the armistice, the price index was 40 per cent. lower. Every group but one of the thirteen classes of commodities declined during March, the sole exception being fruits. Oils, building materials, naval stores and coal and coke showed the largest percentages of decline in March. The changes in prices from March 1 to April 1 showed thirteen products advancing and forty unchanged, while fifty-three declined.

PRICE DECLINES

* * *

IT was stated in Washington March 24 that all American diplomatic missions had been notified by the State Department that they must dismiss all non-American attachés by July 1. The full Americanization of embassies had been provided for in the last diplomatic appropriation measure, which stipulated that salary expenditures from the contingent fund should be only for American employes. With the growth of the domestic service there had been a gradual increase in the number of translators and clerks of foreign nationality, and during the war the num-

AMERICAN EMBASSIES TO DROP FOREIGNERS

(© *Harris & Ewing*)
D. R. CRISSINGER
New Controller of the Currency

ber increased rapidly, especially in European capitals.

* * *

NOMINATION OF AMBASSADORS

PRESIDENT HARDING on April 14 sent to the Senate the nomination of Colonel George Harvey of New Jersey to be Ambassador to Great Britain and of Myron T. Herrick of Ohio to be Ambassador to France. The nominations were confirmed by the Senate; nineteen Democratic Senators and one Republican (Norris) voted against confirming Colonel Harvey.

* * *

OTHER NOMINATIONS

AMONG important nominations sent to the Senate by the President on April 14 were those of ex-Representative Esch of Wisconsin to be an Interstate Commerce Commissioner; George H. Carter of Iowa to be Public Printer; Hubert Work of Colorado to be First Assistant Postmaster General; William D. Riter to be Assistant Attorney General; Edward F. Finney of Kansas to be Assistant Secretary of the Interior, and Thomas E. Robertson of Maryland to be Commissioner of Patents. They were confirmed.

On March 26 James C. Davis of Iowa, general counsel of the Railroad Administration, was named as Director General of Railroads to succeed John Barton Payne.

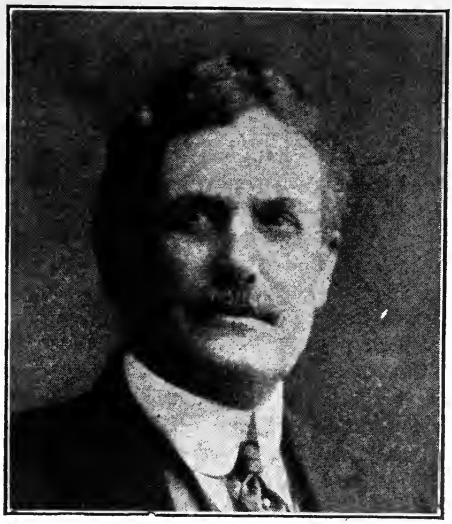
* * *

GRAFT AND TERRORISM IN BUILDING

AMAZING revelations of the graft, corruption and terrorism responsible for throttling the building industry in Chicago were made on March 27 before the Joint Investigating Legislative Committee. The exposures closely paralleled those uncovered at a similar inquiry in New York. The Federal Government and the county and municipal authorities had representatives at the hearing, and it was said that all of these forces would be combined to crush the criminal rings whose machinations were revealed.

One man who had built more than a thousand houses and bungalows, building them honestly and selling them at what he considered a fair profit, testified that he was finally bankrupted and driven from the city because he would not add $1,000 to the price. After testifying he hurried out of the city, fearing vengeance at the hands of the hired tools of the combination.

Testimony was given that graft entered into every building transaction, from the minute the first spadeful of dirt was removed until the building was turned over



MYRON T. HERRICK
New American Ambassador to the French Republic

to the owners. It was said that graft averaged 35 per cent. of the cost of the structure and ran into many thousands of dollars. The Legislative Committee was told that this plunder was collected by four men, one building contractor and three union business agents, and that disbursements were made by them to the smaller members of the ring.

* * *

NEW YORK STATE "DRY" BILLS

GOV. MILLER of New York on April 4 signed measures providing for enforcement by municipal authorities of the prohibition amendment and the Volstead act. Of the three bills signed, one provided for the repeal of the 3½ per cent. beer and light wine bill, enacted last year, as well as the Raines law with all its amendments, and the city local option law, and defined as intoxicating all beverages containing one-half of 1 per cent. of alcohol, or in excess of that proportion. Another added a new section to the Criminal Code,

charging local authorities with the enforcement of the prohibition law. A third amended the civil rights law by providing for the recovery of damages suffered by reason of selling or giving away intoxicating liquor. The enforcement plan in general followed that embodied in the Volstead act.

* * *

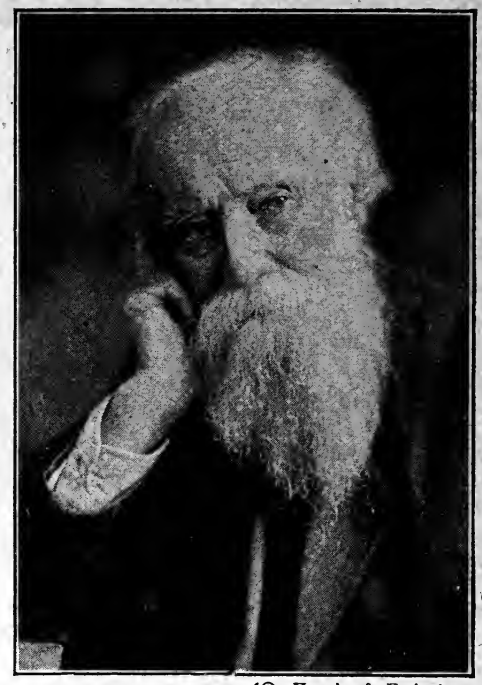
GAS FOR DEATH PENALTY

A BILL providing for the use of lethal gas in executing the death penalty in Nevada was signed on March 28 by Governor Boyle. Hitherto, condemned men have had the choice between hanging and shooting. Nevada is the first State of the Union to make use of gas as a means of capital punishment. Under the new law it was provided that the death warrant must designate the week within which the execution must take place. The week must not be less than sixty nor more than ninety days after the date of the judgment. The law provides for a suitable cell for inflicting the penalty. The warden, a competent physician and six men must witness the execution. The cell is intended to be airtight, fitted with windows of thick glass and equipped with valves to admit air when wanted. It is planned that when the condemned man is asleep, the air valves shall be closed and others admitting lethal gas be opened, life being taken without the prisoner awakening.

* * *

DEATH OF CARDINAL GIBBONS AND JOHN BURROUGHS

JAMES, CARDINAL GIBBONS, the most eminent prelate of the Catholic Church in America, died at Baltimore, Md., March 24, at the age of 86. He was born in Baltimore in 1834 and received his early education in Ireland, where he was taken by his parents. He entered the priesthood in 1861 and rose steadily through various ranks until in 1872 he was made Bishop of Richmond, Va. In 1877 he became Archbishop of Baltimore. On the twenty-fifth anniversary of his ordination as a priest he was invested with the insignia of a Cardinal at the cathedral in Baltimore, June 30, 1886. For many years he was a prominent figure in American life. His ability as an organizer and executive was remarkable, and his personal qualities won him general respect and esteem.



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JOHN BURROUGHS
Famous nature lover, essayist and thinker, who died March 29, 1921

John Burroughs, world-renowned naturalist, died suddenly March 29 on a railroad train while returning to his home, Riverby, New York. He was one of the best-known and best-loved men in America and figured largely in the intellectual life of the nation. He loved the great outdoors and had a more intimate knowledge of the nature of birds and animals than probably any man since Audubon. Supreme as a naturalist, he also held high rank in the world of letters. In 1917 the American Academy of Arts and Letters awarded him its medal for distinguished achievements in literature. He was buried on April 3, the day on which, if he had lived, he would have reached his eighty-fourth birthday.

SECRET PACTS OF FRANCE AND ITALY WITH TURKEY

By George R. Montgomery
Director of the Armenia America Society

At a time when France is protesting against a separate treaty between the United States and Germany she has not hesitated to abandon her allies, her fellow-signatories in the Treaty of Sèvres, and to make a separate treaty with the Nationalist Turks. The astonishing thing about this secret treaty is that it was agreed upon at the very time that France was uniting with the other Premiers in making certain joint proposals to the Turks with respect to modifications of the Sèvres Treaty already signed. The Turks replied to this joint proposal that they would have to consult their Government at Angora. Instead, then, of standing by her fellow-signatories to the Treaty of Sèvres, France has agreed to other changes in that treaty, and has proceeded to carry out certain parts of it without waiting for the Turks to carry out their part, or even to reply to the joint proposals.

This independent action on the part of France, aside from the aspect of treachery toward her allies, is important from an international standpoint, because it means a restoration to the Turkish domination of the Christians who, after the armistice, were encouraged to settle in Cilicia with the expectation of its becoming an Armenian home. George Picot, for instance, was appointed High Commissioner of Syria and Armenia. It was General Gouraud who changed the title to High Commissioner of Syria and Cilicia. Also, when Colonel Bremond was sent out to be Military Governor of Cilicia, he went as head of the "Commission for Armenia."

The separate treaties made by both France and Italy have international importance, also, because they restore Turkey to her old place as a factor of division among the powers, quite in the spirit of the nineteenth century diplomacy, and thus open up the way to another world war.

The separate treaty with France, printed below, surrenders to Turkey portions of Northern Syria which the Treaty of Sèvres set apart as Arab territory, and establishes a boundary entirely different from that previously determined. The boundaries outlined by President Wilson are not involved in these changes, although his award was involved in the joint proposals made by the conference of Premiers last month. The agreement entered into by France makes practically futile the joint proposals of the conference of Premiers presented at about the same time. [See Page 347.] The agreement is signed by Briand, the French Premier, and by Bekir Samy, delegate of the Grand National Assembly at Angora, acting in the name of the National Turkish Government.

There are twelve points in the agreement, lettered from A to L, as follows:

A.—Cessation of hostilities and exchange of prisoners, according to the terms of the attached annex.

B.—Disarmament of the populations and of the armed bands in accordance with regulations to be made by the French and Turkish military authorities.

C.—Establishment of a constabulary (making use of the gendarmerie already formed) under Turkish command, assisted by French officers, who will be placed at the disposition of the Turkish Government.

D.—In accordance with measures to be agreed upon by the French and Turkish military authorities, there will be evacuation at the expiration of one month (after the cessation of hostilities) of the territories occupied by the armed troops north of the frontiers established by the Treaty of Sèvres. The Turkish troops are first to retire and then eight days after the evacuation will occupy the localities evacuated by the French troops. Provisional measures will be taken with respect to the evacuation of territories assigned to Syria by the Treaty of Sèvres and reincorporated in the Turkish State by the present agreement, on account of ethnic considerations.

Because of the condition of protracted war, and of the deep-rooted confusion which has resulted from it, the French troops will withdraw gradually, according to stipulations to be determined by the French and Turkish authorities, in a joint commission, on the following general basis: Effective pacification, guarantee of safe communication by railway between the Euphrates River and the Gulf of Alexandretta, the restoration of construction in the Amanus Mountains and at the Bridge of Djerablous, the right of military pursuit in case

of attack by bands, the punishment of those guilty of the ambush at Urfa.

E.—Complete political amnesty and maintenance in their activities of the administrative personnel in Cilicia.

F.—Pledge to protect the ethnic minorities, to guarantee to them absolute equality of rights in every respect and to have regard in an equitable way to the proportions of the populations for the purpose of establishing an equilibrium in the districts where the populations are mixed, when the establishment of the constabulary is undertaken and when the municipal administrations are formed.

G.—Economic collaboration between the French and Turks, with the right of priority in respect to concessions to be granted for the exploitation and for the economic development of Cilicia in the districts evacuated by the French troops, as well as in the vilayets of Mamurt-el-Aziz, Diarbekr and Sivas, in so far as such exploitation shall not be carried out directly by the Ottoman Government or by Ottoman subjects with the assistance of national funds.

Concession to a French group in the Argana copper mines.

Concessions which involve monopolies or privileges shall be exploited by companies that are established under the Ottoman law.

The widest possible association of Ottoman and French capital (extending to 50 per cent. of Ottoman capital).

H.—Establishment of proper customs regulations between the Turkish and Syrian territories.

I.—Maintenance of French educational institutions and hospitals and of philanthropic organizations.

J.—The French Government will establish a special administration for the District of Alexandretta where the populations are mixed, and agrees to give to the inhabitants who are of the Turkish race every facility for the development of their culture and for the employment of the Turkish language, which will have an official character on a parity with the Arabic and French languages.

K.—Transfer to a French group of the section of the Bagdad Railroad which extends from the Cilician Gates to the Syrian frontier.

Every effort will be made to facilitate in every respect the use of the railroad by both Turks and French for economic and military purposes.

L.—The frontier between Turkey and Syria will start from a point to be chosen on the Gulf of Alexandretta, immediately south of Payas, and will extend in a straight line toward Meidan Ekbes, the railroad station and the town being assigned to Syria.

Thence the boundary will turn southeast in such a way as to leave to Syria the town of Marsova, and to Turkey the town of Karnaba, as well as the City of Killis.

Thence the frontier meets the railroad at the station of Chotenbeg. From there the frontier will folow the Bagdad Railroad, whose roadbed will remain in Ottoman territory as far as Nissibin.

Thence the frontier will go to the bend of the Euphrates north of Azekh and will follow the Euphrates as far as Djeziret-Ibin-Omar.

The Turkish line of custom houses will be established north of the railway and the French line of custom houses to the south.

ANNEXES

Article I.—While awaiting the prompt conclusion of a more general agreement between the high contracting parties, all active military operations will be entirely stopped on the Cilician front and on the confines between Turkey and Syria, as soon as orders to this effect shall have been received by the respective troops, the orders to be given by the French authorities as well as by the authorities at Angora at latest within a period of one week.

In order to hasten this suspension of hostilities the commanders of the French and Turkish military units will, as soon as they shall have been informed, impart to the hostile forces that may be opposed to them the fact of the signature of the present agreement and of the suspension of operations.

Article II.—As soon as the urgent instructions to be given by the two high contracting parties shall have been received, the prisoners on both sides, as well as any French or Turkish individuals imprisoned because of the hostilities, shall be set at liberty and conducted at the expense of the party who had taken the captives to the advance posts or else to the nearest city which may be designated. Exception will be made only for those infractors of the common law whose cases shall be reserved for a joint examination.

Article III.—The present agreement is made without limitation as to duration, and the resumption of hostilities may not take place on either side excepting after a formal declaration one month in advance. During the suspension of hostilities the parties pledge themselves to refrain from reinforcing their troops and from any dispositions that would tend to better their respective positions. The only transportations of a military sort that are authorized shall be the normal replacements as well as those necessary for the provisioning and the maintenance of troops.

Done at London in duplicate, March 9, 1921.

ITALY'S PACT WITH THE KEMALIST TURKS

Not only France, but also Italy, it was revealed early in April, had concluded a secret pact with the Turkish Nationalists while Greece was fighting in Anatolia to enforce the terms of the Sèvres Treaty signed by all the Allies in common. This agreement between Rome and Angora, it now appears, was arranged between Count Sforza and Bekir Samy Bey, representing Kemal, during the London conference in March. The pact itself was signed on March 12. Count Sforza on April 2 officially informed the Italian Chamber of the

signing of this treaty, and explained the objects sought to be attained. The following week the British Government instructed its Minister at Rome to ascertain what the provisions of this secretly concluded compact were. The salient points of the treaty, finally published in Rome on April 7, and summarized in Paris on April 12, were as follows:

1. The two Governments at Angora and Rome have in view Italian-Turkish economic collaboration with the right of priority for concessions of an economic character to be accorded in the Sandjaks of Adalia, Meugia, Bourdour and Sparta and in part of the Sandjaks of Afiun, Karahissar and Kutahia, which will be determined when the accord becomes definite, as well as in the coal basin of Heraclea, so far as the above-mentioned should not be directly given by the Ottoman Government to Ottoman subjects with Ottoman capital.

2. When the concessions contain privileges or monopoly they shall be exploited by societies formed according to Ottoman law.

3. Ottoman capital shall be assisted as largely as possible with Italian capital. Ottoman participation may reach 50 per cent. of the total.

4. The Royal Government of Italy pledges itself to support effectively in relations to its allies all demands of the Turkish delegation relative to the Peace Treaty, and especially restitution to Turkey of Smyrna and Thrace.

5. This part of the agreement involves the withdrawal of Italian troops which still remain in Ottoman territory.

6. The foregoing disposition will come into effect as a result of a convention to be concluded between the two contracting parties immediately after the conclusion of peace assuring Turkey a free and independent existence.

On April 2, Count Sforza, the Italian Foreign Minister, gave in the Rome Chamber a comprehensive account of the Near East Conference and of the German Conference which followed. In regard to the former he said—and this is most important, as it has not been imparted by any other statesman of the Entente:

The first proposal for a Commission of Inquiry in Thrace and Smyrna, conditionally accepted by the Turks and rejected emphatically by the Greeks, could not be imposed with force, and therefore another solution was required. It consists of fresh proposals made on March 12 concerning which the Turks showed themselves well disposed, and the Angora delegates promised to refer the matter to their National Assembly. The Greeks will refer the matter to Athens. The proposal is for a partial revision of the Treaty of Sèvres. [Here the Count paraphrased the proposals of the Allies.]

I desired to reach an agreement with the Turkish delegates on our own economic action in Anatolia and the Heraclea mining basin, and it was understood that the policy of the Italian Government was to proceed in perfect harmony and co-operation with the Turkish authorities.

I was able, happily, to conclude an agreement, signed on the evening of March 12, by which a vast zone in Asia Minor is open specially to Italian economic penetration without any political aims, and I have secured the sincere and cordial co-operation of Turkey, which is convinced of the honest and loyal intentions of Italy.

SCOTLAND'S HOUSING CRISIS

At the close of 1920 Scotland, with a population far less than that of New York City, found that it had to provide 131,000 houses for its residents. State aid for housing resulted. By the end of February contracts had been let to construct 19,137 houses, to cost $70,265,000 at the present exchange rate; 15,787 brick, 1,438 stone, 700 brick and stone, 552 concrete and 600 timber houses. J. L. Jack, Director of Housing under the Scottish Board of Health, speaking before the Government Committee of Inquiry at Edinburgh, reported these facts:

That although land was cheaper than it was five years ago, the Government's State-aid project had inflated land values.

That contractors in many instances profiteered at the Government's—and thus at the house builder's—expense.

That materials had increased in cost 25 per cent. since 1919.

That under the Government's three-year housing-aid project, labor was loafing on the job, thus greatly increasing the costs of construction.

A census of the shortage was taken through local authorities. The Valuation Department of the Inland Revenue got $738,150 subtracted from inflated land prices. Contractors were induced to lower their charges by amounts ranging from $200 to $585 a house.

FORCING RELUCTANT GERMANY TO PAY

England, France and Belgium levy a 50 per cent. duty on all German goods coming into those countries—France to seize the Ruhr Basin if Germany does not pay indemnity—Total amount of the indemnity payments

REPARATION by Germany to the Allies was an acute question in England, France and Germany during the month. Though the Allies failed, at the London Reparations Conference, to come to any agreement with the German delegates regarding indemnity payments, they agreed among themselves in adopting a novel substitute measure. It was a scheme devised by Mr. Lloyd George and Mr. Austen Chamberlain to levy an import tax of 50 per cent. ad valorem on all German goods when they entered any of the chief allied countries, under an arrangement by which Germany was to be forced to pay this tax. Great Britain, France, Italy, Japan and Belgium all agreed to the plan, and it was understood that the sums collected should be pooled and divided as German indemnity money. Each country was to formulate and pass the necessary tariff law. Lloyd George's idea was that if Germany consented to play the game, reimbursing her exporters, it would produce some of the cash which the conference had failed to produce, whereas, if she refused, the measure would have a punitive effect.

The British Premier and his Chancellor of the Exchequer led the way by introducing in Parliament, on March 11, a full-fledged measure for this purpose, entitled "The German Reparation (Recovery) bill." It was officially described as a measure "for the application of part of the purchase price of imported German goods toward the discharge of the obligations of Germany under the Treaty of Versailles." It provided all the necessary machinery for fixing values, varying contracts, settling disputes, and empowering Parliament to suspend the operation of the act when it should see fit to do so.

The bill required all importers of German goods to pay over to the Commissioner of Customs a certain percentage (not to exceed 50 per cent.) of the total value of the goods consigned; they were to receive in exchange an official receipt exempting them from the payment of this amount to the German consignors, and the latter were expected to look to their Government for reimbursement. M. Briand's understanding, as he told the Chamber when introducing a similar bill in France, was that all the receipts were to be pooled and divided by the allied nations concerned; Mr. Lloyd George's idea, however, as he explained to Parliament under fire from many hostile critics, was that Great Britain should keep all its own receipts under the law until the British share of the indemnity, which was 22 per cent., had been liquidated.

The bill advanced by stormy stages until it became a law at the third reading on March 18 by a vote of 215 to 132. It went into effect on March 31. The law was opposed bitterly by the business interests, whose representatives likened it to a stick thrust into the works of a clock. Members of Parliament had pointed out that its practical result would be to saddle a new and heavy tariff tax upon the British public. Dr. Simons, the German chief delegate, had declared to the allied Ministers that such a tax meant one of two things—either that the German exporters would add this amount to their price, which would mean that the consumer would eventually pay it, or that German trade would go to the wall.

After the British bill was on its way through Parliament he told the Reichstag at Berlin: "This action on the part of the Allies we regard as the greatest and most fateful mistake which could have been made in the efforts to further the restoration of the economic position of Europe." Lord Robert Cecil, speaking in the British Parliament on March 16, said that he hoped the bill was really a penalty bill and not a bill for collecting the indemnity; he could conceive no more disastrous way of levying the indemnity than that they should keep

alive for thirty or forty-two years a special tax on German imports.

Nobody showed any enthusiasm for the idea except Lloyd George, who defended it at every turn and forced it through to a final vote. The general impression was that the British Premier's purpose was to use the new law as a cudgel to persuade Germany to come to some reasonable terms in regard to indemnity payments. The following rhymes in The Manchester Guardian expressed the view of one element of the population:

In matters of commerce the fault of the British
Is being a little too headlong and skittish—
Free Trade was their settled and wedded affection,
But now they elope with the maddest Protection.
Protectionist Allies like Belgium and France
Hold back and regard the proposal askance,
Preferring indemnities paid by the raiders
And not by their own and unfortunate traders.
So Britain, poor Britain, alone sets the pace
In cutting her nose off to spite her own face,
And a measure that no one imagines will last
By Lords and by Commons is solemnly passed,
Whereby to a kind Coalition's content
We clap on boche exports just 50 per cent.—
Fifty per cent, 50 per cent,
Fifty per cent. from the Alleyman's shelves—
And if any one pays it we pay it ourselves.

The other Allies showed various degrees of reluctance in adopting the scheme. When Premier Briand introduced a bill for that purpose in the Chamber, on March 21, it was viewed askance by many Deputies. The Temps expressed the fear that it would only weaken Germany's means of paying. On April 1, however, Premier Millerand delivered a yet more staggering blow of this kind by signing a decree raising the tariff on goods imported from Germany in various degrees up to 100 and even 300 per cent. On April 14 the Chamber adopted the 50 per cent. tariff bill on German imports by a vote of 383 to 79. The Belgian Parliament passed the 50 per cent. tax on March 23 by a vote of 128 to 19. The Finance Minister obtained its passage solely on the ground of its necessity to punish Germany for bad faith regarding indemnities. In Italy the subject was a sore one, for Italian importers were doing a rushing business in imports from Germany—in fact, in a single day of March 25,000 registered parcels from Germany accumulated at the Custom House at Chiasso, and forty inspectors were unable to handle the business. Count Sforza, who had consented to the idea at London, found it a delicate matter to handle when he reached home; at last accounts Italy and Japan had taken no action.

The new allied customs collections in the Rhineland became effective April 20. A 25 per cent. German tariff in gold is collectible at the eastern frontier of the Rhineland on westbound merchandise, while on eastbound merchandise from the occupied into the unoccupied area the duty is 25 per cent., payable in paper money. The Interallied Rhineland Commission has the power to change the regulations as it sees fit. Evaders of the customs regulations will be prosecuted in courts set up by the commission, and will be subject to a fine of 500,000 marks or imprisonment for five years.

The keynote of all debates in France during the month, also of the utterances of political leaders and influential newspapers, was, "Germany must pay." Toward the end of April the fact was semi-officially announced that unless Germany showed a practical and actual disposition to make the payment of 12,000,000,000 marks on May 1, 1921, which sum the Allies contend is their due, the French Government would seize the whole Ruhr industrial and mining region and levy a heavy tax on its exports. Marshal Foch announced, on April 15, that he would require 200,000 troops for the task; this will necessitate calling to the colors the classes of 1918 and 1919, thus increasing the French Army by 450,000 men.

The sentiment in France for drastic action has been at fever heat since early in March, when the feeling became general that Germany was seeking to evade payment. The Chamber of Deputies was roused to the utmost fervor on March 16 by the brilliant and effective speech of M. Briand, the Premier, explaining the results of the London conference. That conference had ended in a deadlock, the Germans refusing to comply with the allied demands for reparation, as a consequence of which refusal a new interallied occupation of the Rhine district had ensued. Some parts of the Premier's speech brought the entire house to its feet, amid wild storms of applause and approval. M. Briand reviewed the reasons for the failure of the London discussion and for the occupation. The Allies, he said, now controlled the greater

part of the transport of coal. He explained that the application of the customs sanction would produce a common fund, which would be divided according to the percentages of the Spa agreement.

Taking up then the question of reparations, he drew an effective picture of the wealthy German profiteers who were storing up vast profits, while by the purchase of newspapers and all the arts of propaganda they were pleading Germany's poverty to the world. If this continued, declared M. Briand, the day would come when Germany would attempt in the economic sphere those imperialistic conquests which she had failed to make in the military domain. Her assertions that she could not pay what was being demanded could not be trusted. She had no foreign debt, her taxes were less heavy than those of France, and her economic situation superior. At Spa she declared she could deliver only 800,000 tons of coal. Threatened by penalties, she delivered nearly 2,000,000 tons. Dr. Simons in London, before the final break, had similarly named a low figure for the payment for the first five years, but on receiving an ultimatum had discovered new resources, and had actually come to the very figures of the Allies. Since the final German answer to the Allies' whole plan was a refusal, both parties now faced the execution of the Versailles Treaty by means which it was for the Allies to decide. The Chamber would have to make its own decisions on the steps to be taken, and would be informed by the Premier of events as they occurred.

By this speech M. Briand scored another of his many spectacular successes since he assumed the Premiership. The full extent of this success was seen on the following day (March 17), when the three days' debate ended. By a vote of 491 against 68 the Chamber gave M. Briand its confidence. A notable feature of the last day's debate was the participation of former War Minister Lefèvre, who proposed that the Allies should reserve the right of perpetual inspection and control of the manufacture of munitions by Germany. To this M. Briand replied that no provision was made for permanent control in the Versailles Treaty, and by that treaty the Allies must abide.

The comments of the press showed that all in all M. Briand was solidly backed by the Government and the people in his determination to force Germany to pay, even at the cost of an extended occupation of German territory. One paper pointed out that the German banks and the large industrial owners were colossally rich, and that the Prussian landlords had immense reserves of real property, from all three of which sources Germany could find funds to pay for the consequences of the war. The Temps declared that M. Briand had showed the Germans that their real enemies were in Germany herself, and constituted "those persons, many of whom wished to bring about the war, and many of whom have profited by it."

Through the rest of March and during the first half of April the Allies were perfecting their plans to force matters with Germany to an issue. In the course of the debate in the French Chamber, on April 12, M. Briand declared: "The time for words has passed. We must now revert to acts." The first application of the penalties, he said, had not produced the desired result, and Germany still showed a disposition to evade payment.

> On May 1 [the Premier continued] Germany will be face to face with a whole series of violations of the treaty which she signed. I repeat here, with all the strength at my command, that we creditors hold a perfectly legal deed. A process server has been dispatched to Germany, and if our debtor persists in refusal to pay, the next next time a policeman will accompany him.
>
> This process is a legal proceeding as between individuals in everyday life, and it is the same in relations between nations. It is no use to begin over again discussions already closed. We have in hand a promissory note duly signed, and if the debtor refuses to pay we must coerce him by all means of coercion we have in our power.
>
> In full agreement with our Allies we have a rendezvous with Germany on May 1. France shall not fail that rendezvous.

Germany must pay, declared the French financial experts. M. de Lasteyrie, official reporter of the Finance Committee of the Chamber, pointed out that Germany had paid only 3,000,000,000 francs reparations, although she claimed to have paid 21,000,000,000—a figure which she reached by including the value of the war material left behind by the German Army when it retreated—and concluded: "France must be paid. If Germany refuses France must go in herself and exact payment. It is a ques-

tion of life or death." This declaration was applauded by the entire House.

It was taken as a confirmation and supplement to a similar statement embodied in the report of M. Chéron, Chairman of the Senate Finance Committee, distributed among the Senators shortly before. In this report M. Chéron had declared, on the basis of official facts and figures, that unless Germany paid the fiscal problem of the French Government was insoluble. France, said the report, must find 58,000,000,000 francs this year, and her revenue was estimated at 22,000,000,000. She was carrying a deficit of 38,000,000,000 already spent on the prospects of German payment, and 16,000,000,000 additional was carried in this year's budget to the same account. No alternatives or palliatives could be effective. Germany must pay or French finances faced a disastrous impasse. M. Chéron pointed out that in the figures above quoted had not been included the costs of pensions for 1,500,000 mutilated soldiers and 700,000 widows, who still remained to be provided for.

Although the report of the Bank of France showed that during the year 1920 the general economic situation gave some hope for the future, in view of an improvement during that year in respect to trade balance, agricultural production and transportation, the figures given by M. Lasteyrie and M. Chéron were inexorable, showing as they did that financially France was facing a crisis.

The Commission on Reparations, meanwhile, completed its hearings in Paris of the German experts on German resources, and announced on April 12 that the final bill would be presented to Berlin on April 30, one day before the expiration of the time limit fixed by the Versailles Treaty.

It was announced April 15 that the Reparations Commission had set the German indebtedness on the reparation account at a figure between 130,000,000,000 and 150,000,000,000 gold marks, which if carried in instalments over a period of thirty years would mean, with interest, between 340,000,000,000 and 400,000,000,000 marks gold. As to Germany's ability to pay, the Reparations Commission on April 12 gave out the following figures:

> The German internal debt is 1,178 marks paper a head; that of France 5,353 francs paper a head. The external debt of Germany is 40 marks paper a head, and France 2,102 francs paper a head. This means that Germany's external debt is practically nothing.
>
> France is paying taxes at the rate of 548 francs a head; Germany 478 marks a head. On a gold basis, the Frenchman is paying five times the taxes the German does.
>
> The Reparations Commission's information shows that the German railroads, with 40 per cent. less traffic than before the war, have 300,000 more employes, and the commission estimates that the German Government could save 2,000,000,000 marks annually in the operation of the railroads if it wished to.
>
> The prosperity of Germany is evidenced by the fact that bank deposits in 1920 increased 50 per cent. over those of the preceding year. The commission estimates that in 1922 Germany will have available 3,800,000 tons of shipping, not counting ships flying neutral flags but owned by German firms. In the last year German companies have increased their capital 400,000,000 marks. Dividends of 20 to 100 per cent. are common, although often camouflaged in accounting.
>
> The disarray of the German Government's affairs—a disarray which the French charge is largely intentional—causes budget expenditures of 110,000,000,000 marks, with revenues of only 40,000,000,000. The Reparations Commission estimates that the German wealth of 350,000,000,000 marks before the war has not materially decreased.

GERMANY CRUSHES COMMUNIST REVOLT

Labor denounces the uprising—Allies again refuse to discuss German disarmament or to grant extension of time for indemnity payments—United States refuses to grant an easement—Upper Silesian plebiscite goes against Poland

[PERIOD ENDED APRIL 15, 1921]

TAKING a cue from reactionary Bavaria's defiant rejection of the disarmament law enacted by the Reichstag on March 19, in compliance with the Allies' insistence upon fulfillment of the Treaty of Versailles, the leaders of the extreme Communists, acting, as alleged, under instructions from Moscow, launched a revolutionary movement in the industrial districts of Middle Germany. From March 20, when the general strike began in the Halle section, until the final skirmish there, on April 2, between communists and security police, according to semi-official estimates, about 50 policemen and some 500 rioters were killed, 50 policemen and several hundred of their opponents seriously wounded, and about 3,700 individuals arrested, charged with complicity in the plot to overthrow the German Republic.

The outcome of the uprising was a disappointment both to the communist leaders and to the junker reactionaries. The former hoped to rally the German proletariat to their red banner with the slogan of "Let's join Soviet Russia!" The junker reactionaries were waiting for a chance to "come to the rescue" of the Government with their more or less secret military organizations, to slaughter the rebellious workers by the wholesale, and then seize the reins of government in the interest of the monarchists and big business. Both extremes were disconcerted by the action of the Central Government, which refused to use the regular army or to ask for the help of the "Orgesch," and allowed Herr Severing, the Prussian Minister of the Interior, and Herr Hörsing, President of the Province of Saxony, both Majority Socialists, to restore order with the military police. This moderation deprived the extreme communists of the sympathy and possible aid of the masses of their own party and of the Independent and Majority Socialists. The revolt, consequently, was suppressed without wholesale blood-letting. About all the reactionary press could do was to clamor for vengeance upon the rebels and point with pride to the calm that had obtained in Bavaria, due, according to the junkers, to the strength there of the "Orgesch."

Taking note of the spread of "wild strikes" and an epidemic of lawlessness in the Halle district, Herr Hörsing issued a proclamation to the workers there on March 16, pointing out that industry was being so hampered by the irresponsible acts of the "Committees of Action," elected in place of the regular Shop Councils, that he was about to send strong detachments of police to preserve order. Thereupon the communist press of all Germany, led by Die Rote Fahne of Berlin, covered him and his supporters with insults, and declared he was merely a tool of the reactionaries seeking to pave the way for the arrival of the "Orgesch." It called upon the workers to imitate Dr. von Kahr, the Bavarian Premier, i.e., to laugh the law to scorn, to arm themselves and to effect a union with Soviet Russia, even over the body of the German bourgeoisie. Belated confiscation of the issues of Die Rote Fahne containing especially violent appeals only caused that paper to increase the bitterness of its language. In this it was outdone only by the organ of the Communist Labor Party, speaking for the small group of intransigeants that regards the United Communist Party as a half-hearted organization little better than the Majority Socialists.

Preceded by an attempt to blow up the Column of Victory in Berlin on March 13,

the anniversary of the reactionary Kapp revolt of 1920, and by the arrest of several communists charged with complicity in widespread plots to destroy public buildings in leading German cities, a general strike was called on March 20 in the industrial district surrounding Halle. This turned into armed rebellion the next day, following a fatal clash between security police and strikers. At first the strikers were able to seize the big Leuna chemical plants and to dominate the situation in Eisleben, Merseburg and Mansfeld. Meanwhile, by sympathetic outbreaks in Hamburg, the strikers tried to keep possession of the big shipbuilding plants of the Vulkan Company, Krupps and Blohm and Voss, as well as of the municipal buildings, over which they hoisted the red flag. But the police dislodged them after losing about a score killed and many more wounded. Elsewhere the response to the communist call for action consisted merely of scattering attacks with bombs upon public buildings in Leipzig, Freiburg, Plauen, Rodewisch, Dresden, Auerbach and some other towns. In Berlin attempts to call out the workers were foiled by the hostile attitude of the men themselves and the vigilance of the security police.

Prompt action by the Prussian authorities, aided by the proclamation of a modified state of siege by President Ebert and a declaration by the Executive Committee of the General German Trade Union League denouncing the uprising soon enabled the security police to gain the upper hand in all centres of rebellion and to oust the communists from their control of strategic places in the Halle district. In the last days of March, when order had been restored in Middle Germany, there was a flicker of revolution in the West. This resulted in strikes and scattering attacks upon the police in Dortmund, Mettman and Essen. All these uprisings were put down with more or less bloodshed. Finally there was a futile flare-up in Gotha and Erfürt. In the occupied zone the trouble was confined to Meers and Crefeld in the Belgian section, and to a slight disturbance in the American section, quickly quelled by twenty American military policemen. The Belgians crushed the strike in the Crefeld district by arresting 281 of the communist leaders. On April 4 the Berlin police found many mysterious packages containing high explosives scattered in public and private buildings and along the tracks of the elevated railroad. This was regarded by the authorities as the last effort of the expiring revolt.

After the actual fighting was over the non-communist papers and parties, which had been practically a unit in supporting the Government's suppression of the uprising, immediately divided along their usual lines. The organs of the junkers and the big business interests demanded that the extraordinary courts set up under an order by President Ebert mete out exemplary punishment to the strike leaders. On the other hand, the Socialist and Democratic press warned against setting up a reign of terror, and exhorted the Government to pursue a moderate course which would show the nation and the world that it was strong enough to maintain the republic without resorting to excesses. While several inflictions of the death penalty by the special courts had been reported up to April 15, there was little indication that a policy of "blood and iron" would follow the liquidation of the "putsch" (revolt). Nevertheless Die Rote Fahne attacked the courts so fiercely for what it called murder that it was suppressed and its editor charged with high treason.

In attempting to explain the origin of the outbreak, Conservatives, Majority Socialists and even Independent Socialists tended to accuse the communist extremists of having obeyed orders from Moscow, transmitted by George Zinoviev, President of the Third International, to bring about a Soviet revolution in Germany in order to bring cheer to the Russian Communist Government, then threatened by the Kronstadt rebellion. Minister Severing said that he had unimpeachable circumstantial evidence to back up this belief, but the National Government did not allow this statement to interfere with its negotiations for a commercial treaty with Russia, nor was any special effort made to arrest the numerous Soviet agents said to be operating in Germany. The communists, while not denying their intention of setting up a Soviet republic and effecting an alliance with Russia, declared that the revolt had been precipitated by the "provocative" action of the Prussian authorities. These

they accused of being in league with the reactionaries to stamp out the workers' organizations and re-establish the monarchy. Both extremes counted upon the support of the German masses in any kind of attempt to smash the Peace Treaty and escape from the penalties imposed by the Allies, but the common sense of the 8,000,000 trade unionists and the populace in general outweighed their feelings of resentment. It was estimated that not more than 100,000 persons joined in the uprisings.

No definite steps toward enforcing the disarmament law were taken by the German Government. On the other hand, in a note dated March 26, Germany asked the Council of Allied Ambassadors to arbitrate certain questions of disarmament. As President of the Council of Ambassadors, Premier Briand of France answered the German note by saying that all these questions had been settled on Jan. 29 and ordering Germany to carry out the Allies' demands or take the consequences of a refusal.

About the only progress made during the period toward breaking the deadlock between the Allies and Germany over the question of reparation, which had resulted in an extension of the zone of occupation in the Ruhr district early in March, was the exchange of notes between Paris and Berlin. Dr. Walter Simons, the German Foreign Minister, stated in this connection that Germany would make a new offer before May 1, the last day upon which the Reparation Commission may present its final bill to the German Government, according to the terms of the Peace Treaty.

In all the discussion on reparation the German Government laid stress upon its eagerness to help reconstruct the devastated regions of France. On March 21 the French Confederation of Labor announced that it favored the importation of German labor and materials for this work, as otherwise the task would not be finished for many years. Berlin declared on April 7 that an offer of such labor and material would be made before May 1. A bid for American intervention was made by Dr. Simons in a note sent to Secretary of State Hughes on March 23 through Loring Dresel, American Commissioner in Berlin. This note declared that Germany was fully aware of its obligation to "make reparation to the limit of its ability to pay," complained of the alleged harshness of the Allies' methods and suggested an international loan as the only means of placing Germany in a position to get to work and fulfill its obligations. In his reply [printed elsewhere in this issue of CURRENT HISTORY] Secretary Hughes said that the United States stood with the Allies in holding Germany responsible for the World War and therefore morally bound to make reparation so far as possible.

In the meantime the Allies went ahead with preparations to impose the penalties prescribed for the German failure to accept the terms of the London Conference in March. The limits of the new zone of occupation [sketched in the April number of CURRENT HISTORY] were extended from Duisburg along the railroad to within two and a half miles of Essen, and on April 10 the Interallied High Commission for the Rhineland announced from Mayence that the new allied customs collections would become effective April 20. The tariff line is about 500 kilometers long and just inside the military occupation line. The present German tariff, payable in gold, was to be collected on eastbound and westbound goods crossing the regular Western German frontier. A 25 per cent. German tariff, in gold, was to be levied at the Eastern frontier of the occupied Rhineland on westbound merchandise, while on eastbound goods from the occupied into the unoccupied territory the same duty was to be paid in paper money. This arrangement, calculated to promote business in the occupied zone at the expense of the rest of Germany, may be adjusted by the Interallied Rhineland Commission at will.

Germany protested to the League of Nations against the extension of the zone of occupation, but, as explained by Dr. Da Cunha, President of the League Council at Geneva, the League can take no action unless the initiative is taken by a member nation.

Despite predictions of wholesale bloodshed, the plebiscite held in Upper Silesia on March 20 to show the preference of the inhabitants for Germany or Poland, under the terms of the Treaty of Versailles, passed off without any violence of importance. It resulted in a vote of 716,408 for Germany and 471,406 for Poland, as announced by

the Interallied Commission on March 22. The presence of some 30,000 British, French and Belgian troops in the district apparently had a quieting effect upon the fiery spirits of the German and Polish agitators.

Although the voting showed a majority of about a quarter of a million for Germany, the Upper Silesian problem was not finally settled by the plebiscite, as, under the Peace Treaty, the Supreme Council of the Allies is not obligated to award the district as a whole to either of the claimants, but may divide it according to the expressed wishes of the residents of the various communes. Consequently there is a possibility that the allied representatives may consider important sections of the rich coal district as entitled to become part of Poland because the majority of their inhabitants voted Polish. In a note covering 500 pages the German Government, on April 7, asked the allied Governments and the Interallied Commission to award Upper Silesia to Germany as a whole, promising to protect the Polish minority and to give Poland part of the coal from the district. The next day General Le Rond, head of the Interallied Commission, arrived in Paris.

Carl Neuf and Fred Zimmer, the American military detectives who tried to arrest Grover Cleveland Bergdoll, an American draft evader, in Eberbach, Baden, on Jan. 22, were tried in Mosbach, found guilty of "an illegal assumption of power" and sentenced on March 22 to serve fifteen months and six months, respectively.

On April 13 the German Government sent a message to William Hohenzollern, the former Emperor, condoling with him on the death of his wife. [An account of the death of the former Empress is printed elsewhere in this issue.]

WHAT BELGIUM IS DOING

[Period Ended April 15, 1921]

PLANS for the reconstruction of Louvain University Library have been accepted by a committee headed by Cardinal Mercier. Whitney Warren, the architect, announced in Paris on April 7 that work would probably begin in July. Across the facade of the new building, in giant letters, is to be a Latin inscription which, translated, reads "Destroyed by German hate and restored by Americans." The library will not be on the old site, but will be erected in the centre of the city.

The Rockefeller Foundation has announced a contribution of 43,000,000 francs toward a budget of 100,000,000 for new buildings and endowments for the medical school of the University of Brussels.

King Albert has informally conveyed to President Harding the information that retention of Brand Whitlock as Ambassador at Brussels would be most pleasing to him and to the people of Belgium. Burgomaster Max of Brussels, it was reported on March 21, would be sent to the United States to congratulate Mr. Harding on his accession to the presidency.

The Belgian Government has accepted the proposal of the League of Nations that the International Bureau for the control of traffic in arms and munitions, established in 1890, shall perform a similar function now. Belgium led the way to disarmament by agreeing on April 11 that her future budgets for armaments shall not exceed the present one. Holland has also notified the League that it intends to adhere to the arms traffic convention.

BELGIAN CONGO—Natives of the equatorial district of the Congo Free State, in a rising in March, burned fifty trading posts. A dispatch from Brussels on April 12 reported that the revolt was fomented by a native pretending to have discovered a charm making its possessors invisible and invulnerable. He sold the charms to credulous natives, whose faith in them was confirmed when troops sent to quiet their excitement fired into the air. The natives became uncontrollable and a widespread use of troops was necessary to restore order. [See also article on Page 283.]

DEATH OF THE GERMAN EX-EMPRESS

IN the little Dutch railway station of Maarn, shrouded in the gloom of an April evening, the ex-Kaiser, surrounded by his sons and their wives and several other members of the Hohenzollern family, bade an eternal farewell to the last remains of her who had been his faithful companion, sharer of his former grandeur and of the sorrows of his downfall, the former Kaiserin Auguste Victoria. The light from a few lamps on the railway embankment, as it fell on the sombre figure of the former monarch, struck out bright gleams from the helmets and swords and gold buttons of the full military uniforms in which the Kaiser and the other Hohenzollerns had garbed themselves for this tragic scene.

This dramatic leave-taking of the ex-Kaiserin's remains was necessitated by political considerations which Holland could not see her way to ignore. After the death of the ex-Kaiserin, which occurred on April 11, 1921, a painful controversy arose over the funeral, of which the German monarchists wished to make capital. The Kaiser, however, and all the Hohenzollern family soon made it clear that they wished no imperial ceremonial. The Dutch authorities, on the other hand, sent word that they could not allow either the former Kaiser or the former Crown Prince to accompany the body to the frontier, as this would have necessitated a special consultation with the allied Governments.

The body of the former Empress lay in state in Doorn Castle until April 16. The Kaiser's chaplain, Dr. Dryander, officiated at a church service in the morning, and funeral services were held at 8 o'clock in a large room decorated with evergreens and palms. The Kaiser, as well as his sons and their wives, showed great emotion during these last solemnities. The funeral procession proceeded from Doorn to Maarn Station in automobiles, one of which, draped with crape, adorned with a large silver cross, carried the body. The cortège arrived at the little station at night, in a darkness relieved only by the feeble rays of a few railway lanterns. First came a huge car filled with flowers. Then the big hearse rolled up, flashing powerful searchlights. From the next car descended Chaplain Dryander in his sable robes. The ex-Kaiser and his daughter, Princess Victoria Luise, and the rest of the Hohenzollern family followed in the other cars making up the cortège. Former German officials, stanch friends of the exiled royal pair and representatives of Queen Wilhelmina of Holland, the Dowager Queen and the Prince Consort, together with representatives of the King of Spain and the King of Sweden and a

(Photo Paul Thompson)

THE FORMER GERMAN EMPRESS
as she appeared when visiting the wounded during the war

number of Dutch officials, closed the procession.

In the half light of the station, the familiar figure of the Kaiser, dressed in the full uniform and regalia of a General of the Brandenburg Infantry, with helmet and sword and the military cape of field gray, could be plainly discerned as he stood with the other members of his family, similarly garbed in military uniform. The former Crown Prince was dressed as a General in the Death's Head Hussars. The Duchess of Brunswick and the other Princesses, garbed in unrelieved black, looked like nuns.

When all had collected around the coffin, Dr. Dryander, his voice vibrating with emotion, delivered a brief oration. The ex-Crown Prince and other Princes then lifted the coffin from the big motor hearse and placed it on the train. The pale light gleamed bizarrely on the purple velvet of the coffin and on the helmets and swords of the German Princes. The ex-Kaiser and Princess Victoria Luise then entered the car to bid farewell to the Hohenzollerns returning to Germany on the funeral train.

The German Government had sent an official message to William condoling with him over his loss. All the sisters of the ex-Kaiser, together with Generals von Hindenburg, Ludendorff and Mackensen, were expected to attend the funeral at Potsdam. Both the former monarch and the Crown Prince returned to Doorn. The latter made a strong plea with the Dutch Government to allow him to go to Potsdam. He was informed that he could not return to Holland if he crossed the frontier. To the former Emperor the prohibition forbidding him to take part in the Potsdam ceremonies was a crowning bitterness in his cup of exile.

HUNGARY'S RESTORATION FIASCO

Attempt of ex-Emperor Charles to remount the Hungarian throne fails for lack of support —Helped by aristocrats and clergy, but opposed by the Farmers' Party and treated with indifference by the masses—A Cabinet crisis

[Period Ended April 15, 1921]

After a vain attempt to remount the Hungarian throne in the last week of March, ex-Emperor Charles of Hapsburg returned, a somewhat wiser man, to his place of exile in Switzerland. His sudden appearance in Hungary and his proposed coup d'état were not without dramatic features, but he found the Magyar nation, for the time at least, unready and unwilling to accord him all the honors due to the wearer of St. Stephen's hallowed crown.

Charles's appearance in Hungary on March 26 was a distinct surprise, at least

SKETCH MAP SHOWING THE TERRITORY TRAVERSED BY EX-EMPEROR CHARLES IN HIS TOUR FROM GENEVA TO STEINAMANGER, AT THE TIME OF HIS UNSUCCESSFUL ATTEMPT TO REGAIN THE HUNGARIAN THRONE

to the rank and file of the Hungarian people. Reports have it that Admiral Horthy, the regent, was equally surprised, and when he was first notified of the presence of the erstwhile monarch, his former commander as the head of the Austro-Hungarian Navy, he disbelieved the news and considered it a joke. Only when the former ruler appeared in person and demanded that he yield supreme power to him was Horthy aware of a grave situation demanding quick action. "I will not dispute your right to the throne," he told Charles; "but you must remember that I was elected Regent of Hungary and will abandon my place only in response to a constitutional act by the National Assembly." Charles pleaded in vain, and was told that he must leave the country immediately.

Speculation is rife as to what prompted Charles to abandon his exile and try his hand at restoration. It has become known that before his departure from Prangins he was in Strassbourg with his brother-in-law, Prince Sixtus of Bourbon. There, it is reported, he discussed his return to the throne with leading royalists and militarists of France. He asserts that Premier Briand assured him of non-intervention and that he should go ahead with his plans and the powers would bow to a fait accompli. Praznovsky, the Hungarian Minister at Paris, declares he knows that leading French Generals knew about the coup beforehand and encouraged Charles. General Franchet d'Esperay, who was supreme commander of the Allies' Balkan forces in the war, was frequently referred to in reports as being in sympathy with Charles's plans. Even the name of Grant Smith, American High Commissioner at Budapest, was linked with the plot. However, Premier Briand not only denied all such knowledge, but sent to the Hungarian Government a protest which ultimately caused Charles to leave the country. The suspected French General remains silent, while Grant Smith declared that his presence in the vicinity of Szombathely, the town in Western Hungary where Charles established his headquarters, was due to an invitation by Count Sigray, Governor of Western Hungary and owner of a large country estate there.

The Hungarian Government disavowed all knowledge of Charles's plans, and in an interview Regent Horthy declared that he considered the very presence of the King dangerous to the best interests of the country. The coup stirred the National Assembly to action; in a special meeting on April 2 it adopted a resolution against the

(Keystone View Co.)

COLONEL LEHAR

Commander of the West Hungarian Army, who resigned when the coup d'état failed

restoration of Charles, called his return a national danger, threatening the very peace of the country, and advised the Government in no uncertain terms to eliminate this danger. On the other hand, it was reported from Vienna that the Government would submit a bill to the National Assembly designating Aug. 20 as the date on which the King of Hungary should be selected.

On April 13 the Hungarian Government, through the Swiss Legation in Vienna, informed the Swiss Federal Council that Hungary considered the former Emperor Charles as its lawful sovereign, and that only "foreign influences" prevented the ex-Emperor from exercising his rights to authority. It requested the Swiss Government to permit Charles to reside permanently in Switzerland. On this request, however, Switzerland reserved its decision pending a full investigation of all the circumstances and a consideration of its own best interests.

Charles's unexpected return to Hungary precipitated a Cabinet crisis. Count Teleky, the Premier, tendered his resignation and that of the Ministers at a session of April 8. Two Ministers holding portfolios were especially charged by the Farmers' Party as being of Carlist sympathies. The same party, wielding decisive power in the Assembly, also demanded that the new Cabi-

net be selected from among such as favor free election of the future King; i.e., those who do not call themselves legitimists or sympathizers with the principle that Charles is the rightful King of Hungary, nor subscribe to the idea that only a Hapsburg can be selected. The Christian party opposed this resolution and wished that the whole affair be considered closed, but failed to obtain sufficient support.

Inspired by its success, the Farmers' Party had gone a step further and demanded that all who had conspired for the restoration of Charles be prosecuted on a charge of treason; it voiced strong censure of the Government, charging duplicity in the matter. Acceptance of the resignation of the Government remained temporarily in abeyance, the Regent having declared that he must consult with leaders. The National Assembly adjourned until the appointment of the new Cabinet.

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EX-EMPEROR CHARLES OF AUSTRIA
as photographed recently with his oldest daughter at Villa Prangins, Switzerland

Undoubtedly, there are many in Hungary who have shown sympathy with the restoration idea, but even the foremost legitimists, such as Count Albert Apponyi, are opposed to immediate restoration of the Hapsburgs. The aged statesman, who is also a leading figure in the group that desires tranquillity restored, has declared that only ill-wishers of Charles and Hungary could have suggested so unfortunate a step at this time, provoking the anger of the Entente. Premier Briand of France, in a note sent to Entente countries, including Czechoslovakia, Rumania and Jugoslavia, has vetoed the return to power of the Hapsburgs.

As to what prompted Charles to such action at a time when even his friends in Hungary were averse to it, various rumors circulate. One is to the effect that Charles was overcome by a fit of jealousy and feared lest some other Hapsburg should forestall him; presumably Archduke Joseph, once blocked by the Entente to mount the Hungarian throne, was plotting in favor of his son, Joseph Francis, whose bethrothal to an Italian Duchess was reported as imminent. Italy's support thus assured, Charles may have thought he would have to act without delay. However that may be, he suffered a setback, and agitation for his restoration in Hungary will be checked for some time to come.

Charles's stay in Hungary lasted ten days, and in Budapest but a few hours. His interview with the regent occupied about three hours, at the end of which he decided to return to Bishop Mikes's palatial home in Szombathely, near Steinamanger; there he marked time for more than a week. His final decision to leave the country came on April 5, when he was confronted with a flat refusal to permit him to stay any longer. The Government itself cautioned him not to invite danger from the Entente and especially from countries of the Little Entente, i. e., Czechoslovakia, Rumania and Jugoslavia, which threatened war and actually mobilized their military. The Jugoslavs even crossed the boundary and occupied some coal mines in the vicinity of Pecs. The attitude of the Little Entente caused considerable indignation in Hungary, as voiced by Foreign Minister Gratz when he said in the National Assembly:

> It is unprecedented that foreign Governments should force by threat of war a Government, whose independence they have recognized, to choose a Constitution and a sovereign in accordance with their caprice and their pretended interests, and compel it to expel a man who as a Hungarian has a right to remain in Hungary.

Failing to obtain enough support for his restoration even in Hungary, Charles at last yielded to the demand that he leave the country. He did so on April 6, but before leaving issued the following proclamation:

> His Majesty leaves the country because of his conviction that the moment has not yet come for him to take over his right of governing. He cannot permit maintenance of his right to entail disturbances in the present state of peace. He leaves the land as the crowned King of Hungary.

The resignation of Colonel Lehar, military commander in West Hungary, followed; it was interpreted by some as proof that the Government was not in accord with the plans of Charles. Colonel Lehar was an ardent supporter of the King and accompanied him in his exile. It was stated that the Colonel would have been court-martialed had he remained in the country.

In summing up the situation, all factions agree that the attempted coup proved unprofitable for the interests of both Charles and Hungary. It is predicted that hereafter his followers will find it difficult to agitate his restoration, while for the moment the anti-Hapsburg group gained a marked advantage, which it may utilize decisively in spreading opposition.

Radical elements have seized upon the miscarriage of Charles's coup to try to set the people against any lawful government. They are thought to be responsible for the Jugoslav occupation of the mines around Pecs, in which city Count Karolyi's erstwhile associates have established a radically socialistic, autonomous Government under Jugoslav protection.

SWITZERLAND—In the Swiss Parliament interpellators asked the Government to explain how Charles had contrived to leave Switzerland; they intimated that he had violated the privilege of asylum by political plotting, and questioned his right to be allowed to use Swiss territory again as a refuge. The Canton de Vaud, where Prangins Castle is situated, decided to exercise its cantonal prerogative of refusing to receive Charles. The Swiss Government thereupon obtained the assent of Lucerne, and Charles and his entourage moved to that place. Prangins showed no grief over the dispossessed ruler's departure. Lucerne, on the other hand, adopted a sympathetic attitude, believing, it was said, that the presence of Charles would lend interest to the place for tourists and thus be an aid toward prosperity. The new residence of Charles was formerly the refuge of Constantine, who has since been recalled to the throne of Greece.

AUSTRIA—The attempted restoration of Charles of Hapsburg to the Hungarian throne aroused strong opposition in Austria from the present régime, but the Government failed to present a united front on the question. Minister of War Mueller and Minister of the Interior Glaz, who objected especially to the placing of members of the National Guard upon the train on which Charles traveled through Austria, resigned from the Cabinet.

The former Emperor's journey through Austria was somewhat delayed at the Bruck Station, where members of the Socialist Party hostile to Charles insisted upon having an interview with the former ruler; but their desire to tell the former ruler some unpleasant truths was not granted by the Entente representatives.

Socialists, who now have the upper hand in Austria, indicated that they plan strong measures to prevent a recurrence of such attempts on the part of the exiled monarch. The press, largely controlled by them, uttered unrestrained denunciation. The Christian Socialists and the Conservatives, secretly in sympathy with Charles, tried to make things easier for him when it became apparent that his coup had failed. The Socialists, however, carried a measure under which the estate of Count Erdödy, in whose home Charles first rested on his way to Hungary, was to be confiscated and the Count expelled from Austria. They also demanded in Parliament that the counties of Western Hungary adjudged to Austria by the Peace Treaty should be ceded at once, so that Austria would at least have assurance that no new plots would be staged from this vicinity. They further demanded that every Austrian subject who had any part in the plot be prosecuted. Non-Socialist parties counseled calmness, and urged that the allegiance of the counties in question should be settled by friendly agreement between Austria and Hungary.

THE LITTLE ENTENTE AND THE HAPSBURGS

Effect of the adventure of former Emperor Charles in Hungary on the policy of the new Balkan Confederation—Internal affairs of Rumania, Jugoslavia and Czechoslovakia

THE adventure of Charles Hapsburg at Budapest in the last days of March brought into prominent relief what the emancipated States of the dissolved dual-monarchy and those Balkan States which profited by the dissolution have been doing in the last few months to protect themselves from a reactionary movement in Central Europe toward the restoration of thrones. The international engagements in this part of Europe have been usually connoted under the title of the "Little Entente," although the original conception created by Take Jonescu, the Foreign Minister of Rumania, and perfected by Dr. Edouard Benès, the Foreign Minister of Czechoslovakia, has been vastly expanded. The original "Little Entente" was signed on Aug. 14, 1920. Rumania did not join it because, although it sufficiently protected her, as it did the signatories, Jugoslavia and Czechoslovakia, from a reactionary Hungary, it did not protect her from a Bolshevist Russia. The compact, as revised and expanded, embraced the following new engagements:

> The annex to the Treaty of Rapallo, signed Nov. 12 by Jugoslavia and Italy, consisting of a military convention later subscribed to by Czechoslovakia and Rumania.
>
> The Franco-Polish declaration, signed at Warsaw, Feb. 2, 1921, which pledged France to aid Poland with war material and officers, in case she should be attacked by Russia.
>
> The Rumanian-Polish pact, signed March 2, which sixteen days later was developed into a defensive alliance by the adhesion of Czechoslovakia.

It had been the original idea of Take Jonescu to include Greece in a chain of States which should extend from the Baltic to the Mediterranean, forming, on the one hand, a barrier against the move of Bolshevism westward, and, on the other, a protection for democracy against the re-establishment of royalty. The return of Greece to the old régime caused this plan to be modified, and on the very eve of Charles's adventure Dr. Benès, in the National Assembly at Prague, declared that Czechoslovakia was ready to negotiate with Hungary, the Magyar aristocratic State, and recommended the ratification of the peace treaty with Bulgaria, so as to pave the latter's path into the "Little Entente." In regard to the doubtful adhesion of Hungary, he said:

> The Magyars must cease their fanatical propaganda against Czechoslovakia, and in the differing social structure of autocratic Hungary and democratic Czechoslovakia I perceive difficulties in arriving at an agreement. The restoration of the Emperor Charles cannot be considered for a moment, and would constitute a casus belli. This applies not only to Charles himself, but to all members of the former royal house, particularly Joseph.

In regard to the "Little Entente" itself, he said:

> This arrangement is, to a considerable extent, indispensable to the interests of international politics. No conflicting questions of prestige can arise between these States, whose relations with the Allies, especially England, France and Italy, are equally cordial.

It will be seen that while M. Jonescu exploited the anti-Bolshevist feature of the "Little Entente," Dr. Benès exploited the anti-reactionary feature. Both these policies had their separate patrons among the great powers. The former was patronized by France through her diplomacy at Warsaw and Bucharest; the latter by Italy through her diplomacy at Prague and Belgrade, based on the Treaty of Rapallo.

It is possible that the return of Constantine to the Greek throne and the subsequent marriages of two of his children with two of the children of the King of Rumania may have tended to qualify the anti-reactionary policy of M. Jonescu and cause it to be passed on to Dr. Benès. The restoration, however, also affected Jugoslavia, for it turned into a dead letter the Serbo-Grecian treaty of mutual defense, dating from March, 1913, and, as we shall see, inspired a Serbo-Bulgar rapprochement, initiated in Prague and Agram (Zagreb), the capital of Croatia.

It was Agram which took the lead in calling Hungary to account and in urging the "Little Entente" to act. Charles had

scarcely arrived in Budapest when the opposition paper, Rijetch, declared:

> The key to the situation lies in the hands of the States bordering on Hungary. We must prove both to Hungary and to the powers that we are quite capable ourselves of hindering the realization of the aims of Hapsburgian reaction. Never before has such solidarity been shown; there is not a single newspaper which has not rallied to the support of the Government.

Jugoslavia, Czechoslovakia and Rumania on April 2 sent their ultimatum to the Hungarian Government, demanding that Charles leave the country within forty-eight hours. This ultimatum was endorsed by Italy. On the same day France announced her cordial support of it, thus bringing the two patrons of the "Little Entente" into common accord for the first time, and adding infinite prestige to the policies of M. Jonescu and Dr. Benès.

RUMANIA—The Dacia of Kolozsuvár in the middle of March started a campaign against Rumanian corruption by comparing the conditions in Rumania with those in the neighboring State of Hungary. The Dacia said, among other things:

> The contrast between the order of our neighbor and our own anarchy is amazing. Such a state of things as is found with us can exist nowhere else except in Soviet Russia. All over the Continent of Europe the work of reconstruction is being feverishly pushed forward; with us, however, though there is much talk of it, not even a signal box, a pointsman's hut or a bridge has yet been rebuilt. But the most humiliating thing of all is that our Hungarian neighbors speak of us—with justice, too—as a nation where boundless corruption reigns. Similar strictures are passed upon us by all our neighbors, both enemy and friendly, who give publicity to our daily chronique scandaleuse.
>
> A Czech Ministerial Councilor declared that he was constantly receiving incontrovertible testimony of acts disgraceful to Rumanian reputation, which rendered difficult the possibility of economic relations with us. As instances, he stated that certain Czech railway trucks lent to us more than a year ago had not yet been restored, despite repeated demands for them, and also that a locomotive, "borrowed for one day only," had been actually sold to a Rumanian timber merchant in Transylvania.

There is bitter feeling expressed in Transylvania over the means taken to enforce the attendance of Magyar children at Rumanian schools. This is particularly resented in those districts where, as in Csik, there are, according to the Government census, 125,888 Magyars and only 18,032 Rumanians. In the district of Szepsiszentgyörgy all public servants have been notified that if they send their children to Hungarian schools the act, "if persisted in, will render them liable to prosecution before the Military Court for treason."

The appeal of the communists concerned in the November general strike and attempted revolution was dismissed by the Court of Cassation, and the leaders, including Francis Katyler, Trojan Novak and Kollman Maller, must now work for ten years in the salt mines, where a five-year sentence is usually considered equivalent to a sentence of death.

In the middle of March Parliament adopted a resolution providing for compulsory registration through local police bureaus of all persons who have been residents of the country since August, 1914. It was expected that the measure would facilitate the execution of the naturalization law of 1919, by which the candidate for citizenship was required to make personal application, the acceptance of which depended upon the will of the Ministry of the Interior, governed only by an interpretation of general qualifications.

Under the new rule persons who established their residence prior to August, 1914, and who desire to become citizens will take precedence over the later arrivals. The effect will be to keep the vast number of refugees from Russia, who have been arriving since 1918, from becoming citizens, except at the pleasure of the Ministry of the Interior.

JUGOSLAVIA—While Serbia proper continued to find evidence that Bulgaria was not sincerely carrying out the terms of the Treaty of Neuilly, particularly in regard to disarmament and the return of stolen property to Serbia, the Croatian element, whose headquarters are at Agram, was endeavoring to promote friendship between Agram and Sofia. Neither the Croats nor the Slovenes can be made to feel the antagonism felt at Belgrade for Bulgaria. The official press of Czechoslovakia was similarly attempting to promote a rapprochement between all Jugoslavia and Bulgaria with a view to securing a better understanding between the Balkans and the new States of Central Europe.

On March 16 nine Slovenian members of the Peasant Party joined the bloc inaugurated by Premier Pashitch, thus giving him a control over 260 votes in the National Assembly out of a total of 419. On the same day an agreement was reached between the Government and Bosnian Mussulmans, who had a grievance against the Serbian land owners on account of the forcible seizure of their farms. The direct effect of this was the appointment of two Mussulmans to Cabinet portfolios; the general effect was to lighten the burdens of the commission of the Assembly which is drafting a Constitution for the entire country.

Owing to conflicting opinions, both political and racial, it was at first thought that the Constitution should provide for a federation of States, but with the growing support that the Premier has received from the regions outside of Serbia proper the Constitution is now reflecting the organism of a highly centralized Government, with all the old boundaries wiped out and the former divisions replaced by departments, as in France, with prefects appointed by the central Government. Each department is expected to include a population of 700,000, and will have its own Legislature, while the national Legislature will consist of a single elected Chamber, drawn from the counties into which each department will be divided. These local divisions will take into consideration three elements—industrial, racial and political. Universal manhood suffrage will prevail.

CZECHOSLOVAKIA—The sudden appearance of Charles in Hungary caused considerable uneasiness in Czechoslovakia. The policy of the Czechs has been shaped on the general policy of the Entente, whose view would naturally be reflected in Prague. But apart from this, the Czechoslovaks have a special motive for their opposition to the restoration of Charles, or of any other member of the Hapsburg family. This motive springs from the fact that Hungarian territories have variously been allocated among the neighboring States, including Czechoslovakia, and that all such ceded territories are still considered by the Hungarians, at least in principle, as their rightful possessions forced from them by coercion. The re-establishment of the Hungarian throne, in the Czechoslovak view, would foreshadow an attempt by the new holder of the crown of St. Stephen to regain these territories. The danger of a new union of Hungary and Austria, in case a Hapsburg were allowed to ascend the Hungarian throne, also disturbed the Czechs.

Czech and Hungarian representatives sitting in joint conference at Bruck to regulate economic relations, contingent on the reopening of the frontiers for commerce, were reported at this time to have entered into a valid pact, the immediate consequence of which was the rapid rise in the value of the Hungarian crown, which has doubled in value over the rate quoted a few weeks ago.

The Czechoslovak Government faces a difficult task in satisfying the wishes of the populace of Uhro-Rusinia—the easternmost part of the country—which is working for self-government. Councilor Frankenberger, delegated by President Masaryk, consulted leaders in Rusinia regarding a suitable basis for the establishment of a self-governing body. The plan so far formulated is to introduce a bill in Parliament which would provide for a temporary board of councilors until the time of election, when Deputies would be selected for the *Szojm* (Diet), which, in turn, would send a number of representatives to the Parliament at Prague. The Hungarian legal party in Rusinia, however, demands complete autonomy and the holding of the plebiscite promised in the Peace Treaty.

It was understood that Czechoslovakia had agreed to join France in the application of economic penalties against Germany, and even to contribute to military pressure if necessary.

AMERICA'S TIES WITH HUNGARY

By Dr. Imre Josika-Herczeg

The author of the following article was graduated from the universities of Budapest and Kolozsvar with the degrees of Doctor of Laws and Doctor of Political Science. Under the Royal Hungarian Government he was appointed by Francis Kossuth, son of the great Kossuth of history, and then a member of the Hungarian Cabinet, to an important political and commercial mission to the United States. To his efforts was due the memorable visit of Count Apponyi to America in 1911. As a Captain of Squadron in the First Royal Hussars Dr. Josika-Herczeg saw active service on the Russian front during the first part of the World War. On hearing that the United States had entered the war, he sought and obtained a diplomatic mission abroad. One of the most influential Hungarians in the United States today, he is known as an earnest advocate of closer ties between the two countries

THERE are some things which Americans should never forget about Hungary. One of these is the fact that so many Hungarians fought side by side with the North during the Civil War. In the Arlington National Cemetery, at the end of a long path, are the graves of those Hungarian heroes who offered their lives so chivalrously to Lincoln to preserve this great Union of American people. The men whose remains lie here, like Louis Kossuth, came to the United States as political refugees. They answered with joy President Lincoln's first call to the country's colors. It was at his request that the Hungarians who fell while fighting to preserve the Union were buried with their American comrades in the National Cemetery.

DR. IMRE JOSIKA-HERCZEG

It is now almost forgotten that Louis Kossuth, Governor of Hungary in 1848 and 1849, and leader of the Hungarian revolution, was liberated from his internment in Asia Minor by the intervention of the United States, and was brought to this country as the guest of the United States Government on board the frigate Mississippi in 1851. There are historical records which show America's sympathy for the Hungarian cause, and the treatment of Kossuth was but another evidence of this sympathy; it is a historical fact that certain powers were pressing Turkey urgently to deliver Kossuth up to Austria.

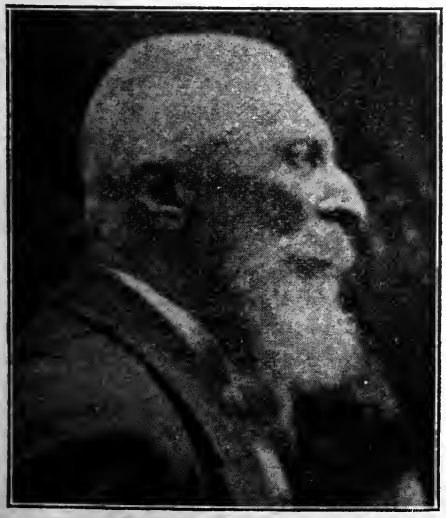
At about the time of Kossuth's arrival there came to this country many distinguished Hungarian citizens. The members of this immigration came from the upper and middle classes of the thousand-year-old Hungarian Kingdom, and, naturally, they had received the highest education and good training in democratic government. Most of them had also been officers in the ranks of the Hungarian Army and had seen active service, which, naturally, made them desirable elements for Lincoln's army. These Hungarian political refugees were received in this country hospitably and were aided financially and even socially by the American people. The intention of these Hungarians was, of course, to return to their country, because they expected a call to the colors, but this call never came, and so they soon were scattered all over the United States. Some of them became farmers, engineers, lawyers, journalists, &c. In a word, they became useful citizens of the United States.

These were the men who, ten years later, offered their blood and lives in response to Lincoln's call. The records of the gallant deeds of the Hungarians who fought for the Union are innumerable. The Secretary of State published a report in which he stated definitely that about 25,000 Hungarians were fighting in Lincoln's army. The so-called Garibaldi Guard, which was with the Thirty-ninth New York Infantry, was mainly composed of Hungarians. The official records state that 1,800 Hungarian soldiers and about 100 Hungarian officers

—fully one-half of the total—were on the roster of Lincoln's riflemen, who were later incorporated with the Twenty-fourth Illinois Infantry. A number of these Hungarian soldiers subsequently won high rank; two became Major Generals, five Brigadier Generals, fifteen Colonels, two Lieutenant Colonels, thirteen Majors and twelve Captains. Many distinguished names might be mentioned, especially that of the gallant Major Charles Zagonyi, whose Hungarian Hussars in a whirlwind attack upon the Confederates at Springfield won immortality by their "Death Ride" against the artillery of the enemy. Other well-known names are General Asboth, General Albin Schoepf and General Julius Stahl, whose record is one of honor and distinction in the annals of the country.

Two of Kossuth's great supporters in New York were William H. Seward, then United States Senator, and Horace Greeley. Senator Seward was champion of the great democratic ideals of Kossuth in the United States Senate, and Horace Greeley stanchly supported the great Hungarian patriot in the columns of The Tribune. When Seward became Secretary of State he sent a commission to Europe supporting Kossuth. ("The Diplomatic History of the War for the Union," by William H. Seward; Boston, 1864, pp. 6 and 7.)

The visit of Count Albert Apponyi to the United States in 1911 is still remembered.



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COUNT ALBERT APPONYI
Veteran political leader of Hungary

(Times Wide World Photos)

GENERAL HARRY H. BANDHOLTZ
American Representative on International Mission to Hungary

Count Apponyi was the real political follower of Kossuth in liberalism and democracy. His visit to this country was virtually a triumphal tour; he was given high honors, including the invitation to address Congress. He received a great ovation from the members of the House and Senate. It is interesting to note that up to 1911 only three foreigners had been invited to address Congress, two of these being Hungarians—Kossuth and Apponyi—the third, Lafayette. Apponyi's lectures did much to strengthen the ties of friendship between the United States and Hungary. For more than fifty years Count Apponyi was leader of the Independent Kossuth Party in Hungary. He is recognized today not only in Hungary but also in the whole civilized world as one of the foremost statesmen of his time. His remarkable oratorical power and diplomatic abilities were greatly admired at the Peace Conference at Neuilly and Versailles.

The American public has very little knowledge of present-day happenings in Hungary. This is mainly due to unreliable news, explained by the fact that the American press is not directly represented in

Hungary, and is compelled to print news regarding that country which comes in several cases from unreliable sources. If asked why Hungary today is important I would answer: because Hungary for a thousand years has been and still is the door for Western Europe to the East. It is also the nearest to the Balkan border. Before the war the Balkan States found in Hungary all the industrial, financial and commercial connections they needed. These well-established industries, even in their present terribly damaged condition, are still furnishing a great number of locomotives, railway cars, and other equipment for Rumania, Jugoslavia and Bulgaria. Hungary is exporting electric light material to Italy, and such orders have been placed even from South America. France lately gave large orders for machinery parts to several Budapest factories.

After the World War, Hungary opened a new chapter in her history. On Aug. 20, 1921, she will elect her new ruler. According to Parliamentary decision, the Government will remain a Constitutional monarchy. It now appears that the political situation will soon crystallize. One thing is certain: as soon as the new ruler is chosen, the political horizon will be cleared of many pending questions, and the country will be in a position to continue the great work of consolidation and reconstruction.

Besides Count Apponyi, another great Hungarian statesman is Dr. Lorant Hegedus, Secretary of the Treasury for the past four or five months, and the financial brain of the country. During his short term of office Minister Hegedus has accomplished results in the economic consolidation of Hungary which have astonished Europe. He has put men to work and decreased unemployment from week to week. It is interesting to note that the number of unemployed in February, 1921, was between 45,000 and 50,000—an encouraging figure in view of the fact that during the Red Terror of communism there were over 130,000 unemployed in Hungary. Mr. Hegedus has solved the labor question and has convinced the people that the only thing for Hungary to do is to work steadily. It is due to his policy that the income of the country already covers the expense budget. This masterwork of statesmanship speaks for itself. Secretary Hegedus is typical of the men who have helped Hungary to regain the confidence of the outside world.

Hungary's present feeling toward America is one of the greatest cordiality. On the occasion of the reopening of Parliament on March 4, Charles Huszar, the late Premier, proposed an official greeting to President Harding. The proposal met with an enthusiastic reception. New ties have come to link Hungary to America. The new Hungary will long remember gratefully the names of some representatives of America who have aided her in her day of trial. Among the first on the list stands the name of Herbert Hoover, who did much to lay the foundation for Hungary's affection and gratitude. Another name is that of Professor Coolidge of Harvard University, who headed the American Commission in Budapest.

I would mention here specially General Bandholtz of the United States Army, who until recently was head of the Military Mission to Hungary. I am confident that even the children in the Hungarian schools will be taught to revere his name. During the frightful days of the Rumanian invasion the American Military Mission was the only place where the terrorized Hungarians could go to regain their civil rights. When the Rumanians tried to loot the picture galleries of the National Museum they found the American, General Bandholtz, with his military aids before the doors of that institution, and it was he who placed the official seal of the United States upon the Museum's doors and thus prevented the Rumanians from carrying out their designs.

Another name which cannot be forgotten is that of Captain Pedlow, head of the American Red Cross in Budapest, who represents the heart of the people of the United States. The names of Hoover, Bandholtz and Pedlow, like those of Kossuth and Apponyi, will be everlasting in Hungary, just as in America the memory will live of those thousands of Hungarian heroes who died for the Union's cause. These are links between the people of Hungary and the United States which will never be broken.

GIVING INDIA SELF-GOVERNMENT

By J. Ellis Barker

Difficulties of Great Britian's task in introducing modern parliamentary methods in the rule of India's many races and religious sects—Establishing the new Chamber of Princes—How all attempts at reform are obstructed by Gandhi's "non-co-operators"

It is widely alleged that England rules India with barbarous severity and that she is largely responsible for the poverty and backwardness of the country and for the terrible diseases and famines which periodically destroy large numbers of the inhabitants. Many believe that before long the English will be expelled from India, that fear has caused England to grant some measure of self-government to the natives, but that the concessions lately made have come too late. The reading public likes sensation, and the news agencies obligingly provide it with accounts of Indian murders and conspiracies, with seditious speeches and with stories about poisonous snakes, tigers and children brought up by wolves. The true facts are little known, largely because the Indian Government has neglected to enlighten the world as to its achievements.

India is a gigantic country. It contains about one-fifth of the world's population. However, the Indians are by no means a single nation, as some may believe. India is a loose conglomerate of races and nations held together by the British Administration. Withdrawal of that administration would cause India to be dissolved into its component parts and would destroy the internal peace which the natives have enjoyed for so long. About 150 different languages are spoken in India. Hindi is spoken by 82,000,000 people, Bengali by 48,000,000, Telugu by 24,000,000, Marathi by 20,000,000, Tamil by 18,000,000, Punjabi by 16,000,000, &c. Religion is one of the most powerful bonds in the East. Of the 315,000,000 Indians, 218,000,000 are Hindus, 67,000,000 are Mohammedans, 11,000,000 are Buddhists, 4,000,000 are Christians, 3,000,000 are Sikhs, &c., and strife among the various religions and among the numerous sects belonging to each religion is extraordinarily bitter and passionate. Recently, for instance, hundreds of Sikhs have been killed in collisions between orthodox and reforming sects. Yet it has been asserted that the English were responsible for these occurrences.

The Indians are poor, ignorant and backward, and they suffer severely from famine, plague, cholera and other devastating diseases, owing to the extraordinary conditions of the country. India is greatly overpopulated. In the Provinces which stand under direct British Government there were 223 people per square mile in 1911, while there were only 191.2 in France and 171 in Pennsylvania. However, large portions of India consist of waste land. If we look at some of the principal Provinces we find that the density of the population is far greater than in France and in the most closely settled American States. In 1910 Massachusetts had 419 people per square mile, while the Province of Bihar, with 24,000,000 inhabitants, had 561 people per square mile. Bengal, with 45,000,000 people, had 578 people per square mile; Oudh, with 13,000,000 people, had 520 inhabitants per square mile; Agra, with 35,000,000 inhabitants, had 417 people per square mile; while the native State of Travancore, with 3,500,000 inhabitants, had 452 people per square mile, and Cochin, with 1,000,000 inhabitants, had 675 people per square mile. The people of France, England, Pennsylvania, Massachusetts, Connecticut, &c., can easily make a living, owing to the vast natural resources possessed. The densely settled districts of India, however, are condemned to poverty and want by the insufficiency of the natural resources on the one hand and by an extraordinarily high birth rate on the other hand. The great bulk of the people of India live by agriculture, and Indian agriculture is, and will

always remain, exceedingly precarious, because the country is exposed to terrible droughts.

Besides, conservativeness and prejudice make it exceedingly difficult to increase agricultural production. Weeds, noxious insects and diseases of men and beasts are considered inevitable visitations of the Deity. The cultivators of the soil prefer methods used from time immemorial to science. Hence produce per acre is low, and the live stock has utterly degenerated. The Indian agricultural and veterinary departments have done a great deal of good; however, it is difficult to increase the fertility of the soil, as the natives insist upon using manure as fuel instead of returning it to the ground.

In 1913 the birth rate among the people of India was 39.4 per thousand, while it was 27.5 per thousand in Germany, 23.9 per thousand in England, and 18.8 per thousand in France. The Indian villages have been described as a collection of hovels erected upon dung heaps. The intense conservatism of the people and the conditions of the country combined keep them in ignorance and poverty, and largely defeat all attempts to introduce among them education, sanitation and better methods of production.

Although India is poor, if measured by European standards, the people in general are far more prosperous than they have been for decades, and the wealth of India is rapidly increasing, largely owing to the excellence of the English administration and to vast improvements which it has brought about, notwithstanding the inertia of the inhabitants. India, far from being bled by England, is enriched by it. That may be seen by the fact that India is by far the largest importer of silver and gold in the world. Since 1873 India's imports of gold have exceeded India's exports by £251,-210,000, according to the official figures, which would probably be greatly increased if we had any means to ascertain the unrecorded importations.

A MAZE OF RACES

India, far from being a single country inhabited by a single race, which, with the awakening of nationalism, may be expected to throw off the English yoke, is a world in itself. Thirty years ago Lord Dufferin, one of the most eminent Viceroys of India,

(Photo International)

DUKE OF CONNAUGHT, ONLY SURVIVING SON OF QUEEN VICTORIA, HOLDING A RECEPTION TO NATIVE PRINCES IN INDIA ON THE OCCASION OF THE OPENING OF THE NEW INDIAN PARLIAMENT AT DELHI

drew the following picture of the country, which is still true:

This population is composed of a large number of distinct nationalities, professing various religions, practicising diverse rites, speaking different languages, while many of them are still further separated from one another by discordant prejudices, by conflicting usages, and even antagonistic material interests. But perhaps the most patent characteristic of our Indian cosmos is its division into two mighty political communities as distant from each other as the poles, asunder in their religious faith, ther historical antecedents, their social organization and their natural aptitudes; on the one hand the Hindus, numbering 190,000,000, with their polytheistic beliefs, their temples adorned with images and idols, their veneration for the sacred cow, their elaborate caste distinctions and their habits of submission to successive conquerors; on the other hand, the Mohammedans, a nation of 50,000,000, with their monotheism, their iconoclastic fanaticism, their animal sacrifices, their social equality and their remembrance of the days when, enthroned at Delhi, they reigned supreme from the Himalayas to Cape Comorin. To these must be added a host of minor nationalities—most of them numbering millions—almost as widely differentiated from one another by ethnological distinctions as are the Hindus from the Mohammendans, such as the Sikhs, with their warlike habits and traditions and their enthusiastic religious beliefs; the Rohillas, the Pathans, the Assamese, the Baluchees and other wild and martial tribes on our frontiers.

At one end of the scale we have the naked savage bill man, with his stone weapons, his head hunting, his polyandrous habits and his childish superstitions; and at the other, the Europeanized native gentleman, with his English costume, his advanced democratic ideas, his Western philosophy and his literary culture, while between the two lie, layer upon layer, or in close juxtaposition, wandering communities with their flocks of goats and moving tents; collections of undisciplined warriors, with their blood feuds, their clan organization and loose tribal Government; feudal chiefs and barons, with their retainers, their seignorial jurisdiction and their medieval notions, and modernized country gentlemen and enterprising merchants and manufacturers, with their well-managed estates and prosperous enterprises.

England's difficulty in administering India is largely due to the lack of uniformity of Indian conditions, to the fact that it has to grapple, not with a few large problems, but with in infinite number of large and small ones, and that the differences existing among the Indians themselves are almost irreconcilable.

The English have been accused of ruling India by terror, by the display and use of overwhelming force. Nothing can be more false than this statement. India is governed by a few thousand civil servants of English nationality, who direct and are supported by vast numbers of native officials.

LORD READING
New Viceroy of India, who faces a difficult task

The English army of occupation consists only of 75,000 soldiers, who, as a rule, are concentrated in garrisons whence the border may be watched. How small the proportion of English people in India is may be gauged by the fact that per thousand population there are more Chinese in the United States than English people in India. It is as impossible to keep 300,000,000 dissatisfied Indians in subjugation by means of 75,000 white soldiers as it would be to keep 100,000,000 dissatisfied and unarmed Americans in subjection by means of 25,000 foreign soldiers stationed near the Canadian frontier.

England owes the strong position which she occupies in India, not to the cruelty of her rule, but to her fairness, her justice

and her respect of India's feelings, wishes and prejudices. Her position is one of the greatest difficulty because of the extraordinary sensitiveness of the natives with regard to their religions, which differ so vastly from those of Europe. In a little official handbook entitled "The Indian Empire: A Short Review and Some Hints for Soldiers Proceeding to India," which was published long before the war, we read, for instance, with regard to the Hindus:

> The principal points to be observed in order to avoid wounding the religious feelings of Hindus are:
>
> Do not go inside temples or burning ghats without permission, or meddle with shrines, sacred trees or rocks.
>
> When cattle are killed or beef is being handled, arrange to perform the necessary operations out of the sight of Hindus.
>
> Do not expect a Hindu to assist in killing a snake or to handle one when dead. Leave these reptiles alone when they live near temples or shrines or if you have reason to think they are regarded as sacred.
>
> Never shoot monkeys, any game mentioned in a shooting pass, or any of the half-tame birds and beasts which hang around temples and villages.
>
> Do not try to catch fish or to shoot crocodiles in water near temples or burning ghats or where the country folk ask you not to do so.
>
> Never damage tulsi plants, pipal, banyan or bail trees.
>
> Do not go near places where food is being cooked.
>
> It is best not to offer food or drink at all, but if you do, do not be offended by a refusal. Under no circumstances offer beef in any form to any Hindu or flesh of any kind to a Brahman.
>
> If water is offered you, do not drink out of the vessel it is brought in; use your own mug or tumbler, or make a cup of your hands in Eastern style.
>
> If taking water from wells, do not draw with the village buckets; if you have none of your own handy, natives will almost always draw water for you, if asked civilly.
>
> Brahmans and sadhus are best left alone altogether; if you do speak to them, be ordinarily polite.

WHAT THE GOVERNMENT DOES

In the early days England went to India for the same reason for which France and Holland had gone there. Adventurers tried to enrich themselves in the country, and cared little about the welfare of the inhabitants. However, the spirit of colonization in the best sense of the term soon asserted itself. The English in India endeavored to improve the fate of the people by giving them peace and good government. The vastness, the multifariousness and the paternal solicitude of the English administration may be seen from a sketch descriptive of the functions of the Indian Government which is contained in the report of the Decentralization Commission. It states:

> The Government [in India] claims a share in the produce of the land; and save where, as in Bengal, it has commuted this into a fixed land tax, it exercises the right of periodical re-assessment of the cash value of its share. In connection with its revenue assessments, it has instituted a detailed cadastral survey, and a record-of-rights in the land. Where its assessments are made upon large landholders, it intervenes to prevent their levying excessive rents from their tenants; and in the Central Provinces it even takes an active share in the original assessment of landlords' rents. In the Punjab, and some other tracts, it has restricted the alienation of land by agriculturists to non-agriculturists. It undertakes the management of landed estates when the proprietor is disqualified from attending to them by age, sex, or infirmity, or, occasionally, by pecuniary embarrassment. In times of famine it undertakes relief works and other remedial measures upon an extensive scale. It manages a vast forest property and is a large manufacturer of salt and opium. It owns the bulk of the railways of the country and directly manages a considerable portion of them, and it has constructed and maintains most of the important irrigation works. It owns and manages the postal and telegraph systems. It has the monopoly of note issue, and it alone can set the mints in motion. It acts, for the most part, as its own banker, and it occasionally makes temporary loans to Presidency banks in times of financial stringency.
>
> With the co-operation of the Secretary of State, it regulates the discharge of the balance of trade, as between India and the outside world, through the action of the India Council's drawings. It lends money to municipalities, rural boards and agriculturists, and occasionally to the owners of historic estates. It exercises a strict control over the sale of liquor and intoxicating drugs, not merely by the prevention of unlicensed sale, but by granting licenses for short periods only and subject to special fees which are usually determined by auction. In India, moreover, the direct responsibilities of Government in respect of police, education, medical and sanitary operations, and ordinary public works, are of a much wider scope than in the United Kingdom. The Government has, further, very intimate relations with the numerous native States, which collectively cover more than one-third of the whole area of India, and comprise more that

one-fifth of its population. Apart from the special functions narrated above, the Government of a subcontinent containing nearly 1,800,000 square miles and 300,000,000 people is in itself an extremely heavy burden, and one which is constantly increasing with the economic development of the country and the growing needs of populations of diverse nationality, language and creed.

A few thousand English officials act more or less the part of Providence to more than 300,000,000 people and try to improve their lot and to reconcile their differences.

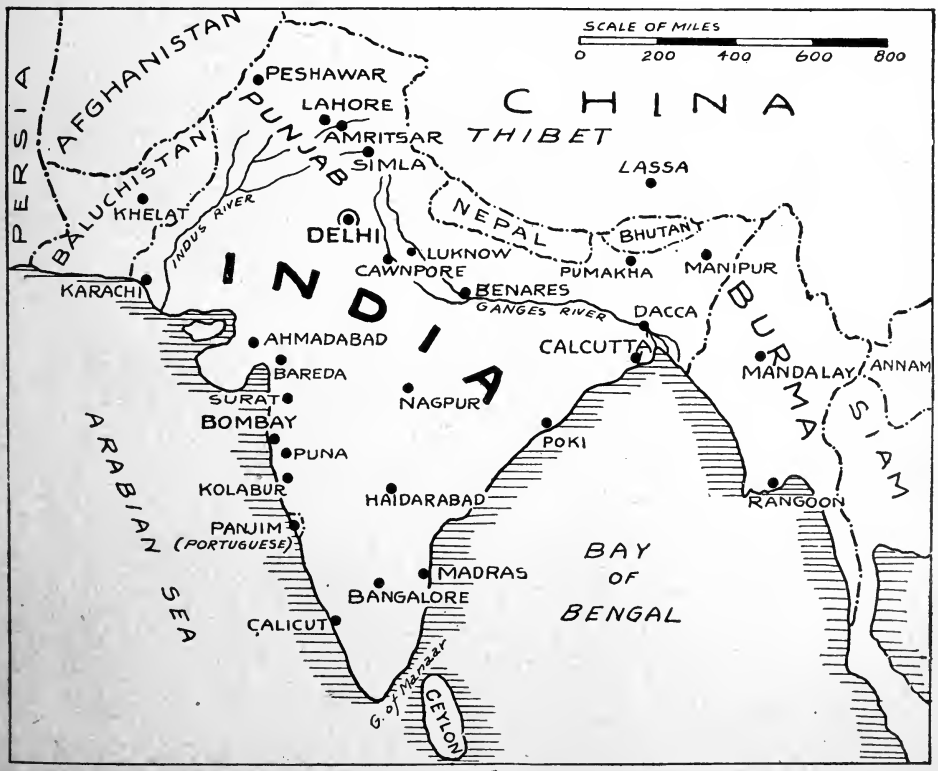
In 1746-49 the English made war on the French in India and conquered the country under Clive and Hastings in the course of decades. While many Englishmen, animated by fear, wished to keep the Indians in strict subjection, some of the most enlightened administrators desired to raise them and to teach them the arts of government, introducing among them Western standards and accomplishments. One of the most eminent Anglo-Indian soldiers and administrators, Sir Thomas Munro, wrote, for instance, 120 years ago:

> We should look on India not as a temporary possession, but as one which is to be maintained permanently, until the natives shall in some future age have abandoned most of their superstititions and prejudices, and become sufficiently enlightened to frame a regular Government for themselves, and to conduct and preserve it.

Other prominent Anglo-Indian statesmen have expressed similar views. From decade to decade the English in India have tried to associate the people to an ever-increasing degree in the government of the country.

PRACTICAL IMPROVEMENTS

With infinite patience and effort England has tried to improve the conditions under which the Indian people live. Good law and a good medical service have been provided, education has been energetically developed and the prosperity of the masses has been increased by the organization of agriculture and by opening up the country. India's interests have always stood first with the administrators. By developing education on too literary lines they have created a dissatisfied proletariat of students and pro-



SKETCH MAP OF INDIA, SHOWING THE LOCATION OF THE CHIEF CITIES AND CENTRES OF DISAFFECTION

fessional men. In order to keep the Indians from being exploited by European capitalists, the Indian Government has either built its own railways or has strictly limited the profits of privately built railroads and other undertakings.

Vast stretches of India which used to be a desert have been converted into densely settled territories yielding prolific crops by the creation of huge irrigation works. The English Government has constructed 66,120 miles of irrigation canals, which in their combined length would circle the globe three times. With their help 25,000,000 acres, more than one-eighth of India's agricultural area, have been made to yield very large crops. Some of the works in connection with the irrigation service are very vast. For instance, the reservoirs of the Western Ghauts possess masonry dams 270 feet high. In all its public works and in the administration in general the Anglo-Indian Government has practiced the utmost economy.

The vast majority of Indians of all classes recognize the benefit of England's rule. Hence all India supported England with the utmost enthusiasm in the war. A distinguished Indian Judge, Nawab Nizamut Jung of the High Court of Hyderabad, published in The London Times of Oct. 2, 1914, a poem expressive of the feelings of his countrymen at the occasion of the landing of the Indian contingent at Marseilles. It ran as follows:

Though weak our hands, which fain would clasp
The warrior's sword with warrior's grasp
On Victory's field;
Yet turn, O mighty Mother! turn
Unto the million hearts that burn
To be thy shield!

Thine equal justice, mercy, grace,
Have made a distant alien race
A part of thee!
'Twas thine to bid their souls rejoice,
When first they heard the living voice
Of liberty!

Unmindful of their ancient name,
And lost to Honor, Glory, Fame,
And sunk in strife
Thou found'st them, whom thy touch hath made
Men, and to whom thy breath conveyed
A nobler life!

They whom thy love hath guarded long,
They, whom thy care hath rendered strong
In love and faith,
Their heart-strings round thy heart entwine;
They are, they ever will be thine,
In life—in death!

Pessimists and men little acquainted with India foretell that the Mutiny which began in 1857 will be followed by a more terrible rising which will destroy England's rule. They forget that the great Mutiny was limited to the old Bengal army, that the vast majority of the people either remained passive or supported the British, that conditions have completely changed since then. If a great rising should occur, it would once more be found that millions of Indians would defend the English. It is not without cause that most Indians prefer trial by an English Judge to trial by one of their own countrymen.

UNREST AND ITS CAUSES

Although England has conscientiously done her best by India, placing Indian interests above English interests, there is a great deal of dissatisfaction with English rule. Mistakes have been made, for even the ablest and the most painstaking officials are apt to err. Natives have had reason to complain of the tactlessness of individual Englishmen here and there. Education has created a great deal of disappointment among men who have learned the rudiments of European science and art, but who have failed to succeed because they lacked other indispensable qualifications or because the number of candidates for employment was greater than the number of vacancies.

An extraordinarilyy high percentage of political crimes is due to the fanaticism and enthusiasm found among the young and immature. According to the report of the Sedition Committee of 1918, 186 persons were convicted between 1907 and 1917 of revolutionary crimes in Bengal or were killed in the commission of such crimes. Of these 186 individuals two were less than 16 years old, 48 were from 16 to 20 years old, and 76 were aged from 21 to 25. Two-thirds of these criminals were youths. As regards the occupation of these 186 criminals, 68 were students, 24 were persons of no occupation, largely office seekers; 20 were clerks who occupied humble positions in Government employment, 16 were youthful teachers and 5 were journalists. Foiled ambition and failure drove these youthful students to political agitation and eventually to political crime.

Unrest in India is due to a large number

of causes. There is the dissatisfaction of the struggling intelligentsia, which with youthful exuberance recklessly plunges into revolution everywhere. Besides, the Indian students, both in England and in India, have been taught to admire democracy and self-government. Japan's victory over Russia has given a mighty encouragement to all the nations of the East. The idea of democracy and of self-determination has come to the fore during the war, and the Russian revolution turned the heads of many Indians who were imperfectly informed about events in Russia. Besides, the English administration in India became very unpopular with certain classes, which had to be restrained in the interest of the community. Among the most determined opponents of English rule are the village usurers, the small-town bankers and grasping money-lenders, who are prevented by English law from seizing the land of the poor. Lastly, every trouble afflicting the people is readily attributed to the all-embracing Government, which is held responsible for the failure of the harvest and for religious and racial strife. Not unnaturally, all the enemies of England have tried to exploit the short-sightedness and credulity of the Indian masses. German, Irish and Russian agitators have done everything in their power to throw discredit upon England's government of India.

TOWARD SELF-GOVERNMENT

Consecutive administrations had striven to give to the native Indians an ever-growing share in the management of the country. During the war the desire among cultured Indians for more liberal institutions increased, and the English Government resolved to open a large avenue to India's abilities and ambitions. The Montagu-Chelmsford report of April 22, 1918—Mr. Montagu was the Secretary of State for India and Lord Chelmsford the Indian Viceroy—laid down the following principles for the future government of India:

> There should be, as far as possible, complete popular control in local bodies and the largest possible independence for them of outside control.
>
> The provinces are the domain in which the earlier steps toward the progressive realization of responsible government should be taken. Some measure of responsibility should be given at once, and our aim is to give complete responsibility as soon as conditions permit. This involves at once giving the provinces the largest measure of independence, legislative, administrative and financial, of the Government of India which is compatible with the due discharge by the latter of its own responsibilities.
>
> The Government of India must remain wholly responsible to Parliament, and, saving such responsibility, its authority in essential matters must remain indisputable, pending experience of the effect of the changes now to be introduced in the provinces. In the meantime the Indian Legislative Council should be enlarged and made more representative and its opportunities of influencing Government increased.
>
> In proportion as the foregoing changes take effect, the control of Parliament and the Secretary of State over the Government of India and provincial Governments must be relaxed.

The lengthy recommendations made by the committee were officially summarized as follows:

> *The Executive*—To increase the Indian element in the Governor General's Executive Council.
>
> *The Provinces*—The Provincial Government to be given the widest independence from superior control in legislative, administrative, and financial matters which is compatible with the due discharge of their own responsibilities by the Government of India.
>
> *Local Self-government*—Complete popular control in local bodies to be established as far as possible.
>
> *The Public Services*—Any racial bars that still exist in regulations for appointment to the public services to be abolished.
>
> In addition to recruitment in England, where such exists, a system of appointment to all the public services to be established in India.
>
> Percentages of recruitment in India, with definite rate of increase, to be fixed for all these services.
>
> In the Indian Civil Service the percentage to be 33 per cent. of the superior posts, increasing annually by 1½ per cent. until the position is reviewed by the commission.

Steps were promptly taken to carry out these recommendations as soon as possible, but in the meantime the principal agitators continued inflaming the people by every means in their power. They incited the Mohammedans against England because of the peace conditions which were to be imposed upon Turkey and the Sultan. They exploited with the utmost recklessness every actual or fancied grievance, holding the Government responsible. The proposed concessions to the Indian people were in advance declared to be utterly insufficient and unacceptable, an insult to India. Egged on

by reckless and suborned mischief mongers, crimes of violence became more and more frequent, in Bombay and the Punjab. Telegraph lines were cut, railways wrecked, banks plundered, individual Englishmen murdered. In the Indian temperament there is a strong strain of violence. Men of many races are apt to run *amok* and to murder all and sundry in a fit of ungovernable passion.

When the agitation was at its height the Amritsar massacre occurred on April 13, 1919. In consequence of murderous attacks, destruction of property, looting, &c., political assemblies had been forbidden. Martial law had been declared. Misled by agitators, thousands of people flocked to a forbidden meeting. The General-in-Command had only a few armed soldiers at his disposal. He feared a collision and the beginning of a widespread massacre of Europeans, similar to that which occurred at the time of the great mutiny of 1857. He marched his few soldiers to the meeting place and opened fire on the demonstrators without further warning. Several hundreds were killed.

This unfortunate occurrence, which led to the punishment and dismissal of the General-in-Command, naturally created a deep impression throughout India. England was held responsible for the act of General Dyer, to the deep regret of all those Englishmen who wished to pursue a policy of conciliation and of friendship toward the native Indians. Feeling toward England had become greatly embittered, owing to this unfortunate collision.

GOVERNMENT OF INDIA ACT

The Government of India act, which was based upon the recommendations of the Montagu-Chelmsford report, was passed in December, 1919. India received representative government and a greatly increased share in the administration of the country. The King-Emperor signified assent to the great Reform bill in a long proclamation which was published on Dec. 23, 1919, in which King George pointed out that the reforms granted were in accordance with the liberal policy which England had pursued for decades, and in which he called upon the people of India to forget old grievances and to co-operate with England in order to lead India toward a bright and brilliant future. That proclamation stated:

> Another epoch has been reached today in the annals of India. I have given my royal assent to an act which will take its place among the great historic measures passed by the Parliament of this realm for the better government of India and for the greater contentment of her people. The acts of 1773 and 1784 were designed to establish a regular system of administration and justice under the Honourable East India Company. The act of 1833 opened the door for Indians to public office and employment. The act of 1858 transferred the administration from the company to the Crown and laid the foundations of public life which exist in India today. The act of 1861 sowed the seed of representative institutions, and the seed was quickened into life by the act of 1909. The act which has now become law intrusts the elected representatives of the people with a definite share in the Government and points the way to full responsible government hereafter. If, as I confidently hope, the policy which this act inaugurates should achieve its purpose, the results will be momentous in the story of human progress. * * *
>
> The path will not be easy, and in the march toward the goal there will be need of perseverance and of mutual forbearance between all sections and races of my people in India. I am confident that those high qualities will be forthcoming. I rely on the new popular assemblies to interpret wisely the wishes of those whom they represent and not to forget the interests of the masses who cannot yet be admitted to franchise. I rely on the leaders of the people, the Ministers of the future, to face responsibility and endure misrepresentation, to sacrifice much for the common interest of the State, remembering that true patriotism transcends party and communal boundaries, and, while retaining the confidence of the legislatures, to co-operate with my officers for the common good in sinking unessential differences and in maintaining the essential standards of a just and generous Government. Equally do I rely upon my officers to respect their new colleagues and to work with them in harmony and kindliness; to assist the people and their representatives in an orderly advance toward free institutions; and to find in these new tasks a fresh opportunity to fulfill, as in the past, their highest purpose of faithful service to my people. * * *

While parliamentary institutions on democratic lines were granted to the provinces governed directly by England, the rulers of the independent States were encouraged to form a Chamber of Princes. The inauguration of the new era was intrusted to the Duke of Connaught, the uncle of the King, who is well known throughout India, and who had made himself extremely

popular during his long stay in the country. The inauguration took place at Delhi in the most impressive manner. The Duke delivered the King's message to the Indian Princes and people, and, when his official address was ended, he addressed the assembly in somewhat faltering tones, asking permission to add a personal appeal to his official statement. [This eloquent appeal was given in full in last month's CURRENT HISTORY, Page 138.] His plea for the burial of the dead past, and for a joining of hands for realization of India's new hopes, made a deep impression.

GANDHI'S BOYCOTT CRUSADE

England's difficulties, however, are by no means ended. Numerous agitators continue making mischief and deluding the masses. Among these Mr. Gandhi is by far the most prominent. This interesting personage is a pupil of Tolstoy. He met the great Russian philosopher, poet and moralist, and learned from him the gospel which combines lofty idealism with anarchism, the very gospel which has destroyed Russia. Mr. Gandhi, like Tolstoy, has preached for years the gospel of non-resistance, and, like his Russian prototype, tries to live a saintly life as an ascetic. However, he not only preaches the ideal policy of non-resistance, which appeals equally to devout Christians and to devout Hindus, but he teaches at the same time the duty of non-co-operation with the English in India, hoping to drive them out by isolating them completely. At a special congress held in Calcutta in September, 1920, he laid down his program of non-co-operation, which comprises the following items:

> (1) Gradual withdrawal of children from schools and colleges owned, aided or controlled by Government, and in the place of such schools and colleges the establishment of national schools and colleges in the various provinces. (2) The gradual boycott of the British courts by lawyers and litigants and the establishment of private arbitration courts by them for the settlement of disputes. (3) Refusal on the part of the military, clerical and laboring classes to offer themselves as recruits for service in Mesopotamia. (4) Withdrawal by the candidates of their candidature for elections to the Reformed Councils, and refusal on the part of the voters to vote for any candidate who may, despite the advice of the Congress, offer himself for election. (5) The boycott of foreign goods.

The carrying out of the Gandhi program would lead to complete chaos in India, as the British-established law courts, schools, &c., cannot be replaced by native institutions. In his extravagance Mr. Gandhi has demanded in addition the resignation of all titles and honorary offices by Indians and the boycott of all undertakings managed by Englishmen. As the railways, the telegraphs, the Post Office, the irrigation service, &c., are directed by Englishmen, the carrying out of Mr. Gandhi's program would involve India's reversion to barbarism.

The members of the Indian National Congress, impressed by England's obvious desire to lead India on the way to self-government by easy stages, had drafted the following resolution at the end of 1919:

> The objects of the Indian National Congress are the attainment by the people of India of a system of government similar to that enjoyed by the self-governing members of the British Empire, and a participation by them in the rights and responsibilities of the empire on equal terms with those members. These objects are to be achieved by constitutional means, by bringing about a steady reform of the existing system of administration, and by promoting national unity, fostering public spirit, and developing and organizing the intellectual, moral, economic and industrial resources of the country.

Mr. Gandhi possesses to an eminent degree the fatal gift of eloquence. He succeeded in carrying the Congress with him and caused it to replace this moderate and sensible resolution by the following one, which was passed in 1920:

> The object of the Indian National Congress is the attainment of Swaraj by the people of India by all legitimate and peaceful means.

The meaning of the word "Swaraj" is made clear by the policy which Mr. Gandhi preaches unceasingly. For instance, he stated in his organ, Young India:

> The movement is essentially religious. The business of every God-fearing man is to dissociate himself from evil in total disregard of consequences. * * * Therefore, whoever is convinced that this Government represents the activity of Satan has no choice left to him but to dissociate himself from it.

Swaraj—self-government as Mr. Gandhi understands it—is to be carried out by the complete boycott of England and of everything English. That policy would inevitably lead to civil war in India, and it would, before long, create in that country condi-

tions worse than those prevailing in Russia.

Happily for India, Mr. Gandhi's agitation is proving a failure. Only a few prominent Indians have resigned their titles and offices. Some lawyers have stopped practicing the law, but these are mostly men who had failed in their attempt to obtain any business and who hoped to benefit themselves by a dramatic formal withdrawal from the courts. Although many Indians, obedient to Mr. Gandhi's orders, boycotted the Duke of Connaught by closing their shops and staying indoors, reducing his reception in some localities to a more or less official function, they have come freely forward as candidates for election and as voters. In only six of the 637 constituencies the elections failed on account of the absence of any candidate. The extreme non-co-operators have stood aside from the councils, but they are only a small minority. Thus the attempt to introduce parliamentary government into India has succeeded, notwithstanding the hostility of the extremists. Owing to the limitation of the franchise, the Indian electorate consists at present of only 5,000,000, but the number will grow, and in course of time India will possess democratic and representative institutions and self-government on democratic lines.

NEW METHODS OF EXTREMISTS

The non-co-operators have not failed to observe the collapse of their original program. So their most recent activities have been directed toward other ends. They are striving by a passionate campaign to bring into the remote villages a belief in the "Satanic" nature of the Anglo-Indian Government, and they are resolved to avail themselves of every genuine or fancied grievance which may serve their purpose. They are endeavoring to exploit agrarian, industrial and religious troubles with a view to attacking the established Government. With this end in view, they have taken up the grievances of the tenant farmers of Oudh and of Bihar, and they are endeavoring to create trouble in every mill, factory, mine, and wherever labor is employed.

This change of policy means the beginning of the end of the policy of Swaraj. Instead of directing a nation-wide agitation against the Anglo-Indian Government, they endeavor, like the I. W. W., to make trouble by "boring from within," wishing to create trouble for trouble's sake. They will no doubt cause a great deal of further mischief. However, the new councils have obtained the support of educated Indian opinion, which is ignoring Mr. Gandhi and his supporters. The Indian councils and the new Ministers are finding their feet. That huge country has been fairly started on the road toward self-government.

England strives to raise India not only by political and economic measures, but also by social recognition. Formerly Indians were never admitted to English clubs and families. Now there are many inter-racial clubs, and Indians are even elected to English clubs, if they are personally acceptable. Until the outburst of racial ill-feeling which followed the trouble of April, 1919, it was also indubitable that social intercourse in sports and entertainments was widely growing. In the past native Indians were discriminated against in the English Army. That discrimination tends to disappear. The report of the Montagu-Chelmsford Commission stated:

> British commissions have for the first time been granted to Indian officers. The problem of commissions is one that bristles with difficulties. The announcement of his Majesty's Government that "the bar which has hitherto prevented the admission of Indians to commissioned rank in his Majesty's army should be removed" has established the principle that the Indian soldier can earn the King's commission by his military conduct. It is not enough merely to assert a principle. We must act on it. The services of the Indian Army in the war and the great increase in its numbers make it necessary that a considerable number of commissions should now be given. The appointments made have so far been few. Other methods of appointment have not yet been decided on, but we are impressed with the necessity of grappling with the problem. We also wish to establish the principle that if an Indian is enlisted as a private in a British unit of his Majesty's Army its commissioned ranks also should be open to him. The Indian soldier who fights for us and earns promotion in the field can reasonably ask that his conduct should offer him the same chances as the European beside whom he fights.

There is every prospect that India will settle down within reasonable time, notwithstanding the mischievous pertinacity of

agitators and the desire of England's enemies to create trouble. In order to open the new era worthily and to make the experiment of democratized institutions a success, the British Government has sent there Lord Reading, who has shown his eminent ability, energy, industry and tact in all the important functions which he has undertaken. He is probably the best man available for the most important post of Viceroy under the new conditions created by the Reform bill.

GANDHI— BRITAIN'S FOE IN INDIA

A Hindu Mahatma, preacher of "non-co-operation," a militant Tolstoy who advocates the ejection of the British from India by passive resistance and admits that this movement may lead to the shedding of much blood—Gandhi's personality described

TWO recent events have focused world interest on Great Britain's problem in India. One was the appointment of Lord Reading, who had long held the high office of Lord Chief Justice, as the new Viceroy of India; the other was the opening by the Duke of Connaught—the only surviving son of Queen Victoria—of the advisory Indian Parliament established by the new Reform act at Delhi. Both events were considered in Great Britain and India alike as of the greatest historical importance. The opening of the Delhi Parliament, amid impressive ceremonies, was an expression of Great Britain's willingness to start India on the road to democracy. The appointment of Lord Reading, one of the keenest and wisest minds of England, signified that the situation in India was dangerous in the extreme, and needed an administrator of the highest ability to cope with it.

The anti-British ferment in India began before the war, and continued while the allied nations were at grips with Germany. With the aid of the native princes, numbering some 112 Indian potentates, all rioting and disturbances were repressed. The existing discontent, however, was augmented by the use of Indian troops in France, and troubles began anew. The slogan of the war, "self-determination of the peoples," bit into the Hindu mind, and the anti-British movement became clearly crystallized. In an effort to overcome Indian hostility, measures providing a limited degree of self-government were embodied in an Indian Home Rule bill, based on the findings of the Montagu-Chelmsford report to Parliament. This bill was finally passed in 1919, nineteen months after the submission of the report.

INCREASING HOSTILITY

During this interim the disorders in India had broken out afresh, and had led to the passing of the Rowlatt bill, a stern repressive act known in India as the "Black Cobra" bill. This repressive measure, vigorously enforced, culminated in the so-called massacre at Amritsar (in the Punjab Province), where General Dyer, the British officer in command, opened fire on a multitude of assembled natives; a number were killed and many wounded. Though the British Government censured General Dyer severely, the British press showed a disposition to commend him for his firmness in putting down what was described as revolution; commendatory speeches were made in Parliament, after General Dyer's removal from active service in India, and a large purse was raised for the censured General from public contributions. The stern repressions of the Rowlatt bill, and the whole British attitude toward the Dyer case, have contributed in large measure to intensify Indian hostility to the British régime.

Undeterred, and perhaps even stimulated by this growing hostility, the British Government proceeded with its plans to lead

India slowly, safely and sanely toward the ideal of democracy. The reform bill sponsored by Lord Montagu—the Secretary of State for India—has been described as a beginning of self-government; under it the Indian will participate in the government of his home land on an advisory basis, the British, however, retaining control of all political and legislative initiative. The impressive opening of the new Council at Delhi on Feb. 8, 1921, inaugurated the application of Indian *swaraj* (home-rule) as the British interpret it.

GANDHI—ENGLAND'S FOE

In this new legislation, however, the British reckoned without the most dangerous opponent that they have ever been compelled to face in India. This persistent and effective anti-British agitator, Mohandas Karamchand Gandhi, is the most-talked-of man in India today. Curiously enough, he was educated in England. Professor Gilbert Murray, the Greek scholar, in an article published not long ago in the Hibbert Journal, gave this lucid sketch of Gandhi's early career and personality:

> About the year 1889 a young Indian student, called Mohandas Karamchand Gandhi, came to England to study law. He was rich and clever, of cultivated family, gentle and modest in his manner. He dressed and behaved like other people. * * * He took his degrees and became a successful lawyer in Bombay, but he cared more for religion than for law. Gradually his asceticism increased. He gave away all his money to good causes except the meagrest allowance. He took vows of poverty. He ceased to practice at the law because his religion—a mysticism which seems to be as closely related to Christianity as it is to any traditional Indian religion—forbade him to take part in a system which tried to do right by violence. When I met him in England in 1914, he ate, I believe, only rice, and drank only water, and slept on the floor; and his wife, who seemed to be his companion in everything, lived in the same way. His conversation was that of a cultivated and well-read man, with a certain indefinable suggestion of saintliness.

Mr. Gandhi acquired political significance in the eyes of the British Government in 1893, when he accepted the appeal of the 150,000 Indians in South Africa to come to Natal and to plead against the decree of expulsion by the South African Government on the ground of color, as well as against discriminations in taxation and registration practiced against them by the Government, and against the violent actions of South African mobs. He went as a barrister, and was forbidden to plead. He went again in 1895, and was mobbed and nearly killed at Durban.

For many years following this experience he was engaged in passive resistance to the British Government. And yet in 1899, on the outbreak of the Boer war, he organized an Indian Red Cross unit; in 1904, when plague broke out in Johannesburg, he opened a private hospital; in 1906, when a native rebellion began in Natal, he organized and personally led a corps of stretcher-bearers in work which proved to be extremely dangerous and painful. For this he was thanked by the Governor of Natal. Shortly afterward he was thrown into jail at Johannesburg for his political activities. Work for humanity was one thing with Gandhi, hostility to the British another.

HIS RISE TO LEADERSHIP

The upward line of his meteoric career in India began with his organization of the All-India *Swaraj Sabha* (Self-Government Society), the existence of which, under Gandhi's Presidency, made him a force to be reckoned with. The power of his personality became evident in December, 1920, at the Nagpur Indian National Congress, when he succeeded in changing the constitution of the Congress, and in making it adopt his so-called "non-co-operative" movement, said to be inspired by the teachings of Leo Tolstoy; the method of warfare adopted by this movement is that of passive resistance, chiefly by boycotting all British titles, British employments, British schools and colleges, and British merchandise.

With the launching of this movement the issue became clearly defined. Great Britain had drafted a scheme of gradual evolution toward the ideal of Home Rule. That plan was now imperiled by popular demands for complete separation from the empire—under the leadership of this Hindu ascetic, whose monk-like, Messianic personality, combined with a dangerously eloquent power of oratory, soon gained a strong hold on the imagination of the Indian populace,

to whom his appeal was especially addressed.

For months Gandhi's activities have been reported in the British press, and his name has become almost as familiar to the British public as that of Lloyd George. In India the Nationalist leader's life has been

MOHANDAS KARAMCHAND GANDHI
Leader of the movement against British rule in India

a continual pilgrimage from place to place, from village to village, and the fiery breath of his eloquence has left behind it an arid waste of non-co-operation. The name of Gandhi today is an open threat against British rule. This threat has been reinforced by his alliance with the Indian Moslems, represented by such leaders as Shaukat Ali, whose belief lies wholly in the sword. Politics make strange bedfellows. This alliance has overcome the former Moslem opposition to nationalism. The power of Gandhi's personality has also succeeded in overcoming the resistance of the low-caste Hindus, who at first showed no desire to return to the harsh and arbitrary rule of the high-caste Hindus from which the British domination liberated them.

This extreme religionist with a beguiling tongue, this ascetic who walks about like a mendicant with bare feet and the humblest clothing, this man of mystery in dreaming India, whose whole impulse is religious, stands essentially for two things: the driving out of the British from India by passive resistance, and the complete independence of India, under a reversion to her ancient ways. A Hindu Jean Jacques Rousseau, he preaches the overthrow of all the benefits of civilization; an Indian Tolstoy, he urges the overthrow of all force. Right must triumph. If it fail, it is not Right.

Sir Valentine Chirol in an article published by The London Telegraph of Feb. 7, 1921, after describing the mesmeric influence of Mr. Gandhi's speeches on the Indian multitudes, and its effect in the spread of non-co-operation, describes an interview which he had with the Nationalist leader in the presence of Shaukat Ali, Gandhi's Mohammedan ally. The writer brings out vividly the contrast between Shaukat Ali's "great burly figure and heavy jowl, his loud voice and truculent manner, and even his more opulent robes, embroidered with the Turkish crescent," and "the slight, ascetic frame and mobile features of the Hindu dreamer, draped in the simple folds of his white homespun." Mr. Gandhi's views were described as follows:

> With a perfect command of accurate and lucid English, and in a voice as persuasive as his whole manner is gentleness itself, he explains, more in pity than in anger, that India has at last recovered her own soul. * * * Not, however, by violence, but by her unique "soul-force" would she attain to *Swaraj* (home rule), and, purged of the degrading influences of British rule and Western civilization, return to the ancient ways of Vedic wisdom, and to the peace which was hers before alien domination divided and exploited her people.

Sir Valentine asked him whether his doctrine of non-co-operation would not prove a destructive rather than a constructive force.

> "No," he rejoined, and I think I can convey only his words accurately, but not his curious smile, as of one who feels compassion for the incurable skepticism of one in the outer darkness. "No, I destroy nothing that I do not at once replace. Let your law courts, with their cumbersome and ruinous machinery and their ancient jurisprudence, disappear, and India will set up her old *panchayats*, in which justice will be dispensed in accordance with her inner conscience. For your schools and colleges, upon which lakhs of rupees have been wasted in

bricks and mortar, and ponderous buildings which weigh as heavily upon our boys as the educational processes by which you reduce their souls to slavery, we will give them, as of old, the shaded groves open to God's air and light, where they will gather round their *gurus* to listen to the learning of our forefathers, that will make free men of them once more."

Asked if the fundamental antagonism between Hindu and Mohammedan would not store up trouble for the future, Mr. Gandhi pointed to Shaukat Ali, and said:

Has any cloud ever arisen between my brother Shaukat Ali and myself during the months we have now lived and worked together? Yet he is a stanch Mohammedan and I a devout Hindu. He is a meat-eater and I a vegetarian. He believes in the sword; I condemn all violence. What do such differences matter between two men in both of whom the heart of India beats in unison?

EXTREME TOLSTOYISM

A more intimate portrait was drawn by Perceval Landon in The London Daily Telegraph of Feb. 5:

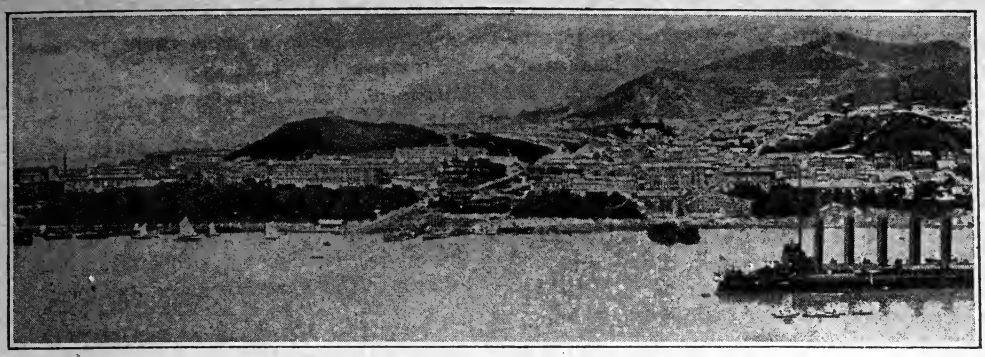
Seated on the floor in a small, barely furnished room, I found the mahatma, clad in rough white homespun. He turned up to me, with a smile of welcome, the typical head of the idealist—the skull well-formed and finely modeled; the face narrowed to the pointed chin. His eyes are deep, kindly and entirely sane; his hair is graying a little over the forehead. [He is 51 years old.] He speaks gently and well, and in his voice is a note of detachment which lends uncanny force to the strange doctrines that he has given up his life to teach. * * * Courteous, implacable and refined, Mr. Gandhi explained to me the faith that was in him, and as he did so, my hopes of an understanding between him and the English grew less and less. The hated civilization and rule of England must go. I suggested the unprotected state of India should our work come to an end; to this he answered: "If India has sufficient unity to expel the British, she can also protect herself against foreign aggression; universal love and soul force will keep our shores inviolable. It is by making armaments that war is made. * * * If even all India were submerged in the struggle, it would only be a proof that India was evil, and it would be for the best."

D. N. Bannersja, a Hindu author, writing in The Adventurer (London), lays emphasis on Mr. Gandhi's "austere, puritanic life, his abstention from the merest suggestion of violent methods, his ingrained fighting spirit, which in South Africa brought Generals Botha and Smuts to their knees; his identification, in interest and outlook, with the toiling millions in factories and cotton mills, and his iron will and capacity for suffering."

Though personally opposed to the use of violence, Mr. Gandhi at the Bagpur Congress admitted that the success of his movement might involve "wading through oceans of blood." Of his fighting spirit there can be no doubt. An Indian member of the newly constituted Legislature at Delhi, writing to an English newspaper shortly after the departure of the Duke of Connaught, stated that wherever the Duke went he was followed by Mr. Gandhi—to Calcutta, to Delhi, to Bombay—and wherever the Duke's ringing words of cheer and optimism were heard, Mr. Gandhi's impassioned speeches against the hated English rule followed like a blighting and maleficent echo. In lieu of independence, said Gandhi, the Duke brought childish baubles for the Indian people to play with. Beautiful promises, flimsy insubstantiality, that was all India would ever get from Britain. Self-government, the goal of Indian desire, was already in sight if the people held firm to the formidable weapon of non-co-operation. Such was the import of the speeches made by Gandhi and his fellow-agitators to counteract the possible effect of the Duke of Connaught's mission.

Your visit [he wrote to the Duke] upholds Dyerism. Three hundred million innocent people are living in fear of their lives from 100,000 Englishmen. I oppose British rule to the bitter end.

Such is the enemy and such the situation that Lord Reading faces as the new Viceroy. The enormous difficulties of his task are evident. That the British Government does not underrate them is seen in the calibre of the man it has chosen to cope with the problem.



GENERAL VIEW OF VLADIVOSTOK FROM THE BAY WHERE THE JAPANESE TROOPS FIRST LANDED IN 1918. THE CITY IS NOW COMPLETELY UNDER JAPANESE DOMINATION
(© *Underwood & Underwood*)

JAPANESE AGGRESSION IN SIBERIA

By SIDNEY C. GRAVES*
Former Staff Major and Assistant to Chief of Staff of the American Expeditionary Force in Siberia

Mr. Graves, whose father commanded the American forces in Siberia, has written this article out of his own experiences as a member of that expedition, supplemented by official records. He presents a rather startling view of the whole Japanese scheme of Asiatic control, of which the Siberian episode is an important part, with his personal convictions regarding the danger of war with the United States

International relations are quite unlike relations subsisting between individuals. Morality and sincerity do not govern a country's diplomacy, which is guided by selfishness pure and simple. It is considered the secret of diplomacy to forestall rivals by every crafty means available.—*Marquis Okuma in the Kokumin, a Tokio newspaper.*

IS JAPAN preparing for a war with America, and was her Siberian expedition the first important step toward the realization of a pan-Oriental plan calculated to make such a struggle possible and profitable? I am not a jingoist, but twenty months' intimate contact with the problem, as a staff officer of the American expedition, convinces me that such is the case. Japanese diplomatic chicanery and falsehood were successful during the period of joint occupation. The question is, Will they continue to succeed until the United States is forced to abandon the Orient or to fight at the time of Japan's choosing?

In the joint expedition to Siberia in 1918 Japanese statesmen saw an opportunity to gain control of Manchuria and the Chinese Eastern Railway, and also, if not prevented by America, to shut off Russia territorially as a potential enemy. The Lansing-Ishii agreement convinced Tokio that the United States would go to no great lengths to prevent Japan's annexation of Manchuria, and perhaps of Eastern Siberia, and the Japa-

*The author of this article is a West Point graduate who served on the Mexican border and in Mexico, and who fought in France for a year as Captain of an infantry regiment, where he won various honors and the temporary rank of Major. Later he joined the American Expeditionary Force in Siberia, which was commanded by his father, General W. S. Graves, and became assistant to the Chief of Staff and liaison officer to the various allied headquarters at Vladivostok. In July, 1920, he resigned with the rank of Captain, thus regaining the private citizen's privilege of publishing such facts as were in his possession.—EDITOR.

nese Government's plans, drawn up in common with independent Cossack leaders already in Japanese pay, were well laid.

THE OPENING WEDGE

It is not my purpose to give a history of the Siberian expedition except in so far as it relates to the anti-American activities of the Japanese forces, and the manner in which American diplomats were outwitted or forced to play into Japan's hands. It is well to understand, however, the purposes of the joint expedition as stated officially by the American Department of State, in July, 1918, and as reaffirmed by Tokio at that time, namely: "To assist the evacuation of the Czechoslovaks, and to render moral and material aid toward the rehabilitation of the Russian people without interference in their internal affairs." Both Governments pledged themselves to take no part in the factional strife, guaranteed the territorial integrity of Russia, and agreed to withdraw when, in the opinion of either country, the aforesaid objects had been achieved. The maximum force of each was fixed at 13,000 men; within six months Japan had 72,500 soldiers in Manchuria and Siberia, and was steadily increasing her complement.

Severe Winters and lack of development make communication difficult or impossible in Siberia except on two branches of the Trans-Siberian Railway: one running north from Vladivostok to the Amur River, and then west to Lake Baikal; and the other, or Chinese Eastern line, branching west through Manchuria to join with the first near Chita. The latter, although it passes through Chinese territory, is properly a Russian road, which, under treaty agreement, was to be guarded by Russian troops; in 1917, however, owing to Bolshevist disturbances, a large part of the guard was replaced by Chinese.

Seeing clearly that control of the railways assured military and economic domination of Eastern Siberia, Japan directed her efforts toward turning the inter-allied railway agreement of February, 1919, to her own advantage. This pact provided that a division of sectors was to be guarded by American, Japanese and Chinese troops for the benefit of the people; but any announced purpose mattered little to the Japanese, who made evident their purpose to occupy permanently a strategic barrier, the nature of which will be described later in this article.

Even before the joint expedition landed, the Czechs had achieved their own security, and by 1919 the Kolchak Government was well launched in its futile effort against the Soviet, leaving the problem of Eastern Siberia to the Americans and Japanese.

OCCUPATION OF MANCHURIA

By virtue of the Military Agreement between Japan and China, Japan demanded that Chinese troops guarding the Chinese Eastern Railway be commanded by Japanese officers, but this was refused by the Peking Government. The Japanese then moved troops into Manchuria, to occupy important points along the line; this led to several armed clashes, but the Chinese were too weak to offer any effective resistance. As a result, Manchuria is today a Japanese province, which Japan will go to war to retain.

The former anti-Bolshevist leaders—General Semenov, at Chita, and General Kalmikov, 400 miles north of Vladivostok on the Amur branch of the railway—were armed, paid and directed by the Japanese. History presents few worse examples than these Cossack "Generals," who murdered, burned and robbed at will, and whose atrocities kept all Eastern Siberia in a state of fear and revolt. The Japanese encouraged these marauding expeditions, and even sent columns of their own, under the guise of fighting Bolshevism, to shell defenseless villages and to execute many of the inhabitants.

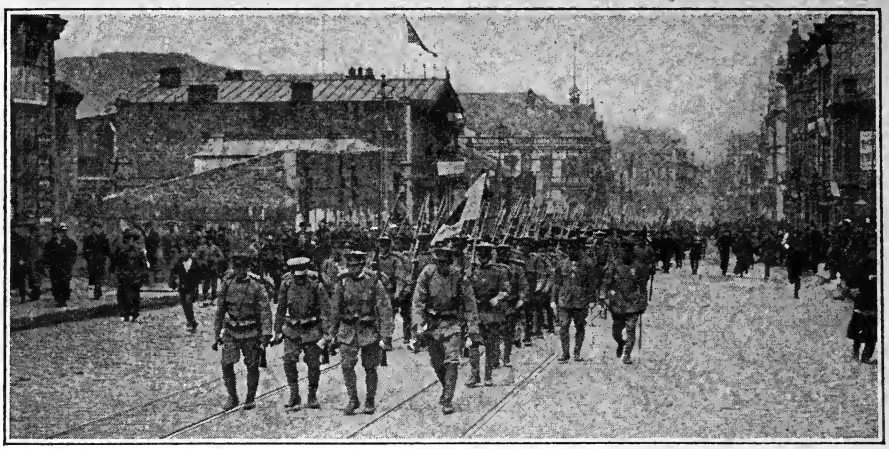
ANTI-AMERICAN PROPAGANDA

Japanese Headquarters soon realized that the American Commander-in-Chief, General Graves, would not deviate from his instructions of neutrality, and consequently they initiated an anti-American campaign in an endeavor to force the United States to recall its troops. Representatives of the State Department seemed only too willing to credit Japanese assurances of non-interference, but General Graves, by preventing Japanese activities in his sectors and by reason of his knowledge of the anti-American campaign, was an obstacle to

MAP OF JAPAN AND OF THE PORTIONS OF THE ASIATIC CONTINENT NOW UNDER VARIOUS DEGREES OF JAPANESE CONTROL. THE MINE FIELDS AT THE NORTH AND SOUTH ENDS OF THE JAPAN SEA SHOW HOW EASILY JAPAN COULD GUARD HER LINES OF COMMUNICATION IN CASE OF WAR

Japan's designs which she could not tolerate. Newspapers were subsidized to create feeling against the United States among the Russian people, and Semenov and Kalmikov were paid to provoke hostilities with our troops. A typical example follows:

On Sept. 1, 1919, Kalmikov was paid 30,000 yen by the Japanese. On Sept. 5 he arrested an American officer and an enlisted man on the pretext that they were not in possession of Russian passports. As this had never been required, the arrest was illegal. The soldier was beaten almost to death with Cossack whips, and a battalion sent to effect his rescue was stopped by a Japanese force, which threatened to open fire if the Americans continued to advance. An apology tendered by the Japanese, and later the release of the soldier by the Russians, ended the incident; but at this time General Horvat, President during the Czar's régime of the Chinese Eastern Railway, and Mr. Medviedev, President of the local assemblies or Zemstvos, both warned General Graves that Kalmikov had been instructed by the Japanese to attack our small detachments as an indication of ill-feeling of the Russians toward Americans, and as a measure calculated to provoke a sentiment for recall in the United States. In consequence of this warning, American troops were concentrated, and both the Russians and the Japanese were warned that the molestation of any American soldier would lead to an attack on Kalmikov. This effectively deterred that Cossack leader from any further overt acts.



JAPANESE INFANTRY MARCHING UP ONE OF THE WIDE AVENUES OF VLADIVOSTOK, MAY 1, 1919

Under cover of the discord created in the maritime provinces of Siberia, Japan seized the Russian half of the island of Saghalien, including the fishery rights along the coast, and forced the Chinese gunboats to leave the Amur River, which, jointly with the Russians, they had patrolled for years. All opposition on the part of the local population was ruthlessly suppressed, and only the presence o fthe Americans prevented a virtual annexation of Southeastern Siberia. General Rozanov, the nominal Kolchak commander at Vladivostok, sold allied cotton to the Japanese for half its value and appropriated the proceeds. The revolution in November, 1920, which was led by General Gaida as a protest against the reactionary character of the Kolchak Government and its representatives in the Far East, was suppressed by Rozanov with Japanese support, notwithstanding proclamations of neutrality made by all the Allies.

Semenov's men, armed with rifles supplied by Japan, on some of which appeared in Spanish "Republic of Mexico," operated at will near Chita and the Manchurian border; robbed the Chinese customs, seized furs belonging to an American concern, and attempted, but without success, to appropriate a carload of rifles under American guard. These anti-American activities continued throughout the entire sojourn of our expedition, and culminated shortly before evacuation in an armed clash. An armored train with a field piece, machine guns and about fifty men was captured by thirty-eight American soldiers after the Russians had attacked them without cause or warning. Japan has repeatedly denied her connection with these independent Cossacks, but the records of the American expedition are conclusive proof to the contrary. Recently, when the Liberal Government at Irkutsk forced the elimination of Semenov, he was taken to Japan in triumph, the lodged in a palace in Tokio.

CONTROL OF SUPPLIES

The interallied railway agreement was conceived by Roland S. Morris, American Ambassador to Japan, as a sincere effort to relieve the suffering of the population of Siberia, and with a belief in the bona fide intentions of the Japanese. The latter, however, acquiesced simply because they saw in such a plan an opportunity to further their general scheme. Only such supplies were shipped as they desired, owing to the control of the terminals by their Cossack hirelings and their own control of Manchuria by the replacement of Chinese by Japanese guards along the Chinese Eastern Railway. Protests on the part of the American command were unavailing, and even the most flagrant Japanese actions were excused with the oft-repeated and absurd claim that individual acts of military representatives did not reflect the sentiment of Japan, where the military party was on the wane, or with the declaration that their

operations were necessary to prevent the spread of Bolshevism.

Our diplomatic representatives, in spite of repeated evidence of a well-thought-out plan of annexation, continued to credit such protestations and to hope that the Japanese command would change its tactics. Perhaps the irrelevant California land question, which is Japan's greatest card to meet any objections to her Oriental policy, may have again deceived Washington, but the fact remains that the Siberian expedition has given Japan all and more than she fought for in 1904; her grip on the throat of China is assured, and her imperialistic methods will make peaceful association or competition with her in the Far East by America impossible.

DEPARTURE OF AMERICANS

The inevitable collapse of the Kolchak Government inaugurated a wave of revolutionary sentiment which, for a time, threatened to overthrow the supremacy both of the Japanese and of the Russians under their control. Kalmikov was eliminated in the revolt of January, 1920, and Rozanov, at Vladivostok, escaped to Japanese Headquarters in Japanese uniform when the troops of the new Provisional Government entered the city on the 31st of the same month. Officers of the American command forced allied neutrality at Vladivostok, and the Japanese were powerless to attack elsewhere, owing to the fact that Czech and American troops were not yet evacuated from the interior, and that hostilities invited destruction of the railway which had been seized by the revolutionists at important points. Both the Czechoslovak and American Governments had ordered their forces recalled, and any attempt to destroy the Transsiberian Railway would have met with energetic action and led to an inquiry on the part of these Governments, which Japan wished to avoid. Outwardly she acquiesced in the changed conditions, but hastily increased her forces in Manchuria and Siberia to about 200,000. Five days after the departure of the Americans the Japanese attacked and decisively defeated the forces of the new Government at all points.

TYPICAL JAPANESE OFFICER IN UNIFORM AT A RAILWAY STATION IN SIBERIA

ABSOLUTE CONTROL TODAY

Japan has at the present time ceased to disguise her actions and intentions in Siberia, and her control of occupied territory is absolute. Vladivostok has become a Japanese city; the "Rising Sun" flies from all public buildings, and municipal administration is enforced by Japanese officials with the aid of martial law. Japan's zone of occupation embraces only the old line of Russian fortifications; that is to say, it runs along the littoral west to about 250 miles north of Vladivostok; in Manchuria, however, she has seized the whole of the railway and, in spite of Chinese objections, has garrisoned strategic points, such as Urga in Northern Mongolia. If Russia were today a united and powerful empire it is doubtful whether she could dislodge the Japanese from her territory, as a relatively small force, holding the strategic key as does Japan, would be almost invincible.

Colonization as a field for her surplus population is not an object of Japan's policy. Her own northern islands, owing to rigorous Winters, are quite sparsely settled, and Siberia and Manchuria, with their much more severe climate, are not attrac-

JAPANESE SOLDIERS AT BAYONET DRILL IN BORZA, SIBERIA

tive to the Japanese settler. The Japanese, furthermore, cannot compete with Korean and Chinese labor, and, as pointed out by Mr. Bland in the February issue of Asia, no efforts of Japan in Manchuria and Mongolia can keep the Chinese from inheriting the land. Korea, the Japanese population of which in the ten years since annexation has increased less than 200,000, is an example of this fact.

OBJECTS OF JAPAN'S POLICY

What, then, are the objects of Japan's policy, which has been a heavy burden on her taxpayers and is likely to remain so? It is ridiculous to assume that her only purpose is to aid the Russian people, and equally absurd to accept her pretext of checking Bolshevism in Siberia, where this movement has never existed, as in European Russia. The following interpretation, which is the opinion of many Russian military critics, and which has, in part at least, been substantiated by Japanese occupation, offers a plausible and disconcerting explanation.

Japan has long realized that the United States and Russia were the two great obstacles to her abrogation of the "open door" policy, to the establishment of an Asiatic "Monroe Doctrine," and to the continuance of her Prussian methods of occupation, which make commercial competition with her impossible. England could be controlled by fear of Oriental intrigue and propaganda in India, while civil war in China, with the subsidizing of officials, could be continued to render the latter country impotent. The European war eliminated Germany and gave Japan, by virtue of the "Twenty-one Demands" and other treaties, an opportunity to assume control of Chinese affairs. Racial equality and emigration questions were used to cloud the real issues at the Peace Conference and to enable Japan to retain the territory which she had seized when the Allies were powerless to interfere. Realizing that she could never wage war on the United States with Manchuria and Korea open to Russian attack, Japan took strategic advantage of the Siberian expedition to eliminate Russia as a possible ally of the United States. A glance at the accompanying map of the Japanese Islands and the adjacent Asiatic Coast will show the powerful position Japan

will occupy in the event of war with America. Mine fields between Saghalien and the Siberian Coast, between the Japanese Islands themselves, and between Korea and Nagasaki—all narrow straits—close the Japan Sea and the railway terminals in the Gulf of Pechili to naval attack, and leave the Japanese fleet free for offensive operations.

MANCHURIA AS A JAPANESE RESERVOIR

Manchuria has been likened to the stomach of Japan, but it is more than that; it is the source from which she intends to draw her economic strength. Perhaps Vladivostok will enable her to control a large part of Siberian produce and mineral wealth in the event of changed conditions in Russia, but in Manchuria, at any rate, Japan has effectively obviated the lack of natural resources which she has long felt so keenly.

If we are to retain our interests in the Orient, many observers believe, war is inevitable. Japanese statesmen, apparently facing that fact, have already begun to prepare. At the present time Japan is powerless to pit her strength against that of the United States, but if she is allowed to continue her oppressive methods, and to turn the wealth of other nations to her advantage, America, in a relatively short period, will face an empire almost as great as that of Germany in 1914, which will insist to the point of war that we abandon the Far East and the Western Pacific Ocean. Are we to meet this threat with continued belief in the assertions of Oriental diplomats and with complaisant acceptance of proposals for American disarmament?

AUTHOR'S NOTE—Since writing the above, information has been received that the Jananese have effected the destruction of the railway tunnels on the Trans-Siberian line near Lake Baikal, in order to prevent attack by the Chita Government, or directly by the Soviet. The American Government spent over four and a half million dollars and maintained a corps of experts in addition to the A. E. F. for the purpose of assuring the efficient functioning of the Trans-Siberian Railway.

LENIN'S LABOR SLAVES

THE discontent of the Russian trade unions and the factory workmen under the Soviet régime has become a serious problem for the Moscow dictators, and reports received in March indicated that Trotzky and Lenin had agreed to disagree on the methods to be followed in solving it. The Soviet Government's treatment of Russian labor unions has done much to alienate the sympathy of labor all over the world. A report drawn up by a foreign engineer who returned from Russia to Central Europe in December, 1920, brings out into strong relief the foundation of the Russian workers' dissatisfaction. The following passages speak for themselves:

> Factory hands are exploited to an extent undreamed of in Czarist times. This is done on the principles of "labor discipline," under pretext of suppressing the prevalent laziness and carelessness. The workmen are attached to the factories, and can be sent from one to another only by orders from the Executive. They are very badly fed, sometimes receiving no more than twenty-four pounds of bread a month, with nothing besides, so that they are always hungry. A great deal is demanded from them, and they get nothing in return. They are continually terrorized, as, owing to the militarization of labor, every man is punished very severely for desertion. The lightest punishment is confinement in a concentration barracks; the heaviest, death.
>
> In every factory there is a Communist committee of five or six, who are nominated, and who carry on a system of espionage, control and terrorization of the other workmen. From these committees are elected the workmen's representatives at all meetings, so that the majority at meetings is always Communist. * * * Even this hard rule does not keep the ill-fed, ill-clad workmen in the factories; they make every endeavor to run away to the country and work for the peasants.

Such revelations go far toward explaining the disillusionment of European and American labor leaders who were at first inclined to favor Bolshevism. The British Independent Labor Party on March 28 decided, by 521 votes to 97, against having anything to do with Lenin's Third International.

BIRTH OF A REPUBLIC IN SIBERIA

Rise of the Far Eastern Republic at Chita confirmed by Siberian elections—Formal organization by the Constituent Assemby followed by overtures to the United States—Bitter Protest against the Japanese Occupation

A NEW State, the Far Eastern Republic, duly organized at Chita by constitutional methods, and undertaking to maintain a representative Government over the vast region of Siberia east of Lake Baikal, all the way to Vladivostok and the Pacific Ocean, formally announced its existence on March 29, 1921, through a note to the American Legation at Peking. The note asked for friendly relations with the United States, and for an exchange of trade commissioners between Chita and Washington; it affirmed the inviolability of private property, declared for free trade and the "open door," and stated that the Far Eastern Republic was specially desirous to grant mining, railway and other concessions to Americans.

Whether this new Siberian State is to be any more lasting than others that have sprung up in the last two years remains to be seen; but certain essential differences from the others compel attention. It has been established by a freely elected Constituent Assembly, not by a factional group of Soviet leaders; it has Moscow's promise of noninterference, and it has one point of absolute unanimity among its own people, namely, hostility to the Japanese military occupation. In other words, it is a buffer State between Japan and Soviet Russia, which may prove to be a very important factor in the whole Asiatic situation.

In the beginning the Chita Government was only a small local affair set up by anti-Japanese Russian Nationalists, headed by M. Krasnochekov—a former Chicago lawyer, whose real name is Tobelson, and who is now Premier of the new republic—and its lease of larger life depended upon its power to unify the people and obtain a majority of votes in a general election.

It succeeded in both of these objects. Vladivostok and the Maritime Province voluntarily subjected themselves to Chita. The general election, held on Jan. 9, 1921, created a National Constituent Assembly, which met at Chita on Feb. 12, and proceeded at once to create a Government by democratic methods. The delegates to the Assembly were divided on party lines approximately as follows: Peasants, 160; Communists, 98; Peasants' Union, 42; Social Revolutionaries, 6; Social Democrats, 16; Buriats, 10; Siberian Social Revolutionaries, 6; People's Social Revolutionaries, 4; Koreans, 5. Effort was bent on completing a Constitution. Meanwhile serious problems confronted the Assembly, such as the critical economic and financial situation. Action to dismiss the Vladivostok Parliament was deferred, owing to the serious political situation in the Maritime Province.

The whole political complexion of the new State will depend largely on the exact amount of influence which the Bolshevist elements will be able to exercise. How that influence bulks at present is the subject of dispute. Captain Robert Rosenbluth, who returned from Siberia on March 23, cited the view of Antonov, editor of The Red Flag, leader of the Communist Party, and formerly head of the Provisional Government, to show that the new republic never would become communist; first, because there is no industrial population; second, because the great natural resources of Siberia offer unlimited possibilities for the acquisition of wealth, and, third, because in view of these vast resources the whole world would be justified in stepping in and supporting the aggression of the Japanese if any move were made toward nationalization or confiscation.

The Japanese press, which is following events at Chita with the closest attention, gives plain evidence that it is uncertain as to just how deeply the Bolshevist influence goes. The Yomiuri, in commenting on the Constituent Assembly, admitted a sincere desire among Siberian Russians to establish a truly democratic Government, and blamed the strong trend toward the left upon the activities of Semenov and the

intervention of foreign powers. The Asahi, a moderate independent organ, declared, on the other hand, that the communists were in an "irresistible majority." There were some 120 acknowledged communists, it declared, and over 100 more masking as members of the Peasant Party. Owing to this predominance, the Speaker and the ruling body of the Assembly had been elected from among the communists, and demands had already been made to found the new republic, not on the principle of democracy, but of internationalism.

Dispatches from Chita showed that both the communists and the peasants were inclined to look to Moscow for protection, so far as the intervention of the Japanese, or any other foreign power, was concerned. The leader of the Peasants' Party even went so far as to declare: "We will defend our Soviet motherland at all costs, as we are here as an outpost of the Soviet Government, and we demand the withdrawal of all foreign troops on Russian soil." The editor of The Japan Chronicle, a close observer of events in Siberia, confirms the view that the communists and the peasants are at present united in one policy. "The truth is," he says, "that they have one common aim which unites them as they would otherwise never have been united. They hate the Japanese, and want to get them out of the country. Mr. Krasnochekov, the Premier and Foreign Minister, says: 'Our mission lies in eliminating all possible causes of foreign intervention.' That is the one desire that unites all classes."

It became clear at the end of March that the Chita Government, whatever its final decision might be, was working in harmony with the Soviet Government, by whom its independence had been recognized. At this time it was announced that the authorities of the new republic had ceded Kamchatka to the Bolshevist rulers, and that Japan had formally protested. The concessions granted by Moscow to the American financier, W. B. Vanderlip, were said to underlie the cession, the main obstacle to which had been the rights of possession of the Far Eastern Government. The Chita Government, on its own part, was preparing to grant concessions on a large scale to foreign enterprise, and Mr. Krasnochekov at the fourth meeting of the Constituent Assembly on Feb. 25 declared that this policy was indispensable for restoring industry. Steps were also being considered to repair the Far Eastern Railway, which, owing to the destruction wrought by the troops of Semenov, was in a deplorable condition. Soviet Russia was sending her best engineers to direct the tremendous labors involved. Mr. Shatov, the Minister of Transport, complained bitterly of the arbitary actions of the Japanese Military Command in forbidding the sending of the railroad materials stored in Vladivostok for repairing the Siberian system, which had virtually come to a standstill.

The situation in Siberia was further complicated by a new attempt of General Semenov—the anti-Bolshevist General formerly attached to Kolchak—to begin another offensive toward the west, with the object of uniting with anti-Bolshevist elements in Siberia. This new movement was launched by his lieutenant, General Ungern-Sternberg, and was said to be formidable. In its note to Japan on Jan. 19 the Chita Government had bitterly assailed Semenov, calling him the enemy of the Russian people in Siberia, and had charged Japan with giving him support. New charges were made on the advance of Ungern-Sternberg, and the Chinese Government confirmed these by declaring that it had concrete evidence that the Semenov-Ungern combination was receiving both financial and material support from the Japanese. This the Japanese Government officially denied.

CHITA'S INDICTMENT OF THE JAPANESE

One fact stood out clearly: that the Far Eastern Republic was solidly united in opposition to the Japanese occupation. This hostility, indeed, had inspired its creation. It was dramatically expressed on Dec. 5, 1920, after the Japanese by an autocratic proclamation, dated Dec. 3, had forbidden the Maritime Province and Vladivostok to unite with the Government at Chita. At the ratification meeting, held two days later, despite the Japanese prohibition, the leader of the Cadet Party took occasion to defy Japan categorically, and to shake his fist in the Japanese representative's face.

The full story of Japan's occupation of Eastern Siberia still remains to be told.

Certain aspects of the subject, however, are brought into sharp relief in a long telegram sent on Jan. 19, 1921, by Mr. Krasnochekov to the Japanese Foreign Minister at Tokio. Relations had long been strained, and fighting between the Chita Russians and the Japanese soldiers had been continued over a considerable period. The Japanese declared that they had no intention to interfere with Russia's internal affairs, but Mr. Krasnochekov, in his telegram, declared that this pledge had not been kept, and recited, item by item, the various aggressions of which Japan had been guilty. The full text of this enlightening document, as published in The Japan Chronicle at the beginning of February, is as follows:

While ordering its army to occupy Russian Far Eastern territory, the Imperial Japanese Government, by its proclamation of Aug. 21, 1918, clearly stated to the Russian people and to the world that this extraordinary measure was taking place "solely for the sake of rendering assistance to the Czechoslovak army," and that, "maintaining its established policy of unqualified friendship toward Russia and the Russian people and the territorial integrity of Russia, and forbearing any interference in the internal affairs of the Government, upon the completion of the evacuation of the Czechoslovak army, the Japanese army will unconditionally leave Russian territory." The evacuation of the Czechoslovak army was successfully completed in August, 1920. Moreover, long before the completion of this evacuation, by its declaration of March 31, 1920, the Imperial Government of Japan declared that "as no other country is geographically so closely connected with Siberia as our empire, and whereas the political condition of the Far East is such as to threaten not only the life and property of our citizens living in Siberia, but also to make a breach of the peace of Korea and Manchuria, we regret to state that it will be impossible to evacuate our troops from the Far Eastern territory." Yet the Government of Japan reiterates that the presence of its army upon the territory of the Far East does not mean any political aggression against Russia. And again in this act the Government of Japan "sincerely stated that as soon as peace is established within the territory the Japanese army will immediately leave."

The same statement has been reiterated by the commander of the expeditionary army, General Oi, in his notes to the Minister for Foreign Affairs of the Far Eastern Republic of May 11 and Sept. 18, always expressing his sincerest desire for the speediest reunion of the separate territories of the Far East, not only as beneficial for the Russian population, but as a condition precedent to the establishment of economic relations between the two nations. In his declaration of May 11 General Oi states literally as follows: "The Japanese command will with pleasure lead its troops out of Russian territory as soon as stable conditions are established in the Russian domains in the Far East." And again: "The Japanese command, considering the will of the Russian population, does not wish to complicate the political situation of the region by rendering assistance to individual Russians which might tend to disregard the will of the whole Russian population. The Japanese Command, together with the Russian population, is heartily welcoming establishment within the territories of the Far Eastern region of such a form of government as will conform to the people's desires." It was also plainly declared "that the above is not only the wish of the Japanese Military Command, but also that of our Government and people."

The Russian people, having lost faith in different self-styled saviors, decided upon their own volition and not at all due to demands of foreigners, to establish such order as shall make it possible once and for all for the will of the people to express itself freely in the whole area of the Russian Far East. The authorized representatives of the whole people gathered in Chita on Oct. 29, 1920, and most solemnly proclaimed the union of all the territories of the Far East into one independent self-governing Far Eastern Republic, beginning with the day of declaration of independence, namely, April 6, 1920. The same declaration laid down the first basic principle upon which the Government must be built in order to bring about law and order and peaceful development of all social forces. At the same conference a law was passed for the convening of the Constituent Assembly, and a Government was formed to bring into life the [will of] the people. All these solemn declarations were published in due time and made known to the whole world.

Two months have passed since the establishment of the Far Eastern Republic. The Government of the Far Eastern Republic is steadfastly following the road that is pointed out by the declaration of Oct. 29, 1920. The elections to the Constituent Assembly have already taken place. Within ten days the representatives of the people will be gathering in the capital of the Far Eastern Republic in order to work out a Constitution for the country and decide upon the important life problems of the Government.

The internal war which has been flickering in some parts of the country prior to the unification has died by itself. All classes of the population are earnestly striving for a peaceful life, and labor with a view to rebuilding all that was destroyed. The Vladivostok People's Assembly, laboring under extraordinarily hard circumstances,

due to intervention, and in spite of various memoranda and veiled threats by the Japanese High Command and Chief of Staff and the head of the Diplomatic Mission, has by an overwhelming majority recognized the Government of the Far Eastern Republic. These are the heroic results of the aspiration of our people for unity, their burning desire to outlive intervention. On the territory of the Far Eastern Republic that is free from intervention law and order reign supreme. The life, freedom, labor, and property of all citizens are absolutely safe. Numerous foreigners residing in the Republic enjoy the same rights as the native citizens, and their lives and property are as safe as in any other civilized country.

Concluding on the basis of the abovementioned facts that the further coming and staying of Japanese troops on Russian territory is not only unjustifiable but absolutely harmful, the Vice Minister for Foreign Affairs, Mr. Kojevnikov, by order of the Government of the Far Eastern Republic, most explicitly brought to the attention of the Imperial Japanese Government, through the chief of the Japanese Diplomatic Mission in Vladivostok, the urgent necessity of most speedily evacuating the Japanese forces from the Far East; and he further informed it of the readiness of the Far Eastern Republic to commence negotiations with the Imperial Government of Japan with a view to concluding a treaty of everlasting friendship and of the establishment of economic relations for mutual benefit, firmly believing that there is no such problem between the Government of the Far Eastern Republic and the Imperial Government of Japan which cannot be solved by way of negotiation.

However, the Japanese army continues by force to occupy part of the territory of our Republic, thereby making life unbearable for the population of that part of the territory of the Republic on which these forces are situated.

Taking advantage of the presence of Japanese troops and their actual suppression of any and all attempts to establish order on the part of the population and their governmental organs, which suppression is contrary to all declarations, the criminal elements are doing their contemptible deeds. Russian cities and villages within the zone of intervention are enveloped in a poisonous gas, as it were, of robbery, murder, and all kinds of unspeakable crimes. Criminal persons at Grodekovo, on the Ussuri Railway, are stopping trains, searching and robbing passengers, and taking many of them off, beating them, and very often leading them away nobody knows where. These same criminals are riding in the trains without paying their fares, are forcing railway agents to give them special locomotives, and, not receiving them, are detaching engines from trains. There was one such case at Grodekovo Station on Nov. 28. They are also taking away from Russian as well as from foreign passengers silver and other belongings, which is much like open highway robbery.

The local authorities find it impossible to establish order, thanks to the opposition of the Japanese military command to the lawful authorities, and to its sympathy with the enemies of law and order. The Japanese Command by force of arms is holding back the authorities of the law from fighting with the criminals and establishing order, which means an absolute violation of the right of self-determination of the people. The sympathies of the Japanese Military Command toward the enemies of the people were most vividly expressed when it carried under its protection Semenov—this criminal and enemy of the people—through Russian territory, defying the whole Russian and foreign population, and, officially informing the former Maritime Government, as if challenging its impotence, took him to Port Arthur with a guard of honor of the army of the Imperial Government of Japan, thereby openly scorning the feelings of the free people.

This criminal is now issuing orders in which he is promising to start a new adventure in the Spring, and while he is openly proclaiming that Japan will be rendering him assistance, he is thereby arousing the population against Japan, and, by awakening an old hatred, is hindering the establishment of good neighborly relations.

The Japanese Command does not allow paymasters on their way to pay the salaries of railway servants to travel on the trains; it obstructs the movement of nearly all freight, by these means grossly and without warrant interfering with the inner life of the Far Eastern Republic.

The Japanese Command has also held up the car of the Secretary of the Military Diplomatic Mission of the former Verkhneudinsk Government, which has since become part of the Far Eastern Republic, attempting to search him and his car, thus violating the most elementary laws with regard to diplomatic representatives, as established by practice and international right. The Japanese Command also demonstrated thereby before the population, that all official Japanese declarations are mere words. Needless to say all these actions on the part of the Japanese are awakening within the minds of the Russian people doubts as to the genuineness of the solemn declarations of the Japanese Government, and force them to be on the alert.

True to the mandates of our people and being directed by the same desire, the Government of the Far Eastern Republic thinks it necessary, with a view to establish peaceful mutual relations between both countries and peoples: first, that the High Command of the Japanese expeditionary force in Vladivostok, with regard to the actions of its subordinates, should adhere to the

principle of absolute non-interference in the internal affairs of the Far Eastern Republic, and desist from rendering assistance to separate groups of the population in their internecine struggles—in this case with regard to the assistance given to the Grodekovo band; secondly, in view of the fact that the region is quiet and that a strong Government has been established, it is an appropriate time for the fixing by the Japanese Imperial Government of a definite date for the evacuation of the Japanese troops from the Far Eastern Republic.

Considering the fact that upon the territory of the Far Eastern Republic there is at present a Japanese Diplomatic Mission, the Government is kindly asking to be informed whether the Japanese Imperial Government will agree to receive our mission in Tokio upon the just principle of reciprocity, with the aim of speedily establishing political and economic relations based on such treaties as will be for the mutual benefit and friendship of both the Japanese and Russian peoples. We trust that this will speed the long-hoped-for day of mutual understanding and peaceful relations between the two peoples.

KRASNOCHEKOV,
Minister of Foreign Affairs of the Far Eastern Republic.

Chita, Jan. 19, 1920.

To this communication, so far as can be learned, the Japanese Government has made no reply. A bitter and outspoken article in the Tribuna (described as an organ of the Chita Government), called attention, at the end of February, to Japan's ignoring of the communication from Chita, and declared that in consequence the Siberian authorities were prevented from taking such measures as they deemed fit for the restoration of peace and order in the Maritime Province. The situation in the Japanese zone of occupation was described as deplorable. Russians were being slain daily by the Japanese troops; many of the inhabitants had abandoned their homes, schools had been closed, public offices abolished, criminals could not be arrested owing to Japanese interference, and the general result was anarchy.

In addition to its other troubles, the Maritime Province was threatened with the complete breakdown of all civil administration, as the Vladivostok authorities had reached the end of their gold reserve, and had no means of paying the 2,000 or more officials, who were facing starvation with their families. The tense situation between Japan and the Chita Government was becoming more strained because of Japan's demand on the Chita Government through Vladivostok on behalf of the rights of Japanese fishermen along the coast. The Chita authorities were playing for time, while protesting against the severity of Japan's demands. Meanwhile the Japanese were at loggerheads with the Interallied Railway Committee over the question of whether Russian rolling stock should be removed, Japan's attitude being that she had the right to prohibit this in order to secure the safety of her military; the commission, however, overruled this by a decision taken shortly before Feb. 24.

An attempt of the anti-Bolshevist elements to gain control of Vladivostok on March 31 proved abortive. The fighting of the insurgents, united with the remnants of the forces of General Kappel, another Kolchak commander, had not proceeded very long before officials of the Japanese garrison ordered the belligerents to cease firing and disarm. This intervention proved effective, and the beginning of April saw quiet restored.

Study of the whole Siberian situation shows that the Japanese are hated by all Russians, whether of the Bolshevist or non-Bolshevist factions; that the Russians are determined to drive them out of the country, and that the Japanese are making every effort to maintain their domination. The Chita army in the Maritime Province is said to number 150,000 bayonets. The Chita Government and the Japanese alike disclaim aggressive intentions, but the play of hostile forces is such that the danger of a sudden explosion cannot be denied. The recent seizure by the Japanese of new Russian territory, and their action in taking possession of the Kamchatka fishing waters, have increased this danger. Only time can tell what the outcome of this complex situation will be.

THE FATE OF PROHIBITION IN RUSSIA

An interesting account, by a Vladivostok correspondent, of what has happened to the "dry" laws in Russia and Siberia since the Bolshevist revolution of 1917—*Drastic supervision that proved unavailing**

THE Czar's order of prohibition, coinciding with the feverish preparations for the World War, was greeted throughout Russia with sincere enthusiasm. Never had any similar measure had better chances of success. Even those to whom it meant in some cases a mortal economic blow accepted it with quiet resignation. But hardly was the first flush of excitement over when this unanimity disappeared. People began to discover in every possible difference of class, position, profession, &c., a valid reason to change their attitude. This tendency, for example, ran through the whole army, from the higher military authorities down through the officers to the men, every class inventing its own reasons why it should enjoy exemption from the law. Everybody found a sufficient and just ground for regarding himself as an exception.

The war between the popular will and the law began. Secret trade in all kinds of liquor soon flourished all over the country. In fact, it was so easy to obtain alcoholic drinks that one wondered whether the disregard of the law was not officially encouraged.

Nevertheless one distinctly salutary remarkable effect of prohibition remained. Nobody dared to appear intoxicated in public. Persons already under the influence of alcohol could obtain no more of it in any public place. Even private smugglers refrained from selling drink to such. For in case of offenders being detained by the police, they could buy immunity by indicating those who supplied them with alcohol, and the otherwise voluntarily blind authorities would act sternly in such a case. It seemed as if the public, with the tacit consent of the authorities, changed the imposed absolute prohibition to a voluntary obligation not to abuse the right to drink, not in public at least.

After the Revolution, however, it was more the habit of four years than the vigilance of the police that maintained—as far as it maintained—prohibition. Scenes of the old times recurred, and drunken men and women in the streets became more and more numerous. The militia, as the police were now called, made hardly any effort to stop it. They had neither the will nor the means.

But at this point a new force came to the rescue of the success of prohibition. Whatever smuggling and secret trade there was in alcoholic drinks during the first four years of prohibition, it was, speaking the language of economics, only a liquidation of the large stocks that remained on hand. The uncertainty of the future of the trade, its risks, the impossibility to continue it on a large scale, forced capital of any considerable proportion to withdraw from it. The consequence was that after the old stocks had been exhausted new material could be obtained only at very high prices, and generally of very low quality. At the same time the buying capacity of the market sank rapidly. Soon it became impossible for the large majority to acquire any decent alcoholic drinks regularly. From time to time, at special festive occasions, alcohol figured on the table as a luxury, but later it disappeared even as such. The cheapest and most dangerous kinds were so bad that only very desperate alcoholics could find any taste for them. And so prohibition was now enforced not by the law, which was impotent, but by the iron severity of economic necessity.

The Bolshevist régime was officially decidedly prohibitionist. But as, in the beginning especially, money was abundantly supplied to the army, and the army was in most part stationed somewhere near

*Condensed from a somewhat longer article in the Japan Weekly Chronicle of Feb. 24, 1921, written by its Vladivostok correspondent.

the frontiers, smuggling was greatly encouraged. Later drastic measures were adopted, and the money became almost valueless. Prohibition again triumphed.

SMUGGLING IN SIBERIA

In Siberia the Kolchak Government restored the old order. Officially prohibition was upheld, but all kinds of drinks could be obtained anywhere and for reasonabe prices. This was mainly due to the fact that the Siberian Railway runs near the Chinese and Manchurian border, through which it was very easy to import any quantity of liquor.

It should be remembered that Russians are perfectly satisfied in their desire for alcohol if they get vodka, i. e., a 40 per cent. alcoholic dilution. Smuggling is thereby greatly simplified, as the vodka is easily "condensed" to pure alcohol, which in turn is readily changed back into vodka by mixing it with a corresponding quantity of water.

There were, of course, numerous ways and means by which alcohol was carried across the frontier, but the bulk of the secretly imported liquor came in on the Siberian border through two principal channels and chiefly in two ways. One of these channels was the Manchurian Railway, on which hardly one male passenger traveled without being consciously or unconsciously guilty of smuggling. A most simple and sure method was adopted. The spirit was packed in very flat large or small tins, rounded so as to fit a man's breast or legs. The larger tins gave eight to ten bottles of vodka, the smaller ones two to four. Just before the train reached the border-stations Manchuria or Pogranichnaya, the bottles, provided with convenient leather belts, were attached to the waist, breast, back or legs, under the waistcoat or trousers, or were placed under the seat-cushion, often of a fellow passenger. For those third-class passengers who went in the Winter with the typically Siberian felt-boots, special tins were prepared filling almost completely the interior of the boots.

It must have been an unusually malevolent customs official who discovered any of the tins. There would have been no end to the inspection if they did. And so round-tin fabrication became a flourishing industry which brought handsome profits to the Chinese merchants of Fudyadyan (the Chinese town of Harbin).

The other chief gate of entrance for clandestine alcohol was Vladivostok and the near Korean frontier. The small Chinese boats, a large number of which were engaged in carrying fire-wood to Vladivostok, had but a few hours' sail from the point where they took the wood to and from Korea, where they could load their more precious cargo of spirit. To evade the vigilance of the Vladivostok police was an easy matter. Big wooden barrels, made to look exactly like logs of wood, could quite openly pass at any time from the vessel to the carts waiting for them. Sometimes goat-skin bags were used, which, flat and spread over the seat as if to serve as a cover, proved more handy and less expensive, but they could not carry any considerable quantity.

END OF PROHIBITION

The force of prohibition in Siberia was further weakened by the following fact: The different allied military missions and army units did not regard prohibition as binding for themselves, and were regularly supplied with their wonted drinks. As a result the sale of these to the entire population who could pay for them became uncontrollable by the Russian authorities, the missions and armies being naturally outside their jurisdiction.

After the fall of Kolchak a similar economic situation brought about the same effects on prohibition in Siberia as it did in Russia. Very few were able to afford real alcoholic drinks. The alcohol that was smuggled in from China and Manchuria was often a most dangerous mixture of ethyl with alcohol—methyl-alcohol, called *handsha*—and was palatable to the worst drunkards only.

In September last, however, desirous to obtain the revenues it was expected to yield, the Vladivostok National Assembly voted unanimously the abolition of prohibition. The shops were the next day filled with all kinds of drinks. Many feared a wild outbreak of drunkenness, but nothing of the sort happened. The depression, amounting to a crisis, which drove the Government to the step, has thus far made it impossible for the public to abuse the restored liberty.

SUCCESSES OF SOVIET RUSSIA

Soviet prestige increased by signing of trade treaty with Great Britain—Moscow's attempt to obtain a similar pact with the United States is rebuffed—Supression of the Kronstadt rebellion—Other events favorable to the Soviet leaders

[PERIOD ENDED APRIL 12, 1921]

THE outstanding event of the month, from the viewpoint of the Soviet dictators, was the signing of the long-deferred trade treaty with Great Britain. Many times had the negotiations been broken off, many times had the hopes of the Moscow rulers been dashed to the ground. This was a victory for Red Russia. Nor was it an isolated triumph; the peace negotiations with the Poles at Riga, which had dragged on for months and often threatened disruption, were finally brought to a successful end. This new peace, important for Poland's future, was equally important for the Soviet Republic. The Red rulers, lastly, succeeded in entering the rebellious Neva fortress of Kronstadt, drove out the counter-revolutionary sailors who had sworn to overthrow the Bolshevist régime, and re-established completely their menaced power. Revolts in other parts of Russia still remained to be liquidated, but the general trend of events was favorable to the Soviet rulers.

The Kronstadt rebellion, which alarmed the Bolshevist rulers in its early stages, was an outgrowth of workmen's revolts in Petrograd. The whole movement started in a strike at the cartridge works in the former capital on Feb. 21, which spread on Feb. 23 to the Baltic works and then to the Laferme cigarette factory on the Vassili Ostrov (Island). Other strikers joined the men, who were besieged on the island and who were further reinforced by sailors who came up from Kronstadt on an icebreaker. Serious fighting continued until the end of February. On March 2 the sailors of Kronstadt, headed by Petresenko, a sailor of one of the Bolshevist warships, informed Petrograd of their refusal to acknowledge the Soviet rule further, and simultaneously arrested the Kronstadt commissar and chief of the fleet. Bombardments from both sides began and continued for a number of days. The Soviet forces regained possession of the fortress of Krasnaya Gorka, across the strait, and made attacks which the besieged sailors found it ever more difficult to repel

The size of the garrison, it appeared, had been exaggerated, as it did not exceed 16,000 men. Worn out by the strain of days of bombardment, sleepless nights, and hard fighting, the Kronstadters at last faced actual invasion by a Red Army of 60,000 men under Trotzky, which entered the city in a fog, and though driven out by machine gun fire, returned to the assault, and was finally victorious. Severe fighting occurred in the streets; the Kronstadters declared that Communist sympathizers lodged in houses harassed them with a cross-fire. Eventually the sailors were completely routed. Fully 12,000 fled across the ice to Terioki, Finland, where they became a problem for the Finnish Government. Petresenko—the sailor who headed the revolt—was the last to leave Kronstadt for Terioki. The whole uprising was subsequently explained by the Moscow officials as having been due to the attempts of Trotzky to introduce discipline among the Kronstadt sailors, who had been demoralized by the free and easy life which they had long led in their semi-isolation in Kronstadt, and whose anger was intensified by Trotzky's action in reducing their food supplies in order to compel them to accept his dictates. The Bolshevist authorities were said to have executed more than 2,000 of the insurgents who fell into their hands.

Kronstadt was announced officially to have been taken on March 17. The next day the peace treaty with Poland and Ukrainia was signed at Riga. [See Poland]. After the signing, M. Dombsky, head of the Polish delegation, declared that it was Poland's desire to be the bridge between Russia and Europe. He added, however, that future relations between the two countries would depend on the way the treaty was executed. The comment of Adolph Joffe, head of the

Russian delegation, was mainly as follows: "Soviet Russia's enemies have endeavored to represent her as an aggressive State, but the signing of this treaty shows her peacefulness."

The Russo-Ukrainian-Polish frontier was defined by the treaty in such a way as to give Poland new territory; propaganda and political interference were abjured, political amnesty was granted on both sides, property taken from Poland and the Ukraine was to be returned by Russia, the Soviet power and Ukraine were to pay to Poland 30,000,000 gold rubles during the year following ratification of the treaty; Poland was released from the payment of debts of the former Russian Empire; matters regarding railway material and machinery, accounts, deposits and funds were settled, negotiations for commercial treaties and postal and telegraph conventions were to start within six weeks.

Lenin heard simultaneously of the Kronstadt liquidation and of the signing of the Riga and London Treaties on March 18. It was just after he had come from the Tenth Communist Congress in Moscow, where he had made a speech subsequently interpreted as an abjuration of Bolshevism. News of the occurrences above mentioned was greeted by a screwing up of one eye, and by the dryly humorous remark: "I fear I have become respectable." According to Captain Francis M'Cullagh, the Russian correspondent of The New York Herald, he then sent to the British Government the following telegram:

> Agreement useless unless the British Government ceases the mistrust shown us for three years. Our best and only propaganda will be the example given the world by our economic reconstruction of Russia.

Stafford Ransome, the English author, who was Lenin's guest at Moscow, paid tribute at this time to Lenin's attitude during the trying days of the Kronstadt rebellion. His cool and humorous demeanor had prevented the panic-stricken Zinoviev, President of the Central Executive Committee, from causing a massacre in Petrograd. More important, he had spoken daily before the Communist Congress, where his position was most difficult. His numerous speeches had been remarkable in that he frankly admitted his mistakes. At the opening of the Congress on March 8, he had said:

> Our internal difficulties are bound up with questions of demobilization, food and fuel. We made a mistake in the distribution of stocks of foodstuffs, although these stocks were considerably larger than in former years. The fuel crisis is due to the fact that we attempted to restore our industrial life on too large a scale. We overestimated thereby the transition from war to peace economics.
>
> The most important question of the present moment is the relation between the working classes and the predominating section of the Russian population—the peasants. Moreover, the international situation is defined by the exceedingly slow development of the world revolutionary movement, and we in no case can consider its speedy victory a premise of our policy.
>
> In speaking of the internal situation in Soviet Russia, it is necessary to dwell upon the events at Kronstadt. The rising organized by France in conjunction with the Social-Revolutionaries will be crushed in the next few days. Nevertheless, it forces us to consider most seriously the internal situation of Soviet Russia.
>
> The peasants consider that they have nothing more to fear from the Czarist Generals, and that they receive too small an amount of industrial products. The peasants, therefore, consider that the sacrifices demanded from them by the State are too great. We must meet the desires of the peasants. We are introducing a food tax in kind, which will be imposed according to the means of the peasant, and will afford him a free field of action in his interests as a landowner. This tax will consume only part of the peasant's harvest. The surplus that remains in his hands he will have the possibility of selling locally. * * * The question of the "kind" tax is now the most important of Soviet policy.

During the Congress and just before it opened Lenin made five different speeches, in which he announced allegedly important changes in the policy of the Moscow Government. He recognized or feigned to recognize the impossibility of bringing about the world revolution by organized propaganda, and declared that Russia must grant concessions to foreign capitalists for the sake of fostering economic development. His proposals for internal changes were as follows:

> 1. More freedom must be effected in the exchange of goods among the people.
>
> 2. The peasants must be permitted to sell their farm products, and only a portion of them shall be delivered to the Soviet régime as a tax.
>
> 3. The operation and organization of smaller industries must be left to some extent to private initiative.
>
> 4. Greater freedom must be allowed to the co-operative societies.

These proposals were all adopted, though not without a conflict. The second of the measures means in effect that the Moscow Government is to abandon compulsory requisitioning of food, grain, fodder and other agricultural products; inasmuch, however, as the State still retains the grain monopoly, the peasants can dispose of their grain on a price basis only to the Government. Even so, the passing of this decision will tend to diminish the hostility of the peasants to the régime, which before they regarded purely as a predatory power.

The first item mentioned concerns one of the most fertile sources of discontent among the Russian people, namely the abolition of the free market. The whole anti-Bolshevist movement among the peasants has been in large part based on the demand for the freedom of trade. This demand the Bolsheviki have fiercely denounced as in substance a demand for freedom of speculation in food. To prevent this, the dictators established a chain of military cordons to watch all roads, and their agents searched all railway cars, carts and other vehicles, and confiscated all food which they believed intended for free sale. This control which failed to prevent much of the traffic, has now been officially removed—whether only temporarily or permanently remains to be seen. By some it is considered as a desperate but provisional expedient to save the main cities from absolute famine.

The trade agreement with Great Britain was signed in London on March 16 by Sir Robert Horne, President of the London Board of Trade, on behalf of the British Government, and by Leonid Krassin, head of the Bolshevist trade delegation, on behalf of the Moscow régime. (The full text of the pact follows this article.) Its terms forbade propaganda on either side, provided for repatriation of all war prisoners still remaining in either country, raised the blockade of Russia, sanctioned freedom of shipping, stipulated that all mines in the Baltic be cleared away, called for the admission of trade representatives and official agents, pledged the British Government not to seize Russian gold sent to cover future trade, and empowered the Soviet Government to terminate the contract if any British court decided in favor of attachment of gold or other property for debts of any preceding Russian Government. This provision was devised to cover certain litigation to be brought as a test case in the British courts. Unless the British courts confirm the Soviet ownership of Russian gold, M. Krassin himself declared after the signing, the treaty will be useless and practically void.

At the time this trade agreement was signed a special letter was handed by Sir Robert Horne to M. Krassin, in which Great Britain categorically charged, with full details, that the Moscow Government was still continuing its subversive propaganda against Great Britain, notably in Afghanistan and other territory continguous to India. It told who the Russian agents were and what instruments they had made use of—Hindus and Afghans, some of whom had been convicted of crime, while others had been in the pay of Germany during the war. All these activities, said the note, must cease immediately. The whole letter virtually amounted to an ultimatum.

Apart from backing the Kemalite Turks in their protest against the Sèvres Treaty, the Bolsheviki, according to Moscow advices received in London toward the end of March, hurried through negotiations with one Eastern people after another before the Trade Treaty with Great Britain was signed, in order to obtain a strong position in the East before all further activity was prohibited. Treaties were concluded with the Afghans, Bokharans, Persians and Turks. The treaty with Afghanistan, though ostensibly recognizing Afghan independence, practically turned the Afghan Government into an institution subsidized by Russia to the extent of 1,000,000 rubles yearly. The treaty with Turkey, signed March 16, confirmed the territorial frontiers claimed by Turkey under the act passed by the Turkish Parliament on Jan. 28, 1920, ruled regarding disputed territory, acknowledged Turkey's sovereignty, and released her from payment of the old debt to Imperial Russia.

It is scarcely necessary to say that France looked upon the Russo-British trade treaty with a cold and fishy eye. France's insistence that no trade with Russia was possible until Moscow recognized Imperial Russia's debts has never been modified; she has not believed that such a trade agreement would be workable. French feeling, as reflected in the press, was that the present compact would not prove practicable. Brit-

ish reaction was one of considerable hostility. Several of the leading London papers assailed the treaty, declaring that recognition of the Soviet régime was implied by it. Vigorous onslaughts were also delivered orally in Parliament. At the session of March 22 Lloyd George defended his policy. The agreement, he said, was a purely trading agreement, not a peace compact, and recognized the Soviet merely as the Government de facto, which undoubtedly it was. It was an attempt to settle up some of the most important problems of the East by a mutual arrangement, in which the rights and claims of all British nationals were protected.

The letter sent by Tchitcherin to the Washington Government proposing a similar pact with the United States, and the uncompromising refusal dispatched by Secretary Hughes in reply, will be found elsewhere in this issue, under head of the Harding Administration's foreign policy.

The Russian trade delegation to Italy was less fortunate than the mission to England. The Italian authorities insisted in Rome on having the delegation's luggage examined, and the Soviet emissaries protested in the strongest terms against what they called an outrage. The baggage was found to contain many jewels and ornaments of gold and silver worth a small fortune. Italian feeling ran high against the Red envoys, as no doubt was entertained that these jewels were to be disposed of, as in England, for the purposes of subversive propaganda. A Rome dispatch of March 21 stated that the Russian delegation had broken off relations with the Italian Government—which had prepared expulsion decrees—and was intending to return to Moscow.

The draft of a German-Russian trade agreement was ready for signature on March 23.

Sporadic revolts in Kazan, West Russia, White Russia and the South continued; the Soviet Government was repressing them with a strong hand as they occurred. The Soviet's greatest difficulty, as before, was the food question. Petrograd was in a pitiable plight. The whole situation was reviewed by the Central Committee elected by the Tenth Congress in a letter sent to all members of the party, appealing for party unity, and urging them to aid in the task of establishing closer connection with the peasants, making them understand the seriousness of the economic crisis, and the spirit of conciliation in which the measures passed by the Congress had been conceived. From the Bolshevist point of view, the most serious development in Siberia was the reported launching of new offensives by General Semenov and his anti-Bolshevist Generals. [See Siberia.]

An echo of the liquidation of General Wrangel's venture was heard on April 5, when it was reported that the situation of some 35,000 soldiers of the former Wrangel army, interned on the island of Lemnos, was becoming desperate. The soldiers complained bitterly of insufficient food and shelter. The French authorities had offered to remove most of the men to the mainland, but this offer had been accepted only by some 3,000. Other offers were likewise refused. General Wrangel, supported by all his followers, had asked the French Government to transport them to Siberia, which seemed an unlikely solution. The situation, according to the anti-Bolshevist publicist, Vladimir Bourtsev, was critical, and only lack of arms and transportation was preventing this pent-up and resentful fragment of the former army from attempting an attack on Constantinople, or engaging in some other venture equally perilous.

According to the Bolsheviki's own statement, 114 revolts had occurred, 249 anti-Bolshevist plots had been discovered, 4,300 people had been executed, and 20,000 people had been imprisoned during the last six months in the twelve districts of Central Russia. Authorities on Russia believe that these figures are far below the actual facts. As they stand, they do not encourage the belief that the Bolshevist régime is solidly established or accepted in Russia.

TEXT OF THE RUSSO-BRITISH TRADE AGREEMENT

Official version of the document under which England is attempting to reopen trade with Bolshevist Russia—Nature of the concessions which Lloyd George's Government has made, and which the United States has refused to imitate

AFTER ten months' negotiations the agreement for the opening of trade relations between Great Britain and Soviet Russia was finally signed in London on March 16, 1921, by Sir Robert Horne and Leonid Krassin for their respective Governments. At almost the same time the Moscow dictators succeeded in suppressing the anti-Soviet rebellion at Kronstadt and concluded several desired treaties with Asiatic Governments. Events, for the time at least, were favoring the Lenin-Trotzky régime. The trade agreement with Great Britain was especially pleasing to the Bolshevist leaders because it amounted practically to a recognition of them as the de facto Government of Russia. In England there was general distrust of the policy thus embarked upon, and Sir Robert Horne and Mr. Lloyd George succeeded in pushing the compact through only against considerable opposition both in and outside of Parliament. Their real aim was apparent in a long communication to Krassin, which accompanied the agreement, and which served notice upon the Soviet authorities that, if they did not stop their clandestine work for the overthrow of British rule in India, the new arrangement could not last. The text of the agreement is as follows:

WHEREAS, it is desirable in the interests both of Russia and of the United Kingdom that peaceful trade and commerce should be resumed forthwith between those countries, and whereas for this purpose it is necessary, pending the conclusion of a formal general peace treaty between the Governments of those countries by which their economic and political relations shall be regulated in the future, that a preliminary agreement should be arrived at between the Government of the United Kingdom and the Government of the Russian Socialist Federal Soviet Republic, hereinafter referred to as the Russian Soviet Government;

The aforesaid parties have accordingly entered into the present agreement for the resumption of trade and commerce between the countries.

PROPAGANDA FORBIDDEN.

The present agreement is subject to the fulfillment of the following conditions, namely:

(*a*) That each party refrain from hostile actions or undertakings against the other and from conducting outside of its own borders any official propaganda, direct or indirect, against the institutions of the British Empire or the Russian Soviet Republic respectively, and more particularly that the Russian Soviet Government refrain from any attempt, by military or diplomatic or any other form of action or propaganda, to encourage any of the peoples of Asia in any form of hostile action against British interests or the British Empire, especially in India and in the independent State of Afghanistan. The British Government give a similar particular undertaking to the Russian Soviet Government in respect of the countries which formed part of the former Russian Empire and which have now become independent.

(*b*) That all British subjects in Russia are immediately permitted to return home, and that all Russian citizens in Great Britain or other parts of the British Empire who desire to return to Russia are similarly released.

It is understood that the term "conducting any official propaganda" includes the giving by either party of assistance or encouragement to any propaganda conducted outside its own borders.

The parties undertake to give forthwith all necessary instructions to their agents and to all persons under their authority to conform to the stipulations undertaken above.

BLOCKADE RAISED.

I.—Both parties agree not to impose or maintain any form of blockade against each other and to remove forthwith all obstacles hitherto placed in the way of the resumption of trade between the United Kingdom and Russia in any commodities which may be legally exported from or imported into their respective territories to or from any other foreign country, and not to exercise any discrimination against such trade as compared with that carried on with any other foreign country, or to place any impediments in the way of banking, credit and financial operations for the purpose of such trade, but subject always to legislation generally applicable in the respective countries. It is understood that nothing in this article shall prevent either party from regulating the trade in arms and ammunition under general provisions of law which are applicable

to the import of arms and ammunition from, or their export to, foreign countries.

Nothing in this article shall be construed as overriding the provisions of any general international convention which is binding on either party by which the trade in any particular article is or may be regulated (as, for example, the opium convention).

FREEDOM OF SHIPPING.

II.—British and Russian ships, their masters, crews and cargoes, shall, in ports of Russia and the United Kingdom respectively, receive in all respects the treatment, privileges, facilities, immunities and protections which are usually accorded by the established practice of commercial nations to foreign merchant ships, their masters, crews and cargoes, visiting their ports, including the facilities usually accorded in respect of coal and water, pilotage, berthing, dry docks, cranes, repairs, warehouses, and, generally, all services, appliances and premises connected with merchant shipping.

Moreover, the British Government undertakes not to take part in or to support any measures restricting or hindering, or tending to restrict or hinder, Russian ships from exercising the rights of free navigation of the high seas, straits and navigable waterways which are enjoyed by ships of other nationalities.

Provided that nothing in this article shall impair the right of either party to take such precautions as are authorized by their respective laws with regard to the admission of aliens into their territories.

MINE CLEARING.

III.—The British and other Governments having already undertaken the clearance of the seas adjacent to their own coasts and also certain parts of the Baltic from mines for the benefit of all nations, the Russian Soviet Government on their part undertake to clear the sea passages to their own ports.

The British Government will give the Russian Soviet Government any information in their power as to the position of mines which will assist them in clearing passages to the ports and shores of Russia.

The Russian Government, like other nations, will give all information to the International Mine Clearance Committee about the areas they have swept and also what areas still remain dangerous. They will also give all information in their possession about the mine fields laid down by the late Russian Governments since the outbreak of war in 1914 outside Russian territorial waters, in order to assist in their clearance.

Provided that nothing in this section shall be understood to prevent the Russian Government from taking or require them to disclose any measures they may consider necessary for the protection of their ports.

TRADE REPRESENTATIVES.

IV.—Each party may nominate such number of its nationals as may be agreed from time to time as being reasonably necessary to enable proper effect to be given to this Agreement, having regard to the conditions under which trade is carried on in its territories, and the other party shall permit such persons to enter its territories, and to sojourn and carry on trade there, provided that either party may restrict the admittance of any such persons into any specified areas, and may refuse admittance to or sojourn in its territories to any individual who is *persona non grata* to itself, or who does not comply with this Agreement or with the conditions precedent thereto.

Persons admitted in pursuance of this article into the territories of either party shall, while sojourning therein for purposes of trade, be exempted from all compulsory services whatsoever, whether civil, naval, military, or other, and from any contributions, whether pecuniary or in kind, imposed as an equivalent for personal service, and shall have right of egress.

They shall be at liberty to communicate freely by post, telegraph and wireless telegraphy, and to use telegraph codes under the conditions and subject to the regulations laid down in the International Telegraph Convention of St. Petersburg, 1875 (Lisbon Revision of 1908).

Each party undertakes to account for and to pay all balances due to the other in respect of terminal and transit telegrams, and in respect of transit letter mails in accordance with the provisions of the International Telegraph Convention and Regulations, and of the Convention and Regulations of the Universal Postal Union, respectively. The above balances when due shall be paid in the currency of either party at the option of the receiving party.

Persons admitted into Russia under this Agreement shall be permitted freely to import commodities (except commodities, such as alcoholic liquors, of which both the importation and the manufacture are or may be prohibited in Russia) destined solely for their household use or consumption to an amount reasonably required for such purposes.

OFFICIAL AGENT

V.—Either party may appoint one or more official agents to a number to be mutually agreed upon, to reside and exercise their functions in the territories of the other, who shall personally enjoy all the rights and immunities set forth in the preceding article and also immunity from arrest and search, provided that either party may refuse to admit any individual as an official agent who is *persona non grata* to itself or may require the other party to withdraw him should it find it necessary to do so on grounds of public interest or security. Such agents shall have access to the authorities of the country in which they reside for the purpose of facilitating the carrying out of this Agreement and of protecting the interests of their nationals.

Official agents shall be at liberty to communicate freely with their own Government and with other official representatives of their Government in other countries by post, by

telegraph, and wireless telegraphy in cipher, and to receive and dispatch couriers with sealed bags subject to a limitation of three kilograms per week which can be exempt from examination.

Telegrams and radiotelegrams of official agents shall enjoy any right of priority over private messages that may be generally accorded to messages of the official representatives of foreign Governments in the United Kingdom and Russia, respectively.

Russian official agents in the United Kingdom shall enjoy the same privileges in respect of exemption from taxation, central or local, as are accorded to the official representatives of other foreign Governments. British official agents in Russia shall enjoy equivalent privileges, which, moreover, shall in no case be less than those accorded to the official agents of any other country.

The official agents shall be the competent authorities to *vise* the passports of persons seeking admission in pursuance of the preceding article into the territories of the parties.

VI.—Each party undertakes generally to ensure that persons admitted into its territories under the two preceding articles shall enjoy all protection, rights, and facilities which are necessary to enable them to carry on trade, but subject always to any legislation generally applicable in the respective countries.

VII.—Both contracting parties agree simultaneously with the conclusion of the present Trade Agreement to renew exchange of private postal and telegraphic correspondence between both countries, as well as the dispatch and acceptance of wireless messages and parcels by post in accordance with the rules and regulations which were in existence up to 1914.

VIII.—Passports, documents of identity, powers of attorney, and similar documents issued or certified by the competent authorities in either country for the purpose of enabling trade to be carried on in pursuance of this Agreement, shall be treated in the other country as if they were issued or certified by the authorities of a recognized foreign Government.

NO GOLD LEGISLATION.

IX.—The British Government declares that it will not initiate any steps with a view to attach or to take possession of any gold, funds, securities, or commodities, not being articles identifiable as the property of the British Government, which may be exported from Russia in payment for imports or as securities for such payment, or of any movable or immovable property which may be acquired by the Russian Soviet Government within the United Kingdom.

It will not take steps to obtain any special legislation not applicable to other countries against the importation into the United Kingdom of precious metals from Russia, whether specie (other than British or Allied), or bullion, or manufactures, or the storing, analyzing, refining, melting, mortgaging, or disposing thereof in the United Kingdom, and will not requisition such metals.

X.—The Russian Soviet Government undertakes to make no claim to dispose in any way of the funds or other property of the late Imperial and Provisional Russian Government in the United Kingdom. The British Government gives a corresponding undertaking as regards British Government funds and property in Russia. This article is not to prejudice the inclusion in the general Treaty, referred to in the preamble, of any provision dealing with the subject-matter of this article.

Both parties agree to protect and not to transfer to any claimants pending the conclusion of the aforesaid Treaty any of the above funds or property which may be subject to their control.

XI.—Merchandise, the produce or manufacture of one country imported into the other in pursuance of this Agreement, shall not be subjected therein to compulsory requisition on the part of the Government or of any local authority.

XII.—It is agreed that all questions relating to the rights and claims of nationals of either party in respect of patents, trade marks, designs, and copyrights, in the territory of the other party, shall be equitably dealt with in the Treaty referred to in the preamble.

"ARREST OF GOLD."

XIII.—The present Agreement shall come into force immediately, and both parties shall at once take all necessary measures to give effect to it. It shall continue in force unless and until replaced by the Treaty contemplated in the preamble so long as the conditions laid down in the articles of the Agreement and in the preamble are observed by both sides. Provided that at any time after the expiration of twelve months from the date on which the Agreement comes into force either party may give notice to terminate the provisions of the preceding articles, and on the expiration of six months from the date of such notice those articles shall terminate accordingly.

Provided also that if as the result of any action in the Courts of the United Kingdom dealing with the attachment or arrest of any gold, funds, securities, property, or commodities not being identifiable as the exclusive property of a British subject, consigned to the United Kingdom by the Russian Soviet Government or its representatives, judgment is delivered by the Court under which such gold, funds, securities, property, or commodities is held to be validly attached on account of obligations incurred by the Russian Soviet Government or by any previous Russian Government before the date of the signature of this Agreement, the Russian Soviet Government shall have the right to terminate the Agreement forthwith.

Provided also that in the event of the infringement by either party at any time of any of the provisions of this Agreement or of the conditions referred to in the preamble, the other party shall immediately be free from the obligations of the Agreement. Nevertheless, it is agreed that before taking any action in-

consistent with the Agreement the aggrieved party shall give the other party a reasonable opportunity of furnishing an explanation or remedying the default.

It is mutually agreed that in any of the events contemplated in the above provisos, the parties will afford all necessary facilities for the winding up in accordance with the principles of the Agreement of any transactions already entered into thereunder, and for the withdrawal and egress from their territories of the nationals of the other party and for the withdrawal of their movable property.

As from the date when six months' notice of termination shall have been given under this article the only new transactions which shall be entered into under the Agreement shall be those which can be completed within the six months. In all other respects the provisions of the Agreement will remain fully in force up to the date of termination.

XIV.—This Agreement is drawn up and signed in the English language. But it is agreed that as soon as may be a translation shall be made into the Russian language and agreed between the parties. Both texts shall then be considered authentic for all purposes.

Signed at London, this sixteenth day of March, nineteen hundred and twenty-one.

R. S. HORNE.
L. KRASSIN.

RECOGNITION OF CLAIMS.

At the moment of signature of the preceding Trade Agreement both parties declare that all claims of either party or of its nationals against the other party in respect of property or rights or in respect of obligations incurred by the existing or former Governments of either country shall be equitably dealt with in the formal general Peace Treaty referred to in the preamble.

In the meantime, and without prejudice to the generality of the above stipulation, the Russian Soviet Government declares that it recognizes in principle that it is liable to pay compensation to private persons who have supplied goods or services to Russia for which they have not been paid. The detailed mode of discharging this liability shall be regulated by the Treaty referred to in the preamble.

The British Government hereby makes a corresponding declaration.

It is clearly understood that the above declarations in no way imply that the claims referred to therein will have preferential treatment in the aforesaid Treaty as compared with any other classes of claims which are to be dealt with in that Treaty.

Signed at London, this sixteenth day of March, nineteen hundred and twenty-one.

R. S. HORNE.
L. KRASSIN.

ORGANIZED LABOR AND THE "YELLOW PERIL"

DEAN INGE, "the gloomy," in a paper read at Epsom, England, recently drew a dark picture of the results to be anticipated from the coming industrialization of Asia. Incidentally he seized the occasion to denounce both the spirit and the efficiency of the workmen of Great Britain and other white countries, declaring that the labor union policy of reducing output while trying to force up wages was creating a new "yellow peril" which would bring about the economic downfall of the West in competition with the East.

The Japanese, in their haste to make money, had tolerated a system of labor in their factories no better than that of England 100 years ago, said Dean Inge, but the ratio of wages to output all over the East gave native manufacturers an enormous advantage over the European and American producers—an advantage which showed no signs of growing less. It had been proved, he said, that under a régime of peace, free trade and unrestricted emigration, the yellow races would outwork, underlive and eventually exterminate the whites. The result of the European, Australian and American labor movement, he declared, had been to produce a type of workingman who had no survival value, and who, but for the prohibition of immigration, would soon be swept out of existence. That kind of protection, however, rested entirely on armed force—whose last resort is war. The deterioration of labor efficiency due to present conditions would inevitably lead to the transfer of capital and business ability to countries where this efficiency was unimpaired — notably to China, Japan and India—and those countries would be industrialized on the most modern basis. This would mean eventually that Asia would capture Western markets.

The remedy suggested by Dean Inge was a great increase of production, a cessation of strikes, with a Government pledged to peace, free trade and drastic retrenchment; these measures, he believed, would restore confidence and make labor stand on its own merits.

THE RED ARMY

By COLONEL A. M. NIKOLAIEFF
Former Russian Military Attache at Washington

FROM the rapid and decisive success gained by the Red Army over the army of General Wrangel, who led the last ill-fated venture to free Russia by armed force from the Bolshevist yoke, an impression might be created on those who watched the struggle from afar that the morale of the Bolshevist fighting machine and its aggressive qualities were of a high quality. Such an impression might further be strengthened by the recent crushing of the Kronstadt rebellion by the Red forces under Trotzky. Involuntarily the foreign observer will find himself wondering whether it is possible that the Bolshevist tyranny, which has turned Russia into a land of chaos, anarchy and terror, has really been able to manifest a creative power by organizing a formidable fighting unit—the Red Army. On the surface it looks as if this were the case, but the appearances will not stand the test of facts.

It is now well known that Wrangel's defeat in the Crimea was due to his having to face an army nearly six times as large as his own. In the case of the Kronstadt rebellion the garrison which revolted at this naval base, and which held the fortress for more than two weeks, consisted at the beginning of only a few hundred sailors and soldiers; later the number was increased to approximately 15,000 by voluntary enlistment. Against this garrison the Bolshevist leaders led an armed force of about 50,000 strong. Part of the Red force, sent out across the ice to make the first assault, was composed of cadets belonging to the various Bolshevist cadet schools, the policy of which is to train youthful apprentices to become stanch supporters of the Bolshevist régime.

That the Bolsheviki have been unable to accomplish any large constructive work in the military sphere (or in any other) is fully confirmed by the available data regarding the Red Army. These data show that the Soviet Army owes its successes not to the military talents of the Bolshevist leaders, nor to the loyalty of the army's personnel, but to the fact that the officers who once formed the backbone of the former imperial army are being kept by coercion, and, furthermore, that the Bolsheviki have adopted the methods and regulations on which depended the fighting capacity of the former imperial army. The victories won by the Red forces when they are numerically superior are undoubtedly due to the restoration of the old discipline, which the Bolsheviki at first set themselves with such zeal to destroy, and to the compelling of the old monarchist officers to apply their military training and abilities to the communist service.

There is no longer any doubt that the High Command of the Red Army consists chiefly of officers of the old régime. There are about 400 officers of the Imperial General Staff in Soviet Russia, many of whom hold high positions. Disciplinary power has been given to them, with the same right to impose punishment for infractions of regulations which they possessed in the imperial army. These officers, however, are unwilling leaders. They are serving the Soviet régime against their convictions—to avoid starvation and political persecution and to protect their families, every member of which is registered by the Bolsheviki and virtually held as a hostage.

There exists a distinct division between these old Czarist officers and the Bolshevist-trained officers. The former have even gone so far as to have separate messrooms. The Bolsheviki have been forced to yield this point, as they cannot afford to alienate the imperialist commanders, knowing full well that the Red officers are incapable, as a general rule, of holding positions above the rank of company commander. The attitude of the Red officers toward the former Czarists is somewhat similar to that of the former non-commissioned officers of the imperial army toward their superiors. As for the rank and file, their attitude toward their Red officers, especially toward those promoted from the ranks, is not friendly, owing to these officers' cruel and

oppressive treatment; their attitude toward the officers of the old régime, on the contrary, is uniformly excellent.

For war purposes the Bolsheviki use conscription to reinforce their army cadres. In the Wrangel campaign a large number of those conscripted were hostile and unwilling, and many of those who enlisted voluntarily became deserters. Voluntary recruits were negligible in number. As a matter of fact, every one in Soviet Russia is against war, and no one really wants to fight; many, however, prefer to serve in the Red Army because the living conditions of the soldiers are so much better than those of the population. A private in the Red Army receives 1,200 rubles a month plus his ration, his clothes, and an additional half of his salary for his family. The Red soldiers' reluctance to fight is evident from their avoidance of the mobilization decrees and from the number of desertions. An order issued last Fall by the officer commanding the Baltic fleet may be cited as an instance: One hundred sailors were sentenced to be shot for disobeying the mobilization order.

As for the soldiers' attitude toward the Bolshevist Commissaries, it is one of downright hostility. This was proved by the assassination of the commissary of the 30th Division in Irkutsk, by the assassination of the commissaries of the Revolutionary Council in Tsaritsin, and of members of the Extraordinary Commission in Slatousk and Kazan. It is noteworthy that although the murders took place in the presence of a great number of soldiers, the murderers could not be found.

The police system of political spying, search and persecution introduced by the Bolsheviki into the Red Army and highly developed by them, serves as the main means of subjecting the army personnel to the interests of the Bolshevist leaders. This system of "political safety," which serves also for direct propaganda, has been introduced by four parallel organs: (1) The commissaries, (2) the Extraordinary Commission, (3) the Revolutionary Tribunals, (4) the registration institutions. Of these four organs only the Extraordinary Commission is considered secret. The functions of each are as follows:

All the commissaries are under the Revolutionary Military Council in Moscow. They are appointed to every headquarters, military bureau and unit. Every regimental commissary forms a commission around him, and from it sends out political instructors among the battalions and companies. The personnel of the commissaries usually consists of former soldiers, tradesmen and workingmen; there are among them former chauffeurs, variety actors and college students (not graduated before the revolution); many are non-Russians.

The sections and sub sections of the Extraordinary Commission, which has its central bureau in Moscow, are established at the main headquarters of the staff, and at every army and division headquarters. A net of secret agents, spread all through the army, issues from these sections and subsections.

There are Revolutionary Tribunals in every headquarters, down to the headquarters of a division; they are composed of a President, a Secretary, and of the members, who are appointed from the same class of population as the commissaries. To every tribunal is attached a platoon, whose duty it is to execute the sentences. Those who receive an order to appear before a Revolutionary Tribunal seldom escape death.

The central registration organization is in Moscow, and has its offices at Army Group Headquarters, its sections at Army Headquarters ,and its subsections at Divisional Headquarters. These institutions work with the intelligence branches, and their chiefs are at the same time the commissaries of those branches.

The same apparatus, as stated above, is used for propaganda purposes. For this object the communist agitators receive very definite instructions. Simultaneously an enormous quantity of literature, proclamations and appeals is issued. A pamphlet entitled "Memorandum for the Red soldier on the southern front," which was signed by Trotzky and distributed before the Bolshevist offensive in the Crimea, is a good example of such propaganda literature, with its fierce denunciations of Wrangel himself and of all other "monarchists," and its alluring picture of the prophesied benefits of reconstruction following the liquidation of the Wrangel war.

How important a part the propaganda weapon plays in Bolshevist warfare is illustrated by the instructions given to the Red agitators before the conclusion of the armistice with Poland last year. Some of these instructions were as follows:

The tactics of the comrade-agitators shall consist in compromising the Russian (anti-Bolshevist) and Polish troops, but this object must be kept secret. The task of the agitators will be as follows:

To provoke pogroms of the Jews, which are

to be followed by pogroms of the intelligentsia and of the peasants (in enemy territory).

To keep up the Polish teror by every means in the area occupied by the Poles.

To create the belief that the army of General Wrangel is composed of bandits.

To spread the opinion in the intellectual classes that not a Bolshevist, but a Brussiloff army is advancing—that it is not a communist but a republican and national army.

To make the peasants believe that all Governments except the Soviet Government collect taxes and arrears.

To enlist in the anti-Bolshevist armies and incite the soldiers there to start pogroms, to pillage and to spread terror.

To spread the assurance that the Bolshevist Government has changed, and that the Red terror no longer exists.

To sum up briefly, the Red Army resembles a regular armed force only on account of the presence in it of elements of the former imperial army—which elements are held by compulsion and made to serve the régime which they hate—and of the restoration of the disciplinary methods which prevailed under the Czar, and which, at first, the Bolsheviki sought to destroy. Furthermore, the Red Army is kept in subjection by the Bolshevist leaders, not because it has any high degree of morale, but because of the employment of such means as secret policing, political persecution, terror, fear of death through starvation, the creation of an atmosphere of distrust and all-pervading propaganda. Such means can be effective and bear desirable fruits only for a certain time. Eventually the Russian people, finding it intolerable to continue living in such conditions of oppression, misrule and terror, will rise in a common upheaval and overthrow the Bolshevist tyranny.

When that time comes, the Red Army will be replaced by another army, one worthy of the great people from whom it will draw its vital strength, one that will be subjected to no intimidation, that will be a prey to no propaganda, that will be officered by no coerced and unwilling commanders, but by military experts loyal to a democratic and representative Government—the Russian National Army.

"BIG BERTHAS" ONLY NAVAL GUNS

THE mystery of the "Big Berthas," as the supposed super-guns were called that shelled Paris from a distance of fifty or sixty miles, has at last been solved. The answer is simple: there were no "Big Berthas." Paris was shelled by ordinary naval guns, the range of which had been doubled or trebled by certain scientific devices. Scores of these guns have been handed over to the Allies, and scores of others have been broken up by Germany herself. Meantime the Allies have spent much time and money trying to discover where Germany was hiding her monster guns, and the French press has been filled with fulminations demanding that she be forced to give them up.

At the end of March the allied investigators were in possession of designs showing exactly how the apparent miracle had been accomplished. The long barrel of the naval gun of 12-inch or 14-inch calibre had been made doubly strong by the introduction of a sheath which reduced the calibre to about nine inches. The breech was also reinforced by a massive steel jacket. This made it possible to use a double charge, which, combined with modifications in the shape of the shell—made longer and more pointed, with grooves to increase the effect of the rifling—produced a phenomenal increase of range. Accuracy was sacrificed, and it is now stated that these guns often missed even such an obvious mark as Paris. There were, it appears, never more than four guns in action at one time, and more were not constructed because the Parisians refused to be terrorized by this bombardment. Despite this fortitude, however, the fact remains that 306 "Big Bertha" shells killed 250 and wounded 670 inhabitants of the French capital.

Many scars of the "Bertha" visitations are still visible on the homes and public buildings of Paris, as are also those caused by aircraft bombs. The Municipal Council of Paris does not mean to let all these scars disappear; it is planning to erect a memorial stone at each spot where a bomb or shell exploded. Such a stone has already been placed at the corner of the Rue Quatre Septembre and the Rue Choiseul.

SPEEDY END OF THE ARMENIAN AND GEORGIAN REPUBLICS

Invasion of Georgia by Russians and Turks, with a conflict between the invaders over Batum—The painful situation of Armenia

[PERIOD ENDED APRIL 10, 1921]

EVENTS move swiftly in the Caucasus. At the reparations conference in Paris on Jan. 29 the four principal powers—England, France, Italy and Japan—granted what the little Caucasus Republic of Georgia, struggling to stem the Bolshevist tide, most ardently longed for, viz.: de jure recognition as an independent and sovereign State. The efforts of M. Guegetchkori, Georgian Minister of Foreign Affairs, to induce the powers to take this long-deferred step thus were crowned with success. M. Guegetchkori, on his way home after his long sojourn abroad, was extremely optimistic about Georgia's future. His lack of suspicion of what was to occur came out strongly in the following statement:

> We have hopes that our neighbors will succeed in putting their houses in order, and will establish proper relations with the whole world. I would especially point out that a correct understanding of their interests should dictate both to the Russian and Turkish Governments a policy of peace.

At this very time, as a matter of fact, the Russians and Turks were preparing to put into execution a policy of "peace," but one interpreted as a fruit of violence. The Bolshevist invasion planned at the end of January did not occur, and for several reasons: the Georgian Government discovered the plot in time and nipped it in the bud by wholesale arrests of the communist agitators who were working to make the Russian armed invasion a triumphal march. The Bolshevist soldiers, averse to heavy fighting and hearing that their comrades at Baku, in neighboring Azerbaijan, had been given the right of pillage, refused to carry out the invasion of Georgia, and many of them swung aboard trains at Baku and departed to get their share of the booty. The Moscow plotters, however, continued their plans to add Georgia to their list of subjugated Caucasian territories.

These plans were worked out with almost automatic accuracy. Georgia, in spite of the treaty of May 3, 1920, was invaded by the military forces of the Soviet republic, and Tiflis fell on Feb. 25. First news that the jaws of the wolf were closing came on Feb. 18. Three divisions of the Bolshevist Eleventh Army, including the whole of the available Russo-Armenian Army and a considerable number of Azerbaijan Tartars, had fallen upon Georgia simultaneously from the north and the southeast, one army advancing from Sochi and Gagri, on the Black Sea; the other, advancing in Azerbaijan, had captured Salakhlu, south of Tiflis, on Feb. 16. The Georgian troops soon gave evidence of being outnumbered. Tiflis was occupied by the Red cavalry of General Budenny, after severe street fighting, on Feb. 25. Thousands of refugees fled to Kutais, where the Georgian Government set up provisionally its shattered rule.

The "explanation" officially given by the Bolsheviki was based mainly on the fact that Georgia had refused to evacuate the Bortchalu district north of Erivan, which, according to an agreement concluded in November, 1920, with the then Government of Erivan in Armenia, was to be occupied only for three months. Great stress was also laid on the fact that the Georgian Government had arrested communist agitators on its territory and confiscated property belonging to the Russian Government.

The Georgian Government vainly tried to rally its demoralized forces, to mobilize new troops and to requisition supplies. The Bolsheviki were temporarily driven out of Tiflis, but re-entered the city and there established themselves firmly. Soviet troops were pouring in on all railroads and highways leading to Tiflis. Meanwhile, the French destroyers cruising along the eastern coast of the Black Sea opened fire on the Bolsheviki at Gagri, inflicting severe losses.

The Russo-Armenians remained in possession of Bortchalu.

The next effort of the Bolsheviki was to gain possession of the important Black Sea port of Batum. Despite the fire of the French fleet, they captured Sukhum Kale, on the coast, and marched swiftly down toward Batum. At this juncture, however, the Nationalist Turks, fearful that the capture of this port by the Reds would make the Turkish occupation of Armenia impossible, ordered the Turkish Army under Kazio Kaarbekir, commander of the Fifteenth Army, already on the outskirts of Batum, to take the city, the capture of which was reported on March 10. Caught between eastern and western millstones, the Georgian Government had no alternative but to withdraw, and took temporary refuge on board a Black Sea vessel.

A curious situation then arose between the Turk and the Bolsheviki over the possession of Batum. Relations already strained by various causes were in no respect improved by the Turks' haste to capture Batum before the Red forces could reach the port. The Nationalist Turks had long turned a covetous eye on Batum; they already possessed commercial transit rights through the city under an act passed by the Turkish Parliament in Constantinople on Jan. 28, 1920. For reasons of diplomacy, however, they had deferred formulating a definite policy toward Georgia and had sent a note to Moscow stating that a conflict between the Georgians and the Reds was imminent and asking point-blank to be informed of Moscow's intentions. The request for information was ignored and the double invasion followed. The Turks declared martial law in Batum and began a general disarmament of the Georgian troops and of the population. The news of the Russian and Turkish occupations caused great despondency throughout Georgia.

Bolshevist anger, however, grew and reached the point of explosion, and despite the fact that a Turko-Russian treaty had been concluded on March 16, under which Turkey engaged to cede Batum back to Georgia, the Russians on March 19 sent a virtual ultimatum to the Turks in Batum ordering them to evacuate within forty-eight hours. In the fighting which promptly followed the Georgian troops made common cause with the Red soldiers, and after an artillery battle and street fighting the Turks were ousted, except from a small part of the town. A Soviet Government was promptly established in Batum, which, it was said, would probably coalesce with that already set up at Tiflis. It was described as "Georgian communist, without Russian Bolshevist interference." It was composed of Makharadze, President; Mdivani, the organizer of the Armenian "revolution"; Eliava, formerly Chief Commissary of Turkestan and later nominated Ambassador to Angora, which post he had not taken; Orzhanikidze, former commander of the Reds in Azerbaijan, and Gubashivilli, said to be identical with the Commissary Stalin. The Kemalists continued to occupy part of Batum as late as March 23, despite the Georgians' efforts to dislodge them; the town was suffering from disorder and lack of food. Finally, on March 25, it was announced that the Kemalist troops had withdrawn altogether, in accordance with an agreement arranged between them and the Georgians by the Russian Bolshevist command.

ARMENIA—One strongly impelling motive o fthe Bolsheviki in seizing Georgia was, on their own admission, the alleged fact that the Tiflis Republic on various pretexts was blocking food supplies for Erivan, capital of Bolshevized Armenia. Karl Radek, one of the Bolshevist leaders, said on Feb. 20:

> There are 7,000,000 poods of corn in the Kuban district which it is very difficult to bring into Russia; but, except for the obstacles raised by the Georgians, it would be very easy to pour corn into Armenia, which needs less than 800,000 poods monthly.

The Turks of Mustapha Kemal, though they had accepted the Armenian revolutionary government, maintained an attitude of hostility; their viewpoint being that Armenians, Sovietized or not, remained Armenians, and hence their traditional enemies. They looked by no means with a favorable eye on the victory of the Russo-Armenian Army in the Bortchalu region, and, as narrated above, moved swiftly to forestall the seizure of Batum by the Reds in order not to be hindered in their occupation of Turkish Armenia. In the Armenian towns of Alexandropol and Kars, which the Turks had occupied simultaneously with the Erivan Red "revolution," increasing demands were being made by the Kemalists upon the sup-

plies of foodstuffs and clothing sent by the American Near East Relief Organization for the Armenian population.

Taking advantage of the withdrawal of Russian troops from Armenia for the attack upon Georgia, and acting on the impression, it was said, that this withdrawal would be permanent, the Dashnaks (Armenian Nationalist Party) overthrew the Soviet Government at Erivan on Feb. 19. The movement, however, ill-timed and based on a misapprehension, was speedily counteracted, and after a short interval the Red régime was restored.

In London, meanwhile, Nubar Pasha, the representative of non-Sovietized Armenia, pleaded with the allied Premiers for the execution of allied promises made to Armenia before the Red invasion. After a special hearing Feb. 28, devoted to Armenia and Kurdistan, the Armenian delegates were very much depressed. They had been closely questioned regarding the Armenian claims to part of Cilicia and to Turkish Armenia, and the allied representatives had shown a disposition to leave the question open for several months to come, until the situation in the Caucasus had cleared. Nubar Pasha's contention had been that the establishment of a Soviet Government at Erivan should not count against the establishment of an Armenian Republic on Turkish territory, inasmuch as it was more than probable that the Russian Armenians would naturally tend to form an entente with a State inhabited by their own race. The allied representatives, however, showed an attitude of considerable doubt, and the Armenian delegates left, declaring that now only America could help Armenia.

MAIN POINTS OF FINLAND'S CONSTITUTION

THE Finnish Constitution, formulated and adopted in accordance with resolutions of Parliament, was ratified at Helsingfors on June 21, 1919. This important document is shaped on the progressive lines of the present democratic era. Its announced object is to give stability to the new Finnish Republic, to expand the power of Parliament, and to safeguard the rights and liberties of all citizens. "The governmental power," says the Constitution, "belongs to the people, represented by the assembled Parliament."

The legislative power is exercised by Parliament, together with the President of the republic, who is elected for a term of six years. The President has the right of initiative in formulating new legislation. He has also the right of veto, unless Parliament, after a new election, reconfirm by a majority vote the vetoed legislation.

The general government of the nation is intrusted to a Council of State, composed of the Prime Minister and a fixed number of other Ministers. The judicial power is exercised by independent courts of justice, chief of which are the Supreme Court and the Highest Administrative Court; both of these tribunals are charged with the formulation of necessary changes in existing laws for submission to the President.

The right of suffrage is to be governed by the provisions of a law concerning presidential elections. The election of the President is to be "conducted by electors who shall be 300 in number." The electors are to be chosen by popular vote on Jan. 15 and 16, and are to assemble on Feb. 15 for the election of the new President by secret ballot. Election is conditioned on the obtaining of more than one-half of all votes cast. The President-elect assumes office on the 1st day of March and remains in power for six years.

The power of the President is limited by that of the Council of State. He must announce all contemplated resolutions in that Council, which has power to act over his head in case any Minister refuses to countersign a project as being contrary to the Constitution. A number of other checks to insure a truly democratic government are embodied in the Organic law, affecting also the Council of State. In all matters vital to the nation, including charges of treason against the President, Parliament has the final voice.

The official languages of the republic are Finnish and Swedish, corresponding to the two main elements of Finland's population. Citizens of either origin, whatever the ethnical complexion of a given com-

munity, are granted the right to use their original language in any of the national courts. The linguistic, religious, and minority rights of all citizens are assured; free speech and free assembly are granted under all normal conditions. Every citizen injured in these or any other rights is given full power to make formal complaint against the Government officials by whom the injury is inflicted. The Constitution contains measures for the encouragement and advancement of national education.

LATVIA, LITHUANIA, ESTHONIA

Why the Vilna plebiscite was abandoned by the League of Nations in favor of a settlement by direct negotiation—Latvia's elaborate plan for giving land to all citizens

THE long awaited plebiscite to be held in the district of Vilna, Lithuania, which for months has been illegally occupied by the Polish irregular forces of General Zeligowski, has been abandoned by the Council of the League of Nations as impracticable. This decision, made early in March, was based on the hostility to the scheme shown by both disputants. Both the Poles and the Lithuanians accepted the Council's alternative proposal to settle the dispute by direct negotiation. The meetings for these discussions are to be held at Brussels under the Presidency of Paul Hymans, the Belgian representative on the League Council. The new decision was welcomed in the Vilna district, which had suffered great economic distress under the Zeligowski occupation, and which had been greatly demoralized and excited by the impending referendum.

The Court of Arbitration sitting at Riga under the Presidency of Professor J. Y. Simpson, announced its decision March 25, on the boundary dispute between Lithuania and Latvia. In accordance with the Court's ruling, the frontier, commencing at the sea, will run approximately four versts north of the Sventa along the river of that name and the administrative boundary between the Courland and Kovno Governments, with minor deflections in either direction. The readjustment of territory between the two States was to take place on March 31.

LATVIA—Regardless of outside opinion, Latvia has been making progress in its nationalization and land programs. Its whole policy has been one of centralization. The telephones, telegraphs, and railroads are now owned outright by the Government, and even the shipping business has been nationalized. In many lines of trade and industry, the Government has either secured a monopoly or a substantial interest. A March dispatch from Riga to the Latvian Consulate in New York gave official information that the Latvian Ministry for Trade and Industry had submitted to the Constituent Assembly a bill, the passing of which was regarded as certain, permitting the Government to acquire shares in enterprises which exploit State property, provide for the defense of the State, facilitate communication, or produce goods indispensable to the population.

Latvia's land program, the main principle of which is that everybody must be enabled to own land, and nobody be allowed to own too much, has called forth formal notes of protest from most of Latvia's neighbors—from Sweden, Denmark, Norway, Belgium, the Netherlands, Finland and Poland. Not only has the Latvian Government adopted it, however, but it has already worked out many of its practical details. The fundamental object of the plan is to buy back from the German owners and redistribute among the Lettish people the land which, from the Latvian viewpoint, was stolen in the middle of the thirteenth century by the invading German Barons.

The whole course of Latvian history was determined by this German conquest, for the Federal republic established by the Teutonic Order lasted until the latter half of the sixteenth century, and though Latvia's three provinces of Courland, Livonia and Letgalia after belonging to several Governments, finally passed to Russia (in the sixteenth century), the nobility and land-own-

ing class has been exclusively German, with the Lettish peasantry in complete subjection. Only at the beginning of the nineteenth century were the peasantry freed from serfdom, and not until fifty years later were they accorded the right to buy land from the nobility, who owned it all. Naturally, their landless condition inspired many revolts, which were always rigorously suppressed by the Germans and Russians.

The Russian revolution gave the Letts the opportunity they had been awaiting for centuries. On Nov. 18, 1918, they established a sovereign republic. The last attempt of the German landowners to regain possession through the notorious Avalov-Bermondt and his German-Russian army was balked by the hard-hitting Letts. Soon afterward, the Latvian Government took the bold step of expropriating all the big estates of the Baltic Barons. Faced by the alternative of nathionalizing this property in Bolshevist wise, or of apportioning it among the people —at least among all who desired to own and to cultivate it—the Government decided for private ownership, and worked out the system now being put into execution.

The land law, passed recently by the Latvian Constituent Assembly, lays the foundation for a State land fund, to cover extended credit to prospective new owners without any initial payment. The law provides for the allotment of a little more than sixty acres to each landless family, decrees the sequestration of all private estates, and grants to each of the former owners land amounting to a medium-sized peasant farm. Compensation for the forfeited land is to be provided later by special legislation. This step was decided on only to save Latvia's banks from embarrassment, not because the Letts recognized any validity in the German owners' title. Most of these estates were heavily mortgaged, and the Latvian banks had in many instances used the mortgages to obtain loans from foreign banks. The Letts now hope and believe that at no distant date their rugged Baltic land will be peopled by families of farm owners, content in the knowledge that the fruits of their labors are their own, and that they are doing even more than their full share toward feeding and clothing the rest of the world.

In respect to her relations with Soviet Russia, Latvia is following the general trend now prevalent among the Baltic States: First, peace, then trade. It was reported on March 24 from Riga that a Bolshevist Trade Commission had arrived at that city, and that its President, M. Lomov, a member of the Supreme Economic Council in Russia, had full instructions to negotiate an economic agreement. M. Osols, an engineer,

SKETCH MAP OF NEW BALTIC STATES

Chairman of the Latvian Evacuation Committee in Soviet Russia, had just returned to Latvia. He reported that the Soviet Government was endeavoring to fulfil the peace treaty signed with Latvia, and to return all Latvian possessions, including factories in Russia formerly owned by Letts. Russian opinion was extremely favorable to the return of these factories, which, it was believed, would be beneficial to Russia, inasmuch as Latvia possesses many skilled workmen, and also has all facilities for obtaining raw material from abroad.

FINLAND—Finland, under her treaty with Moscow, has entered upon possession of Petchenga in the north, and has evacuated the districts of Repola and Porajarvi. Difficulties with the Soviet Government, owing to the Finnish efforts to subject the Bolshevist commercial delegates to quarantine and other control, were slowly being adjusted, but the Finns gave every evidence that they did not intend the new treaty to be made a bridge for the dissemination of Bolshevist propaganda on Finnish soil. The Govern-

ment, following its plans for general reconciliation, continued the task of freeing the majority of political prisoners concerned in the insurrection of 1918 by special amnesty —a policy which brought about a Cabinet crisis in the latter half of February.

ESTHONIA—Esthonia, elated by the decision of the Supreme Council to recognize her independence de jure, has now begun the work of opening trade relations with the outside world. M. Piip, ex-Premier and now Minister for Foreign Affairs, declared early in February that this recognition was a portent of the greatest hope, which would do much to help the country's economic condition, inasmuch as outside nations, now that Esthonia was recognized as a legal member of the comity of nations, would be much more ready to enter into commercial relations. The unsatisfactory state of Esthonian exchange had been largely due to this lack of confidence abroad. The decision was also important in its effect on Bolshevist propaganda based on the refusal of the League of Nations to admit Esthonia to membership.

THE NEEDS OF EGYPT

Statement by PRINCE IBRAHIM HILMY
Brother of the Sultan of Egypt, and son of Ismail Pasha, a former Khedive

In a remarkable study that appeared in the London Times of March 14, 1921, *Prince Hilmy sketched the whole history of the Egyptian movement for independence, weighing the Nationalist scheme of Zaglul Pasha and the reforms urged by Lord Milner, and concluding with this lucid statement of what Egypt really needs*

LET us consider what every Egyptian, with whom his country's interests stand above his own and who is at the same time conscious of the realities of life, could claim for the benefit and further development of Egypt. First of all, outward security, then honest administration, good finances, speedy administration of justice, widespread public instruction in order to raise the intellectual standard of the people and create specialists, and, finally, the right of every Egyptian to the benefits of all the country's opportunities in preference to foreigners.

Does Lord Milner's report suggest any reliable guarantees of the fulfillment of these desiderata? It starts by giving the country complete independence, a formula monopolized by the Nationalists as a means of getting into power, without asking themselves whether or not the country is apt to bear its consequences. It is indeed understood that England is to guarantee Egypt her immunity against foreign aggression, which is a point of the highest importance; but this seems to be one of the very few advantages offered us by the report. It extols the formation of a Constitutional Government by Ministers responsible to a Chamber elected by the people, which means giving Egypt such prerogatives as are enjoyed only by the most advanced countries of the world, and leaves entirely out of consideration the fact that among the 14,000,000 of its population 92 per cent. are illiterate. (I quote the actual terms of the report.)

I would ask the British public to reflect for a moment on the kind of Parliament this immense number of illiterates would be prone to elect and on the probable results of the uncontrolled rule of such a Parliament over a country of Egypt's geographical and commercial importance. Whether or not complete independence should be given to Egypt, which is the key to the communication with the remotest possessions of the British Empire, is a question which I, as an Egyptian, am not qualified to inquire into.

It rests with the British public to weigh the consequences of so decisive a step, where the vital interests of the empire are concerned. It is indeed stated by Lord

Milner that all necessary guarantees will be provided for in the treaty to be concluded with an independent Egyptian Government. But in Egypt's present condition, could these vital interests be adequately guaranteed by a treaty? And would it not be wiser to wait until Egypt were in a position effectively to guarantee the fulfillment of a treaty signed by her? Once more I leave these questions to the sound appreciation of the British public.

Lord Milner would show that, properly speaking, Egypt never belonged to England; that she was a privileged autonomous province under the suzerainty of the Sublime Porte occupied by British troops, and that it was solely through Turkey's declaring war on England that the latter was compelled by circumstances to proclaim her protectorate over the country. In my opinion by this act the position of Egypt was only changed in that England took over Turkey's rights over this country. This substitution, recognized at the outset by France and America, was eventually confirmed by all the powers who signed the Treaty of Versailles.

How else could Britain have deposed a monarch nominated by Turkey and recognized by international treaties and nominate one of her own choice in his place? On the other hand, how could she have prevented Egypt from taking part in the Conference of Paris on a par with newly formed countries such as the Hedjaz unless she felt that, Egypt belonging to England, it was for England to represent Egypt at the conference? But it must be recognized that England was generous to Egypt; in lieu of considering her merely in the light of a province under her suzerainty, she raised her to a Sultanate under her protectorate.

She can, of course, abandon her rights over Egypt and give her complete independence. Nobody would contest that point. But is this the time for doing so? I do not believe my country has as yet attained the point when she could stand alone by herself. What as sensible people we could reasonably ask of England is a wide internal autonomy, such as, from all we are taught by her colonies' history, she never will refuse to give. An autonomy similar to that of the Dominions, with certain restrictions gradually to be eliminated along with the progress of the country would, in my opinion, be best suited to the mutual advantage of both England and Egypt.

I hold that in dealing with a great and mighty power, such as England, we should not ask too much. What would we do if she refused? As Egyptians, is it, indeed, the country's weal we are seeking, or are we content to delude ourselves with idle fancies? If we think of nothing but her welfare, let us ask England to be our guide, as she has been for forty years, assuring thereby our progress and our present prosperity. Let it be so until the time comes when, no longer in need of a guide, we shall be in a position to ask her to leave us to stand alone, and offer her of our own accord and as a token of our gratitude the alliance which Lord Milner advocates today.

As to the protection of the Suez Canal, this is a question of so overwhelming and so vital an importance that I could not think of discussing it. It is for English experts to study it, to weigh it carefully and to find out from what points and how it could be defended. All I could say is that, in my opinion, this could not be done either by way of El-Kantara or by way of Jerusalem.

What we should request from England is, first of all, the abrogation of the Capitulations, unjust, unfair—a veritable obstacle to liberty and progress. I cannot but agree with Lord Milner, who advocates the suppression of all Consular Tribunals and the constitution of a Mixed Tribunal, England alone being entrusted with the safeguard of the interests of foreigners. When foreigners are made subject to the same taxes and duties as the natives, commerce and industry, now centralized in the former's hands as a consequence of their exclusive position, will cease to be their privilege, and will be exercised by the Egyptians with equal success.

The old mistake of increasing the number of British officials should be discontinued; the Egyptian should be treated on the same footing as the foreigner, and when a post is open which he is capable for, he should by right have the preference for obtaining it. Public instruction should be completely reorganized, and the department's budget raised so as to enable it to create: (1) Primary schools in order to reduce the number of illiterates; (2) high schools in order to raise the standard of

education and create specialists qualified for gradually taking the posts now occupied by foreigners.

Measures should be adopted without delay to avoid the necessity of keeping, pending the time of Egypt's complete emancipation, foreign officials other than inspectors and controllers. The military school should be reorganized so as to allow the officers educated therein to attain all ranks in the army instead of limiting them to inferior grades as is now the case. Finally, democracy being the order of the day, let Egypt have her Constitutional Government, but let good care be taken to constitute an Upper Chamber of men of ability and experience, such as would constitute a wise counterpoise to the Lower Chamber.

To recapitulate, I hold, as an Egyptian, that Lord Milner's scheme, if applied in its integrity, would be disastrous to Egypt. Left to herself in her present position, not only would she make no progress, but would, I fear, run the risk of retrogression. For some short time yet she requires the direction of Great Britain in her progress to the future. The adoption of this scheme would also be detrimental to England herself: (1) On account of Egypt's important geographical position; (2) in view of Britain's imperialistic policy with regard to her other possessions.

I will not say whether it will be worthy of a great nation such as Britain to abandon to its destiny a people on which she for forty years has been spending her noblest efforts, and which, if left to itself in its independent progress in the world, may stumble on the way.

I would not finish without addressing a few words to my countrymen, now seething with the excitement created by the propaganda of the Nationalist leaders. What are we aspiring to with regard to Egypt if we are true patriots? Is it her welfare, her salvation, or is it nothing but a fond delusion? Let us be reasonable, and let us not be lured by treacherous shadows. That which we all desire must come, and will come; but, for the present moment, are we strong enough to carry the burden? Would it not crush us? Think it over with care before launching on an adventure which might bring us great harm, not to say more. I have meditated a good deal on this matter, weighing both sides, and I feel convinced that at so momentous, so decisive a turning, it was my duty to my country to place these considerations before you.

BRITISH AID IN FRENCH REBUILDING

THE people of Great Britain, though burdened with war debts and heavy taxes, are yet finding means to help their French neighbors. Under the stimulus of a campaign led by the Central Committee of the British League of Help they are contributing large sums to rebuild houses, villages and towns in the devastated areas. More than fifty ruined communities have been "adopted" by various English cities. London has adopted the immortal Verdun, whose slogan was, "They shall not pass!" Kensington has adopted Souches; Wadsworth the town of Villers-Plouich; Manchester is raising £50,000 to resurrect Mézières; Newcastle has paid its second instalment on £20,000 subscribed for Arras; Oxford, Sheffield, Exeter, Evesham, Eastbourne, Cirencester and Birmingham are giving to the limit of their capacity to restore other French fostertowns. Sheffield has adopted Bapaume, Puisieux and Serre, all made famous in the battle of the Somme, and in the great German drive of 1918. The sum of £5,000 has been already collected. Exeter has forwarded £2,000 to the Mayor of Montdidier to restore the water supply. Fruit trees, food supplies and goods are constantly being sent.

Apart from the organized assistance of the league mentioned, the British are also raising a special fund to restore the Rheims Cathedral. Another special fund is being raised by the Royal Agricultural Society to supply cattle for raided farms; £7,000 has already been subscribed. That the French people appreciate the generous efforts of their British neighbors is seen in the many grateful expressions in the French press.

STAMBOLISKY'S REFORMS IN BULGARIA

By Eleanor Markell

THREE small States of Europe now lead the larger States about them in reconstruction after the upheaval of the war—Belgium on the northwest, Czechoslovakia on the crest of the continent, and Bulgaria in the Balkans. Of these three, only one suffers the handicap of being a defeated State. Belgium fought with the victorious Allies and has received preferential treatment in the treaty. Czechoslovakia came into being through the action of the Entente, and has its sympathy and active help. Bulgaria, however, was forced into the war on the side of the Teutonic allies by King Ferdinand. Though suffering from defeat, from loss of her young manhood, loss of material resources in the territories taken from her, loss of direct communication on the Aegean with the outside world, loss of what she feels perhaps most keenly of all—sympathetic understanding in the West—she has accepted the situation, reorganized her Government under her new King, and gone to work, with results which are a surprise to every Westerner visiting the country.

Bulgaria lost by the war much of her richest territory. To Greece she was forced to yield Thrace, where her finest tobacco was grown, and where her two Aegean ports, Kavala and Dede-Agatch, were located; to Serbia she gave up the Strumnitza region; to Rumania, by the confirmation of the powers of the Bucharest Treaty of 1913, she surrendered the fertile lands of the Dobrudja, whence formerly one-fourth of her revenue from agriculture was derived; to Serbia and Greece—and this perhaps touches the Bulgars most keenly—Macedonia, where hundreds of thousands of her people live. Small wonder if, contrasting the Bulgaria of 1912, after the first Balkan war, with that of today, these people should feel discouraged. They have lost everything for which they have fought for six years.

And yet they are not discouraged. Facing the inevitable with all its tragedy, they have started to rebuild their new State on the ruins of the old. They have rid themselves of Ferdinand, and his oldest son, Boris, only twenty-four years old but keenly alive to his responsibilities, has taken his place. He told me, when I was in Sofia in September last, something of his hopes for his people, and others spoke of his active interest and participation in all affairs of State, including a protecting care for his people. No repatriated war prisoners return, they told me, who do not find their King at the frontier to meet them. He has a charm of manner which attracts all with whom he comes in contact; this, coupled with his earnest work for his people, earns for him the unanimous regard and good wishes of all Westerners, as well as of his own people.

Bulgaria has, even with her old frontiers, to which she is now confined, great natural resources and is perhaps the only State of Europe today which can be self-supporting. Her mines produce a sufficiency of coal for her needs, her fertile lands more than enough grain, cereals, sugar beets and tobacco, which in normal times she exports. Her greatest asset, however, lies in her hard-working population, 80 per cent. of whom are peasants, and nearly that number peasant-proprietors. They are hard at work today, and have already succeeded so well in bringing the production back to normal that some $10,000,000 worth of tobacco was exported last year, part of which represented crops raised since the war. This year it is confidently expected that after supplying the needs of the country there will still be wheat and cereals for export.

The greatest menace to the State lies in the character of the present Government. It is the agrarian party, representing the large peasant population, which is in the saddle, the old experienced leaders like Malinoff, Majaroff and Guechkoff, who with Venizelos founded the Balkan League in 1912, being driven to the opposition. At the head of the Government stands Stambolisky, the peasant party's strongest man, fearless, forceful, pugnacious, filled with plans for the welfare of the State on the most advanced lines, but, like the peasantry

from which he sprang, unable to visualize the extreme difficulty of carrying them out.

An example of this is the conscription of labor law, which has been in effect since

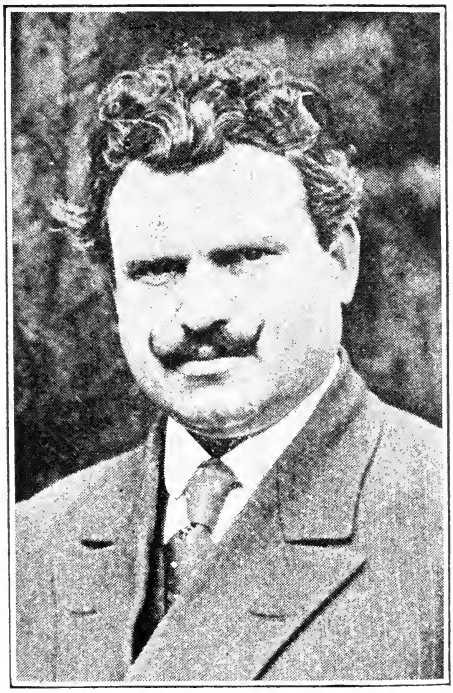
(*Times Wide World Photos*)

KING BORIS OF BULGARIA
Europe's Youngest Reigning Monarch

Sept. 18, 1920. Stambolisky explained its workings to me for half an hour, and my most vivid impression when he concluded was of the almost unsurmountable difficulties to be experienced in putting the law into execution. By the provisions of this law every man and woman between the ages of 20 and 50 is obliged to work a certain length of time for the State; thus the time formerly given to military service, now forbidden by the Peace Treaty, will be turned to useful work for the country.

But Stambolisky's ideas go far beyond that. Schools are to be founded all over the State for boys and girls, who will be entered at the age of twenty, the boys for a year and the girls for six months. They will receive instruction to prepare them for the State service they will render. This instruction will be adapted to the needs of the pupil to broaden his horizon and ultimately to raise the level of the entire nation. A high ideal, certainly, but the cost of putting it into force is a staggering matter for a nation already in desperate condition financially; a nation which last year found its expenditures twice the amount of its revenue quite aside from the indemnity it is expected to pay according to the Peace Treaty.

Bulgaria has passed the most drastic law regarding individual holding of land which I found in traveling through Europe. For, though Czechoslovakia has limited the



(© *Underwood & Underwood*)

PREMIER STAMBOLISKY
Leader of the Agrarian Party, who has made sweeping reforms

amount which can be held by one person to 150 hectares of arable land and 250 of general land (as contrasted with Hungary, which was on the eve of passing a law in August, 1920, providing for 500 hectares to each person), Bulgaria will allow to each person only what he can work with his own hands, or about thirty hectares. Bulgaria was, before the war, and is at present, a nation of small proprietors, and for that reason the majority will be unaffected by the law; but, although they are hard work-

ing, they are not thrifty, like the French, and I was told that if a man held five hectares and found the product of four would support his family, he would often let the fifth lie idle. This means that from his labor little can be expected for export, whereas the large land-owners not only raise crops for export, but also continually improve the methods of agriculture and the quality of the product.

Bulgaria's railroads have been nationalized for thirty years and very successfully run under State management; her coal mines are nationalized with less fortunate results, it being universally conceded that the operation is far more costly than necessary; certain of her banks are managed by the State, and recently the present Government has created a State-owned bank at the head of the great co-operative system, which numbers some 1,200 societies.

Perhaps one of the most unfortunate of Bulgaria's essays in legislation lies in the income tax, with its drastic impost on large incomes and practical exemption from the operation of the law for the great agrarian element, which forms so large a percentage of the nation. The law cuts in two directions. First, it deprives the State of a much-needed income from the peasants, and, second, by its drastic tax on profitable large-scale business, it is driving foreign capital, so badly needed, from the country.

The reason the law is not amended is plain. The Stambolisky Government would not survive the placing of a tax on the agrarians, the party by whose mandate it holds office. And yet, given the financial condition which exists today, many are prophesying that the law must be amended or the State will go bankrupt.

This is Bulgaria's problem. A land of great national resources and a nation of hard-working peasants—the combination is one which, it seems, must succeed. Bulgaria has already started well toward success, but inexperienced leaders may nullify her best efforts and bring about a ruinous economic condition, similar to that already prevailing in the rest of Europe.

TEXT OF BULGARIA'S COMPULSORY LABOR LAW

THE Bulgarian Government's famous law introducing compulsory labor was passed about the middle of the year 1920, after six months' propaganda and campaigning. The most interesting thing about the law is that it is in no sense the product of a Bolshevist or Communist Government. The experiment is due almost entirely to the initiative of the Prime Minister, M. Stambolisky, the leader of the Agrarian Party. As will be seen in the portions of the text given below, the act is modeled closely upon the military service laws common in most countries of Europe. Every Bulgarian boy must give the State twelve months' labor at the age of 20, and every girl six months' service at the age of 16. The exemption clauses, which are not reproduced below, follow closely the analogy of military service laws, exemption being granted for illness, incapacity, and the need to support close relatives. The enforcement of the act is entrusted to the Ministry of Public Works. Penalties for evasion are provided for in Chapter III., and may extend to two years' imprisonment. That M. Stambolisky's Government has already encountered serious difficulties in its attempts to put the act into force is indicated by recent reports from Bulgaria. The more important articles of Chapter I. are as follows:

Act respecting compulsory labor service, dated June 5, 1920.

CHAPTER I.—General Provisions.

ARTICLE 1—All Bulgarian citizens of both sexes, viz., men who have attained the age of 20 years and girls who have attained the age of 16 years, shall be liable to compulsory labor service, that is, to compulsory community labor.

Note 1—Compulsory labor service shall not be required from Mohammedan girls.

Note 2—Even those who have not attained the prescribed age may be admitted to service as volunteers, viz., boys who have attained the age of 17 years and girls who have attained the age of 12 years.

ARTICLE 2—Compulsory labor service shall have the object of:

(a) organizing and utilizing the labor power of the country for the public welfare in the interests of production and the welfare of the country;

(b) awakening in all citizens, irrespective of their social status or means, a love of community and manual labor;

(c) improving the moral and economic condition of the people, fostering in the citizens a consciousness of their duties to themselves and to society and instructing them in rational methods of work in all branches of economic activity.

ARTICLE 3—Compulsory labor service shall be utilized in all branches of economic activity and public welfare work: the construction of roads, railways, canals, waterworks, dams and embankments, the erection of buildings, the laying out of villages and towns, the strengthening of the banks of watercourses, the rectification of rivers, the draining of marshes, the laying of telegraph and telephone cables, the preparation of various materials for building, afforestation and the care and management of forests, the cultivation of lands belonging to the State, a district, a commune or any other public body, fruit and vegetable growing, the raising of silkworms, bees and cattle, fishing, work in mines and factories, the preserving of foodstuffs, the manufacture of cloth, linen and clothing in hospitals, &c.

These tasks shall be carried out by the competent authorities, under their direction and on their responsibility.

ARTICLE 4—Compulsory labor service shall be an individual duty. Substitution shall not be permitted. Only those persons shall be exempted from compulsory labor service who are unfit for any physical or mental work on account of the diseases, &c., specified in a schedule approved by the Council of Ministers. In addition, married women and men called up for military service shall be exempt. If any person is granted exemption from compulsory labor service under the schedule of diseases, &c., he shall pay a tax proportionate to his income and property, imposed under a special act.

ARTICLE 5—A Bulgarian citizen shall not change his nationality or settle in a foreign country until he has completed his compulsory labor service.

ARTICLE 6—Compulsory labor service shall last for twelve months in the case of men and six months in the case of girls.

* * * * * *

ARTICLE 10—In the event of extensive damage caused by the elements, national calamity, or immediate necessity, all male Bulgarian citizens between the ages of 20 and 50 years may, by a resolution of the Council of Ministers, be called up for temporary compulsory labor service, that is, to perform compulsory community labor for not more than four weeks.

This calling up shall take place in accordance with the needs of the case, by ages and by groups from communes, districts, or provinces.

Note—In this case the Council of Ministers may also call up young persons under the age of 20 years.

ARTICLE 12—At the beginning of each year the following persons subject to compulsory labor service shall receive a calling-up notice for purposes of classification:

(a) boys who on Jan. 1 of the year in which they are called up have attained the age of 19 years, and girls who at the same date have attained the age of 15 years;

(b) persons who have been granted postponement on any grounds whatever, and those who have not reported themselves.

ARTICLE 14—Compulsory labor service shall be rendered by men and women separately—by men, in or as near as possible to the district in which their homes are situated, unless the requirements of work necessitate their removal to a more distant place, and by women in the places where their homes are situated.

These provisions shall not apply to women teachers under the compulsory labor scheme.

[*From "Studies and Reports" of the International Labor Office.*]

INCREASING THE BIRTH RATE IN FRANCE

EVEN before the war France had undertaken to do something to remedy the alarming decrease in the ratio of births as compared with deaths. The act of July 14, 1913, made the relief of large families obligatory on each department (corresponding to our county), and provided for a bonus of 60 francs minimum, or 90 francs maximum, for each child. This was soon seen to be insufficient, however. Then came the war, with its enormous human losses, and the problem took on a more formidable aspect. The act of June 28, 1918, added 10 francs to the allowance granted to parents for each child, but the Departmental Council of the Seine has long been striving to have the bonus increased to a maximum of 300 francs. The Budget bill for 1921 increases the allowance to 180 francs. In Paris the combined bonuses of the original act, of the State and of the municipal grants, bring the sum up to 240 francs ($48, normal exchange). The Administration estimates that in 1921 in Paris and its suburbs there will be 18,000 beneficiaries in receipt of 24,000 allowances. The Departmental Council also is endeavoring to increase the special allowance to mothers. Special bounties are now being offered for each child in excess of two.

A BULGARIAN'S PLEA FOR BULGARIA

Mr. Mattheeff, the writer of this passionate protest, was formerly Bulgarian Minister to Greece, and was the Bulgarian Commissioner to the Louisiana Purchase Exposition at St. Louis in 1905

To the Editor of Current History:

Bulgaria, conquered, reduced, impoverished, at the feet of her neighbors, her former allies, whom she led in the first Balkan war against the common enemy, is surely not deprived of the right to lay before the public the grievous wrongs she is suffering, even beyond those sanctioned by the treaty; wrongs which even the inhumane Paris treaty should forbid.

This treaty, even before its full ratification, is about to undergo a change, and in favor of a country whose past has been most condemned. Why? Because it has successfully met force by force! For Bulgaria, however, for softening the ruinous clauses of the treaty concerning her, not a word! The Bulgarian nation is the only one of the conquered nations denied the right of self-determination. This privilege is granted to Germany in Schleswig, Posnania and upper Silesia; to Austria in Carinthia, and to Turkey in the Smyrna Province.

Bulgarian territory has been arbitrarily cut up into many parts, and not a few of them have been tossed right and left, as bones to dogs, but to no part of it has the right of self-determination been granted!

Between Serbia and Bulgaria there should be peace, but peace there is none. Serbia cannot leave Bulgaria in peace. The Serbians cannot live a day without discovering or inventing something to the detriment of the Bulgarians. There are treaty clauses for strict execution by Bulgaria, but none for Serbia.

The conditions of the armistice with Bulgaria, one and all, have been violated to the injury of Bulgaria; Bulgarian territory, ceded by treaty to Serbia, was occupied and taken possession of before the term fixed by the treaty; Serbia demanded and obtained from Bulgaria railroad and machinery material long before the legal commission had met; Serbia recently stopped for more than a fortnight all traffic between the two countries because Bulgaria asked that the continuation of the delivery of such materials be postponed, in accordance with the treaty clause, until the proper commission had sanctioned it; the treaty condemned Bulgaria to deliver to Serbia 50,000 tons of coal a year during five years. The commission to sanction this delivery has not yet met; the Bulgarian Government, however, has been obliged to deliver this coal, and has been delivering it for the past six months, and now Serbia demands the immediate delivery of 30,000-odd cattle, which the treaty has laid upon Bulgaria to deliver over to Serbia. This right of Serbia's is the right of conquest. This number of cattle was adjudged to Serbia simply on her arbitrary demand, without the least consideration as to its honesty. This demand is made before the Commission of Reparations, the authority on the subject, has met.

A law was passed which substituted for the road tax the obligatory personal labor of all from 18 to 40 years of age, upon roads and public works. The application of this law required a certain degree of organization. The Serbians have seen, in the operation of this law, a phase of military strength, and have made representations to their powerful allies on the subject, and these have demanded, by note, its repeal!

Serbia has violated all the international laws in her treatment of our prisoners of war. She will give no account of the thousands missing, and is knowingly detaining some under criminal treatment. This last question regarding the prisoners of war is, happily, in the hands of two delegates, specially sent out on Bulgaria's demand, of the Geneva Red Cross. The Bulgarians do not fear, have never feared, inquiries into their conduct. They have demanded such inquiries, and still demand them with open mind and honest heart.

In none of these cases has Serbia been called to order. The weak representations made to her regarding these flagrant and willful violations of treaty clauses have been of no avail.

Serbia is the spoiled child of her powerful allies. Consider, for instance, Serbia's conduct in Montenegro, the model country of Serbia's freedom, where life, property and honor are not safe unless one has taken the oath of loyalty to the Serbian King, son-in-law of King Nicholas of Montenegro!

The Bulgarian Government has made every possible advance to Serbia for better relations with Jugoslavia; all such steps have only provoked further animosities on her part. If I speak of Serbia rather than of Jugoslavia, I do so advisedly, because it is Serbia, and Serbia alone, who is responsible for this state of things between the two countries. Recently the Czechoslovak press attempted a friendly intervention for an understanding between Bulgaria and Serbia; the Serbian press turned round savagely upon the would-be interveners and told them to mind their own business, and even threatened them.

The attitude of the Serbian press is that of a superior people toward a fallen, degraded, immoral inferior. "Yes," the Serbians say and write, "now that Bulgaria is humbled, now that the Bulgarians are sorry for their past treacherous conduct, now that they beg to be forgiven, we might take into consideration their misery and pity them; but it is too soon; they must wait." Yet all fair-minded men know that the situation is quite the opposite of the pretension in the above-cited quotation. Bulgaria's joining the Central Powers was an unavoidable consequence of the Treaty of Bucharest, and it came about because the allied powers failed to give to Bulgaria what the Bucharest treaty took

away from her—a feature of that treaty which they have undoubtedly condemned.

The Serbian mind is outrageously poisoned against everything Bulgarian. Serbia is suffering from a swollen head. Bulgaria, reduced, impoverished, disarmed, appears to have become an uninterrupted nightmare of revanche for the Serbians. Such should not be the case; Bulgaria has been rendered harmless, even to those she led to victory against the Turk, and is at Serbia's mercy; and this Serbia misses no opportunity to demonstrate.

Serbia's new ideal is undoubtedly the complete effacement of Bulgaria, the absorption of the nation into its neighbors, Serbia to take the lion's share. This chauvinistic ideal is developing inordinately, thanks to the support and protection Serbia receives from her powerful allies.

Bulgaria joined in the last war to right a wrong done her in Bucharest, to reunite the Bulgarian lands and race, unjustifiably rent asunder. Bulgaria failed because she blundered in choosing sides. The conquerors, however, have declared that in so doing Bulgaria transgressed. So be it! But is there no limit to the punishment for such transgression? Certainly the Treaty of Neuilly refuses to allow any limit to the punishment of Bulgaria!

The greatness crammed into puny Greece is bearing its fruit. The Turks, condemned all around for generations as utterly unfit to rule, are to be benefited, the crushing terms imposed upon them by the Sèvres treaty are to be made bearable; but not a word as to the lightening of similar clauses for Bulgaria! The Greeks have proved themselves equally unfit wherever alien populations have been entrusted to their rule. The same can be said of the Serbians and Rumanians. An impartial inquiry into the conditions of rule in the alien countries allotted to them—Thrace, Macedonia, Dobrudja, Montenegro—will amply confirm this statement. Greece's unfitness to rule is as complete in Thrace as in Asia, and yet not a word of her disgorging! It is about time to deny Galileo's assertion that the world moves—or to despair of human justice.

Bulgaria asks for an unbiased inquiry, and prays that her voice be heard. She asks for an inquiry into her condition, which is doubly wretched, (1) because of the arbitrary and passion-imposed Treaty of Neuilly, and (2) because of the unjustifiable manner in which the terms of this treaty are being put into force for the sole benefit of those already excessively favored, all to the injury of Bulgaria. The claims of the Turks are being heard. Will there be no hearing for Bulgaria?

P. M. MATTHEEFF.

Sofia, Bulgaria, Feb. 16, 1921.

REVIVING THE RABBINICAL COURT AT JERUSALEM

THE opening of the Rabbinical Congress at Jerusalem for the re-establishment of the old Sanhedrim, or Rabbinical High Court, known as the Beth Din, was a great event for all Jews connected with the Zionist movement. A correspondent of a London paper, writing early in March, described it as "the greatest event since the destruction of the Sanhedrim," and the speech made by Sir Herbert Samuel, the High Commissioner, at the opening session, was held to "equal in importance the first appeal of Nehemiah after the return from the Babylonian captivity." Other speeches were made in English and Hebrew. The Congress decided to elect the members of the new court, which is to be composed of eight members, four chosen from among the Sephardim (the Ladino-speaking Jews of Spain, Tunis and Saloniki) and four from among the Ashkenazim (the Yiddish-speaking Jews of Poland and Germany). There will be two Presidents as of old, and the High Court will deal with all Jewish religious matters.

The Sanhedrim is one of the most ancient institutions of the Jewish race. It began at the time of Ezra and Nehemiah, after the return from the Babylonian captivity. It was later removed from Jerusalem to Jamnia and finally to Tiberias. It enjoyed great authority under the so-called "Patriarchs of the West," until it finally came to an end under the persecution by the Romans in the fourth century. Its duties were to decide questions of religious law. Napoleon I. summoned a Sanhedrim composed of 54 rabbis and 27 laymen, under the Presidency of the Rabbi of Strasbourg; but this council was short lived.

RUMANIA IN THE NEW EUROPE

By Prince Antoine Bibesco
Rumanian Minister to the United States

FEW European countries — probably none of the late Allies—have been victimized by such protracted and malicious, if not always deliberate, misrepresentations before the American public as Rumania. Her very martyrdom in the World War, suffered for the allied cause and in consequence of the failure of Russian aid, has been counted up against her. But especially in the two years that have passed since ultimate victory turned the darkest period of Rumanian history into a prelude to national dreams triumphantly realized there have appeared, every now and then, allegations in the American press concerning things Rumanian that were as remote from truth as they were indefensibly unfair to a people which has proved so conclusively its loyalty to the cause championed by the American nation. It would lead too far afield to analyze the question why hostile propaganda should have had a line of less resistance to follow than in the case of other associated powers. Yet that seems to be the fact. It is all the more essential that the great American public should be awakened to the truth about Rumania.

To sum up: Rumania stands out today as the strongest State in Eastern Europe, uniting within her borders practically the whole ethnic mass of the Rumanian nation; with democracy and economic progress for her slogans, she has a reconstruction program comparing favorably with that of any other power; her possibilities of future development, cultural, moral and commercial, are unexcelled by any other country of the same size and population.

This seems a large assertion, but it can be substantiated. First, however, one must tackle the indispensable task of demolishing certain untruths and misconceptions assiduously spread by the enemies of Rumania in this country and in the west of Europe. After all, one way of stating the truth is to refute a lie. The main points raised by anti-Rumanian propagandists are as follows: That Rumania is politically and culturally a backward country ruled by a corrupt oligarchy; that Rumania oppresses racial minorities, such as the Jews and Magyars, and that she persecutes religious dissenters. It is perfectly characteristic and rather amusing that most of this slander is being circulated by Hungarian propagandists, who, themselves inmates of a most fragile glass house, are in their chauvinistic zeal utterly oblivious of the dangers of stone-throwing.

Take the first charge—that Rumania is an oligarchic country, ruled by a small group of boyars who own the land to the exclusion of the peasantry. It is true that before the war Rumania was a country of large landed estates; about four million hectares, or half the arable area, was owned by a thousand proprietors, while the other half belonged to six and one-half million peasants. Today that situation has undergone a radical change. The land reform law, one of the most thoroughgoing pieces of legislation in this particular field, assigns over 2,000,000 hectares, carved out of estates exceeding 500 hectares, to be distributed among the peasantry. In Bukovina and Transylvania the maximum size of estates is reduced even to 100 hectares. The land is, naturally, compensated for, the peasant beneficiary paying, in instalments stretched over forty-five years, 65 per cent. of the expropriation price, and the State assuming the balance of 35 per cent. The budget of 1920-21 carries an appropriation of 90,000,000 lei for the purposes of land distribution, and the work is in full swing. The peasants benefit from the reform, regardless of their race, language or religion.

The expropriation clauses apply, first of all, to land held in mortmain, under which heading ecclesiastic property is included. The Orthodox Church, being the greatest and wealthiest, suffers most heavily under the reform, but she endures the hardship, in view of the benefit to the commonwealth.

On the other hand, the Unitarian Church of Transylvania, whose membership is purely Magyar, has raised a complaint against what her spokesmen describe as a discrim-

PRINCE ANTOINE BIBESCO
Rumanian Minister to the United States

inatory measure. Echoes of this have reached the American press. The truth is, of course, that the expropriation hits all churches, and that the rich Orthodox Church suffers more than the comparatively poor Unitarian congregation. Moreover, the Magyar and Szekler peasant of Transsylvania is better off today under Rumanian rule than he was under the old Hungarian régime, and certainly much better off than his brother in Hungary under the Horthy Government.

Under the old order the peasant had to take his choice between emigrating to America or drudging for an absentee landlord on terms that meant slow starvation. Today he gets land from the Rumanian State, which also redeems, at a liberal rate, his almost worthless old Austro-Hungarian currency. He enjoys, under the Rumanian suffrage laws, more political liberty than he did in the Hungary of Tisza. No wonder the "irredentist" movement, of which Magyar sympathizers make so much, is limited to the small bureaucratic class which, incited by the ideology of a bygone age and lured by the fantastic promises of the Nationalist die-hard organizations of Budapest, emigrates to the Magyar capital and lives half-starving in box cars on the hope of the millennium.

Rumanian law insures equal rights and equal legal treatment to all citizens, regardless of race or religion. The Magyars of Transylvania may use their own language without hindrance. Whereas under the old Hungarian rule the State-controlled school was the most potent instrument for denationalizing the Rumanian population, the present Rumanian Government actually encourages the maintenance of Magyar culture in Transylvania by paying higher wages to the Magyar teacher than he received in Hungary. The schools conducted by the Magyar churches, Catholic, Calvinist and Unitarian, have been taken over by the Rumanian Government on a similar basis. There are over twice as many Magyar gymnasiums (secondary schools with Latin as principal subject) in Rumanian-ruled Transylvania as there were Rumanian gymnasiums in Transylvania under the Magyars. The University of Bucharest has a chair in Magyar language and literature. A Magyar theatrical company gave performances at the Rumanian capital in the last season; a Rumanian theatre at Budapest under the old order would have been unthinkable. Magyar newspapers imported from across the border circulate freely in Rumania, whereas Bucharest newspapers were barred from Hungary.

I am dwelling on this refutation of Magyar charges of intolerance because lately a tremendous wave of Magyar propaganda has flooded the United States. A similar wave occurred in the Fall of 1919, after the overthrow of Bela Kun, when the Rumanian troops occupying Hungary were accused of all kinds of atrocities, although in reality the Rumanians prevented and in some cases punished excesses of the Magyar White Guards. At this moment the propa-

ganda aims at fostering "irredentist" sentiment among Americans of Hungarian extraction, and at arousing distrust of Rumania among the American public at large. The propaganda among Hungarian-Americans should be a matter of grave concern, for by keeping alive old world hatreds the agitators render Hungarian-American colonies unsafe for true Americanism. Magyar propaganda in the form of pamphlets, books, maps, news letters and bulletins is flooding the editorial offices of American newspapers. Even the cables are being utilized—as when the pious wish of certain political dreamers at Budapest resulted in a dispatch from that city announcing the conclusion of a Rumanian-Polish-Hungarian alliance against Russian Bolshevism. The truth was revealed in a cable report following close upon the first, to the effect that the agreement was concluded by the Rumanian, Polish and Czechoslovak Governments as a defensive measure against Bolshevism and also by way of insuring the Treaty of Trianon. In passing I may remark here that this agreement represented a signal victory of the endeavors of Mr. Take Jonesco, the Rumanian Foreign Minister, to bring together Czechoslovakia and Poland.

To return to domestic policy: Another proof of the democratic spirit actuating the rulers of Rumania is the solution of the Jewish question. Mistakes may have been committed in the past in handling the Jewish problem, but the all-important fact is that today the emancipation, political and social, of the Rumanian Jews is complete; they enjoy full citizenship and are destined to play an important part in economic reconstruction.

In judging present-day Rumania the dominant fact to be considered is that Rumania—a country which never since its foundation has cherished plans of aggression, and whose only diplomatic conflicts up to 1913 were with Austria-Hungary because of ill treatment of Rumanians for political reasons—has today achieved her great dream: national unity within frontiers 2,000 years old. She can afford to be magnanimous and to forget past injuries. The Rumanian people are willing to live in friendly co-operation with their neighbors, if these furnish proof of good-will and sincerity.

Speaking of economic conditions, Rumania is destined, by her natural resources, to become one of the wealthiest countries of Europe. The paramount needs of the Old World today are breadstuffs and fuel, and of both Rumania possesses a superfluity. Rumania today is actually the one wheat-exporting country in Europe, and even in normal times she would rank as the second, next to Russia. Her oil fields are the richest in Europe; her salt deposits sufficient to supply half the European demand. Recently mica mines—the only ones in Europe—have been discovered. There are coal and iron ore and gold in Transylvania. More important than the minerals—except oil—is lumber; Rumania can produce over 100,000 carloads a year. Production is rapidly being restored to normal footing, in spite of the German spoliation of machinery and rolling stock. Much of the oil machinery was destroyed by the Rumanians themselves to prevent German exploitation of the wells, and must be replaced. Rumania is the guardian of the most important inland waterway of the old world, the Danube; she is the gatekeeper of Europe at the door of the Near East, her port, Constanza, being the logical terminus of the Bordeaux - Marseilles - Milan - Venice-Belgrade-Bucharest line, succeeding to the prewar route, Paris-Berlin-Vienna-Budapest-Sofia-Constantinople, as the channel of land traffic to the Orient.

Metternich said Asia begins at the gates of Vienna. That may be true; but, then, Rumania stands out as a European outpost of Westernism, amid surroundings sunk back to a barbarian level. The Rumanian Government and people are prepared to assume the responsibility of their victorious destiny.

SPLIT AMONG SOCIALISTS WIDENED

WITH three international political organizations striving for the support of the Socialist and Communist Parties, the prospects for the reconstruction of the world-wide Socialist International which broke down under the stress of the World War do not become any brighter.

The principal development since the split in the Italian Socialist Party over the unconditional acceptance of the Twenty-one Articles of Faith of the Third International in January was the rejection of the Moscow program by the Independent Labor Party of Great Britain by a vote of 521 to 97 at its Southport convention the last week in March. The defeated Communist delegates bolted and announced their intention of joining the British Communist Party, a group of extremists numbering only a few thousands. The Independent Labor Party is regarded as the advance guard of the British Labor Party, which is still affiliated with the Second International.

Delegates from Socialist organizations from about a dozen European countries met in Vienna the last week of February and laid the foundations for a new international Socialist organization, intended to embrace the best points of the old Second International and of the Third (Communist) International. The new body did not call itself the Fourth International, but "The International Working Group of Socialist Parties," with membership open to all Socialist and labor parties not belonging to the existing Internationals. Its aim was announced as the conquest of political and economic power by means of the revolutionary class struggle, but the form of such struggle was to be dependent upon the special conditions in each country, and not upon any cut-and-dried program laid down from Moscow or any other capital.

Both the dictatorial tactics of the Third International and the overcautious attitude of the old Second International were denounced by the delegates, who included Richard Wallhead of the Independent Labor Party of Great Britain, Jean Longuet of the French Socialist Party, Friedrich Adler of the Austrian Social Democracy and Robert Grimm of the Swiss Socialist Party.

Among the resolutions adopted was one calling for the immediate adoption by the various nations of plans for general disarmament. Despite the convention's opposition to Bolshevist tactics in the International labor movement, it went on record as calling upon all Socialist Parties to do all in their power to prevent intervention in Russia and to force the conclusion of peace with the Soviet Government. Just before the convention opened the Executive Committee of the Third International sent out a message from Moscow deriding the proposed new organization, labeling it the "Two-and-a-half International," and calling its organizers leaders out of jobs.

At a meeting of the Executive Committee of the new International, held Feb. 27, a bureau of five members, with Friedrich Adler as secretary, was elected. The other members are Grimm, Longuet, Wallhead and George Ledebour of the Independent Socialist Party of Germany. The committee resolved to call upon the international proletariat to demonstrate on May Day for universal disarmament, for revision of the peace treaties and for self-determination in general.

The organizations represented at the Vienna convention were the Independent Socialist Party of Germany, the Independent Labor Party of Great Britain, the Socialist Party of France, the Social Democratic Party of Slovenia, the Socialist Labor Party of Croatia and Slovenia, the Socialist Party of Serbia, the Social Democratic Party of Latvia, the Social Democratic Party of Austria, Poale Zion (the Jewish political labor group), the Social Democratic Labor Party of Russia (Mensheviki), the Left Social Revolutionary Party of Russia, the Social Democratic Party of Switzerland, the German Social Democratic Labor Party of Czechoslovakia, the Socialist Party of old Rumania, the Federation of Socialist Parties of Bukovina, Transylvania and the Banat, the Social Revolutionaries of Lithu-

ania and the Kunfi faction of the Socialist Party of Hungary. The delegates from Poland and Bulgaria were not admitted.

The first party to hold a convention and formally affiliate with the Vienna International was the Socialist organization of Lithuania.

The third convention of the Communist International is to open in Moscow on June 3.

Division on the economic field was increased by the formal withdrawal of the American Federation of Labor on March 8 from the International Federation of Trade Unions because the A. F. of L. officials, headed by Samuel Gompers, thought the Amsterdam body was too radical, and a decision at about the same time by the Leghorn convention of the Italian Federation of Labor to do the same thing for just the opposite reason. The Italians voted, 1,355,000 to 418,000, to join the Communist International Council of Trade Unions, with certain reservations. The Finnish Federation of Trade Unions also voted to leave the Amsterdam organization. The Executive Committee of the International Metal Workers' Union, at a meeting held in Berne on March 18, declared itself in opposition to the Communist International. The first regular congress of the Communist International Council of Trade Unions was scheduled to open in Moscow on May Day.

MR. LANSING ON MR. WILSON

THE volume by Robert Lansing, former Secretary of State and delegate to the Paris Peace Conference, entitled "The Peace Negotiations: A Personal Narrative," was published in the last week of March, 1921, and at once became a storm centre of favorable and unfavorable criticism. It was devoted almost wholly to a detailed recital of what the author regarded as President Wilson's mistakes at Paris, with the story of the strained relations which ultimately led to Mr. Lansing's forced resignation from the Cabinet.

Mr. Lansing's chief charge against the President is that he would not take advice from the Secretary of State or anybody else. When informed by Colonel House that the President was preparing to attend the Peace Conference in person, Mr. Lansing advised Mr. Wilson against that course, but his counsel was ignored. None of the members of the American delegation, says the author, were consulted during the voyage or even at Paris. They knew practically nothing of what was going on, as Mr. Wilson resorted to private meetings and secret diplomacy. According to Mr. Lansing, the President was outwitted and made the "catspaw" of shrewd European diplomats; obsessed by his lofty project of the League of Nations, he traded some of America's greatest principles for the League. Mr. Lansing says he warned him that the American Senate would never ratify the treaty if it contained the League covenant, with Article X., guaranteeing the territorial integrity of nations attacked; but this advice, like that on every other point, was ignored, and the adviser considered himself humiliated. Mr. Lansing is especially bitter over the President's public statement that "he would not have a covenant drawn up by lawyers."

Carried away by his League project, Mr. Wilson, the ex-Secretary says, accepted the unjust mandate system entire, including the Shantung award to Japan; the latter country, he says, succeeding in "bluffing" the President with a threat to withdraw, though it had absolutely no intention of so doing. In accepting the plan of an alliance with France, adds the author, Mr. Wilson's only thought was to buy another vote for the League. The whole book was an indictment of the President, revealing a degree of incompatibility between the two men which not only explained why they had ultimately parted company, but caused many to wonder why they had not done so sooner. Newspapers throughout the country immediately devoted whole pages to the book, and it has become a centre of debate mildly reminiscent of that over the League of Nations itself.

UNIVERSITY EXCHANGE WITH BELGIUM

By NELLIE E. GARDNER

How the permanent fund was raised which now enables the young men and women of Belgium and the United States to build an educational bridge between two Nations

A PERMANENT fund has been established for the exchange of graduate scholarships and professorships between the United States and Belgium, and for the making of loans to young men and women in Belgium who could not otherwise get a university education. This fund represents the profits from the sale of foodstuffs both outside and inside of Belgium—largely accrued during the period of the armistice—under the Commission for Relief in Belgium, which continued in service until April, 1919, and of the Comité National, which was the associate organization of the American Commission, and was made up of a great number of Belgian people under the direction of distinguished Belgian business men.

After the armistice it was desirable that the system of providing mass food supplies be continued until Belgium got back on a pre-war basis. In November, 1918, approximately 900,000 people were receiving free food; the remaining 7,000,000 people in Belgium were still able to find local money with which to pay for their rations.

Under the arrangements of the Comité National the Belgians who had money had always charged themselves a small profit, which was expended in support of the totally destitute. When the armistice came the amazing industry, vitality and ingenuity of the Belgian population soon resulted in a rapid reduction of the totally destitute, so that not only was there an accumulation of profit formerly expended for the needy, but also a new profit from those whose pride prompted them to begin paying as fast as they secured employment or who were able to come again into possession of property over which they had lost control during the occupation. There was further profit made in liquidation of surplus foodstuffs and equipment.

There was never any doubt that these profits were the property of the people of Belgium. The only question to be determined was how they were to be returned to the public. The Belgian Government expressed the desire that they be applied in some manner that would be beneficial to the people and commemorate the relief organizations of the war. A meeting was arranged by the Belgian authorities at Brussels at which the Premier, speaking on behalf of the Ministers, requested Mr. Hoover to determine the character of this operation. After study and reflection Mr. Hoover suggested that the money be used for education in Belgium. His idea was accepted and representatives of the Belgian universities were called into conference.

The sum of 95,000,000 francs was made available to enable the Belgian universities and technical schools to resume activities immediately. Further amounts as they became available after final liquidation were allocated to the permanent foundation, from which the income only would be expended. The declared object was to build a permanent bridge of fine and high relationship between the two countries. The total fund now amounts to about 100,000,000 francs, whose eventual value cannot be determined in the present condition of exchange.

Each year forty-eight exchange graduate fellowships will be granted between Belgian and American universities—twenty-four from America and twenty-four from Belgium; exchange professorships will be arranged, and approximately 2,000 young men and women of Belgium will receive aid to permit them to continue their studies.

To promote this international undertaking, the C. R. B. (Commission for the Relief of Belgium) Educational Foundation was incorporated in America, and the Fondation Universitaire was incorporated in Belgium. The American organization was incorporated in Delaware, Jan. 9, 1920, and the Belgian organization received its charter under the Belgian Government on

July 6, 1920. Both organizations are now functioning actively, and the student loans and exchange graduate fellowships are in process of allotment. The membership of the Fondation Universitaire is as follows:

Honorary President, Herbert Hoover; President, Emile Francqui; Vice Presidents, Paul Heger and Millard K. Shaler; Treasurer, Félicien Cartier; Secretary General, René Sand. Other members of the Council of Administration are: University of Ghent, Henri Pirenne, O. Vander Stricht, A. Dumoulin; University of Liège, G. Galopin, E. Malvoz, C. de Paige; University of Brussels, L. Leclère, Jules Bordet, Hippolyte Vanderryt; University of Louvain, A. Merincx, M. the Canon L. Genechten; V. Grégoire, P. Bruylants; School of Mines and Metallurgy at Mons, A. Halleux; Higher Colonial School at Antwerp, Denyn and Paul Pasteur, Père Rutten and William Hallam Tuck.

In its work for the advancement of higher education in Belgium, the Fondation Universitaire touches nearly every field. Its principal benefits include student loans —to be repaid in ten years—to worthy young men and women who could not otherwise complete their undergraduate work at institutions of higher education; graduate fellowships abroad (not to be repaid) to students whose university work was completed with distinction and who wish to devote themselves to teaching or the advancement of science in Belgium; aid to research students who wish full time to carry on experiments deemed of value to the nation's life; aid to student clubs in the university cities of Belgium; aid to institutions of higher learning in Belgium, so that they may be in better condition to carry on their educational work.

Conditions requisite to obtaining a student loan are: Belgium nationality, good character, good health, the satisfactory passing of examinations, recognized intellectual ability and lack of funds by the student or his family to provide this opportunity for higher education. The Council and the Bureau of the Fondation Universitaire supervise the granting of these loans and subsidies very carefully, and every precaution is taken to make the grant fit the case.

The minutes of the meetings of the Fondation Universitaire read like excerpts from human life. As you read the grant of 2,000 francs to Jean or Jules or Marie, you catch something of what it means to this young son or daughter of Belgium to be able to get the education of which he or she had dreamed. And as you note the careful instructions that are printed in the circular concerning the exchange fellowships that are to be granted in American universities in the academic year 1921-22, you can visualize the zeal with which these pages are read as they are posted on the bulletin boards of the Belgian universities.

To be eligible for one of these exchange fellowships in an American university, the Belgian candidate must be able to converse fluently and write correctly in English. A Belgian circular recently received at the headquarters of the C. R. B. Educational Foundation in New York lays down these further limitations:

In general, only young men and women who are preparing for research work or teaching are eligible.

Each exchange student will indicate his preference as to the American university which he wishes to attend; the final choice will be made by the C. R. B. Educational Foundation in New York, by agreement with the Secretary's office of the Belgian Foundation; a member of the Faculty of the university which he will attend will be assigned to him as his adviser; arrangements will be made as far as possible in advance for the student's room at the university.

Students going to California will leave Belgium on July 15, 1921, and others will leave about Sept. 1.

Exchange students will plan to remain in the United States during the entire school year, to continue friendships made in America after they return to Belgium, and to use every means to aid their country and to foster friendly relations between Belgium and the United States.

The C. R. B. at Brussels has authorized the following allotments to the exchange students:

(a) 200 francs for equipment and for the journey to Antwerp.

(b) $50 for initial expenses.

First-class passage is provided on a steamship of the Red Star Line; if the students prefer to travel second class, they may deduct the difference in price between first-class passage, and profit by this balance.

In addition, the C. R. B. Educational Foundation will remit to the exchange students at New York, the following:

(a) $50 for general expenses.

(b) $50 for the purchase of books and equipment.

(c) $1,000 in four quarterly advance instalments.

(d) Adjustment for the high cost of living.

Exchange students shall render account of all money spent.

The C. R. B. Educational Foundation will meet the exchange students upon their ar-

rival at New York, will entertain them three days in the city, and will provide them with a ticket to their destination. It will pay all expenses of registration and examination, will take care of their traveling expenses back to New York, and will provide them with first-class passage from New York to Antwerp. In returning, as in going over, the students may travel second class if they prefer, and may deduct the difference.

Belgian students are urged to take with them whatever equipment they possess for working in the classroom or laboratory, and the original or a duplicate of their university diploma.

At the end of his foreign residence, each exchange student shall make a report:

(a) On his studies and work in America.

(b) On the state of science and its practice in America, in the field that he has chosen to investigate; on the reforms that he would suggest for this field of science in Belgium, and suggestions for teaching and the formation of scientific ideas.

Each American university will furnish a report upon the work of the Belgian students.

The exchange scholarship fund is renewable for a second year in case that his research investigations and prolonged studies justify a student in making this request.

Would not this report of the returned Belgian students furnish interesting reading to many self-satisfied Americans? It might give us many fertile ideas for the improvement of our own educational practices. For, make no mistake about it, these young men and women from over the sea will take this scientific investigation very seriously, and they will enter their school year in this country in the spirit of an intellectual exploration or spiritual crusade.

American graduates already have entered the Belgian Universities of Brussels, Ghent, Liége and Louvain, and Belgian graduates have matriculated for advance courses in Harvard, Yale, Princeton, Pennsylvania, Columbia, Cornell, Massachusetts Institute of Technology, California, Johns Hopkins, Chicago and Stanford.

The first group of twenty-four American graduate students are now enjoying exchange fellowships in Belgian universities. An examination of this list of American students and of the fields of study they have chosen reveals the surprising fact that, whereas the young men have chosen Romance languages and literature, three of the young women have selected international law, political economy and chemistry, while the remaining two women "fellows" have specialized in the literature of the Middle Ages.

Information regarding the work of the Foundation and its possibilities offered to American university students may be obtained by writing to Perrin C. Galpin, Secretary of the Fellowship Committee of the C. R. B. Educational Foundation, Room 1700, 42 Broadway, New York City.

VENIZELOS AT A PARIS TRIAL

THE attempt by two Greek officers named Tserepis and Kyriakis to assassinate ex-Premier Venizelos at the Gare de Lyons, Paris, Aug. 12, 1920, was punished, after a fair trial ending on Feb. 26, 1921, by a sentence of five years' hard labor. The outstanding feature of the trial was the testimony of M. Venizelos, who appeared in person. It was shown that Tserepis was one of several Greek officers who had planned a filibustering raid on Albania and Epirus before the war, and whose animosity was aroused by the Premier's threat to sink their vessel if they attempted the raid. M. Venizelos added, however, that this personal motive had been complicated by new factors.

Two days before [he said] I had signed the Treaty of Sèvres. My enemies, no doubt, considered that after such a victory the elections that were to follow would be a triumph for me. * * * They wished to get rid of a political leader who had enabled his country to avoid the danger it had run owing to the policy of a felonious King, and they hoped to prevent me from conducting the elections which, I had promised, should take place as soon as the treaty was signed.

A violent attack launched on M. Venizelos by a retired Greek Lieutenant drew fire from the former Premier. In a vehement speech he denounced Constantine, whose dynasty the Greek people have restored.

"You have been told," he said, "that there were no pro-Germans in Greece, and this was true so far as the people as a whole and the majority of politicians were concerned, but it was not true either of the King or of his entourage, who were not merely pro-Germans, but *boche* from head to foot."

MODIFIED PROHIBITION IN CANADA

By Thomas A. Kydd

What Canada has done in the way of prohibiting the sale of alcoholic beverages, and what Quebec Province is doing in the way of reaction toward "wetness," while still trying to avoid restoring the old-time saloon

THE great war, among other things, brought prohibition to the whole of Canada. The saloon and hotel bars were abolished, and in every province a system of dispensing ardent beverages by physician's prescription was established. Even ordinary beer was on the prohibited list of beverages, and only a mild drink containing a minimum of alcohol for preserving purposes was permitted to be sold.

In Quebec alone of the nine provinces was there a partial wetness. The Liberal Government, under the Premiership of Sir Lomer Gouin, a steady and conservative statesman, had for some ten years or so been reducing the saloon licenses in the cities and towns of the province, with the intention of bringing their number down to the minimum. Rural communities also had been gradually "going teetotal" until, when the war began, about 75 per cent. of them by popular vote had gone absolutely dry alcoholically. When the wartime movement of retrenchment and denial spread to Canada, therefore, Quebec was already among the most temperate provinces, and, for that matter, was one of the most temperate places in the world. The per capita quantity of strong drink consumed in Canada, be it said, was always much lighter than in European lands.

Though the Quebec Government decided to abolish the bar, it was not convinced that the inhabitants of the province were ready for absolute prohibition. Therefore, with the approval of the Legislature, a question was submitted to the electors in February, 1919, asking them if they were in favor of the sale of beer and wine of limited alcoholic strength. The vote in town and countryside was overwhelmingly in the affirmative. Accordingly, on May 1, 1919, the bars were all closed, and mild beers and wines, of about 2 per cent. alcoholic content, in place of the former 5 and 6 per cent., were the only beverages of a spirituous or malt nature freely on sale. All spirituous liquors, such as whisky, gin, brandy and rum, were legally purchasable only by doctor's prescription, and then only in wine and imperial quart bottles, one for each prescription. Special Government licensed liquor stores were established for the purpose. The beer and wine of moderate strength were on sale by bottle in grocery stores and by the glass in restaurants.

While Quebec has been slaking its thirst in beer generally, the rest of the Dominion of Canada has by statute been under absolute prohibition. Actually, however, in every one of the provinces there has been more or less violation of the provincial prohibition laws. Some physicians, comparatively few in number, have furnished prescriptions to all and sundry by hundreds, and even thousands, monthly. There have been court prosecutions of medical practitioners for gross violation of the system, and the accused have been convicted in some instances of issuing hundreds of prescriptions for beverage purposes. In Manitoba, for instance, on Feb. 24, 1921, the College of Physicians and Surgeons in the province announced the suspension from practice of sixteen physicians, for periods ranging from a week to six months, for the wholesale issuing of whisky prescriptions. One of the medical men had to his credit, or discredit, the issuance of 10,000 whisky prescriptions in the course of a single month!

There has been a vast amount of forgery of physicians' names, and bogus forms have been printed and sold in pads by the thousand. There has also been much illicit sale

of whisky by licensed and unlicensed vendors in every part of the country, and the smuggling of hard drink across the international boundary has been enormous. It goes on day after day, despite the efforts of the authorities to uphold the law. Automobiles loaded with whisky have been seized and confiscated with their contents, and the drivers fined heavily or imprisoned; yet the game continues. In Ontario the punishments have been particularly severe; fines of $1,000 or $2,000 are of daily occurrence. There have been skirmishes between bootleggers and the preventive officers, with shooting, in which men have been wounded and sometimes killed.

The most sensational case of the kind was in Sandwich, Ontario, near the border city of Windsor, opposite Detroit, Mich., in the early hours of the morning of Nov. 2, 1920, when Beverly Trumble, proprietor of a roadhouse patronized by both Canadians and Americans, was shot dead by the Rev. J. O. L. Spracklin, "the fighting parson." Mr. Spracklin was conducting a whisky raid in his capacity as special preventive officer. He was arrested, charged with "slaying and killing" Trumble, and was duly tried and found "not guilty" of the charge of manslaughter laid against him by the Grand Jury at the Windsor Assizes, over which Chief Justice Sir William Meredith presided. The defense was that the hotel-keeper was armed, and had threatened to shoot Spracklin for breaking into his premises with his armed assistants. The jury accepted the evidence as the true statement of the facts. The Rev. Mr. Spracklin was deprived of his inspectorship, but retains his congregation.

Liquor in Canada requires defending as never before, and there have been instances where thieves have broken into houses, stolen whisky, and ignored money and other valuables. At the Port of St. John, New Brunswick, the thefts of whisky from the ocean steamships and the warehouses on the wharves became so extensive that the Canadian Pacific officials, one day in January last, met Mayor Schofield as a deputation, requesting police protection for the "wet" goods, brought principally from Scotland. It was complained that the situation was becoming intolerable, and that there must be a change. For example, the complainants charged that on one occasion seventeen men had descended upon a pile of freight and carried off dozens of cases of Scotch. The Mayor agreed that such things must cease, but he did not see why the city police should spend their time guarding whisky shipments. He promised relief, however, and by a system of watching every case of liquor from the time of its hoisting out of the steamship's hold until it reached its local destination, the thieving was practically stopped.

In Nova Scotia and Prince Edward Island also there is violation of prohibition; in Quebec, in Ontario, in Manitoba, Saskatchewan, Alberta, British Columbia—in other words, from ocean to ocean.

The Province of Quebec, as already stated, differed from the others in that the sale of mild beer and wine was permitted by bottle and glass, but otherwise it resembled the rest of Canada in that whisky could be secured only on doctor's prescription. The banishment of the bar undoubtedly did away with much drunkenness, and improvement was noted, for instance, in the streets of Montreal. This city is by far the largest and most mixed in all Canada; the population of the island is about 800,000. It is also an ocean port, which adds to the difficulties of the police authorities.

The workingmen generally were content with the beer sold in the legitimate restaurants and shops. In Montreal, nevertheless, as elsewhere, there was considerable illicit sale of strong drink by the bottle, and by the glass in the all-night clubs, which sprang up with prohibition, and which were licensed to retail beer and wine of the Government standard of mildness. These clubs secretly sold whisky by the glass, generally at a price of 40 or 50 cents a drink. They were responsible for most of the drunkenness that prevailed, and so notorious, indeed, did they become that the License Commission of Montreal denounced them. They are expected to vanish when the act of 1921 comes into force.

The Quebec prohibition law could not be strictly enforced in the cities, and the violations were daily becoming more common, despite the best efforts of the authorities. The sale by bottle from the licensed vendors' establishments, without the legal prescription, became also more and more open. The Quebec Government at last realized that the law as regards its administration was a failure, although an improvement on

the old order of licensed hotel and saloon bars. After months of study and consultation with municipal leaders and the best legal talent, the Government drafted a new liquor bill, much less drastic. This was duly presented as a Government measure to the legislative Assembly at Quebec in the session that opened in January, 1921, by the Hon. Walter Mitchell, Provincial Treasurer. Mr. Mitchell declared that the prohibition law had failed in Quebec as elsewhere, and he quoted American, British and Canadian opinion on the working of prohibition laws in general. The Hon. L. A. Taschereau, the new Premier of the province, addressed the House along similar lines, and after a few days of consideration the bill was accepted and passed by both the Assembly and the Legislative Council, or upper house. The new law becomes effective May 1, 1921.

By this act the whole traffic in ardent beverages, as well as in wines, is placed in the hands of a commission of five, comprising the Hon. G. A. Simard, who resigns from the upper house to become Chairman; the Hon. Justice Carroll, who leaves the Court of Appeal to be Vice Chairman; Napoleon Drouin, ex-Mayor of Quebec City, a prominent manufacturer; A. L. Caron, Montreal, manufacturer, and Sir William E. Stavert, a Montreal financier with Dominion-wide reputation. These men are all reputable, hard-working and successful citizens, and will have absolute control of the liquor business in their hands.

The Quebec Liquor Commission is to establish depots in cities and towns as it sees fit, choosing the locations and employing and controlling all agents and clerks. From these depots are to be retailed alcoholic beverages, other than beer, and including wines, by bottle not containing more than forty-three fluid ounces. This is the "imperial quart," but most of the bottles will be the familiar wine quart size. A customer may purchase only one bottle of whisky, brandy, gin or other ardent drink at a time, and he needs for this no permit. There is to be no limit to the sale of wines, as the Government's intention is to encourage wine drinking, in the conviction that this may tend to minimize the consumption of whisky. Premier Taschereau announced this policy in the Legislature and declared that the commission would retail wine at cost.

Hard drink and wines are to be obtainable only in the depots of the Liquor Commission, and whisky, gin, brandy and other strong beverages are to be consumed only in the residence of the purchaser. There are severe penalties for infractions of the law. Liquor depots are not to be established in rural communities, nor in any urban centre which does not wish to have one. A man may be placed on a blacklist for drunkenness, at the instance of his wife, daughter, sister, father or other relative, or employer or clergyman, and to that individual no liquor may be sold at any depot throughout the province.

Beer of 5 per cent. strength is to be brewed and freely sold in licensed beer taverns. Beer may also be sold with meals in legitimate hotels and restaurants. These institutions may also serve wine with meals. In this connection it should be noted that the commission is to decide what constitutes a meal in the event of a dispute. The commission may also at will close any depot in any section of the province, and may cancel licenses for lawbreaking at its pleasure. Its control is complete. The breweries are to sell to dealers and may locate depots anywhere but in dry territory. The whiskies, wines, &c., are to be purchased by the Liquor Commission direct from the distillers and wine growers, and every bottle is to be stamped with the Government stamp and the price to the purchaser.

British Columbia also is about to institute a system of retailing alcoholic beverages by the bottle from licensed shops, in accordance with a referendum taken last Autumn. The question on the ballot was: "Are you in favor of the sale of alcoholic beverages in sealed packets?" The vote was overwhelmingly in the affirmative.

The other seven provinces of the Confederation remain dry, but it is predicted by many observers, including Hon. Walter Mitchell, Provincial Secretary of Quebec, that prohibition in Canada is doomed eventually to disappear, and that the French-Canadian province's example will soon be followed. In any event, Quebec is venturing upon an interesting experiment in dealing with an ancient problem.

[For recent election returns regarding the prohibition issue, see news article on Canada, which can be located by looking up "Canada" in index at end of Table of Contents.]

THE NEW CANADIAN TARIFF

By W. L. Edmonds

ALTHOUGH the Canadian Parliament has been in session since Feb. 14, 1921, no definite announcement has yet been made as to when the new customs tariff will be submitted for the consideration of the House. A Cabinet committee in 1920 conducted an extensive inquiry in each of the nine provinces for the purpose of securing the viewpoint of the various interests concerned. This committee completed its labors some time ago, and it is the general opinion throughout the Dominion that the Government is deferring submission of the bill until something definite is known as to the nature of the proposed tariff legislation of the United States.

The statement made by a member of the Laurier Cabinet twenty years ago that the tariff was no longer an issue in Dominion politics does not hold good at present. The tariff is again a live issue. And that which has thrown it into the arena is the propaganda which the Farmers' Party, and particularly that section of it within the boundaries of the three Prairie Provinces, has been conducting for some time.

Although in the early stage of their agitation the farmers' organizations appeared to be demanding absolute free trade, they now deny that this is their object. According to official statements submitted to the investigating committee of the Cabinet last year, the platform of the Farmers' Party is, in brief, as follows:

> An immediate all-round reduction of the customs tariff; the establishment of a 50 per cent. preference, in place of the 33 1-3 per cent. now obtaining, on imports from Great Britain, and within five years, free trade; unrestricted reciprocity with the United States along the lines of the agreement of 1911; the placing on the free list of all foodstuffs and agricultural implements.

That this platform has stronger adherents in the Prairie Provinces than in other parts of the Dominion there can be no doubt. Leaders of the Farmers' Party in Ontario subscribe to it, but there is by no means unanimity on the part of the farmers of that province as a class. Among the farmers in the Province of Quebec the propaganda has made less impression than on those in any other part of Canada. Farmers in the Maritime Provinces, while stating a desire for tariff modifications, have expressed themselves in favor of allowing manufacturing industries some measure of protection. Fruit growers in British Columbia have unreservedly expressed themselves in favor of the maintenance of the protective tariff.

The agitation initiated by the Farmers' Party, which at present has about a dozen members in the House of Commons, has not been without its influence on the Liberal Party, which up to about a quarter of a century ago was advocating "free trade as they have it in England." The Liberal platform in respect to the tariff, as drafted at a convention in August last, has recently been described by The Toronto Globe, the chief organ of the Liberal Party, as being "based on the principle of obtaining the maximum revenue possible from those who live luxuriously, and taxing as lightly as revenue requirements will permit the necessities of life." There is, however, quite a division of opinion among Liberals in respect to the tariff.

The Independent Labor Party, which has developed some strength in the provincial Legislatures of the Dominion, favors the "gradual elimination of import duties on all necessaries of life, such as food, clothing, boots and shoes, and the tools and machinery used in production." Certain individual labor unions have, on the other hand, protested against any general lowering of the duties.

Though any material increase in the customs tariff of the United States would undoubtedly strengthen the position of the protectionists in Canada, it is scarcely likely, in view of the combined strength of the advocates of low tariff and of free trade, that the new tariff will create a higher average scale of duties than those at present obtaining. That it is the intention of the Dominion Government, however, to maintain in the new tariff the

principle of protection is evident from the tone of the speech pronounced from the throne at the opening of Parliament on Feb. 14.

> It is the opinion of my advisers [said the Governor General in that part of his speech referring to the proposed new tariff], that in such revision regard must be had to the necessities of revenue, and as well that the principle of protection to Canadian labor and legitimate Canadian industries, including agriculture, which has prevailed for over forty years in this country, must be consistently maintained; but that the customs duties imposed to that end should be no higher than is essential to insure good standards of living among our working population and to retain and make possible the normal expansion of the industries in which they find employment.

Although in the meantime several amendments have been made, there has been no complete revision of the Canadian customs tariff since 1907. The latter was the seventh since Confederation in 1867. The first revision was in 1868, and the second came in the following year, both creating an average rate of duty on total imports of 13.1 per cent. Under the Mackenzie free trade Government the third revision took place, the object being to provide a tariff for revenue only. The idea of protection was scouted entirely. Under this instrument the average rate of duty on total imports fell to 11.7 per cent. The first avowed protectionist tariff of the Dominion came into operation in 1879 under the Government of Sir John Macdonald, as a result of which the average rate of duty on total imports rose in the following year to 20.2 per cent., and on dutiable imports alone to 26.1 per cent. By amendments which were made in 1887 and 1888, with a view to affording greater protection to the iron and steel industry in particular, the average rate on dutiable goods rose to 31.9 per cent. and on total imports to 21.8 per cent. In response to a general cry throughout the country for removing what were termed "the moldering branches of protection," there was in 1894 a fifth revision of the tariff. By this, although a protectionist Government was still in power, the average rate of duty on dutiable goods fell to 30.5, and on total imports to 17.8 per cent.

The sixth revision, that of 1897, was even more remarkable for its outstanding features than that of 1879, when the principle of protection was adopted. That which in particular gave it its outstanding features was the inauguration of the principle of preferential treatment to imports from countries within the British Empire, beginning at 12½ per cent., rising to 25 per cent. the following year, and later to 33 1-3 per cent., at which it still remains. This revision of 1897 took place in the year following the advent of the Laurier Administration to power, and resulted in a slight lowering of the average duties, due rather to the influence of the preferential provisions than to any departure from the principle of protection.

The seventh and last revision of the tariff was made in 1907. The outstanding features of that tariff were the introduction of the threefold classifications of preferential, intermediate and general duties, and the establishment of the drawback principle in respect to raw materials imported and subsequently exported in the form of finished products. With rates of duty there was very little interference, the average rate remaining about as before.

Owing to temporary expedients introduced into the tariff, there was a perceptible increase in the average duties during the war period, those on total imports reaching 20.5, and those on dutiable imports 35.9 per cent. They are now back again to the pre-war normal. The average rate for 1920 on total imports was 17.61, and on dutiable imports 27.03 per cent.

The latest available figures showing the amount of duty collected on the imports from different countries are those for 1919, and they show that the average on the total imports from the United States was 11.6 per cent., and on dutiable goods 20.9 per cent. Under the first tariff created after Confederation they were 7.3 per cent. and 20.1 per cent. respectively. The average in 1919 on total imports from Great Britain was 15.3 per cent., and on dutiable imports 22.3 per cent., compared with 13.5 per cent. in 1869.

One regard in which the new Canadian tariffs differ from those of the United States is that they become effective the moment they are submitted to the House of Commons. They have, of course, to run the gamut of both the House and the Senate, but, as the failure of endorsement would mean the resignation of the Government, they never fail to become statutes.

THE EVACUATION OF SANTO DOMINGO

By Fabio Fiallo
Formerly Provincial Governor and Assistant Secretary of the Interior in Santo Domingo

The Editor of CURRENT HISTORY furnished proofs of the appended article to the State Department and Navy Department of the United States, and invited an official reply to the serious statements of Mr. Fiallo, or an unofficial reply with the sanction of the Government. After considering the matter, the authorities decided that for the present they would prefer not to make any declarations in reply to Mr. Fiallo, for the reason that the Government's future policy in Santo Domingo had not been, up to this time, fully determined.

THE Admiral of the North American Fleet who has assumed the title of "Military Governor of Santo Domingo" published a proclamation on Dec. 23, 1920, addressed to the Dominican people, in which he announced the decision taken by the Government of the United States to "withdraw from the responsibilities undertaken in connection with Dominican affairs." This withdrawal was to take place in accordance with a previously published plan.

The plan referred to provides for the creation of a "Consultative Commission of Representative Dominicans," to which is assigned, by the "will of the Military Governor," an American technical adviser. The commission is charged to draw up reforms in the laws of the republic, in accordance with the "minutes" presented to it by the technical adviser. In case any one of these reform projects for the change of the national laws should itself necessitate the adoption of a constitutional amendment, by reason of any divergency from the Constitution already in force, it will be the adviser's duty to draw up the constitutional amendment in question.

The plan does not clearly determine whether the Consultative Commission is to have any voice in these projects of constitutional amendment or even to examine them. Reforms in the laws now in force, or any new legislation drawn up by the Consultative Commission, together with the constitutional amendments proposed or drawn up by the technical adviser, are to be submitted to the Military Governor. The latter is empowered to approve them as they stand or to modify them, as seems to him best, and to "promulgate" immediately such part of this legislation *sui generis* as, in his judgment and discretion, he considers to be in conformity with the Constitution now in force.

The Military Governor's next duty will be to issue a call for the election of a Congress and of a Constituent Assembly. These bodies, to be convened by the Governor for this specific object, are to be informed of the constitutional amendments above described. When these amendments have been approved, the Governor is to call a popular election to choose a President of the republic, and when the latter has been elected the Military Governor "will renounce the powers with which he is invested" in favor of "the elected Executive of the Dominican Republic."

The plan, as will immediately be obvious to all, is only a specious and illegal stratagem, the only object of which is to give an appearance of legitimacy to the forcible seizure of the Dominican Republic effected by the past Administration.

It should first be noted that the functions and duties of the "Military Governor of Santo Domingo" are sanctioned by no statute either of Dominican or American source. They are in effect a fiction devised to serve the ends of an illegal occupation of territory belonging to a friendly nation and to enforce the overthrow of its legitimate rulers by the Wilson Administration.

They could be summed up briefly as a mendacious application of American military law, inasmuch as the said "Government" is exercised neither on American territory nor on the territory of a public enemy of the United States. This interpretation is confirmed by the fact that the naval commander who exercises this usurped authority has been allowed to retain a more or less fictitious rank in the American Navy, viz., Commander of the Atlantic Fleet, the reason for this being undoubtedly that the perpetrators of the intervention realized the inability of the North American Executive to create such an office without a violation of American constitutional law and jurisprudence. The ruse of allowing naval officers detached for such illegal functions to retain active ranking in the navy undoubtedly seemed the most effective means of obviating the obstacle described.

On what authority, then, does the ill-named "Military Governor of Santo Domingo" intervene in reforms in the laws and Constitution of the Dominican Republic, call elections there, and convene a Congress and a Constitutional Assembly? At this point it should be noted that even should the military occupation of the Dominican Republic be considered a legitimate act of war, the statutes that govern such acts from the various viewpoints of international law, constitutional law and military law as they prevail among civilized nations, in no way authorize the Governor of an occupied territory to call elections or to carry out by illegal means a permanent reform in the existing national laws, unless a specific transfer of sovereignty in favor of the occupying nation shall have previously occurred, and this for the simple reason that all such acts *are an expression of sovereignty.* In other words, only in case of a formal annexation of the Dominican Republic by the United States, bringing with it the virtual dissolution of Dominican sovereignty, would a military official of the United States be empowered within the jurisdiction of existing American laws to assume the powers granted to the Military Governor of Santo Domingo by the proposed plan.

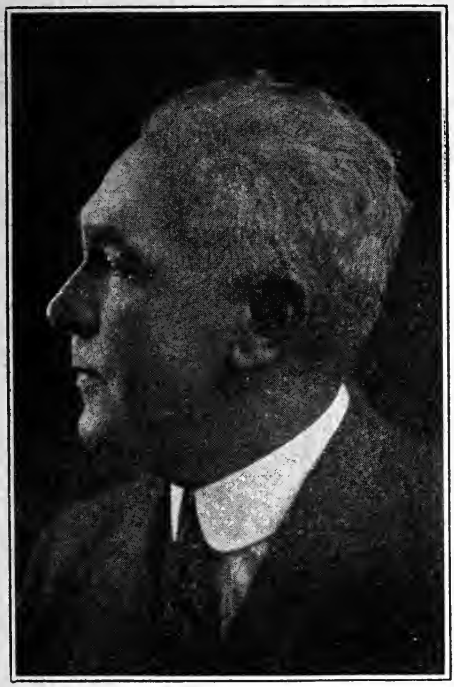
To this plan the Dominican people are opposed, not only because of its illegality, but also because they fear the practical results of this legal outrage. To take part in its execution would be equivalent to giving direct sanction to the intervention and to the illegitimate powers assumed by the Military Governor—by an act of public sovereignty, viz., the elections—and this sanction would create a dangerous precedent for the liberty of the republic. If the existing intervention were thus sanctioned and accepted by the Dominican people, and if the authority of the naval officer who now exercises dictatorial powers in Santo Domingo, with the right of effecting reforms in the Constitution, were thus recognized, this would obviously provide a sufficient basis for whatever future aggression the President of the United States might perpetrate in Santo Domingo. Whenever he might see fit to modify either the Constitution or the laws of the country, the President of the United States, under cover of this precedent, would merely have to send an Admiral to take over the Government of the republic.

And even though the Dominican people today have implicit confidence in the sense of justice of the American people, and in the judgment which they pronounced on such questions in the recent Presidential elections, the bitter experience of the wrong suffered at the hands of the last Administration and President Wilson's attempt to justify this act of imperialism by an arbitrary and captious interpretation of the Treaty of 1907 and of the rights which it conferred, have led the Dominicans to view with the greatest alarm any possibility of the setting up of a legal equivocation that would be a continual menace to their sovereignty and independence.

This American plan, then, has every appearance of a political stratagem of the kind exemplified by the famous Constitution—"made in Washington"—of Franklin D. Roosevelt, Assistant Secretary of the Navy under the Wilson Administration, a Constitution conceived with the intention of imposing the rule of the United States marines under the guise of a puppet Government for the Dominican people and with a certain appearance of consent upon their part.

To understand this, one need only consider that the determining power under the plan remains, as before, the Military Governor, and that the Consultative Commission is destined to play merely a figurative

rôle. It has no power to veto or to obstruct the will of the Governor, or to oppose the promulgation of the new legislation created by itself, but "amended" subsequently by the Governor according to his own whim without consultation with the commission.



FABIO FIALLO
Poet and former Provincial Governor in Santo Domingo

As for Constitutional reform, it is obvious that any Congress and Constituent Assembly would have to vote on the changes or additions of the Admiral exercising governmental functions; but no rational being who knows the irresponsible and despotic power wielded by the military authorities in Santo Domingo—with the support of American forces and of the National Guard which they control—can imagine that the elections which will be called to create these legislative bodies, or those which will take place later to elect a President of the republic, will represent a free expression of the popular will.

The true object of the whole plan seems to be to awaken political ambition and rivalries, in the expectation that the various political factions, impelled by degrading enticement, will abandon every consideration of respect, of decency, and of the safety of the republic's sovereignty, in order to vie with one another for the favor of the omnipotent authorities of the occupation, even though the price of such favor will be in very fact an injury to that sovereignty. The final stage of the process, already reached in Haiti, and denounced in the electoral speeches of the new American President, would be represented by the formation of a Government classifiable as opera bouffe, the institutions of which would be manipulated by a few irresponsible American officials of the "carpet-bagger" type of the Reconstruction period.

The plan does not even give assurance that the military occupation will cease, for the vague promise to "withdraw from the responsibilities assumed in connection with Dominican affairs" certainly contains no specific promise in this regard, and leaves this vital question enshrouded in ominous obscurity.

The great majority of the Dominican people resolutely repudiate the plan, realizing that its acceptance and execution would mean a virtual abandonment of sovereignty, and would be in effect a sad and most unworthy sequel to the sufferings which they have bravely and patriotically endured since 1916, precisely because they did not then consent to the proposal which it is now sought surreptitiously to foist upon them—by the plan that has been confronting them since December, 1920. The Dominicans see clearly the deception, and firmly refuse to allow dust to be thrown into their eyes. The only honorable and legitimate solution of the Dominican situation, that which the Dominican people accept as the only solution which would protect their sovereignty from a grave impairment, consists in the re-establishment of the constitutional authorities deposed by the military coup d'état of President Wilson in 1916.

This desire of the Dominican people springs from no personal sympathies or political tendencies centring about the members of the national Government that was overthrown; nor does it spring from any hostility to constitutional reforms, which all Dominicans consider indispensable for the social and political reorganization of the country and for the maintenance of public order. Its source lies in a clear comprehension of the crisis through which

the republic is passing, in a sense of our own dignity and in a realization of the dangers now threatening our freedom and sovereignty. The Dominican people, and their blood brothers by language and religion in twenty South American republics, hope for this act of justice, which is in accord with the true spirit of American traditions, from President Harding. His decision will have a decisive influence upon the immediate future of Pan-American relations, alike political and commercial.

EDITORIAL NOTE.

Señor Fabio Fiallo, who is regarded as Santo Domingo's most representative poet, has figured prominently in both the literary and the political life of his native land. Born in 1867, he devoted his youth to letters and journalism. Later he filled the posts of Dominican Consul General in New York and in Hamburg; became chargé d'Affaires in Havana, and later filled the offices of Provincial Governor and Assistant Secretary of the Interior in Santo Domingo. On July 15, 1920, Señor Fiallo was arrested by the American military authorities in Santo Domingo, on the charge that he had violated censorship regulations, and was brought to trial before a Military Commission empowered by the Military Governor to inflict the death sentence. As soon as the news of his predicament reached South America by way of Cuba, however, leading newspapers and public corporations of practically all the Latin American countries cabled appeals to President Wilson to spare the poet's life. Señor Fiallo was then sentenced to confinement with hard labor, but this sentence was changed to one year's imprisonment, and finally commuted on Oct. 15, 1920, when he received his liberty. He is now living in the United States, where he is engaged in journalistic work on behalf of Dominican independence.

THE CENTRAL AMERICAN UNION AND THE UNITED STATES

By Beryl Gray

Editorial Staff, Bulletin of the Pan American Union

THE latest political movement in Latin America to promise constructive development is the confederation of four of the republics of Central America—Costa Rica, Guatemala, Honduras and Salvador—in the Central American Union. This is the resurgence of the old political division known in Spanish Colonial days as the Realm of Guatemala, a Captain Generalcy under the Spanish Empire. Central America declared its freedom from Spain as one country. It again becomes a political whole in response to its natural geographical entity and the kindred strain of its peoples. For, though Nicaragua has not joined the Union, it is likely that it will eventually do so.

In Central America there are rich natural resources which have been barely touched, because the ways of communication have never been properly opened, and political dissensions and revolutionary movements have tempted no country—and not many rich private corporations—to invest heavily in the building of roads, railroads, power plants and other such necessities for the opening of extensive mines, plantations or industries in an undeveloped country. So mines which hide much gold, ferrochromium and lead; forests teeming with hard wood and material for paper pulp; land for planting hectares of coffee, sugar, cotton and fiber plants, and for developing new oil fields, lie awaiting the coming of men and money, which the rise of a strong government in these states will bring. Central America contains a goodly share of the raw materials which we need to keep our factories running for home consumption and for export, and her needs are exactly those things which are turned out by our steel industries, mines and textile plants. Her chief imports are machinery, railroad materials, coal and cotton textiles. Few industries outside of the raising of bananas, coffee, sugar and cacao have been developed to an appreciable extent beyond the needs of local consumption in Central America. And the chief hindrance has been the lack of shipping lines and of adequate assurance of stability of government; the would-be investor hesitated to sink his capital, even though he knew of the wealth that awaited development.

The Central American Union has been of slow growth from the earliest days of in-

dependence. When Central America drew the first breath of liberty she spoke for herself as a union, then called the State of Guatemala, under the plan of Iguala. But immediately thereafter personal enmity among the rulers of the provinces caused Honduras and Nicaragua to choose rather to join the empire of Iturbide in Mexico, and Costa Rica remained neutral, preferring her own sovereignty. So, in 1821, upon the arrival of Iturbide's Mexican troops, all these five provinces became attached to the Mexican Empire and so remained until 1823, when, at the failing of the empire, the regent of these States permitted them to call a supreme council to decide their national matters. Thus they were again given their sovereignty, holding a federal and representative congress in 1824. Once more dissensions broke out, and the countries divided. Up to 1838 various attempts by Zamorra and others broke up the union in spite of the efforts of Morazan and various patriots who worked for it. But in 1855 all the countries united against the attempt of William Walker to take Nicaragua. Yet the countries remained separate. Still the patriots and the people of these republics dreamed of a union and hoped one day for the restitution of their ancient jointure, and provision was made for it in the constitution of every one of the five States.

Now what many Central Americans believed to be but a dream is coming to pass. Whether it will be permanent, or have the ephemeral qualities of a dream, remains to be seen, and depends upon the quality of the souls of those who have brought it about and the steadfastness of the people as a whole. There has naturally been much propaganda for and against the union. Those against it have said that the United States did not want it—that it would be too strong a State—which is ridiculous, as the total population of the five countries is some 5,614,000, or less than that of New York City. Others against the union have said that the United States was secretly backing it solely for the purpose of exploiting the natural resources, to come and rob the country of its God-given wealth, converting it into American dollars to send back to the United States. This is equally ridiculous. No country that continues to hide its mineral and agricultural wealth under untouched mountains and plains can hope to prosper, any more than did the unfaithful servant of the parable, who hid his talent in a napkin.

It is interesting to note briefly what each of the four republics of the Central American Union produces at present, and what its undeveloped possibilities are:

COSTA RICA — The chief exports of Costa Rica are coffee, bananas, gold and silver. Her export trade to the leading commercial countries for 1919 amounted to $17,748,835. Her imports for the same year were $7,517,989, chiefly in tools, sugar mill machinery and machinery for the preparation of coffee and cacao; flour, cotton fabrics, electrical material, railway material, lard, coal. In addition to bananas, of which the annual export is some 11,000,000 bunches, Costa Rica produces hides, skins and rubber, as well as such hard woods as mahogany, ironwood, cedar, logwood and other wood suitable for dyeing and tanning purposes. These latter products have never been developed to any great extent, due to lack of roads and other means of transportation. The Government lately granted a concession for turtle fishing off the coast, and so added another item to Costa Rica's list of natural resources.

GUATEMALA — Guatemala's chief exports are coffee, bananas, sugar, chicle, hides, rubber, skins, &c., which in 1919 amounted to $22,419,134, bought by the chief commercial countries. Her imports for the same year amounted to $11,230,819 worth of cotton textiles, iron and steel manufactures, food products, wood, textiles, railway material, agricultural and industrial machinery, &c. None of the exports have been developed to anything like their possible production, for lack of large investments and transportation. The message of the President of Guatemala read on March 1, 1920, states that the ferrochromium mines of Jalapa and the mines of Estrada Cabrera produced 2,241,341 kilos and 11,352 kilos, respectively, of which 1,801 long tons were shipped to New Orleans and New York. The mines of Santa Rosa produced 680,770 kilos of first grade ore and 533,400 kilos second grade. The lead mines of the Department of Huehuetenango produced 1,249 quintals of pure metal.

HONDURAS.—This state exports chiefly bananas, gold and silver cyanides, coconuts, cattle, hides, coffee, rubber and mahogany.

In 1919 the export trade of Honduras amounted to $5,733,622, while her imports for the same year were $6,931,376 worth of cotton textiles, foodstuffs, pharmaceutical products, boots and shoes, machinery, iron and steel manufactures. Some of her almost untouched resources are now coming to light in a concession recently granted to exploit vegetable pulp for paper and a twenty-five-year concession for petroleum. New oil fields and new fields for paper pulp are certainly going to be interesting, in view of our lessening supplies of these necessities. Then, too, there is a concession given not long ago for the exploitation of oleaginous fruits. The castor-bean plant grows wild in these countries, and the castor oil which it produces is not only a medicine but extensively used as a lubricant in aircraft engines. Many comestible oils are produced from plants native to Central America.

SALVADOR.—Salvador's exports are coffee, gold, silver, sugar, indigo, balsam, hides, rubber, tobacco, rice, etc., amounting, in 1919, to $16,745,290. In the same year she imported $14,958,196 worth of cotton cloth and manufactures, hardware, pharmaceutical supplies, flour, boots and shoes, cotton yarn, machinery. Not long ago petroleum was discovered in Salvador at a depth of 800 feet, and amber was reported to have been discovered in San Alejo, Department of Union.

NICARAGUA.—In Nicaragua, which has not joined the Union, but will probably do so, the exports are coffee, rubber, gold, silver, hides, bananas, woods, cacao and sugar, amounting in 1919 to $12,409,472; her imports for the same year were $7,912,653 worth of textiles, flour, machinery, kerosene, leather, boots and shoes, mining materials, rice, etc. Within the last year a contract was granted for the introduction of Spanish immigrants for the cultivation of *abaca* (Manila hemp), cotton and grapes, and another concession for an $800,000 plant for the concession of textile fibres from several varieties of fibrous plants. An oil concession of 500,000 hectares was also granted.

Costa Rica and Salvador have passed laws granting free postage to periodicals of Central American countries, provided these countries extend reciprocal privileges. Costa Rica, with the exception of tobacco and other State monopolies, has declared all raw materials from the Central American republics free of import tax. In case of reciprocal action by the aforementioned countries the exemption from taxation will be extended to articles manufactured from raw materials, with the exception of the State monopolies.

Costa Rica and Nicaragua signed a treaty on June 20, 1920, permitting the reciprocal use, in the timber commerce of the two countries, of the waters and streams near the frontier. Under this convention Costa Rica permits vessels loaded with timber from the forests of Nicaragua to use the Colorado River and its exit to the sea without payment of fees, taxes or contributions for fiscal services rendered. And Nicaragua grants to Costa Rica the same rights in the use of the rivers and lakes of its territory for vessels loaded with timber from the Costa Rican forests. Then Nicaragua, which is not a member of the union, has declared exempt from port, anchorage and lighthouse taxes vessels flying the flag of any of the Central American countries engaged in coastwise trade between the ports of Nicaragua, other Central American countries and Panama. This seems a good augury for the union.

It was planned to create the union, if possible, on the centenary of the independence of Central America, and to this end a central office was formed. Salvador invited the other four countries to each send five delegates to consider the matter, and the result was that a covenant was signed in San José, Costa Rica, on Jan. 19, 1921, whereby Guatemala, Salvador, Honduras and Costa Rica constituted themselves a sovereign and independent nation, to be known as the Federation of Central America. This union will allow the component States autonomy in handling their domestic affairs, and permits them to observe their diplomatic treaties severally made, if the union has not, through diplomatic means, effected changes in them.

The bases of the Constitution are that the Government of the union be republican, popular, representative and responsible. Sovereignty will reside in the nation, and federal power will be exercised by a Federal Council composed of delegates elected

by the people, each State to elect a delegate and an alternate, who shall live in the federal capital during their five-year term of office. There shall be a President of the Council elected from among the delegates. The Federal Council shall have control of the military forces of the several States. As soon as the congress of each State has ratified the covenant of San José a congress will meet which will be in session one month to draw up the Constitution. This congress must be organized by not less than three States, and not later than Sept. 15, 1921. The covenant expresses regret that Nicaragua has not entered the union, but provides that she shall be treated as a member of the Central American family, and may enter when she so desires. This provision is also extended to any other State which does not at once join the union. At the time of preparation of this article the congresses of three States had ratified the Union covenant, thus putting it into force.

After the war with Spain the United States began to realize that it could not live to itself alone, and Central America is now realizing that the time is ripe for intercourse with the world. Once, in prehistoric days, man gave chase to his food, fell upon it and devoured it. He covered his nakedness with the skins of animals thus captured, and used their splintered bones for rude tools. Next he learned that by barter and trade he could obtain things from beyond the limits of a day's journey. As civilization progressed man's needs increased. His field of activity is no longer bounded by the circle to which the endurance of his heart and the swiftness of his feet once confined him. Nations have come to realize that the laws of supply and demand reach out beyond the national confines in a network all over the world, and that the members of the human family must help each other if they would live. Long continued personal or national selfishness is a destructive policy which operate against the one who lives by it, for it is contrary to the great scheme of things. Sooner or later individuals and nations realize that the earth was not created with their birth and will not cease its perennial miracle of Spring when they perish. They realize sooner or later that they are but part in a great, incomprehensible whole. The Rockefeller Foundation has done much to clear Central America of yellow fever, and is waging a campaign against hookworm, which is a great service not only to the countries themselves, but to the rest of the world.

Transportation in the countries of the Central American Union is in many parts by pack horse, or natives carrying loads by means of a headstrap; in more thickly settled regions it is by slow, deliberate bull carts over rutted tracks or roads. Perhaps before long this will all be changed; it will be, if it is possible to establish a strong Government, which can give assurances of the peace that must reign if capital is to be invested. If the Union of Central America becomes a strong Government, and political factions can be overcome by patriotism, it will mean the economic development of this natural geographical entity, whose various peoples are of the same racial strains. For, if the greatest good of the greatest number is earnestly striven for, Central America, previously known to the world chiefly as the place where five small republics carried on revolutions, may become a centralized State with unmeasured possibilities in the way of raw materials for the rest of the world, for which it will receive in return the products of an older national growth.

HOW PANAMA PAID OFF ITS DEBTS

By CREDE HASKINS CALHOUN

THE Republic of Panama is now in the best financial condition of any country in the world; and yet only a little over two years ago it was deeply in debt and five months behind in payment of current running expenses. To be ranked so high financially is no small matter, and it is particularly unusual for this distinction to be held by a Latin-American country. Today Panama, if it wished, could pay every cent of its national debt in cash, but such action, of course, is neither necessary nor advisable.

In November, 1918, the Government had on deposit in a local bank $18,170.95, and in the National Bank $9,573.75; it also held various notes, papers and credits for payments made and money advanced, amounting to $142,381.40. A great part of the paper just mentioned was of very doubtful value. The local bank deposits were already pledged for the amortization of the contracted debt, and the National Bank credit was set aside for payment of interest on bonds covering indebtedness. Funds were not available for the payment of the Government employes, all of whom had their salaries discounted 15 per cent. by the Government because of lack of funds, and many of whom were forced to assign their salaries to usurers, sometimes at a discount of as much as 60 per cent. All bills against the Government were at a discount because they could not be collected in less than eight or nine months after maturity, and then only with great difficulty.

In his report to the Assembly the Secretary of Finance said, referring to conditions in 1918:

> The credit of the Treasury was so impaired that the principal commercial houses of the Republic had notified the Government purchasing agents that they did not want any connection with the Government, against which they already had bills which had not been paid. The banks, the electric light company, and the Panama Canal had greatly harassed the Treasury in their repeated attempts to make collections.

The floating debt at this time, to merchants and individuals, amounted to $1,000,000, and a similar amount was owed to the Panama Canal.

The real reformation began when Mr. Addison T. Ryan, an American with previous experience in Haiti, was appointed Fiscal Agent. It was considered necessary at first to float a loan in order to eliminate the floating debts and to make a fresh start, but the condition of the money market, as a result of the war, made the prospects of success discouraging. There occurred, furthermore, such a surprising increase in revenues and a corresponding reduction of expenses that the loan was not floated, and the Government has recovered financially without borrowing one cent.

One of the first steps taken was to reduce the force of Government employes by 15 per cent. and to pay the remainder the full amount of their salaries, instead of discounting all salaries 15 per cent., as had been the previous practice. The introduction of more efficient methods resulted in an increase in the amount of revenues collected; and the employes, who now received full pay, gave better and more loyal services.

Panama, like many other Latin-American countries, had granted to individuals for specified sums the right to collect certain taxes, such as the internal revenue on intoxicating liquors. The system applied in collecting a great part of the revenues was faulty and expensive. In some cases collecting agents had for long periods neglected to turn in to the Government the amounts collected. The accounting system was poor and accounts were not kept up to date. The Government had a number of purchasing agents and as many storehouses; this led to great confusion and entailed a great loss of materials and supplies. These and many other irregularities were discovered and have since been largely corrected.

The Government took over the collection of the internal revenue from liquors and in one month collected more than had been produced in an entire year by the old sys-

tem of selling the concession. A new system of accounting was installed which made it possible to tell day by day the exact financial condition of the country by a daily balance of all accounts. All purchasing for the Government was placed under a single head, and all materials were stored in one place and properly accounted for, with great resulting economy.

Instead of the faulty, unreliable and expensive system of handling revenues collected, a contract was made with a local bank to act as collecting agent and depositary for the Government, and also to disburse moneys upon proper authority from the Department of Finance. The bank receives a small commission on the funds collected and disbursed, but pays interest on deposits. Formerly the Government paid $45,000 a year for the collection of revenues. Under the new arrangement the interest on deposits exceeds the commissions paid the bank, making a saving of over $47,000 a year and at the same time increasing the amounts of collections received; the Government, furthermore, is now provided with an efficient and reliable collecting and disbursing agency.

In the meantime debts to the amount of $1,248,247.74 have been paid, leaving in the treasury on Dec. 31, 1920, a balance of $2,918,466.31. During the ensuing period public improvements were made and over a quarter of a million dollars spent in the work of constructing a new hospital and in measures to improve the public health; interest was paid on loans and amortization of loans to the extent of $280,452, while current running expenses were kept paid up to date. Government employes, instead of accepting paper which they could not collect for months and which they were forced to discount at heavy loss for cash, received checks for their salaries in full on the last day of each month, and these checks were cashed at sight for face value. A statement for the eighteen-months period ended Dec. 31, 1920, showed that the collections, averaged over the period, exceeded the running expenses by $208,908 monthly.

The national debt of Panama consists principally of loans, the largest of which pays interest at 5 per cent. and is due in 1944; the second largest loan, bearing interest at the same rate, is due in 1925. Panama can pay the interest on her loans and provide for their amortization without using one cent of current revenue collected. This is made possible by the annuity of $250,000 paid on account of the Panama Canal, and by the interest on $6,000,000 deposited in the United States to guarantee the parity of the national currency, which is no longer in use. [The money of Panama has practically all been exported as a result of the rise in the value of silver during the war, and at present, though not legal tender, United States money—silver, gold and paper—is employed as a medium of exchange.]

If the present methods are continued, and the budget system that has been established is maintained, the financial future of Panama is assured. As regards stability, the Government is guaranteed revolution-proof by the United States.

The surplus in the treasury is to be devoted to the construction of good roads to develop the rich resources of the interior of the Republic, and to make of Panama a producing country, which it is not at present.

A SERVICE RENDERED

To the Editor of Current History:

I acknowledge receipt of a copy of the CURRENT HISTORY MAGAZINE for April, and have read with special interest the article written by Dr. John S. Cummings [on "Retraining War-Disabled Men."] I believe you have rendered a distinct service by the clear statements which you have thus presented. The task of rehabilitation is a responsibility of the American people. The Federal board is striving to act as the agency of the American people, and needs the intelligent and sane support of all persons who think and work.

R. T. FISHER,

Assistant Director for Vocational Rehabilitation.

Washington, D. C., April 2, 1921.

[COMMUNICATION]

"AMERICAN POWERS IN PANAMA"

A reply to Elbridge Colby's recent article on the foregoing subject, with some pungent comments on the North American air of superiority regarding Latin Americans

To the Editor of Current History:

If the American people were to judge of the importance of the Republic of Panama as an independent nation by the article contributed to CURRENT HISTORY by Elbridge Colby, published in the March number of this magazine, under the title of "American Powers in Panama," they would be apt to consider this strip of land as nothing short of an American colony, in which the natives are but a group of school children who depend entirely on the United States to learn the rudimentary lessons on how to conduct their own affairs.

And nothing would be more unjustified or untruthful than this opinion, as it is a well-known fact—at least to those who have impartially followed the march of events in Panama since its separation from Colombia in 1903—that this small republic has been solving the problem of its existence as an independent and free nation without the aid of outside influence and with the determination and energy which arise precisely from the consciousness every Panamanian has that all the progress, both moral and sociological, which the nation may achieve is wrongfully traced back to the effect which her supposed constant tutelage has on her national life.

It would be unjust not to admit that American influence has done a great deal to hasten our material progress; but if the people of the United States were acquainted with the indiosyncrasy of our race, if they would only realize how we resent that superiority which a great majority of their countrymen boast of—perhaps not maliciously, but unconsciously—when in the presence of Latin Americans; if they were aware of the fact that our pride is beyond all human conception when racial differences are concerned, they would be the last to give themselves credit for any *direct* progress evidenced in the regions of Latin America where they exercise a certain influence.

Thus, it is safe to assume that Americans have done little or nothing to achieve the least progress in the governmental system of Panama. Their presence in the very heart of the republic has not left and will not leave any traces in the sociological evolution of our national life, for the simple reason that what they consider good and what is good for their country is absolutely useless to us down here. If the American press and officials who are sent down here to serve in the Canal Zone do not end that systematic propaganda which they carry on, with the childishly egotistical intention of giving the American powers in Latin America generally, and in Panama specifically, an importance and scope of action absolutely chimerical, they will only help to breed a resentment which will spread like a forest fire throughout the Latin American continent and ruin the hope for closer relations between the two continents entertained by the few Americans who have taken pains to study our idiosyncrasies.

Now, we will endeavor to show just where Mr. Colby has misrepresented the truth in his appreciation of the work being done down here by the Americans. But before we proceed, we would like to impress upon the mind of every American the fact that Mr. Colby's act was inspired in that excess of patriotism which is apparent in the majority of the less informed Americans: their love for their country is such that they do not realize how any nation or people can prosper without the moral aid or material help of Uncle Sam. And this is doing more wrong to the American nation than is generally imagined!

We have just witnessed a fortunately bloodless war between Panama and Costa Rica. During the first few days of the threatened conflict Panama turned her eyes toward the Americans for arms and ammunition with which to carry on the defense of her invaded territory. According to an existing treaty, Uncle Sam must protect Panama in case of war. The arms and ammunition so urgently needed by Panama at

the time were, however, long in forthcoming, and the protection which Panama had a right to expect from the United States had to be looked for elsewhere.

There was some fighting done in the Coto region, invaded by the Costa Ricans. The Panamans compelled the enemy hordes to abandon the invaded territory; many prisoners were taken, and all this was achieved by precisely the same police force which Mr. Colby seems to have such a poor opinion of, to judge by the depreciatory way in which he alludes to it in his article under refutation.

All the protection given Panama by the Americans was the suggestion made by William Jennings Price, United States Minister to Panama, to Narciso Garay, Secretary of Foreign Relations of the republic, that Panama withdraw her troops from the invaded territory and that the United States would see that Costa Rica did the same. This suggestion was rejected by the Panama Government, as it was tantamount to proposing that the owners of a house infested with robbers abandon their premises while the police diplomatically convince the intruders to go on their way unmolested.

Americans have never assumed police duties in Panama. It is true, however, that detachments of marines have been landed in the cities of Panama and Colon and that some troops have been sent to the interior towns during election days, but the jurisdiction of these troops began and ended at the voting polls. They had nothing to do with the maintenance of order outside of these places and their duties were supposed to be confined to supervising the elections. This was done at the express request of the Panaman authorities as a means of guaranteeing fairness in the elections and never with the intention of preventing violence, as Mr. Colby wrongfully asserts in his article. The Panaman police force is quite capable of doing this without American interference.

The presence of American troops in Chiriqui was generally considered as an injustice to Panama. The reasons alleged for their continued stay in that region were as futile as can be possibly imagined. Mr. Colby speaks in his article of "American ranch owners" who requested that the troops stay there to protect their interests, and as a matter of fact there is only one ranch owner of American nationality established in the Chiriqui Province. His property was generally respected, and the activities of the cattle thieves were confined to the ranchers of Latin extraction. Those ranchers were the first to impress upon the National Government the necessity of having the American troops withdrawn from the province.

The arrival of the American troops in Chiriqui concurred with the adoption of stringent measures on the part of the Panama Government to put an end to the cattle robberies in that region. The action was spontaneous and came as the natural consequence of the redoubled activities of the thieves. It was not an imposition of the Americans, but the local authorities' earnest intention of re-establishing order in that important section of the country.

Convictions were secured in court without the least trouble, once the guilt of the accused was definitely established. As a newspaper man in this country for the last ten years, the writer can assure that in the columns of the local papers there has never appeared an item attacking any native Judge for laxity in judicial affairs in this connection, as Mr. Colby asserts. It is true that the press attacked the police authorities or, to be more exact, one police authority for his apparent ineptitude to cope with the situation in Chiriqui. That authority is no other than A. R. Lamb, an American, whose services were hired by Panama to act as Inspector General of the police force.

Lamb had promised to work wonders in our police system; he had agreed to introduce wide-reaching reforms; he was bound under contract to make of our police an institution comparable in efficiency to any of the best American and European forces. The Chiriqui question was the first problem that he was called upon to solve. His appearance in Panama had been given such wide publicity, his aptitude had been so greatly exaggerated that it was only too natural that the people should be disappointed when they saw that the Chiriqui thieves continued to commit their robberies right under Inspector Lamb's very nose. The press protested, unjustly so, perhaps, but not against our Judges. Inspector Lamb was the bullseye of all the attacks. Time, however, has shown us that Lamb's presence in our police force has produced some

benefits and that he deserves much credit for the present efficiency of the force.

The American soldiers who were detailed for service in Chiriqui acted in a way which tended to increase rather than to decrease the ill-feelings entertained by the population against their presence there. They acted as conquerors and not as friends who were supposed to be on the best of terms with the native population. The most insignificant private had about him the airs and actions of a powerful tyrant when in the presence of the natives. They would boast of their power and speak with contempt of all our institutions, and would not pass by an opportunity of showing that, in all respects, they were the better and only men.

And this was not all. They carried their idea of power and conquest so far as to violate the sanctity of our mails, and it was with the greatest alarm and indignation that the people of Panama read about the raid that a group of American soldiers—at the command of precisely the same Sergeant to whom Colby refers in his article, saying that he had been recommended for the distinguished service medal—entered the Post Office at David, the capital of the Chiriqui Province, and by sheer force and regardless of the protests of the Postal Agent and his subordinates, opened every bag of mail and kept the letters addressed to the men of the post. The reason they gave for this action was that the employes of the David Post Office were very slow in sorting out and distributing the mail!

Does it not seem strange that an American who so acts should be recommended for such a high honor as the distinguished service medal? Is it nothing to wonder at that every native should ask that the American troops be removed from the Province? Does it seem possible that any Panaman would favor the continued stay of a group of soldiers who acted so tactlessly—to say the least—with such a sacred thing as the postal institution of a foreign nation? The answers to these questions will suffice to convince every sound-minded American of the falsity of Mr. Colby's assertions in his contribution to CURRENT HISTORY.

But there is still another point that we should like to clear before ending this article, with which we hope to expose beyond a doubt the spirit in which Mr. Colby wrote his misstatements about Panama.

Fred Grant was a private in one of the American Army posts stationed in the Canal Zone. He carried on a love affair with a Nicaraguan girl, with whom, it is said, he lived a marital life. Grant felt a wild passion for the girl, and one day he conceived the crazy idea of taking her out for a ride in an automobile of his own. To that end he hired an auto and ordered the chauffeur to drive out with him toward the Sabanas Road, in the suburbs of Panama. There a bullet perforated Chauffeur Moreira's skull, ending his life, and Grant thus realized his dream of being the proud owner of an automobile. He took the machine to the Corozal post, repainted it, and returned to Panama later to take the girl out for a ride. The car was in Grant's possession for two or three days, until Inspector Lamb, his own countryman, arrested him as the murderer of Moreira, placing enough evidence before the jury to secure his conviction. He was sentenced to twenty years in jail.

Grant is the American soldier to whom Mr. Colby refers as having been sentenced to life imprisonment for a quarrel with a few natives. As to the woman who was sentenced to forty-nine days in jail, and who was released five days later, that case is a sheer invention; the annals of the Panama police show nothing of the kind.

ANGEL D. RODRIGUEZ,
Former editor of the Panama Morning Journal and assistant editor of the Diario de Panama.
Panama, March 24, 1921.

[COMMUNICATION]

PHILIPPINE INDEPENDENCE

A Filipino student's reply to the contention that the Moros and the Christian Filipinos could not unite in the creation of an independent Government for the islands

To the Editor of Current History:

In the March number of CURRENT HISTORY there appears an article entitled "Filipino Independence and Moro Domination," written by Mr. Donald S. Root. Among those unfamiliar with actual conditions in the islands, that article is bound to create the same impression that earlier writings on the backward people of the country had created. Like all other articles written by opponents of Philippine independence, the one by Mr. Root draws a gruesome picture of the chaos that is supposed to be forthcoming should the Filipino people be turned loose to carve their own destiny.

It is not the object of the present writer to blur the facts set forth by Mr. Root as a basis for his stand on the Philippine independence issue. The episodes he describes are not questioned. It is his sweeping generalization that leads one to suspect that Mr. Root had already a preconceived opinion on the subject, which he wanted to crystallize by appropriate illustrations. Assuming, however, that he is one of those who have the best interests of the Filipino people at heart—a safe assumption, otherwise he would not have served the Philippine Government for six long years—his views may be considered as not distorted by prejudice.

But, granting that in some localities such conditions as were found by Mr. Root existed up to 1918, it does not necessarily follow that similar conditions exist everywhere else. To judge America by the impressions gained in its big cities, where a vast number of unassimilated foreign immigrants are found, is to misjudge America; likewise, to judge the Filipino people by impressions obtained from the backward peoples and from the backward places is to misjudge and to misrepresent the whole Filipino race.

Mr. Foster of Reed College sets forth four fundamental principles for testing the validity of any generalization: (1) Is the relative size of the unobserved part of the class so small as to warrant the generalization? (2) Are the observed members fair samples of the class? (3) Are we reasonably sure that there are no exceptions? (4) Is it highly probable that such a general rule or statement is true?

Mr. Root, in the first place, as he himself intimates, was stationed in Mindanao and Sulu all the time that he was in the Philippines. But Mindanao and Sulu are only a small portion of the Philippines from the standpoint of population. If a part can be considered equal to the whole, then Mr. Root's contention is irrefutable. But statistics show that less than one-tenth of the entire population live in Mindanao and Sulu. To say that the Filipino people are not yet ready for self-government simply because a small fraction of them are ignorant of law and order—assuming that all the Moros are still so—is evidently fallacious and cannot stand our first test. Taking this with the fact that the Moros had no chance to develop themselves during the Spanish régime, it at once follows that they cannot be taken as fair samples of the class. If the Moros constitute but a small portion of the population of the country, and if they are not fair samples of the class, no general statement such as Mr. Root has made can reasonably be probable.

It is not fair to judge a people wholly by their past. It is true that the Moros were at one time feared by not a few people in the northern islands. But the piracy and outlawry so vividly brought out in Mr. Root's article are a thing of the past. This fact is borne out by the following memorandum of Colonel Ole Waloe, commanding officer of the constabulary in the Department of Sulu and Mindanao, issued on Nov. 23, 1918:

1. As late as 1885 the Spanish Government pardoned Datu Pedro Cuevas and his gang of escaped convicts on condition that they protect the town of Isavela, Basilan, from further attacks of the Joloano and Yakan Moros, notwithstanding the place was at that time protected by an excellent fort.

2. In 1904 this same Datu Cuevas wrote the Governor that he had captured three

pirates, and, after investigating them, had had them shot.

3. During 1908 no less than six different outlaw bands operated at various times during the year on Basilan in such alarming force that it was necessary to send four companies of United States infantry and two companies of constabulary to that island.

4. For the years 1908-1909 37 outlaws were reported killed, captured and wounded; for 1910-1911, 28; for 1912-1913, 40; for 1914, 23; for 1915, 1, and for 1916-1917, none. This great change from the spirit of outlawry and piracy, coming down from the Spanish régime, to peace and industry, was brought about almost entirely by the sympathetic attitude and friendly interest of the department Government toward the Moros and pagan tribes of the province. Force without limit had been used for 300 years, but apparently with little, if any, permanent result.

5. For the last four years the number of grave crimes in the Province of Zamboanga has been less than that in the department's most advanced Christian province for the same period.

Contrary to the prediction of the calamity howlers, the Christian Filipino officers of the constabtulary have succeeded completely in winnin gthe confidence of the Moros

The foregoing testimony, furnished by an American officer, is the best indication of the ability of the Philippine Government to deal with the lawless elements among the Moros. Unfortunately, Mr. Root, in his connection with the Philippine constabulary, an insular police organization, had to deal more with the lawless than with the peaceful people, and is therefore prone, like any one else under similar conditions, to be rather uncompromising in his interpretation of facts and too drastic in his conclusions.

The Philippine Government, like all others, has its problems. The Moro problem, acknowledged to be the most difficult, is not nearly as intricate as the race and immigration problems in America. As the following facts disclose, the Government is succeeding wonderfully in solving the Moro problem in the way it ought to be solved:

1. During the school year 1918-19 the average daily attendance of the schools was 23,953. The number of teachers employed was 1,061, a majority of whom hail from the Christian provinces.

2. There are seventeen dispensaries, which for the most part are located in remote communities. Approximately 30,000 children are treated each year in these dispensaries.

3. The Philippine Legislature has appropriated $500,000 to aid such Christian Filipinos from Luzon and the Visayan Islands as may desire to migrate to Mindanao and Sulu, and establish agricultural colonies. The object of these colonies is not only the development of the vast fields that have not yet been touched by the hands of man, but "also the amalgamation of Christian and Mohammedan Filipinos." The plan has proved a success, as admitted even by its opponents.

The restlessness among the Moros in the past was due to the fact that they were not given fair play and a square deal. They were hunted like criminals, instead of being given a chance to develop. The migration to Mindanao and Sulu of the Christian Filipinos, the opening of agricultural schools and the improvement of sanitary conditions are some of the forces that have been operating to bring about the existing friendly relations between the Christian Filipinos and the Mohammedans. That such a friendly relation now exists is confirmed by the annual report, Dec. 31, 1919, of Mr. Luther B. Bewley, Director of Education in the Philippines, in which he made the following statement:

Today the Philippine Government has the united support of the more intelligent of the Mohammedan Filipinos. Six of the highest ranking Mohammedan princesses of the Sultanate of Sulu are now teaching in the public schools. There are today in the provinces of Sulu, Lanao and Cotabato forty-two young men and young women of the Mohammedan faith teaching in the public schools.

Mr. H. G. Rasul, son of former Senator Hadji Butu of Jolo and adopted son of the Sultan of Sulu, who is in Washington taking courses in diplomacy and law, says:

Christian and Mohammedan Filipinos are one in spirit and one in blood. Education and personal contact are solving everything. I can speak for ourselves and am for the Filipino independence.

The statement of a Moslem Third Member of the subprovince of Zamboanga also is significant:

He who thinks that it is impossible for the Moslem and the Filipino to live together in peace and participate together in government is foolish and lacks wisdom.

Even Hadji Butu, who was cited by Mr. Root as not in accord with the Philippine independence movement, expressed himself on the relations between the Christian and Mohammedan Filipinos: "We are one in spirit and one in blood."

The transformation of the Mindanao and Sulu region is best described in the following words by ex-Director of Education Dr.

W. W. Marquardt, who has been in the Philippines for eighteen years:

> The Spanish outpost at Jolo is a clubhouse for the Jolo Golf Association, and where the Spaniards once shot at Sulu chiefs the American golf ball now endangers the life of the Sulu caddy. Datu Piang rejoices in the prowess of his sons in the manly art. Baseball has become a distinct moral force, and the younger is no longer found at the cockpits.

The above facts are an eloquent testimonial that the Moros of generations ago are no longer the Moros of today.

Multiplicity of languages is an old contention against Philippine independence. Switzerland has been able to survive, despite the presence of a number of languages. It is true that many dialects are spoken in the Philippines, but there are three main languages, any one of which can be spoken by the great majority. In view, besides, of a fairly general knowledge of Spanish and English, particularly the latter, with its unifying influence, only a pessimist can question the strong solidarity of the country.

Does the fact that three teachers in the back country cannot speak intelligible English prove Mr. Root's assertion that the progress in English is slow? To know what a people really is capable of doing, it is not fair to base judgment on impressions in the back country, where conditions are most unfavorable. Dr. W. W. Marquardt, one of the greatest living authorities on this subject, in view of his eighteen years of experience in the islands, says: "If you go from Zamboanga to Aparri, you always find the native able to converse with you in English." Statistics show that in 1919 474 took civil service examinations in Spanish and 11,600 took them in English, whereas fifteen years ago 3,555 took them in Spanish and only 2,917 in English.

Professor Monroe substantiates the above facts in the following significant statement, made after personally investigating the educational conditions in the country:

> It seems probable to an observer that greater educational progress has been made in the Philippine Islands in ten or twelve years than in any similar period or in any place in the history of education.

The fact is that today 25 per cent. of the people write and speak English fluently, with 866,000 pupils studying the language.

No one can judge the ability of the Filipino people to manage their own affairs and solve their own problems unless they are given the chance to do it themselves. The question of Philippine independence will forever remain an academic question enshrowded with speculative opinions unless it be actually put to a practical test. Such a policy is consonant with the spirit of "square deal" and "fair play," the dominant note of American idealism.

VENANCIO TRINIDAD,
Filipino Student at Iowa State Teachers' College.
Cedar Falls, Iowa, April 2, 1921.

MESOPOTAMIA AND THE BRITISH MANDATE

ON Feb. 16, Bonar Law, Government leader in the British House of Commons, in reply to a demand made by W. Joynson-Hicks on the Prime Minister that a copy of the Mesopotamia mandate be laid on the table, set forth the unusual proposition that not only must it be submitted to the League of Nations first, but that there was no power afterward to revoke it, even in regard to its financial responsibility. He added that otherwise "it would really mean that the League of Nations could not carry on its functions."

The foregoing statement throws a flood of light on the British note, conciliatory but firm in rejection, sent the Washington Government on March 5, in answer to Secretary Colby's demand for equal opportunity for United States nationals in the economic employment of Mesopotamia.

Meanwhile, the news to the Arabs that the Allies were contemplating a change of heart, not only toward the Constantinople Government, but also toward that of Angora, caused them to co-operate with the British in the restoration of peace with more enthusiasm. The vernacular press of Bagdad regards the return of King Constantine to the throne as very bad for Greece, but a real benefactor to Irak—provided the Allies "punish him by taking from him what rightfully belongs to Turkey."

PROSPEROUS TIMES IN NEW ZEALAND

By TOM L. MILLS
Editor of The Star, Feilding, New Zealand

IT has been reported by observant New Zealanders who have recently returned from tours abroad, including sojourns in the United States and Canada, that New Zealand still remains the land of the happiest conditions and of the most reasonable rates of living. At the time of writing (the opening of the new year) there is not a single strike or lock-out in any part of the dominion. New Zealand, industrially, works under a system of conciliation and arbitration in the compulsory settlement of disputes. Nor have we any problem of unemployment as yet to solve.

Wages have shown a general increase in all branches of activity. The industrial awards of the Arbitration Board at the beginning of January recognized the minimum wage for the lowest class of male adult unskilled workers as $23 for a week of 48 hours, which is $1.50 higher than the basic wage recently recognized by the Board of Trade of New South Wales, the mother State of Australia.

As to the skilled trades, wages have increased very much over the pre-war rates. The pay of linotype operators and others in the printing and kindred trades has gone up 80 per cent., taking into the calculation the increased-cost-of-living bonuses awarded periodically, on the call of the labor unions, by the Arbitration Court. Linotype operators in our cities are earning $40 a week. Compositors who were paid $17 a week in 1914 are today paid $28.50. Drivers of horse vehicles and stable hands who before the war received $10.50 a week now get $20.50. The carpenter and builder who six years age was in receipt of $3 for an eight-hour day now gets $5 or $6 a day for a 45-hour week—and there is just as great a demand for homes and as great a housing problem in New Zealand today as in America or any other part of the world.

As regards prices, official records compiled by Government departments show that for the general group of grocery supplies the increase in 1920, compared with 1914, is 47.50 per cent.; for dairy produce, 58 per cent., and for meat, 40 per cent. Here are some individual quotations concerning the essentials of our everyday life: Sugar in 1914 was 7 cents over the counter, and today it is 15 cents. A 100-pound bag of flour was $3.50, and is now $6. Coffee was 50 cents a pound, and is now 66 cents. Candles were 20 cents a pound, and are now 36 cents. Bacon was 30 cents a pound, and is now 46 cents. Kerosene was $5.50 a case, and today $7.50 is charged. A suit of clothes, made of either New Zealand or imported English tweed or worsted, in 1914 sold for $32, but today the charge is $64. A ready-to-wear suit six years ago sold for $21, but the same kind of suit today costs $37.50.

The greatest post-war problem that our dominion had to face was that of the settlement of returned soldiers on the land. A tremendous proportion of these men desired to become settlers, so that the Land and Survey Department could not get new lands opened up fast enough to meet the demand. Consequently, numerous large private estates were acquired by the Government and cut up into suitable farm lots for the boys who came back from the war. The result has been a boom in settlement, and already the increase in production is making itself felt. Very many of the soldier settlers have taken up dairying, and there are soldier settlements dotted all over the land, especially in the North Island. Up to this writing, the Government has expended over $100,000,000 under the Settlement of Discharged Soldiers act, and another loan of $25,000,000 has just been subscribed within the dominion for the same purpose. Approximately 14,000 returned soldiers have been provided with land within the five years of the scheme's operation, and the total area of rural land now under settlement is 2,156,555 acres.

The equable climate of the dominion, as it becomes better known overseas, is inducing farmers to come from Canada and the frozen places of America to farm in a country where—for the most part—milch cows are out in the open all the year round, and where there is no interruption from January to December in outdoor operations on the land.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[English Cartoon]

THE SAME OLD STORY

—*The Passing Show, London.*

St. Lloyd George (at frequent intervals): "Onward! I will now polish off this monster."

[English Cartoon]

THE INEVITABLE MOTHER-IN-LAW.

—*London Opinion.*

The New Bride: "You must remember, dear, it was always understood that Mother should come and live with us when we were married."

[Though this is an English cartoon, its smiling point applies almost equally well to the situation in the United States.]

[American Cartoon]

"BETTER BE CAREFUL THAN SORRY!"

—*Dayton News.*

[American Cartoon]

Persuading Germany to Pay

THE penalties imposed by the Allies upon the Germans for having failed to meet the reparations demands of the Paris Conference or offer a substitute that could be seriously considered included the military occupation of the towns of Düsseldorf, Duisburg and Ruhrort in Germany's greatest industrial district and the establishment of Rhine customs lines. The duties collected are to be applied to the reparations account.

—*Central Press Association.*

THE MESMERIST

—*News of the World, London*

SIMPLE VON SIMONS: "Gott in Himmel! Works it does not—yes—no!"

[American Cartoon]

THE SITUATION AT YAP

—*Central Press Association, Cleveland.*

THE little Island of Yap in the Caroline group has assumed an importance altogether out of proportion to its size by reason of its having been included in the mandate accorded to Japan by the League of Nations Council. Yap is one of the landing places of the cable over which the United States transmits its dispatches to the Philippines and the Far East, and it can be readily understood how intolerable it would be to have such dispatches subjected to Japanese censorship. When the matter of the disposition of the islands was before the Peace Conference President Wilson objected, he declares, to the inclusion of Yap. The Japanese assert, however, that there is no record of this objection in the minutes of the conference. The United States has addressed a note to the Council of the League of Nations on the subject, but has been referred back to the Supreme Council.

[American Cartoon]

The New Ship of State

THOUGH Mexico under Obregon seems to have entered on an era of peace and prosperity, the question of the oil fields still remains a troublesome one between that country and the United States. It is asserted that American owners and operators in the oil district are oppressed by Government edicts amounting almost to confiscation of their property. The United States has not yet recognized the Obregon Government, and one of the conditions of recognition will probably be a satisfactory adjustment of the oil problem.

—*Dayton News.*

—*Los Angeles Times.*

[American Cartoon]

"Nipped in the Bud"

A SMALL war was threatened when Costa Rican forces invaded Panama Feb. 21, 1921, to take possession of a section of land that had been awarded to Costa Rica in a boundary dispute. Excitement ensued, and clashes took place between the forces of Panama and the invaders. The United States Government promptly intervened. Secretary Hughes on March 5 sent identical notes to Panama and Costa Rica, practically declaring that they must settle the matter peacefully or this country would take the matter in hand. An armistice was speedily arranged.

[English Cartoon]

"HIS MASTER'S VOICE"

—*London Opinion.*

Hock the Jewelry

—*Sioux City Tribune.*

Sounds Funny in German, Doesn't It?

—*Indianapolis News.*

[American Cartoon]

Hotfooting the Road He Swore He'd Never Tread

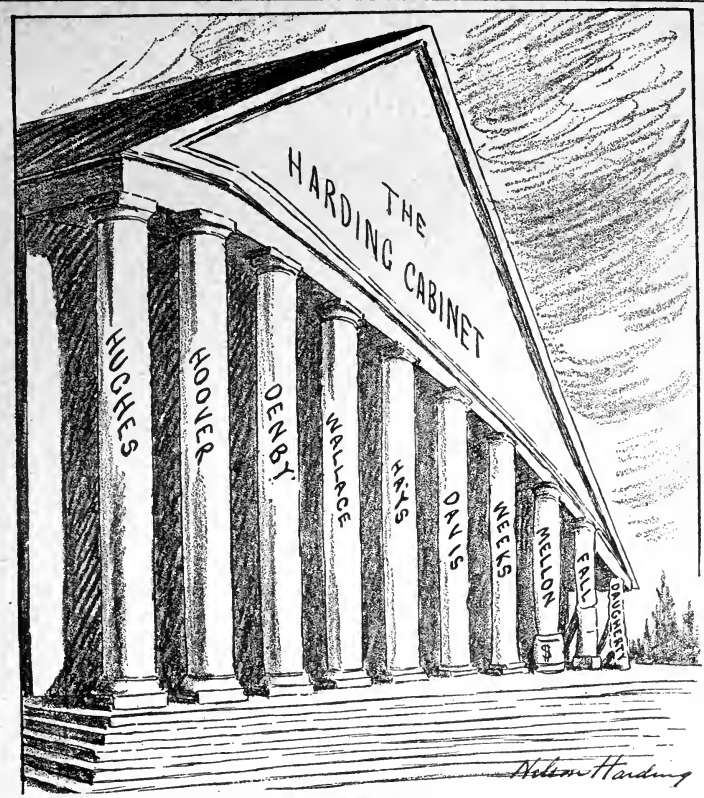
—*Dayton News.*

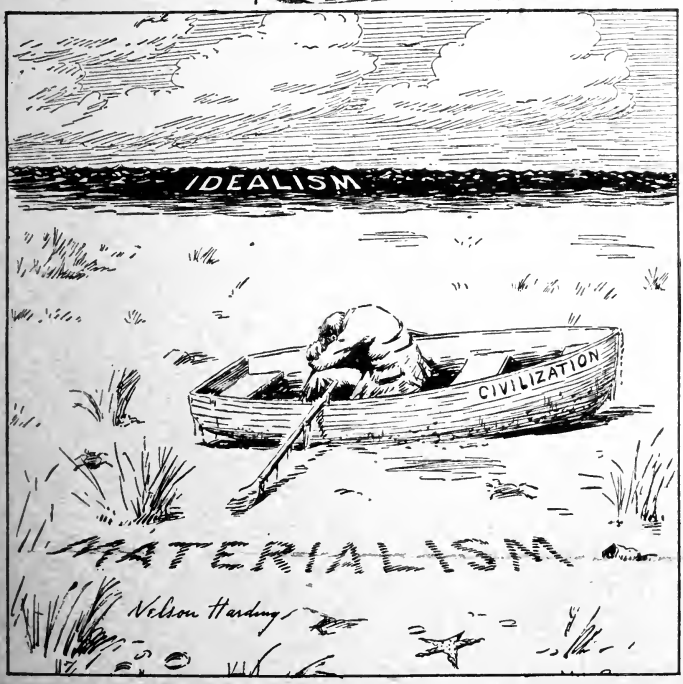
[American Cartoon]

One Artist's View of the New Cabinet

—Brooklyn Eagle.

IN the new Harding Cabinet two figures are of international importance. Secretary of State Hughes has twice been Governor of New York State, has served six years as Associate Justice of the Supreme Court, and in 1916 was the candidate of the Republican Party for President. Secretary of Commerce Hoover is known the world over for his wonderful work as head of the United States Relief Administration.





[American Cartoon]

Ebb Tide

—Brooklyn Eagle.

HUMAN nature is at its best in a great emergency, as was evidenced when America arose at the call of patriotism, forgetting the more sordid things that had previously occupied the foremost place. But such a high level cannot be long maintained, and later comes the inevitable reaction, when idealism recedes and materialism again asserts its power.

[German Cartoon]

THE SUMMIT OF CIVILIZATION

—*Wahre Jakob, Stuttgart.*

[English Cartoon]

A SUSPICIOUS EGG

—*The Passing Show, London.*

GERMAN EAGLE: "How on earth did that one get there? I don't see how I'm going to hatch it."

[American Cartoon]

Beginning to Sit Up and Take Notice

—*Cincinnati Post.*

The Tariff and Immigration Questions

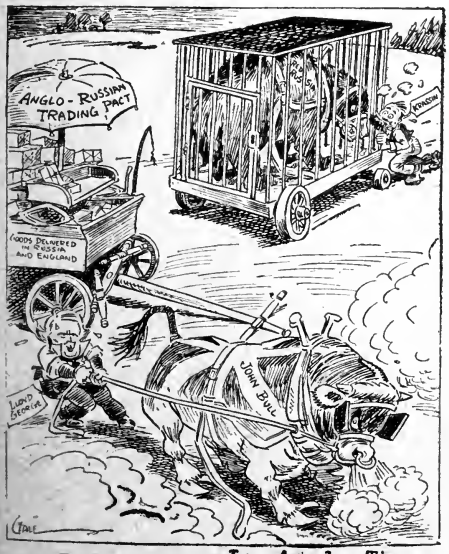
© *Chicago Tribune.*

[American Cartoon]

EASTER OFFERINGS

—*New York Times.*

Now to Deliver the Goods!



—*Los Angeles Times.*

"But Look at My Halo!"

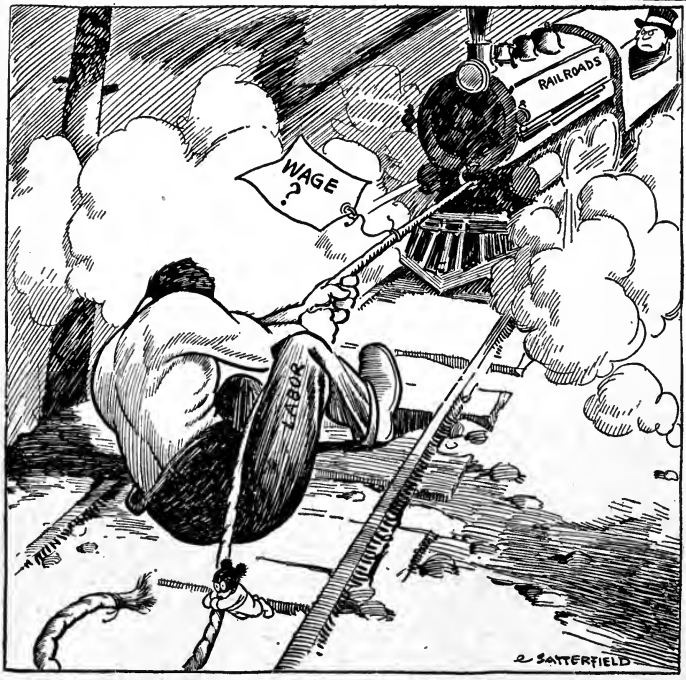
—*New York World.*

[American Cartoon]

Well, Don't Sit There and Let Him Starve to death!

—*New York Tribune.*

THE railroad situation in the United States is one of the most disquieting with which the business men and governmental authorities have to deal. When the railroads were turned back by the Government to private ownership and operation, it was thought that the guarantee of earnings for a limited period and the higher freight and passenger rates permitted would put the roads on a solid footing. But the higher rates proved a boomerang, for passenger traffic fell off to a greater degree than was compensated for by the higher rates, and the loss in shipments has resulted in a great shrinkage of income.



[American Cartoon]

The Tug of War

—*Newspaper Enterprise Association.*

THE shrinkage in freight and passenger traffic prompted the railroads to seek a revocation of the wage rate granted by the Government to railroad employes. Practically all the roads announced a forthcoming wage cut, ranging from 20 to 30 per cent. The employes resisted this and appealed to the Railway Labor Board, which suspended the cuts until it had found time to grant a full hearing to both sides.

THE attempt of ex-Emperor Charles to gain possession of the throne of Hungary ended in ignominious failure. There were two or three days when it seemed possible that the strong monarchical sentiment in Hungary might justify the Hapsburg hope. But the prompt action of the Allies in warning Hungary that the restoration of the former Emperor would have disastrous consequences for the country, coupled with the threat of war by the "Little Entente," doomed the attempt, and Charles returned disheartened to Switzerland.

[American Cartoons]

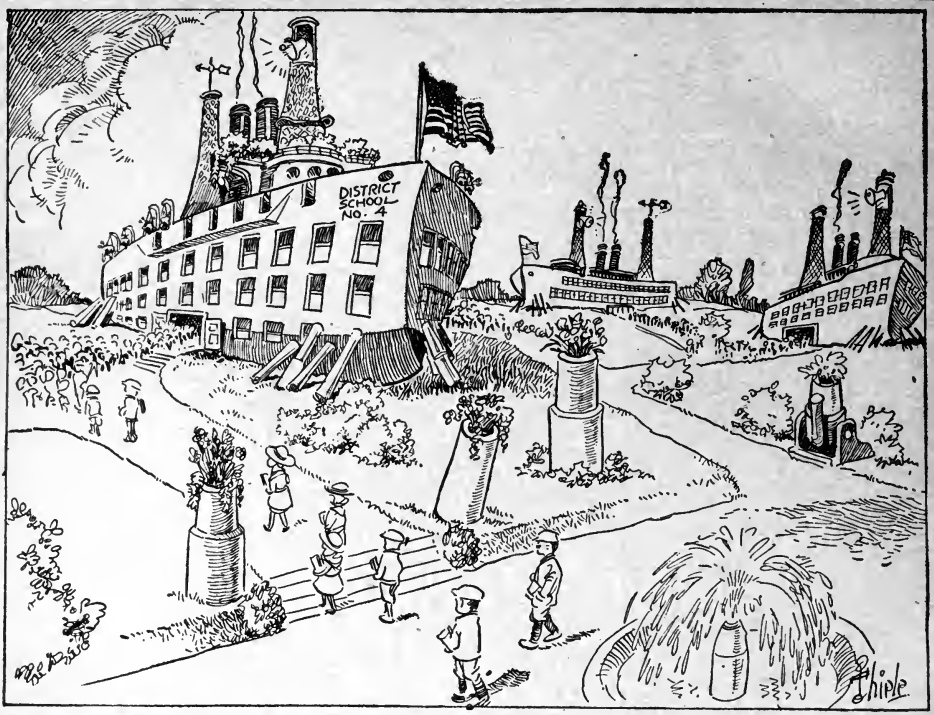
There's a New Cop on the Beat

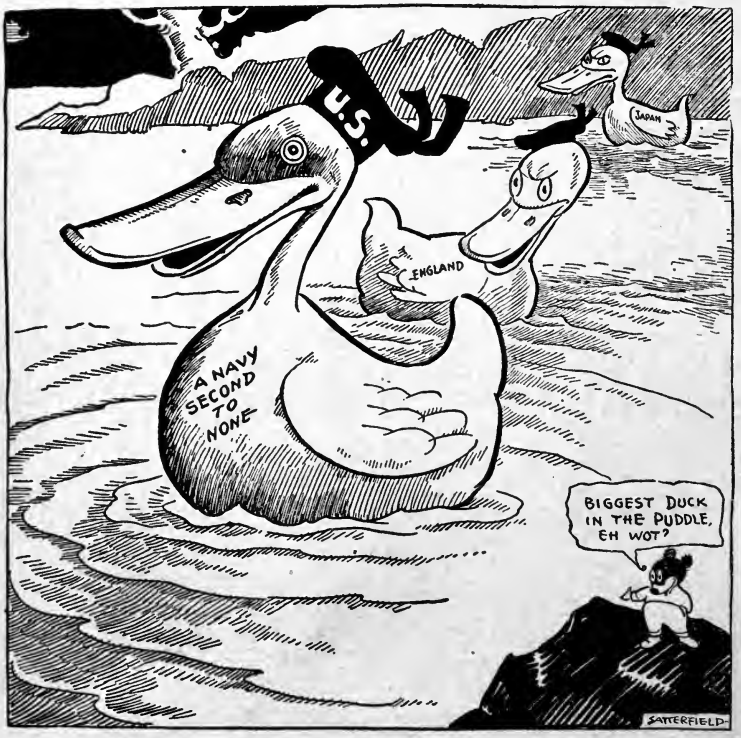
—*New York Evening Mail*

—*New York Evening Mail*

Not Clear Over There

THE situation of the United States is to a certain extent ambiguous, owing to the fact that while hostilities have ended between this country and Germany, the two nations are still technically at war. One of the first tasks that await the new Administration is the signing of a treaty of peace with Germany. Whether this will be a distinct document, similar to the Knox resolution, or a modified adherence to the Treaty of Versailles ,is a matter on which the cartoonist has ventured a "pointed" but non-committal comment.





[American Cartoons]

Practical Disarmament!

Let us beat a few of those $40,000,000 battleships into schoolhouses.

—Sioux City Tribune.

Not Yet, But Soon

—Newspaper Enterprise Association.

THE ENGLISH LABOR REVOLT

Strike of the coal miners, and the series of dramatic events that averted a sympathetic strike of the railway and transport workers—Resignation of Mr. Bonar Law and election of Mr. Chamberlain as Unionist leader in the House of Commons

[Period Ended April 15, 1921]

THE signing of a trade agreement between Great Britain and Soviet Russia, the continued warfare in Ireland, the increase of unemployment—these and all other current political problems in England dwindled into comparative insignificance before the very real danger brought to the home threshold by the labor crisis.

The crisis was precipitated by the decision of the Government, as approved by a vote in the House of Commons on March 9, to discontinue Government control of the coal industry at the end of March instead of at the end of August, as proposed in the Coal Mines (Emergency) act of last year. By so doing the Government contended that, instead of being guilty of the breach of faith charged, it had satisfied the desires of both owners and miners, besides saving the taxpayers £5,000,000 a month in subsidies to the miners.

Premier Lloyd George, at a luncheon in the House of Commons on March 23, said of British labor: "Although the peril of war has passed away, a new danger threatens our country. That danger is the phenomenal rise to power of a new party with new purposes of the most subversive character. It calls itself Labor; it is really Socialist, and even now the real danger is not fully realized." Lloyd George went on to declare that socialism was fighting to destroy everything that the great prophets and leaders of both parties had labored for generations to build up; parliamentary institutions, he said, were just as much menaced as private enterprise, and he warned those who belittled the danger to remember that a change of 4 per cent. in the voting would put the Socialists in the majority. The Premier pointed out that in the new army of labor the real leaders were not Messrs. Clynes, Thomas or Henderson, but the corporals with whom you never came into contact. They had no responsibility. Once they were in Parliament it was these juntas behind who would say: "This is what you have to do, and if you do not do it some one will be put in your place."

Meanwhile negotiations between the mine owners and miners proceeded, but came to a deadlock on March 24. The miners stood out for the principle of a standard rate of wages throughout the country, while the owners wanted each district to adopt a rate suited to its own circumstances. The miners, however, made it plain that their quarrel was not with the owners, who, they admitted, were unable to meet their demands, but with the Government. They insisted that the State should come to the help of industry and provide the money for higher wages and help unprofitable collieries to keep at work, a condition absolutely rejected by the Government. This situation continued until March 30, when the Miners' Federation executives sent instructions to every district to withdraw all colliery workers at the expiration of the time limit given to employers, viz.: midnight of the 31st. It was also decided to withdraw the pump men and engine winders, so that for the first time "safety workers" were ordered to come out in support of a national strike. These instructions meant the flooding of the mines, a threatened industrial disaster of the first magnitude, since it might have become impossible to work many of the pits again. In view of this most serious situation a royal proclamation was simultaneously issued declaring Great Britain in "a state of emergency." This was the first time that an industrial crisis had been so designated. It empowered the Government to apply certain special measures provided for under an act passed by Parliament last October, at the period of another mining difficulty, but not put into force owing to the reaching of a settlement.

Promptly at midnight on the 31st work came to a standstill in practically all the coal mines. At the outset there was no

disorder, but an immediate effect was the closing down of steel works in South Wales and the throwing out of work of 11,000 dockers. On April 3 the Board of Trade issued orders rationing coal for the British Isles, and reports from the coal fields indicated that disastrous consequences had already followed withdrawing labor from the pumps. Water in great volume was pouring into the mines.

By April 3, interest became centred on the action of the railway men and transport workers, who were debating in mass meetings the question of supporting the coal miners' strike. In order to cope with this double emergency the Government took upon itself far-reaching powers, by which the various Ministries and departments were authorized not only to take over the coal mines and coal stocks, but to assume practically complete control of everything connected with food supply and road transport, water, gas and electricity, tramways and light railways, harbors, shipping and export trades. Military movements began on a considerable scale on the night of April 4.

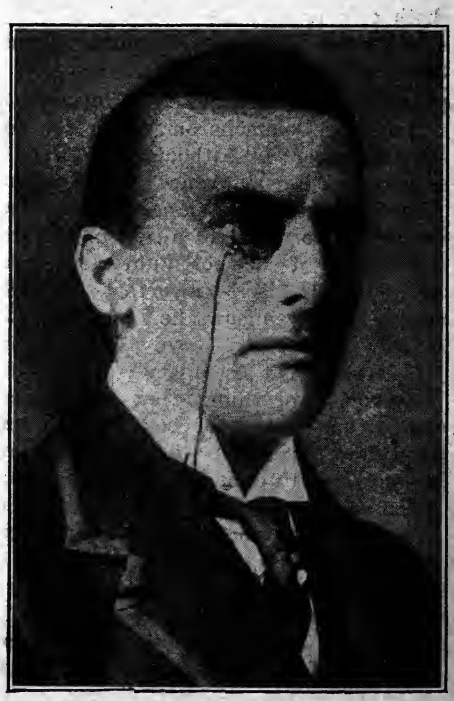
While the general public maintained an appearance of outward calm, realization of the seriousness of the situation was manifested in steadily increasing gloom. April 8 proved to be a day of sensational incidents. Early in the morning the railway men and transport workers threw in their lot with the miners, and a sympathetic strike of 2,500,000 seemed certain. The time set for it was April 12.

By April 10 signs multiplied everywhere that public opinion, as a whole, was back of the Government in a determination to prevent a wholesale and irreparable disaster to British industry. The Government was credited with having saved the mines by insisting upon the resumption of pumping while the truce lasted. In Scotland, however, twenty pits, employing 21,000 men, had been flooded, and in England and Wales eighteen pits, employing 6,000 men. There were five mines which, it was feared, could never be restored. The strike was estimated as costing Great Britain £15,300,000 weekly.

The conference of April 11 was in session for a total period of six hours without tangible results. When the Premier and the union delegates met again the next day, the conference ended in failure. The Triple alliance agreed to postpone the sympathetic strike for at least twenty-four hours, but on the 13th it announced that all its members would be ordered to walk out at 10 P. M., Friday, April 15. It was a declaration of war, threatening ultimately to throw millions out of employment.

Late in the evening of the 14th the miners' Secretary, Frank Hodges, gave hope of a further truce by offering to discuss wages with the owners and the Government if the larger issues—a national wages board and a national profits pool—were separated from wages and considered later.

This offer revolutionized the whole situation. Mr. Hodges had made the proposition at a meeting with a number of Members of Parliament, and it was these M. P.'s, not the Premier, who carried on the negotiations on the 15th which finally averted the Triple Alliance strike. When the railway men and transport workers heard of Mr. Hodge's offer, they jumped at the idea, supporting it in the conference. To their astonishment, however, the striking miners repudiated their own secretary, refusing to



AUSTEN CHAMBERLAIN
Former Chancellor of the Exchequer, who has been chosen to succeed Bonar Law as leader in the House of Commons

go into further conferences with the mine owners and insisting that the general strike be called.

At this point the disagreements that had been latent throughout the crisis came to a head, and a stormy meeting of the three branches of the Triple Alliance ensued. The upshot of it was that the railway men and

(*Underwood & Underwood*)

LEONID KRASSIN

Head of the Russian mission that negotiated the trade treaty with Britain

transport workers refused to go on with their sympathetic strike, and the larger catastrophe that had been threatening the United Kingdom was averted. The miners' strike continued, but it had lost a further share of public opinion. A definite split had taken place in the ranks of labor, dividing the older school—which was fighting for the wage issue alone—from the newer and radical wing, which was fighting for political control of the Government itself. There was general rejoicing, after the momentous developments of that 15th day of April, over the partial clearing of the skies, though

(*Photo International*)

SIR ROBERT HORNE

Former President of British Board of Trade, who negotiated the Anglo-Russian trade agreement, and who is now Chancellor of the Exchequer

the coal miners' strike continued to cripple industries.

The basic wage of the British miner in 1920 was $4.38 for a seven-hour day. The last two months of Government control of the mining industry had cost Great Britain approximately $35,000,000. The "Triple Alliance" that had threatened a general strike included 1,200,000 miners, 400,000 railway men, and 300,000 transport workers, but a general strike would have thrown nearly 8,000,000 persons into idleness.

* * *

A sensation ran through political circles on March 17, when Andrew Bonar Law unexpectedly resigned from his leadership in the House of Commons and from his office of Lord Privy Seal in the Cabinet. His health, he explained, had been gradually failing under the stress of the last few years. In speaking of the event at the first dinner of the 1920 Club, Mr. Lloyd George paid a high tribute to the capability of his late colleague, adding:

> When I see one chieftain after another with whom I have been in action during great events falling under the weight of his armor, I do not mind telling you I am becoming very lonely. Public life in these days

is an almost intolerable strain, and there is nothing I would like better than to retire from that strain and be a spectator and witness of events.

Mr. Bonar Law had been the Unionist Party leader in the Commons, while Lord Curzon occupied a similar position in the upper house. Thus the Coalition Government was threatened with a crisis by Bonar Law's retirement, since Mr. Lloyd George, theoretically a Liberal, could not lead the Unionists. This danger, however, was removed by the unanimous election of J. Austen Chamberlain to the Unionist leadership at a meeting of the party on March 21. In accepting the position, Mr. Chamberlain made use of an expression which was said to be entirely indicative of his character. "If I have not seemed specially to court your good-will," he said, "believe me, I have profoundly desired to deserve it." So far from his ever having courted favor, it was remarked that he had hidden from all but a few intimates his many claims to favor and popularity. On subsequently entering the House of Commons the new leader was greeted with a great cheer by the Coalitionists of both camps, and on March 23 the announcement was made of Mr. Chamberlain's appointment as Lord Privy Seal in succession to Mr. Bonar Law. Sir Robert Horne, former President of the London Board of Trade, who had negotiated the famous Anglo-Russian trade agreement with Leonid Krassin, succeeded Mr. Chamberlain as Chancellor of the Exchequer.

WAITING FOR HOME RULE IN IRELAND

Appoinment of Lord Edmund Talbot as Lord Lieutenant not accepted as an olive branch by the Sinn Feiners—New developments in the warfare of assassinations and reprisals

[PERIOD ENDED APRIL 15, 1921]

FOR the first time since Tyrconnell in 1687 a Roman Catholic was appointed Lord Lieutenant and Governor General of Ireland when Lord Edmund Talbot was named on April 2 to succeed Field Marshal Viscount French. A special clause in the new Home Rule act made this possible. Also Lord Edmund Talbot became the first Viceroy in Ireland under the new Home Rule act, his great function being to summon the two Parliaments of Southern and Northern Ireland, respectively. Much was hoped from this appointment, since, as a member of one of the most ancient English Catholic families, it was supposed Lord Edmund would be well received by the Catholics of Ireland, while, on the other hand, a man of his gentleness of nature could hardly be objectionable to the Protestants of the North. But though the Irish press conceded that it was a notable event—another of the religious barriers against the Irish people removed—Lord Edmund was attacked personally as a "rabid Tory partisan," who fought the shadow of coercion in the Protestant North, just as he fought bitterly to impose coercion on the Catholic South.

Otherwise Irish political circles were occupied chiefly with plans for the forthcoming elections. The necessary preliminaries to bring the Home Rule act into operation were fixed to take place on April 19, and the date for the proclamation of the elections was set for May 3. While the Sinn Fein decided to contest every seat in Southern Ireland, it was announced on April 7 that Joseph Devlin, Nationalist M. P. for Belfast, and Eamon de Valera, Irish Republican leader, had ratified an agreement by which the Sinn Fein Constitutional and Nationalist Parties would present a united front to the Unionist forces in the North of Ireland. Further, all candidates had agreed to accept the principle of self-determination for Ireland, and had pledged themselves to abstain from sitting in the Irish Parliament if elected.

Meanwhile the list of battles, ambushes and reprisals continued to lengthen. Moving scenes were witnessed in Dublin on the morning of March 14, during the execution of six young men convicted of murder in connection with the shooting of British officers on Nov. 2. While the executions were being carried out huge crowds assembled

outside Mountjoy Prison and the rosary was recited at each hour. No sound issued from the prison precincts, no bell was tolled, not even a black flag was flown. Thousands upon thousands, men, women, children, youths and maidens, knelt on the wet ground around the prison walls and on the neighboring streets and roadways, praying earnestly and singing hymns which formed a customary part of Catholic devotions. These were the only sounds that broke the stillness. For three hours after the executions had taken place there was an entire stoppage of labor in the city, consequent upon a declaration of the Labor Party that the hours until 11 o'clock were to be spent in mourning as a solemn protest against the executions.

At a meeting of the Dublin Corporation a resolution of sympathy with the relatives of the deceased was passed in silence. A curious penalty was subsequently visited upon a man charged with working during the hours of mourning. He was found chained to the railing of the Pro-Cathedral in Marlborough Street, and though crowds passed him by no one attempted to liberate him until the police came.

Among the Irish reprisals which promptly followed the executions Constable O'Kane was shot dead in Clifden, County Galway, on March 16, and another constable was wounded. Later, the Archbishop of Tuam, in a letter condemning these reprisals and the failure to obey his call for a cessation of executions by the Republican forces, said: "I must give my people moral guidance, even if corrupt politicians turn gospel teachings to bad ends." The Archbishop again urged the Government, as the stronger side, to call a truce and initiate peace negotiations.

In the five days preceding and including March 23 the casualties reported in Ireland, comprising Crown forces, Sinn Feiners and civilians, totaled sixty-three killed and sixty-seven wounded. The Crown forces had lost five killed and five wounded in the ambush of a party of the Ninth Lancers at Scramoge, County Roscommon, while the Sinn Feiners lost but one killed. The First Royal Fusiliers also lost heavily when their train was attacked near Headford Junction, County Kerry, March 21. As the train neared a cutting it was fired upon from both sides. The soldiers promptly detrained and engaged the enemy. The fight lasted until another train with troop reinforcements arrived. The casualties numbered for the Crown forces one officer and eight men killed and ten wounded, one civilian killed and two wounded and four Sinn Feiners killed.

Pandemonium was reported as prevailing in Westport, County Mayo, on March 20 when Crown forces, in turn, engaged in reprisals for an ambush near that place. While continuous gunfire went on in various parts of the town, houses and shops were wrecked with bombs, and furniture and other effects burned.

In a big raid carried out on March 26 in Molesworth Street, Dublin, the Government authorities found what they believed to be the headquarters of the Sinn Fein propaganda department, and made the largest capture of literature yet found in Ireland. The office equipment was elaborate, but as the raid was conducted after curfew no one was found on the premises.

Heavy weekly casualties were again reported among the Crown forces on April 1. The military had thirteen killed and fourteen wounded. There were twenty-six attacks on the Crown forces, of which twenty-two were ambushes. Sinn Fein assassinations of civilians, the motive for which was presumed to be friendly relations of the victims with the police and military, numbered six.

What was described by residents of Harcourt Street, Dublin, as "the fiercest outbreak since the Easter rebellion" occurred on April 6, when a lorry containing members of the Worcestershire Regiment was bombed and fired upon from behind the protection of stone pillars at the entrance to Harcourt Street Station. A heavy fire was also opened from the station roof, and at least one bomb was thrown from that point. When the attackers were driven off three civilians were found dead and one wounded. One officer was wounded.

Sinn Fein plotting in England was credited with a series of incendiary fires on the night of March 18 in the Surrey outskirts of London; also on farms near Newcastle on March 26. A raid on a Sinn Fein club in Manchester led to some casualties.

In response to an appeal for the women and children made homeless by the fighting in Ireland, President Harding on March 26

sent a letter to Morgan J. O'Brien, Chairman of the Executive Committee of the American Committee for Relief of Ireland, saying:

> I wish you the fullest measure of success. The people of America will never be deaf to the call for relief in behalf of suffering humanity, and the knowledge of distress in Ireland makes quick and deep appeal to the more fortunate of our own land, where so many of our citizens trace kinship to the Emerald Isle.

On March 30 the British Embassy in Washington issued a communication relative to the raising of funds in America for Irish relief. The communication read:

> Widespread misapprehension appears to exist in regard to the necessity of raising funds from American sources for relief work in Ireland.
>
> Banking and trade statistics and tax returns show that Ireland as a whole has never been more prosperous than at the present time. Cases of unemployment exist as a result of the world-wide depression in trade, but this depression has been less severely felt in Ireland than in England owing to the fact that Ireland is largely an agricultural country.
>
> Apart from these cases of genuine unemployment, common to all countries at the present moment, and apart from the unhappy but normal poverty of the slums of towns, every case of distress and destitution is directly due to the effects of the Sinn Fein rebellion. Steps have been taken to meet even these cases. Millions of pounds have been made available from money raised by taxation in the United Kingdom to build houses, to encourage land settlements and to promote employment schemes and the general work of reconstruction, but the counties and cities of Ireland which are Sinn Fein in sympathy refuse to accept this money and prefer to appeal to America for charity. Were it not for this attitude, there is no case of distress affecting any individual or his property which could not be adequately met from British sources.

Public criticism of this communication was made by Frank P. Walsh, counsel for the Irish Republicans, who held that the increase in Irish bank deposits was due to withdrawal of funds from British banks.

CANADA AND OTHER DOMINIONS

Canadian Government to take over the Grand Trunk Railway, whose failure to meet bonded obligations creates anxiety—Tea and olives cultivated with success on Vancouver Island—Difficulties of the Hughes Government in Australia—African adjustments

[PERIOD ENDED APRIL 18, 1921]

INTEREST in the last few weeks has centred upon the prohibition referendum in Ontario, where provincial prohibition was upheld by very large majorities in 1919. At that time a provincial political general election was also decided, and the vote was heavy. In the present instance the vote was to decide whether provincial prohibition should be extended by Federal enactment to prevent the importation of intoxicating liquors for beverage purposes. The ballot paper carried the questions:

> Shall the importation and the bringing of intoxicating liquors into the province be forbidden? NO.
>
> Shall the importation and the bringing of intoxicating liquors into the province be forbidden? YES.

The campaign, which ended on April 18, assumed great bitterness in its closing phases. "Pussyfoot" Johnson, who made a tour under the auspices of the Dominion Alliance, a strong prohibition organization, was denied a hearing in Kingston, where the crowds howled him down. In Toronto he had many interruptions, but made his speech. Outside the hall the police had finally to engage in a pitched battle with boisterous antis, and several arrests were made. The "Wets" brought Hon. C. A. Windle from Chicago to address a number of gatherings. He was accorded a good hearing everywhere.

The Province voted for "bone dry prohibition" April 18 by a majority exceeding 125,000, in a total vote exceeding 1,000,000.

An acute stage has been reached in the railway situation, precipitated by the failure of the Grand Trunk Railway to meet interest due April 1 on part of its bonded

indebtedness. As the Government is to take over the Grand Trunk, there is now a keen desire to bring the negotiations to a head by closing up the arbitration proceedings, and reaching a definite settlement on terms. There is growing anxiety as to the situation. There have been several discussions in the Commons on the matter, and on April 5 Premier Meighen announced that a committee of the House would be appointed with somewhat wide powers of investigation and inquiry into the national railways and shipping.

On April 7 it was announced that Sir Thomas White, member of Parliament for Leeds County and former Minister of Finance, had resigned his seat. He has desired to do so for some time. He is a member of the Arbitration Board on the Grand Trunk Railway acquisition, and there has been some criticism of his so acting with remuneration while remaining a member of the House. It was decided that he had the legal right to do so if he wished.

Official reports show that Canada's Government-owned mercantile fleet had a surplus of $781,460 on operations last year after due allowance for depreciation. The amount of net earnings is equivalent to 2.35 per cent. interest on the investment, according to Hon. C. C. Ballantyne, Minister of Marine and Fisheries.

Canada's revenue for the fiscal year ending March 31 was $451,366,029, and the ordinary expenditures totaled $357,515,278. The net debt now stands at $2,311,294,443.

Dr. Tolmie, Canadian Minister of Agriculture, speaking on April 7 in Ottawa, stated that for the first time tea and olives were being grown in Canada. Vancouver Island is the scene of the experiments, which have now been crowned with success, and the prospects are for great development. On the same island there will be a good fig crop this year; the bamboo crop is large enough to harvest for baskets and fishing poles, and filbert and almond trees are thriving.

AUSTRALIA—The Australian Commonwealth Parliament, in which Premier Hughes had a majority of only three votes when it met early last year, now threatens his downfall. The Nationalist Party, under Mr. Hughes, had 39 seats in the House, while the opposition had 36, consisting of 26 Labor votes and 10 of the Country Party, which was anti-Labor. Now Mr. Fleming, a Nationalist, has left them and joined the Country Party, and there is one vacancy, leaving the vote 35 to 35; so that the Hughes government is dependent on the Speaker's vote for its majority. As a matter of fact, the Premier has the support of some of the Country Party members who are in sympathy with the Nationalists, but not enough in sympathy to join them to save the Government in a critical division.

Premier Hughes gave his views of the League of Nations at Sydney on March 23, saying:

> It consists of forty-two nations recruited from all countries and of all colors, and there is not one of them outside the British Empire with any conception of the ideals of Australia. I have not found one of them our friend.

On April 7, at Melbourne, he declared, with respect to the Anglo-Japanese Treaty that Australia could not make an enemy of America to obtain the friendship of Japan, and that the treaty must be renewed in a modified form satisfactory to America. He declared the real hope for the peace of the world lay in some understanding between America, Great Britain and France.

The New South Wales Political and Labor Conference, held in March, adopted a resolution in sympathy with Ireland, and cabled to Premier Storey, then in London, to urge the withdrawal of the troops from Ireland. The Victoria Conference also adopted a resolution of sympathy.

The shipping policy of the Government is seriously criticised in Australia. The hull of the cruiser Adelaide on March 15 was towed from Cockatoo to Garden Island, drawing all Sydney's attention to the fact that it is still unfinished, although it has already cost over a million pounds. There is a real crisis in the merchant shipping industry. During the first three years' operations the commonwealth made a net profit of £900,000. The 1918-19 profit was over a million; that of 1919-20 fell off very considerably and this year a heavy loss is expected. Despite the fact that the world is oversupplied with shipping, the Government yards are still building.

It was announced on March 21 that the board controlling wheat export prices had reduced the rate from 9 shillings to 7 shillings 11 pence to meet North American com-

petition. Tasmania has decided to forbid for a year the killing of kangaroos, wallabies and opossums, owing to excessive slaughter last season for fur.

Lieutenant McIntosh, who last year flew from England to Australia, was killed in an air accident at Pilbara on March 28.

EGYPT—In preparation for negotiations to carry out a scheme of independence for Egypt, a new coalition Cabinet was formed at Cairo on March 15, with Adly Yeghen Pasha as Premier, to conclude an agreement with Great Britain. He will seek the collaboration of the Nationalist Egyptian delegation headed by Zaglul Pasha. Born in 1865, Adly Yeghen, who is a relative of the Sultan of Egypt, entered the Foreign Office at the age of 20, and in 1902 became Governor of Cairo. In 1913 he was appointed Vice President of the Legislative Assembly, and the next year took office as Minister of Foreign Affairs under Rushdy Pasha. After the resignation of his chief in 1919 he did much to direct the Nationalist movement toward a friendly settlement with Great Britain. On taking the office of Premier he at once received the support of the lawyers, the ulema and the students of El Azhar University. The armed police cyclists, who have attended the Ministers since September, 1919, were dispensed with, and there was every sign of popular approval.

Zaglul Pasha arrived from France on April 4, and had an enthusiastic reception at Alexandria. He made a triumphal entry into Cairo the next day. All the streets were draped in red, the Egyptian color. Then conferences were begun, at which differences were apparent between Zaglul and Adby. The former intimated that the Presidency of the official delegation, which is to go to London to conduct the negotiations, should be reserved for him, and that acceptance of all his reservations by Great Britain should precede negotiations. It became apparent that the Zaglulists were preparing to compel Adly to allow Zaglul to formulate the delegation's policy.

The question of abolishing the consular courts was another matter of difference, Zaglul wishing them retained. Italy inquired what were the Cabinet's views on the abolition of the capitulations, and was informed that no decision would be made until negotiations for the abolition of the protectorate proceeded. The Americans referred the suggested amendments to Washington. The mixed courts will stop functioning in May, but are likely to be prolonged. [See "The Needs of Egypt," Page 269.]

SOUTH AFRICA—General Smuts's new Cabinet was announced at Cape Town on March 9 as follows: General Smuts, Prime Minister in charge of native affairs; Sir Thomas Smartt, Agriculture; Mr. Jagger, Railways; Patrick Duncan, Interior, Public Health and Education; Colonel Denys Reitz, Minister of Lands; Sir Thomas Watt, Public Works, Telegraphs and Post; F. S. Malan, Mines and Industries; Colonel H. Mentz, Defense; Henry Burton, Finance, and N. J. De Wet, Justice. Thus the Dutch and English-speaking elements each have five representatives. It was reported that Sir Thomas Smartt would accompany General Smuts to the Dominion conference in London.

Parliament was opened on March 11 by Prince Arthur of Connaught, who referred first of all to the League of Nations at Geneva, the usefulness of which was growing, he said, owing to the disordered conditions throughout the world. The Government, he declared, would concentrate its attention on the financial and economic situation and proposals dealing with unemployment.

Uneasiness regarding the labor situation in South Africa was not diminished when the Cape Federation of Labor Unions at Cape Town voted to affiliate with the Moscow Third International. Depressed state of trade and the prospect of a big deficit in the Government revenue were given as the cause of labor discontent. Wages, it was felt, would have to come down, and it was thought unlikely that labor would submit without a struggle.

MANDATES—The League of Nations on March 22 issued the text of the mandates for the administration of German Samoa by New Zealand, of Nauru or Pleasant Island by Great Britain, of the other former German possessions in the Pacific south of the equator by Australia, and of German Southwest Africa by the Union of South Africa. On the same day the British Government assumed administration of certain districts of German East Africa, between Lake Tanganyika and Victoria Nyanza, captured by

the Belgians in the war and administered by them, while the Belgians retained certain districts northeast of Tanganyika. The British districts are incorporated in Tanganyika Territory.

The French have adopted a scheme of administration for the Cameroons and Togoland. The former will have full financial and administrative automony distinct from French Equatorial Africa, and its resources will be devoted to its own development. Commercial equality is assured.

Captain Aneiras, a Frenchman, is the first white man to cross the 2,000 miles of the western Sahara desert, between Algiers and Dakar, according to reports received on April 12 from the French Ministry of War.

An exposition of agricultural, mineral and industrial products was planned to be held in Algiers from April 16 to May 8.

MEXICO'S PROGRESS TOWARD STABILITY

Recognition still withheld by Washington—Obregon nips revolutions in the bud—Annulling vast Diaz concessions to release land for the people—Tour of Mexican "Goodwill Commission"

[Period Ended April 15, 1921]

THE deadlock between the United States and Mexico continues so far as recognition is concerned. Major Gen. Hugh L. Scott, retired, has been suggested to President Harding for appointment as Ambassador to Mexico should the Government decide to recognize President Obregon. Correspondence has been passing between the two Presidents, Obregon admitted on March 18, but it is considered private.

General Obregon also wrote a letter to President Millerand of France, which the latter acknowledged, causing a report that France had recognized the Mexican Administration. This was denied in Paris, where it was said that no step toward formal recognition was in progress.

Another statement, evidently intended to cause trouble, was published in the Universal of Mexico City on April 6, to the effect that Mexico had appointed Salvador Escudero Minister to Soviet Russia. This was officially denied the next day "despite claims of newspapers sympathetic to the Russian cause."

President Obregon returned to Mexico City on March 28, after an eight-day trip through the States of Mexico, Michoacan, Morelos and Guerrero. At the Balsas River he inspected the site of a proposed dam in a gorge where it is intended to establish power stations. He stopped at Cuernavaca, where he conferred with military leaders. During a visit to the Borda Gardens the leaders discussed the agrarian problem, which is principally one of absentee landlordism. Twenty-seven men own practically the entire State of Morelos, with an area of 2,773 square miles, against 160,000 natives without a foot of land.

A big revolutionary plot was revealed in Mexico City on April 7, in documents received from Spain where they came into possession of the Mexican Legation in Madrid. They call for the sale of Mexican properties by former Carranza generals in order to provide funds for the intended rebellion. President Obregon meanwhile is meting out stern punishment to all persons found guilty of conspiracy. Five followers of the Cardenas brothers' "ten-man revolution" were captured by Rurales on April 2 and executed the next morning. General Rafael Cardenas escaped, but his brother, Augustino, had been captured and executed a week earlier. Julio Fernandez Perez, a general of brigade in the State of Chiapas, met the same fate at Tuxla Gutierrez on April 6. Undeterred by these examples, General Pablo Gonzales, in Laredo, Texas,

on April 9, told The Associated Press that he expected to head another movement against Obregon.

There was a gathering of extreme Socialists in Pachuca, in March, which adopted the principles of the Third International, or Moscow Bolshevist Congress, and set May 1 as the date for beginning a social revolution in Mexico, at the same time voting sympathy with the railway strikers. The Mexican Bolsheviki have their headquarters in Mexico City on the Calle Colon, back of the Regis Hotel, where radicals from Russia, Germany, France, Italy, England, Spain and the United States meet their Mexican comrades.

The railway strike was settled on March 16, after a conference between General Calles and the workers who still remained out. The Government won by its firmness, the men returning to work unconditionally on March 19. The railroads, which had been taken over by the Government on Dec. 4, 1914, are about to be restored to the company, according to the report of J. Pedrero Cordova, Chairman of the Board of Directors of the National Railways of Mexico.

There has been an increase of idle labor in Mexico and at the same time an influx of laborers from the United States, especially to the oil regions, which led President Obregon on March 15 to issue a decree barring all foreign laborers from the country. Exception was provided in the decree for those who could show that they had "sufficient sustenance and implements" for colonization or agriculture.

President Obregon has released 3,700,000 acres of land to the people by annulling the enormous concession in the State of Chihuahua granted to Luis Terrazas by the Diaz régime. The reason given was Terrazas's failure to fulfill the terms of the contract, which stipulated the establishment within ten years of numerous villages with improvements and the division of the land into small tracts for the benefits of the peons. German immigration to Mexico is no longer feared, only about 600 having entered since the war. The first attempt at colonization was a conspicuous failure. A company was formed of several hundred members, who bought German goods estimated to bring $800,000 in Mexico and sent them there in charge of two men, who sold the goods, pocketed the money and disappeared. Meanwhile, very many of the colonists had embarked and are now dependent upon the charity of the permanent German residents.

A conference of oil company executives was held in Galveston on March 16, at which it was stated that, so long as Article 27 of the Mexican Constitution held out a threat of confiscation, American oil interests would oppose recognition. Regarding the opposition in the United States, President Obregon said on March 30:

> I am sure that the campaign is backed by certain interests who think they have found in the present Government an obstacle to their ambition for enrichment without outlay. They have charged that members of the Government are immoral and willing to accept bribes. If this were true, the oil companies would not spend so much money attacking these members, but would through bribery both save money and attain their ends.

Regarding the report that Mexican oil wells were on the point of exhaustion and being invaded by salt water, E. L. Doheny, President of the Mexican Petroleum Company, in his annual report explains this, declaring the so-called salt water invasion no menace to the property in general. He says:

> Each separate and individual pool of oil is cut off from all other pools of similar character by the uplifted walls of basaltic rock. Each has a separate basin. Therefore one of these pools may be exhausted and its neighbor be in no way affected. When these pools give up all their oil content they leave behind the body of water upon which the oil was superimposed.

Arrangements are being made by the Mexican Government to establish a new national banking system with a capital of 17,500,000 pesos gold. Secretary de la Huerta says the Treasury has 15,000,000 pesos on hand toward this amount and the rest will be supplied soon. The National Bank of Mexico, which had been suspended for several years, resumed business in March, together with fourteen other banks in different parts of the country. A commission is about to be sent abroad to cancel certain contracts for arms and munitions which have not been filled and make arrangements for the return of deposits made during former administrations.

A "good-will commission," which left Mexico City on Feb. 28, has been touring

the United States for the purpose of interesting business men in the development of Mexico, and has been extending invitations to attend the Trade Conference. On arrival of the visitors in New York on March 28, the Merchants' Association, who had made arrangements to entertain them, were surprised by the receipt of letters from the National Association for the Protection of American Rights in Mexico and the American Association of Mexico, describing the good-will commission as an instrument for political propaganda and warning against acceptance of the invitation to the Trade Conference. The American Association, in its note, declared that nothing could be further from its wishes than to dissuade the Merchant's Association from cordial treatment of its guests, but trade with any foreign Government was best promoted by Americans resident there; under the Carranza Constitution the rights of Americans were restricted; trade excursions served as a form of propaganda; spreading favorable reports about Mexico served to embarrass the Washington Government in its designs, and the Mexican Government was interested in the work of the visitors. When this peculiar method of refraining from dissuasion was shown to Fernando Leal Novelo, head of the Mexican guests, he said: "We have simply come to the United States as business men to try to interest your commercial leaders in the development of commerce with our country."

A committee of the Merchants' Association met the good-will commission and took its members to West Point, where they inspected the Military Academy. General Douglas McArthur, the Commandant, received the visitors cordially, and through them extended an invitation to the Commandant of the Chapultepec Military Academy and his staff to visit West Point. If such a visit could be officially arranged, he said, it would be a great step toward cementing the proper friendly relations between the two republics. After saying that most South and Central American countries had students at West Point, General McArthur added: "I think from my acquaintance with General Obregon, which covered a considerable period at the time both of us were in El Paso, that he will appreciate the opportunity this offers to the youth of Mexico, and I trust he will send some of his nationals here."

After being entertained at luncheon by the Merchants' Association the next day, the good-will commission continued its tour and finally reached Washington on April 9, to pay its respects to President Harding, who received the members cordially and expressed the hope that trade relations might continue to develop.

The two associations who issued the warning notes also sent representatives to Washington who presented to Secretary Hughes a memorandum personally attacking several members of President Obregon's Cabinet and protesting against recognition unless a written guarantee were given that Article 27 of the Constitution were not made confiscatory. The Petroleum Committee of the Mexican chamber on April 11 agreed upon a bill regulating the application of Article 27 so that it shall not be retroactive and agreeing that all oil rights acquired prior to Feb. 5, 1917, will be respected. On April 12, Washington learned from Mr. Summerlin, American Chargé d'Affaires, that Obregon had given assurances that no foreign property would be disturbed in the proposed expropriation of Mexican land for the benefit of peasants.

Several notes were sent by the State Department in March, asking guarantees for the lives and property of foreigners in Mexico, on account of recent murders and deaths of Americans at the hands of Mexicans. An absconding clerk in the Texas Treasury Department was arrested at Nuevo Laredo on March 20 and returned to the United States, being the first fugitive delivered to American officers in five years.

Linn Gale, an American draft evader, was deported from Mexico on April 5. He had escaped from draft officials at Albany, N. Y., and made his way across the border in 1918. There he established a Bolshevist and pro-German periodical called Gale's Magazine, which soon became the organ of the radical elements in Mexico. It was first stated that he would be delivered to United States authorities, and he was sent to Vera Cruz; but on begging the Mexicans not to send him to the United States he was sent by train to Guatemala, which state was said later to be about to deport him to Salvador or Honduras.

PANAMA REJECTS THE WHITE AWARD

Refuses to accept Secretary Hughes's suggestion of a basis for settlement of the Costa Rican dispute — The month's events in Central America

[PERIOD ENDED APRIL 15, 1921]

PANAMA and Costa Rica having agreed to accept the mediation of the United States to settle their differences, as related in CURRENT HISTORY for April, and both sides having withdrawn their military forces from the disputed districts, the incident was thought to be closed. But on April 7 the Panama National Assembly reopened the whole question by unanimously approving a reply to a note of Secretary Hughes in which Panama was urged to accept the award of President Loubet of France, rendered on Sept. 11, 1900. This award granted to Costa Rica the territory between the Burica Point Ridge, the Golfits River and the Pacific Coast, forming a triangle extending inland about fifty miles, with a base of thirty miles on the ocean. It had been occupied by Panama and previously by Colombia, and occupation was continued on the ground that Chief Justice White, who further defined President Loubet's decision in 1914, had gone beyond the territory in dispute.

Secretary Hughes's note, sent to Panama on March 15, declared that the United States "considers it an unavoidable duty to request the Government of Panama at once to take steps to confirm the boundary line from Punta Burica to a point in the Central Cordillera, north of Cerro Pando, by relinquishing its jurisdiction over the territory on the Costa Rican side of that line and transferring it to Costa Rica."

With respect to the Atlantic side of the boundary Chief Justice White's award gave to Costa Rica a portion of the territory claimed by Panama, and to Panama a portion of the territory claimed by Costa Rica. The line begins at the mouth of the Sixaola River, goes west to Mount Chirripo and Mount Pando, and thence southwest to nine degrees north latitude, where it turns south to meet the Burica Point line. This award has never been accepted by Panama, although by an agreement of March 17, 1910, known as the Porras-Anderson treaty, both republics pledged themselves in advance to abide by the award "whatever it be." Secretary Hughes urged that Panama and Costa Rica name a commission of engineers to mark out the boundary.

President Porras, on March 18, made a personal appeal to President Harding against Secretary Hughes's urgent request; President Harding replied the next day, fully sustaining the Secretary of State. President Porras, on March 25, called a special session of Congress, which met on March 28, to consider a reply to the demand of the United States. In his message to the National Assembly the President gave warning that a refusal to comply would result in the withdrawal of the friendly offices of the United States, and that warfare with Costa Rica would be resumed. He declared that Costa Rica would receive aid from other Central American republics, while Panama would be without means of defense.

The reply unanimously approved by the Panama Assembly was an absolute defiance of the United States Government's demand, reiterating the refusal to accept the White award as a basis for the settlement of the boundary question, and declaring that it was prepared to accept whatever consequences might follow the national determination to preserve territorial integrity. The President was authorized to spend $50,000 to retain the services of three Panamans and three foreign experts to support the Government in contesting the White award. A new internal loan of $1,000,000 was proposed, to be guaranteed by the proceeds of the national lottery, to repel a possible invasion by Costa Rica, and arms and ammunition purchased abroad began to arrive.

Costa Rica was naturally delighted with Secretary Hughes's note, and a resolution expressing gratitude to the United States "for its just, prompt and efficacious mediation" was sent to Vice President Coolidge for transmission to the State Department. Meanwhile, Costa Rican interests in Pan-

ama were placed in the hands of the Spanish Minister. All Latin America is reported to be pleased with the Hughes note, as it removed the fear that the United States would be partial to Panama, owing to her close relations with the Washington Government.

PANAMA CANAL ZONE—Colonel J. J. Morrow, on March 26, was appointed Governor General of the Panama Canal Zone, in which capacity he had been acting for some time. It was announced on April 1 that a bill to restore free toll privileges through the Panama Canal to American vessels would be introduced in the Senate at the present session of Congress. The New York Board of Trade and Transportation has been urging Congress to grant free tolls for those American vessels engaged in the coast-to-coast trade. Traffic through the canal during 1920 reached the high record of 2,814 commercial ships, as compared with 2,134 in 1919, an increase of 31 per cent. Net tonnage aggregated 10,378,265, compared with 6,919,149, a gain of nearly 50 per cent. Tolls levied were $10,295,392, against $6,992,218. Distribution of traffic was in the following order: (1) From the west coast of South America to the east coast of the United States; (2) from the Atlantic Coast of the United States to the Far East; (3) from South America to Europe; (4) from the east coast of the United States to the west coast of South America; (5) from the west coast of the United States to Europe, and (6) from the Gulf coast of Mexico to South America, the latter principally fuel oil.

COSTA RICA—Appearance of the British cruiser Cambrian in Costa Rican waters in support of the validity of the Amory oil concession has caused speculation as to whether Great Britain would attempt to use coercion. A note was presented to Costa Rica on Dec. 30 declaring that the British Government was interested in the concession granted by the Tinoco Government to the Lord Cowdray oil interests, which includes some 700 square miles of land. The United States refused to recognize the Tinoco Government, as it had been instituted by force. Washington has always taken the position that concessions granted by an unrecognized Government in Latin-American countries are illegal. On March 17 it was announced that the Costa Rican Congress, by a vote of 24 to 14, had sustained the action of the Costa Rican President in refusing to recognize the validity of the Amory concession. For many years Great Britain has never attempted to use force to compel Latin-American countries to carry out obligations to British subjects without first informing the United States; but there was no advance notice given of the visit of the British cruiser to Costa Rica, and as a result reports have been current in Washington that British interests have considered the possibility of negotiating for rights to construct an Isthmian canal to compete with that at Panama on account of Britain's large interests in the Far East.

CENTRAL AMERICAN UNION—Dr. Julio Bianchi, Guatemalan Minister to the United States, on April 8, announced the birth of a new American nation on receipt of advices that Guatemala had ratified the treaty of San Jose, which creates the "Federation of Central America." Costa Rica had signed the treaty but had not then ratified it. [For text of treaty see CURRENT HISTORY for April, pages 153-157.] The three necessary ratifications had been voted by Guatemala, Honduras and Salvador. These three States have a population of 4,100,000, an area of 101,164 square miles and a foreign trade of $45,800,000 annually with the United States. [See article on page 294.]

An agreement relative to currency reform in Central America is under discussion between the United States, Costa Rica and Nicaragua, and a treaty is before the United States Senate providing for the establishment of gold clearance funds with Guatemala, Panama, Paraguay and Haiti.

GUATEMALA—For the purpose of encouraging Guatemalan trade a decree has been promulgated removing the export duty on sugar, the country's second most important article of exportation, about $3,000,000 worth having been shipped to the United States last year. The duty, formerly 2 cents a pound, was reduced to 1 cent about six months previously, and internal taxes in the twenty-two departments have been greatly reduced and made uniform. Guatemala is preparing to abolish or decrease duties to a large extent on all articles of export, the loss in revenue to be recovered by an income tax.

Guatemala is also inviting proposals for a concession to establish a bank with a capital of 10,000,000 gold pesos and the privilege of issuing three times that amount in currency, the notes to be redeemable at sight in national money or American gold dollars. The institution would be required to lend the Government 3,000,000 pesos.

HONDURAS—There were rumors in March of a revolution impending in Atlantida province and the city of Ceiba, Honduras, as an outcome of a strike of laborers on the banana plantations for a wage increase from $1.25 a day to $2.50. An increase to $1.75 was granted, but the workers in the banana and sugar plantations say that this is not enough. All food supplies are imported by the United Fruit Company and other big business concerns, and are sold at a good profit; only 50 cents a hundred pounds is paid at the ship for bananas, which are sold for $5.50 in New Orleans. The Honduran Government restored order after the arrival of the United States warship Sacramento to look after American interests, but Colonel Ramon Lagos, Governor of Atlantida, was dismissed and Colonel Manuel Matute appointed in his place.

The foreign trade of Honduras for the fiscal year ended July 31, 1920, broke all records, imports amounting to $12,860,762, nearly double those of any previous year, and exports reaching $6,944,000 against, a previous high mark of $5,997,741 in 1919. Over 95 per cent. of the exports from Honduras are shipped to the United States.

Honduras has signed a contract with W. G. Stott, a United States army officer, to organize a national police force.

NICARAGUA—A dispatch from Managua, dated April 8, said that a commission of American engineers was expected from the United States to study plans for an interoceanic canal through Nicaragua. This route formerly was considered more practicable than that of Panama, as there was no elevation as high as Culebra to be cut, and Lake Nicaragua afforded a water transit for about one-third of the distance. Though the project was dropped in President Roosevelt's time, it is now being revived because the traffic by way of Panama is increasing so rapidly that the canal in a few years will be unable to handle it. The Bryan-Chamorro treaty of 1916 gives the United States the exclusive right to construct a canal through Nicaragua, and to establish a naval base on the Gulf of Fonseca, on the Pacific Coast. For these privileges the United States paid $3,000,000. Salvador and Honduras protested against this treaty as ignoring their rights in the Gulf of Fonseca, and this is the chief reason why Nicaragua refuses to join the Central American Union, fearing the merger would invalidate the treaty.

United States marines arrived at Managua on April 3, to replace those who were punished for wrecking the plant of the Tribuna.

Nicaragua has asked the Knights of Columbus to establish councils within its borders "for the benefit of the youth of Nicaragua and the general welfare," but the Supreme Secretary said it was improbable that the organization would be extended beyond the United States, its possessions, Canada and Newfoundland.

Corinto has been made a regular port of call for Pacific mail steamers, making a direct service of fifteen days to Baltimore and New York, avoiding transshipment at Cristobal, which formerly resulted in loss of time often amounting to a month.

SOUTH AMERICAN PROSPERITY

Industrial expansion under improving business conditions—Growing navies of four republics—A large Krupp concession in Chile—Brazil's diamond mines—A Pan-American research laboratory as a memorial to General Gorgas

[PERIOD ENDED APRIL 15, 1921]

BUSINESS conditions in South America have been gradually improving during the first quarter of the year; collections are easier, and plans are afoot for the improvement of railroad, river and road transportation. Brazil and Chile are about to issue new loans for the extension of railways, and an Argentine company with a capital of 50,000,000 pesos is about to establish a shipbuilding yard. The arrival at Valparaiso of Chile's first dreadnought—the 28,000-ton La Torre, formerly the Canada of the British Navy—and three destroyers, has revived comparisons of South American sea power. That of Argentina is 140,000 tons, of Brazil 120,000, of Chile 85,000 and of Peru 10,000.

ARGENTINA—The Socialist Party of Argentina split in March over the adoption of a resolution rejecting adherence to the Third International of Moscow. A large number of the extremists were expelled. A band of university students at Rosario captured the City Hall and attempted to take over the local government, but was suppressed by the police, and the disturbers were imprisoned.

The steamer Martha Washington having been tied up by a boycott of the union port workers of Buenos Aires, the American Ambassador, on April 13, made a demand on the Argentine Government to lift the boycott and provide means for unloading the vessel. Ambassador Stimson took this step, considering the Government responsible, because port labor in Buenos Aires had been fiscalized; that is, taken over by the Government to prevent strikes. The matter was referred to President Irigoyen. If the Government refused to interfere, it was said, Buenos Aires might be dropped as a port of call for American vessels.

Four hundred German immigrants arrived in Argentina at the end of March on board the first passenger vessel flying the German flag which had reached Buenos Aires since the beginning of the war. Most of them were middle-class people, including eighty army officers, but few had any capital; they were expecting to obtain employment at once.

American goods to the value of $40,000,000 were said to be piled up in the Buenos Aires Custom House, having been rejected by Argentine buyers through inability to accept delivery. Credit, however, is now improving, owing to record crops. President Irigoyen on March 18 issued a decree that no export duties, additional to those assessed monthly, should be imposed on exported cereals. As stated in a dispatch from Brussels on April 7, the Argentine National Bank has been authorized to finance large shipments of wool to Antwerp, allowing two years' credit. The cotton industry in Northern Argentina has quadrupled in three years. It was announced on April 12 that the first big gusher among oil wells in the Government field at Comodoro Rivadavia had just been brought in, with an estimated production of 25,000 barrels a day.

President Irigoyen is leading advocate of a plan for the nations of North and South America to erect a memorial in the Panama Canal Zone to the late General William C. Gorgas for his success in conquering tropical diseases. The memorial will be in the shape of a laboratory open to physicians of the world who wish to undertake research work in connection with tropical pestilences. Dr. Franklin H. Martin of Chicago is a member of the preliminary committee appointed by President Porras of Panama to gain aid for the memorial.

BRAZIL—The contract for the use of twenty-seven former German steamships borrowed by France from Brazil during the war expired on March 31, and the French Government is preparing to return them. Whether Brazil will retain or sell them has not been decided. It was stated in Rio Janeiro that interests in the United States had offered to purchase them.

Stern measures have been taken to curb

the activities of foreign anarchists in Brazil, owing to several bomb explosions in Rio Janeiro. President Pessoa has signed a decree providing heavy penalties for the propagation of subversive doctrines.

Brazil is endeavoring to improve foreign exchange by raising the price of coffee, having purchased more than 300,000 sacks in the first half of April.

C. A. Legesen, a South African diamond expert, who arrived in New York recently from Brazil, declares that the diamond mines of Minas Geraes are larger than all those of South Africa together, and believes there are in sight at least $120,000,000 worth of the precious stones. The output is now about 15,000 karats a year. The diamonds are pure white, not yellow, as popularly supposed.

CHILE—The Chilean Cabinet resigned on April 12 as a result of rejection by the Senate of the Government's proposal to appoint Luis Aldunate, former Minister of Foreign Affairs, as Chilean Minister to France. President Alessandri refused to accept the resignations. Antonio Huneus and Manuel Rivas also resigned as delegates to the League of Nations, because Augustin Edwards, Minister to Great Britain, had been named Chairman of the Chilean delegation to the Assembly. The Government cabled a refusal to accept their resignations. At the same time the President has called by cable for the resignation of all diplomats who belonged to the opposition party, which includes Chilean representatives to Austria, Spain, the Vatican, Holland, Portugal, Brazil, Mexico and Cuba.

German farmers have been negotiating for the purchase of 50,000 tons of Chilean nitrate. The Krupps, on April 8, obtained a thirty-year concession from Chile for the construction of the largest steel and munitions plant in South America, and are to receive nearly 100,000 acres of rich timber lands.

Mlle. Adrienne Bolland, who held the French woman's aviation altitude record, flew across the Andes on April 1 from Mendoza to Santiago, Chile, in six hours and a half.

COLOMBIA—Senator Lodge, on April 12, began the debate in the United States Senate on the Colombian treaty, which provides for the payment of $25,000,000 compensation for President Roosevelt's action when he "took" Panama. Senator Lodge declared that if he thought anything in the treaty reflected on Colonel Roosevelt in regard to the Panama Canal nothing would induce him to support it. Besides that, very large oil fields were on the point of development in Colombia, which it would be advantageous to have in American hands. Expression of the American Government's regret for having separated Panama from Colombia, in order to build the Panama Canal, had been eliminated, so there was nothing now to prevent ratification of the treaty as compensation for the loss of Panama. President Harding has expressed himself in favor of the treaty, entirely putting aside old and unhappy controversies.

PARAGUAY—A decree of Jan. 13 gave temporary permission to vessels under foreign flags to engage in trade on the Upper Parana River, and the Argentine Navigation Company, in consequence of a strike, placed their steamers under the Paraguayan flag, the Asuncion Government agreeing to operate them with "officialized" crews. In March the company reached a settlement with the river boatmen's union, promising to restore union crews to the vessels. The "officialized" crews protested, as this meant loss of their jobs. The nonunion men running the steamer Huttaita, on April 6, stole off with the vessel and headed north toward the Brazilian frontier. A Paraguayan gunboat was sent in pursuit and the Huttaita was sunk near Concepcion. This, it is believed, forestalled a plot of the crews to resist the Paraguayan Government's intention to restore the steamboats to the Argentine Company.

PERU—The Marconi Wireless Telegraph Company has obtained a contract to operate the postal, telegraph and wireless systems for twenty-five years, beginning May 1, receiving 5 per cent. of the gross receipts and 50 per cent. of the annual profits. The Marconi Company will have exclusive use of all international wireless stations in Peru and practically all telephone services.

URUGUAY—Laws enacted by the Uruguayan Congress, President Brum declares, have made labor contented. One pending in March provides a minimum wage of $20 a month, with board and lodging, and of $45 in the city. Another law gives an obligatory day of rest each week and includes domestic servants.

The first fatal duel since the adoption of the law legalizing dueling occurred in Montevideo on March 21, when Captains Melo and Gomeza of the Uruguayan Army fought with pistols and the former was shot through the heart.

VENEZUELA—Dr. Esteban Gil-Borges, Venezuelan Minister of Foreign Affairs, arrived in New York with a number of other distinguished Venezuelans to represent their country at the unveiling of the bronze equestrian statue of General Simon Bolivar, the Liberator, in Central Park, New York, on April 19. It was understood that President Harding and Secretary Hughes would speak on the occasion. On the same day official ceremonies were to be conducted in Caracas, where two parks were to be christened Washington and Clay. The statue was presented to the City of New York by the Venezuelan Government and was the work of S. J. Farnham of New York.

POLITICAL TENSION IN CUBA

A Congressional strike of the Liberals prevents the proclamation of Dr. Zayas as President—New York and Havana can now talk by telephone—Affairs elsewhere in the West Indies

[Period Ended April 15, 1921]

CUBA'S Presidential troubles have taken a new and curious turn. Though the supplementary elections of March 15 confirmed Dr. Zayas as the republic's choice for President, the Liberal members of Congress undertook to render the proclamation of his election impossible by going on strike and absenting themselves from Congress. At this writing the Cuban public is puzzled over the problem of whether Dr. Zayas can constitutionally take office on the legal date, May 20, in the face of this new complication.

The Liberals generally stayed away from the polls, and Dr. Zayas received about 33 per cent. of the vote. There were no clashes, as General Crowder had taken every possible step to assure order. The Liberals and Democrats, however, had determined, if possible, to prevent Zayas from acceding to the Presidency. The House of Representatives passed out of existence at noon on April 4, and when the new Congress was called to order at 3 o'clock on that day, no quorum was present. Every member of the National League, which includes the old Conservative Party, was there, but there were present only three Liberals, who evidently came as observers for the Parliamentary Council of the Liberal Party, then in session.

Jose Miguel Gomez, the defeated Liberal candidate for the Cuban Presidency, arrived in Washington on March 30, to appeal to the State Department for the establishment of a Provisional Government in the island, under an American chief executive if necessary, to supervise new elections. General Gomez has been the stormy petrel of Cuban politics. He protested against the second election of Estrada Palma and supported a revolutionary movement begun by Pino Guerra in 1906. He took the field in 1917, proclaiming that Menocal had been re-elected by fraud. He was captured in battle, but was soon released. As a result of the second American occupation, he was elected President and served four years, from 1909 to 1913. On April 5, Gomez called on President Harding and, on the same day, Dr. Rafael Angulo, Chairman of the committee of Liberals who had been sent to Washington, presented a formal appeal to the State Department to set up a Provisional Government.

The United States, through Minister Long, on April 17, formally recognized Dr. Zayas, candidate of the Coalition Party, as the duly elected President of the Cuban Republic. This decision determined General Gomez to give up the contest, and he so formally announced as soon as he learned of Minister Long's statement.

Fernando Quinones, National League

candidate for Governor of Havana Province, was shot dead on the famous Prado in the heart of Havana by Ernesto Collado, a Liberal member of Congress and party candidate for Governor of the same Province. Collado was indicted for homicide and held without bail pending action by Congress on a plea of immunity as member of the House of Representatives. Assassination talk has been rife in Cuba lately. In March Dr. Zayas's private secretary was found murdered, and a prominent political leader is said to have made a vow that Dr. Zayas will never serve as President of Cuba.

Direct telephone communication was opened between this country and Havana on April 11. President Harding and President Menocal exchanged oral expressions of good-will, as did also several of the Cabinet Ministers in the two capitals. Still more wonderful was the fact that Washington and Havana, as well as other cities across the United States, listened to a wireless telephone operator on Catalina Island, off the Pacific Coast, the distance to Havana, 5,700 miles, being a new record for transmission of the human voice by a circuit of radio, wire and cable. The Postal Telegraph Company on the same day completed the laying of a new submarine cable between Miami and Havana, giving it an alternative route to that from New York.

Great Britain is now levying a 50 per cent. ad valorem duty on cigars imported from Cuba, and cigars that cost 8 cents before the war now sell in London for 25 cents—a shilling. As a result only the well-to-do can afford to smoke them, and the British Government loses a revenue amounting to $2,400,000 a year. Cubans in reprisal are demanding a duty of 40 per cent. ad valorem on all British goods, and R. T. Nugent, director of the Federation of British Industries, is urging strongly a reciprocal agreement with Cuba. He points out that in the first quarter of 1920 British exports to Cuba were 150 per cent. heavier than in 1919, and that British cotton goods were getting a big hold in the island; all this will be lost if a tariff war ensues. Spain is following Britain's example, raising duties on Cuban cigars by the expedient of valuing them in gold instead of silver as heretofore. This amounts to an increase of more than 60 per cent. Cuban manufacturers have cabled a protest to Madrid. The Banco Nacional de Cuba suspended business on April 9, owing partly to failure to raise $12,000,000 in the United States to tide the bank over April 15, when, under the moratorium law, it would have been compelled to pay another instalment of 20 per cent. to its depositors. The bank had vast amounts loaned to sugar planters who could not pay promptly, but is solvent, having over $30,000,000 of mortgages, bonds and assets available as collateral.

SANTO DOMINGO—Ex-President Henriquez y Carvajal of Santo Domingo on April 12 presented a petition at the White House, begging that the United States restore to Dominicans the "rightful sovereignty of which they have been deprived since 1916, through the employment of the military forces of the United States without warrant of law.

An appreciable diminution in the volume of freight between New York and Santo Domingo has caused the three principal lines, which were operating at less than 60 per cent. of capacity, to reduce freight rates on a number of important articles. A reduction of postage to United States domestic rates also went into efect on April 1.

JAMAICA—The Legislative Council of Jamaica has remitted the export tax on cocoanuts and cocoa, fully $1,000,000 worth of which are exported to the United States annually. Fruit companies trading with America are engaged in fierce competition. The banana price has risen and many cultivators are said to be selling immature fruit. Alastrim, a contagious disease similar to a mild form of smallpox, is raging. Marcus Garvey, a leader of American negroes, has arrived from New York and is addressing large and enthusiastic meetings in the interest of the Universal Negro Improvement Association, of which he is President. Fire, on April 1, destroyed the building and stock of the Jamaica branch of the American Tobacco Company; loss, $1,000,000.

Hundreds of Jamaicans, who have been unable to obtain work on the sugar plantations in Cuba, are returning home and report that orders have been given to all industrial undertakings in Cuba to give preference to Cuban laborers in order to relieve unemployment.

NORWAY'S INDUSTRIAL INDEPENDENCE

Capitalizing waterpower in order to dispense with coal and to sell electricity by wholesale to neighboring States—Shadow of German competition over Scandinavian markets —Events in Sweden and Denmark

[Period Ended April 15, 1921]

By harnessing many waterfalls Norway is making strides toward leadership as an industrial country. Though Norway has abundant iron ore, it is handicapped by lack of coal, and the nation's scientific ingenuity is grappling with the problem. Inventors in many lines are at work on it. Norsk Hydro, the great electro-chemical company of Norway, has lately acquired a patent on the invention of Professor B. F. Halvorsen and Mr. Foss, engineer, for making iron without the use of coal by a series of metallurgical reductions.

Unstable exchanges, political uncertainties and social unrest still tend to restrict trade and cripple industry in Norway; the financial stringency, too, and the enormously increased cost of production have aggravated the depression. Financial conditions have adversely affected the engineering and allied industries. Especially hampered were workshops on the west coast engaged in repair and motor work, and foundries dependent on the fishing industry, several of which have had to close down.

The hydroelectric power industry has become the most important of Norway, but has been retarded in new development schemes by the limitation of the capital available for investment. Of the 15,000,000 horse power units latent in the Norwegian water courses only 1,375,000 have been utilized, though practically every farmer has light, heat and power on his land. The Government has continued work upon its power projects of harnessing the waterfalls of Nore and its Hakavik installation. Other operations are in progress.

Of the 6,000,000 horse power latent in Sweden's water courses nearly all is in the north of that country. The Norwegian power is to be carried by air cable across Southern Sweden and by submarine cable to Denmark. Both Danish and Norwegian capital has been secured in financing the project, and with the financial backing of Sweden it is highly probable that the plans will make noticeable headway in the near future. Ultimately, thinks a Norwegian expert, it will be practicable to lay a submarine power cable from Arendal, Norway, to Jutland, including all three Scandinavian countries in a circular line, with their international co-operation.

Norwegian trade and industry feel the menace of German competition. German exporters can undersell all competitors, even those of Norway, on account of the low exchange value of the German mark as compared with the currency of all other manufacturing countries. Yet, in spite of all the financial difficulties that handicap the country and of the comparative stagnation in Norwegian trade and industry for over a year, there is improvement in certain directions.

A special Norwegian commission set out for Washington early in April for the purpose of reaching a settlement of the claims for ships requisitioned by the United States in the war. The Shipping Board had allowed $14,157,000 for the commandeered ships, but Norway was not satisfied with that amount, contending that allowance should be made for the speculative value of the contracts, due to the increased price of tonnage during the war.

SWEDEN—King Gustaf V., who occupies a villa a part of every year on the Côte d'Azur, France, arrived in Paris on the morning of March 19. Clusters of flags, Swedish and French, decorated the Gare de l'Est in his honor. Among the personages present were General Lasson, representing President Millerand, and the Swedish Legation, headed by the Swedish Minister,

Count Aehrensvaerd. King Gustaf was accompanied by Count Stedingk, his private chamberlain; M. Sandgren, Minister Plenipotentiary and private secretary; Dr. Olin, court physician and Captain Salander, aide-de-camp. The King responded to the address of welcome by the Government officials and later took up residence at the hotel of the Swedish Legation. President and Mme. Millerand gave a dinner in his honor, and for several days he was the centre of distinguished social functions.

The new Swedish Ministry was finally constituted under the presidency of M. de Sydow, Conservative. The only new member among the other Ministers was M. Beskow. The most striking personality in the Cabinet, in view of his connection with the Aland question, is Count Wrangel, Minister of Foreign Affairs.

About the only progress made toward trade with Soviet Russia by Sweden lies in her becoming a clearing house for Soviet gold. Tons of this metal, according to The Associated Press, were coming from Russia by way of Reval. In Stockholm the gold was melted, given the stamp of the Swedish Mint and thrown upon the markets of the world. The Soviets were hoping that American Consuls in Sweden would approve shipments of gold without tracing them further back than their Swedish origin.

According to reliable reports, the Bolshevist gold reserve totals only 175,000,000 gold rubles. The first shipment of this gold to America, seven tons, was reported to have gone forth on March 20 on board the Swedish steamer Carlsholm. About ninety tons more were left in Stockholm, having been restamped. Swedish bankers, who bought most of the gold, were making large profits. This gold traffic and the curtailment of credits caused a decline in American exchange. The American rate on gold exports amounted to 2,942 kroner per kilogram, the English rate being 2,562. Gold exports to England were very small.

DENMARK—Even more than Norway, Denmark is under the menace of German commercial competition. It is feared that the charge of 50 per cent. exacted on all German goods imported into Great Britain will be prohibitive of the import of German goods into allied countries and will increase their unloading on Scandinavian markets. The Danish trading organ, Borsen, quotes statements concerning the efforts of Scandinavian and other neutral countries to secure protests from their respective Governments to the League of Nations against this policy, representing that it is contrary to the interests of the allied powers to allow neutral countries, important as markets and production centres, to face ruin through the unprecedented unloading of German goods.

The Minister of Foreign Affairs announced before the Danish Parliament on April 9 that agents of the Russian Soviet were about to make a proposition for trade relations with Danish organizations, to be followed by negotiations with the Ministry. The proposal had been approved by a committee of influential Danish merchants.

Twenty American students who have been appointed by the American-Scandinavian Foundation to traveling scholarships of $1,000 each for study in the universities and technical schools of Denmark, Norway and Sweden, are about to embark for these countries. They begin their studies under the terms of the fellowship exchange, which provides also for twenty Scandinavian students at American universities. They will study the Scandinavian languages and literature, hydroelectrical engineering, chemistry, forestry, economics, metallurgy, medicine, physics, fisheries, agriculture, philosophy and church history.

ICELAND—As an evidence of increasing activity in the Icelandic air transport service, which kept up inland communications last Winter and has also aided the fishing fleets in locating shoals of fish, the transport company is now enlarging its fleet by the purchase of several American Curtiss flying boats. A regular air service will ply this Summer from Reykjavik, Iceland, to Copenhagen, by way of Leeds, England, a distance of 1,600 miles.

ITALY'S CRITICAL NEW ELECTION

A momentous verdict in the nation's life to be given on May 15—Bloody reprisals by the Communists and Fascisti

[PERIOD ENDED APRIL 15, 1921]

ON April 2 the Council of Ministers signed the following remarkable address to King Victor Emmanuel III.:

Sire:

From the fall of imperial Rome until today, when Italian unification is complete, in accordance with sacred national aspirations all new provinces annexed have been allowed to elect representatives.

The events which followed the elections of 1919 and the unrest manifest in certain provinces of the kingdom have served to hasten new elections rather than to retard them.

The will of the nation is the greatest force for the re-establishment of the authority of the law.

Foreign policy will develop in accordance with economic ideals, provided the scope of commercial influence be assured with replenishment of raw materials, new paths for emigration, new markets for our products.

We are confident that the new Chamber will modify Article V. of the Constitution concerning declarations of war and the conclusion of international treaties.

Furthermore, the deficit of 4,000,000,000 lire imposes heavy sacrifices on the people, particularly on the rich.

The ordinances and administration of justice should be reformed and made more active.

State examinations should be imposed in all departments, and a reform of the army and navy administrations, reconciling the necessity of national defense with the minimum expense.

Moreover, co-operative organizations should be perfected by which profits shall be so distributed among the workers as to annihilate the strike.

The representative agricultural industries should be organized; the great landed estates broken up; methods assuring social protection should be perfected.

The workers can doubtless aid in the development of the industries if they shall pass the period of vague revolutionary aspirations. Let us express the hope, therefore, that representatives may be sent to Parliament who are capable of carrying out practical programs.

Thus will Italy be able to pursue with security the task, already showing fruits, of reconstruction of the national heritage, which is in her firm and healthy organism, and victoriously overcome the crisis as it appears.

The new Legislature, we have faith, will be equal to this task.

We have the honor, Sire, to submit to your Majesty the decree dissolving the Chamber of Deputies and calling the elections for the 15th of May next.

On April 7 the following royal decree was issued:

According to Article 9 of the Fundamental Law of the Realm; according to the unique text of the political election law endorsed by royal decree, Sept. 2, 1919, the Council of Ministers is heard, and on the proposal of our Minister Secretary of State for the Interior, President of the Council of Ministers, we have decreed and herewith decree:

Article 1—The Chamber of Deputies is dissolved.

Article 2—The electoral colleges are called for the 15th day of May, 1921, for the purpose of electing the number of Deputies assigned to each one.

Article 3—The Senate of the Kingdom and the Chamber of Deputies are convoked for the 8th day of June, 1921.

We command that the present decree, provided with the seal of State, be inserted in the official records of the Kingdom of Italy and sent to each official concerned, to have him observe it and cause it to be observed.

Rome, April 7, 1921.

(Signed) VICTOR EMMANUEL.
(Countersigned) GIOLITTI.

Thus passed into history the twenty-fifth Legislature, which, in its feverish existence of seventeen months, performed less necessary work than any of its predecessors, leaving unsolved the two great problems of the day: A retrenchment in national finance and co-operation between labor and capital, for both of which the Government had offered rational solutions.

It was never a representative Chamber, and it grew less representative as communism grew, waxed strong, and then waned under the hammer blows of the Fascisti and an aroused middle class bent on enforcing the laws. When it came into power in November, 1919, as the successor of the war Chamber grown stale in vague attempts to readjust itself to peace, it discovered that the determining factor would be the increase of the number of Socialist Deputies from 77 to 156, and the presence of 101 Deputies representing the new Popu-

lar or Catholic Party. The Ministerialists were reduced from 318 to 161. These results had been due to the indifference of the middle class. Humiliated by the defeat of Italy's foreign policy at the Paris Peace Conference, and by the indifference of the Nitti Government to vital domestic questions, the middle class had remained away from the polls. Such a Chamber as resulted could not possibly be constructive, and Premier Nitti, after one attempt to make it representative of the heterogeneous mass of politicians sitting at Montecitorio, went out of office in June, 1920, being defeated by the combination of the left wings of both the Socialist and the Catholic Parties.

He was succeeded by the veteran Giolitti, who, supported by a Ministry representative of the most respectable factions in the Chamber, achieved the masterpiece of the Treaty of Rapallo, but found himself unable to cope with the rising tide of Leninism, and so, for a time, practically abdicated as an executive and allowed the laws for the protection of life and property to become a dead letter.

The more rational of the proletariat soon discovered their mistake, but the extremists kept on, and, heedless of the rebuke of a chastened proletariat and a more circumspect socialism, they attempted a revolution by direct action. It was at this point that the middle class shook off its torpor and began to act. Its weapon was the Fascisti, an organization brought into being by Benito Mussolini, a reformed Socialist, pledged to patriotism and to the purging of the Peninsula of communism, and supported by popular subscription. The emblem of the Fascisti was the Fasces borne by the Lictors of ancient Rome; from this they took their name.

The Government working behind the Fascisti gradually recovered some of its authority. But as its induced strength augmented more and more, the impossibility of legislating with the Twenty-fifth Chamber became more and more evident. The only thing that enabled it to stay in office was the growing fear of the Socialist and Catholic Parties, particularly the former, that a defeat of Giolitti would mean dissolution and a new election.

But Giolitti who, as Minister of the Interior, would supervise a new election, did not wait to be defeated and so lose that valuable political asset.

The election of the Twenty-sixth Legislature on May 15 next will be the most important since the inauguration of the Third Italy. Aside from the vital questions to be decided connoted in the foregoing address of the Ministry to the King, the electorate, by the addition of new provinces, has raised the number of Deputies from 508 to 535. The 27 new seats are thus distributed:

The two new districts in the Trentino, consisting of Revereto-Trento and Bolzano and their included communes, will have, respectively, 7 and 4; the City and Province of Trieste, 4; the Province of Gorizia-Gradisca, with the territory annexed from the Provinces of Carinzia and Carniola, 5; the Province of Istria, with the constituency of Parenzo, 6; Zara and Lagosta, with the annexed Dalmatian territory, 1.

And aside from these additions the Ministry of the Interior, with the aid of the Prefects of the provinces, has made a new apportionment of the old constituencies, with the idea of breaking up the strongholds of communism and anarchy.

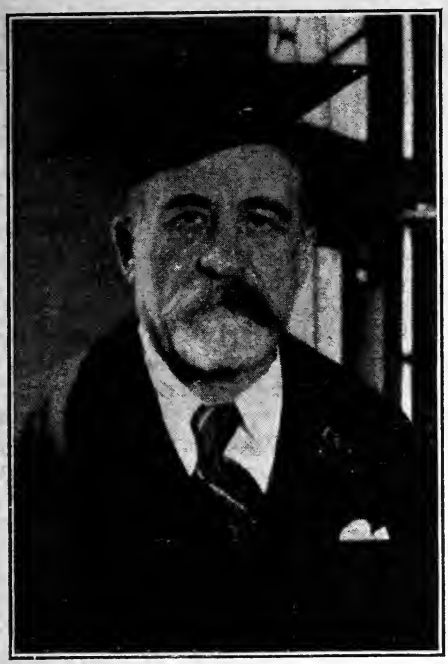
While the electioneering so far has shown very little change in the academic political programs of the Conservative Parties, nearly all have adopted anti-communist resolutions, and many of them the emblem of the Fascisti, the Roman eagle surmounting the Fasces of the Lictors. Even the Socialists have changed their emblem from the hammer crossed with the sickle to the hammer crossed with the pen.

Benito Mussolini is directing the Fascismo, not as a definite political party, but as a super-party pledged to patriotism; in those constituencies where the Ministerialists are already in the majority the Fascismo refrains from acting as such, while concentrating its influence and action in those constituencies where the Ministerialists are in the minority.

Although the Catholic or Popular Party, owing to the extremists among it and their periodic cohesion to communism, has lost caste among those Liberals who voted the Popular ticket at the last election, nevertheless, its excellent organization, the growing prestige of the Vatican, and the advice of the Pope for all Catholics to ally themselves with law and order, are expected to show little, if any, diminution in the

number of its representatives at Montecitorio.

No sooner had the royal decree dissolving the Chamber been issued than seventeen communist and anarchist Deputies, thus deprived of their Parliamentary immunity, were arrested, charged with various crimes from arson and murder to treason.



(© Harris & Ewing)

ROLANDO RICCI
The new Italian Ambassador to the United States

The struggle continued between the Fascisti and the Reds, particularly in the industrial cities of the north, as usual the Fascisti waiting for some overt act to be committed—an attack on public or private property, an assault upon some carabiniere or soldier—when they would solemnly execute the local head of the obnoxious organization and destroy its meeting place. Then, in their turn, the communists would call a strike in revenge, which, in many cases, proved abortive on account of the growing timidity of the strikers and public resentment.

On March 23 a terrible thing happened at the Diana Theatre of Milan. In the midst of the evening's performance before a crowded auditorium a bomb was exploded which killed 31 persons and injured over 100. While the police were busy making an investigation the Fascisti acted on their own evidence and in their usual way. In Milan and neighboring towns not only the meeting places of communists and anarchists were destroyed, but their newspaper offices met a similar fate. Some of the alleged delinquents, run down by the Fascisti, were turned over to the police; some, concerning whose guilt there appeared to be no doubt, were dealt with in another manner. The arrests made by the police numbered over 100 by April 1; there is no record of those apprehended by the Fascisti.

On April 10 Palo Boselli was made a Senator for life, and the next day Luigi Luzzatti was honored in a similar manner. Both are former Premiers, the first born at Savona, in Liguria, in 1838, and the second of Jewish parents, at Venice, in 1841. When both entered Parliament in 1870, Luzzatti already had a European reputation as a political economist, and was later to hold portfolios in several famous Ministries, besides being President of the Council. He last held office under Nitti a year ago. Boselli has had a similar, although less, distinguished career. He is principally remembered as being the head of the second war Cabinet, from June 19, 1916, till October, 1917, which covered one of the most difficult and glorious periods of Italian national life and prefaced one of the most disastrous—Caporetto.

On April 1 General Count Cadorna's book, "The War on the Italian Front," made its appearance. It is a detailed account of Italy's preparations for the war, and the development of the tactical and strategic plans until after Caporetto. Much of the book is taken up by developing the argument that had the Allies accepted the premise that the war could have been won on the Italian front, there would have been no Caporetto, and the sequence of the German and Austrian surrenders would have been inverted. Although differing from those military critics who believe that the war should have been won where it was won, the book gives a mass of confirmatory evidence to those other critics who continue to believe with Napoleon and Cadorna that the quickest way to reach Berlin is via Klagenfurt and Vienna.

THE NEW SPANISH CABINET

[Period Ended April 15, 1921]

On March 13, five days after the assassination of Premier Dato, the veteran Conservative leader Antonio Maura having failed to form a Cabinet, his followers combined with those of the late Señor Dato and of Juan de la Cierva, and designated Manuel Allende-Salazar as President of the Council, without portfolio. The following slate was accepted by the King:

Premier	Señor Allende-Salazar
Foreign Affairs	Marquis Lema
Interior	Señor Bugallal
War	Viscount Eza
Marine	Señor Prida
Finance	Señor Arguelles
Public Works	Señor Lacierva
Public Instruction	Señor Aparicio
Labor	Count Elizarraga
Justice	Señor Pinies

This is a Coalition-Conservative Ministry. Aside from the supporters of Maura and de la Cierva, numbering 44, it can count on those of the late Premier, numbering 127, also on the Catalonian Regionalists, numbering 17, making with the personal factions a total of 232 against a Liberal Opposition led by Count Romanones with 93.

At the Socialist Congress, held on April 14 in Madrid, the communists withdrew from the Socialist Party after a resolution to adhere to the Third International and to the twenty-one Articles of Lenin had been rejected by a vote of 8,808 to 6,025. Thus the Spanish Socialists break up into two parties, as was the case in Italy and Germany, with the communists in the minority, and not, as in the case of Switzerland and France, with the communists technically in the majority.

The convincing influence in Madrid was the revelations made by Señor de las Rios and Señor Anguino, who had studied Bolshevism in Russia, combined with the advice of the leader Largo Caballero, a member of the Madrid City Council, who appears to be a Spaniard first and a Socialist afterward.

PORTUGAL—The new Portuguese Ministry under the Premiership of Bernardo Machado has not encountered any serious opposition in Parliament, as it has the support of the Popular Party, of the Democrats, the Dissident Democrats and the Reconstituent Democrats, and so may be regarded as a sort of Democratic coalition.

The new Premier is not only opposed to amnesty but is even said to have fabricated a new Royalist plot, with the result of many arrests. He takes the view that the political prisoners should be kept in the Penitenciaria "for their own good, to cleanse their souls from guilt." Even the murderer of President Paes, José Julio Costa, after two and a half years, has not yet been brought to trial. Attempts have been made to place Costa in the Lisbon Bombarda Insane Asylum. Its director, however, points out that, as he was not mad when the crime was committed, and has not gone mad since, his admittance would be contrary to the rules of the asylum, incorporated in the decree of May 11, 1911.

According to the Diario de Noticias, a Republican paper of Lisbon, some of the newly arrested men were apprehended merely because of their Royalist opinions. Those who were ready to conspire, it declared, had not the consent of any leader of any Royalist Party. This situation was said to apply also to the followers of the late President Paes.

The body of an unknown Portuguese soldier to be buried in the Pantheon in Lisbon was sent to Cape Town from Lorenço Marquez on March 16. It had been brought from Nyassaland, where the soldier was killed in the war.

GREECE ATTEMPTS TO IMPOSE THE SEVRES TREATY

Story of the campaign in Asia Minor and of the Greek Army's endeavors to force Mustapha Kemal to conform to the will of the Allies—Overwhelming political and military difficulties in the way

[PERIOD ENDED APRIL 15, 1921]

ON March 24 the Greek Army in Asia Minor began its campaign to execute single-handed the Treaty of Sèvres. It did this under the most trying moral and material handicaps. The country's repudiation of Venizelos and its restoration of King Constantine last November had seriously injured its moral status, not only in the chancelleries of the Allies, but also among their peoples. Taking into account this situation and ignoring the fact that one of the intentions of the Treaty had been to remove from the power of the Turk his capacity to injure subject races, Great Britain, France, Italy and Japan at the Near East Conference held at London, from Feb. 21 to March 12, had offered to modify the Treaty at the expense of Greece by restoring certain political and territorial powers to Turkey of which the Treaty had deprived her.

Nor was this all. While these proposals, with certain modifications, were accepted by both the Constantinople and the Angora delegates—the former representing the artificial administration of the Sultan, created and maintained by the Allies under the direction of Great Britain, but which, nevertheless, had declined to ratify the Treaty, and the latter the Nationalists under Mustapha Kemal Pasha—both France and Italy entered into separate engagements with the Kemalists which would prevent Greece, even if victorious over Kemal, from enjoying the fruits of that victory, even though they were limited to the original terms of the Treaty. [See text of pacts, Page 203.]

The military prospect was also discouraging. The campaign was to be fought over the ground which was included in the Italian zone of commercial exploitation, as set down in the treaty; on account of the new accord reached by the Governments of Constantinople and Angora and with themselves, the Entente powers made no objections to the troops of the Sultan joining the colors of Kemal on the north, while on the south the Franco-Kemalist pact released 30,000 Nationalists, who hastened to join Kemal's left wing. In London and in Paris, respectively, General Foch and General Gouraud, the French High Commissioner in Syria, had urged all military arguments upon M. Gounaris, then the Greek Minister of War, to abandon the enterprise, which could end only in failure, with an unnecessary sacrifice of Greek lives and treasure. In Smyrna itself General Papoulas had succeeded the veteran General Paraskevopoulos as Commander-in-Chief, and with the latter had been retired those other Venizelos officers whose experience had made possible the Greek victories over the Kemalists in June, 1920. Finally, although the reports from Papoulas's General Staff praised the Greek morale and disparaged that of the Turks, reason and a grasp of the circumstances involved seemed to point to the opposite as the truth. In spite of all these handicaps, however, Greece ignored the advice of the Entente, and, remembering only the centuries of Turkish atrocities which the Treaty of Sèvres was intended to end, began her campaign.

The proposals for a modification of the treaty handed the Turkish and Greek delegations at London were published in a Britist communiqué on March 12. Though the Greeks rejected them in toto, as we already know, the only objection that the Turks found to them was the stipulation of a Greek garrison in the town of Smyrna. According to the official statement, these proposals are to the following effect:

> The Allies would be prepared to facilitate the admission of Turkey to the League of Nations on condition that they have proof

of Turkey's readiness to execute the Treaty as now modified.

They would be prepared to withdraw from the Treaty the menace at present suspended over Turkey of expulsion from Constantinople in certain contingencies

They would be prepared to concede to Turkey the Chairmanship of the Straits Commission, on which Turkey should, moreover, have two votes instead of one as hitherto proposed.

The Allies would admit Turkish membership of the commission to prepare the scheme of judicial reform to replace the Capitulations.

THE TURKISH FORCES.—The Allies are prepared to admit the increase of the Turkish forces to 30,000 special elements and 45,000 gendarmerie. The latter would be distributed in agreement between the Turkish Government and the Interallied Commission. The proportion of officers and noncommissioned officers admitted in the gendarmerie will be modified in a sense more favorable to Turkish desires, and the number of foreign officers will likewise be reduced and distributed in agreement between the Turkish Government and the Interallied Commission, which might likewise be able to consent to some extension of the number and nature of military schools. An extension of the periods specified for demobilization, reduction of armaments, &c., would also be accepted.

THE DARDANELLES AND BOSPORUS.—Further, in regard to the Straits, the Allies have in mind considerably to reduce the demilitarized zone, which would be limited:—

(1) To the Peninsula of Gallipoli and the Marmora coast up to Rodosto;

(2) On the Asiatic coast of the Dardanelles, from Penedos to Karabigha;

(3) On the two shores of the Bosporus to a depth of 20 or 25 kilometers [12½ or 16 miles];

(4) To the islands commanding the Dardanelles, in the Aegean and the Marmora.

CONSTANTINOPLE — The Allies might also consent to the rapid evacuation of Constantinople, of the Ismid Peninsula, and to limit the allied occupation to Gallipoli and Chanak.

They would also in these circumstances assent to the maintenance by Turkey of troops in Constantinople and to a Turkish right of free passage between Asia and Europe in the demilitarized zone of the Bosporus.

TURKISH NAVAL FORCES.—The Allies might also be prepared to consider the possibility of giving to Turkey more satisfaction in the matter of the strength of her naval forces.

They would further be prepared to withdraw certain stipulations of the armistice still in force and the provisions restricting Turkey's freedom to send officers abroad.

FINANCIAL CONCESSIONS.—In the Financial Chapter the Allies are prepared to make substantial concessions in the sense desired by Turkey.

The Financial Commission would be placed under the Honorary Presidency of the Turkish Finance Minister, and Turkey would participate in the Financial Commission by a delegate with a vote on all questions affecting the internal finances of Turkey and a consultative voice in those affecting more specially the financial interests of the Allies. The Turkish Parliament would have the right to modify the budget prepared in agreement between the Minister of Finance and the Financial Commission, but if these modifications were such as to disturb financial equilibrium the budget would return for approval to the commission.

The Ottoman Government would regain its liberty in regard to the grant of concessions. The Minister of Finance shall, however, examine and decide in agreement with the Financial Commission whether the contracts are in conformity with the interests of the Ottoman Treasury.

The suppression of foreign post offices might also be considered on certain conditions.

Certain modifications in the definition of "nationals of the Allied Powers" might also be contemplated.

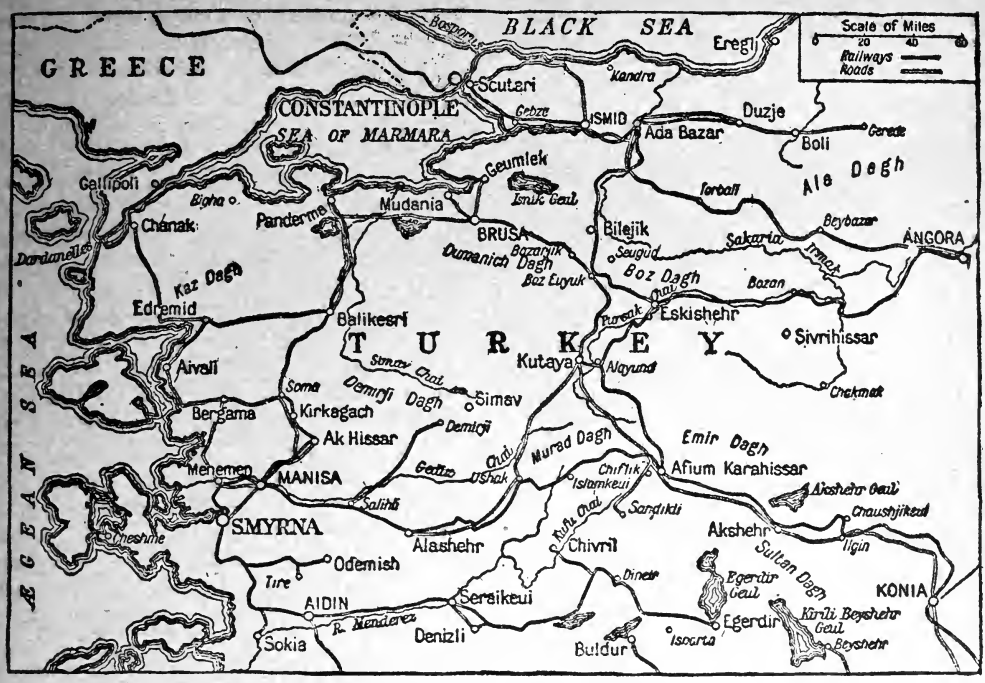
KURDISTAN.—In regard to Kurdistan, the Allies would be prepared to consider a modification of the Treaty in a sense in conformity with the existing facts of the situation, on condition of facilities for local autonomies and the adequate protection of Kurdish and Assyro-Chaldean interests.

ARMENIA.—In regard to Armenia, the present stipulations might be adapted on condition of Turkey recognizing the rights of Turkish Armenians to a national home on the eastern frontiers of Turkey in Asia and agreeing to accept the decision of a commission, appointed by the Council of the Leeague of Nations, to examine on the spot the question of the territory equitably to be transferred for this purpose to Armenia.

SMYRNA.—In regard to Smyrna, the Allies would be ready to propose an equitable compromise with a view to ending the present unhappy state of hostilities and ensuring the return of peace. The region called the Vilayet of Smyrna would remain under Turkish sovereignty.

A Greek force would be maintained in Smyrna town, but in the rest of the Sanjak order would be maintained by a gendarmerie, with Allied officers and recruited in proportion to the numbers and distribution of the population as reported by an Interallied Commission. The same proportional arrangement, equally according to the report of the commission, would apply to the administration.

A Christian Governor would be appointed by the League of Nations and assisted by an elective assembly and an elective council. The Governor would be responsible for payments to the Turkish Government of an-



SCENE OF THE GREEK-TURKISH CAMPAIGN

On March 24, when the Greek offensive began, the Greek lines ran north and south, from east of Brusa to Ushak, and hence southwest to Alashehr, or Alasekin (Philadelphia), with concentration of troops at these places; the Turkish Nationalist troops were grouped, north and south, from Geiveh to Denzili, via Eskishehr and Afium Karahissar, just west of, and protecting, the Bagdad railway.

nual sums expanding with the prosperity of the province.

This arrangement would in five years be open to review on the demand of either party by the League of Nations.

The secret treaty made by France with the Kemalists was signed at London on March 9 by M. Briand, the French Premier, and Bekir Sami Bey, the delegate of the Angora Government. So far as could be ascertained up to April 14, it has not yet been signed by representatives of the Sultan, as the latter insist on an increase of the Turkish army. This demand, if accepted, would induce Bulgaria, with much more justice, inasmuch as she has scrupulously observed the terms of the Treaty of Neuilly, to do the same. The document, it will be observed, is not in the nature of a simple armistice convention, as was at first announced, but rather a comprehensive, though preliminary, peace treaty, and is actually stated in the document itself to be preliminary to a final and more general treaty, to all intents and purposes taking the place of the Treaty of Sèvres, at least as far as the French clauses go.

The text of this secret treaty, and a summary of that concluded by Italy on March 12, will be found on Pages 203-5.

THE GREEK OFFENSIVE

In a decree dated March 20, King Constantine called under the colors three classes of reserves and addressed the Greek people as follows:

The efforts made to pacify the East within the limits established by an agreement having international authority have been constantly obstructed by the refusal of the organizations of Anatolia. These organizations, by perpetuating a parlous situation, have ruptured the imperative decisions imposed by a just conception of right and of civilization, and by the ceaseless sacrifices of Hellenism and its indefeasible national rights.

Though we were hoping that peace would be re-established without further shedding of blood, a new attempt was made to reverse the order of things established by the Treaty of Sèvres, as is proved by military move-

ments and by the concentration of troops against our front.

These manoeuvres make it necessary to reinforce our troops in order to protect our population exposed to the violence of savage bands and also to obtain definitive peace in the East, an aim which Greece pursues in common with her great allies.

Confident of the patriotism and heroism of the Greeks, I would appeal to the sentiment within them to reinforce the troops charged with imposing peace.

On the opening day of the offensive, March 23-24, General Papolas had 130,000 men in line on a 120-mile front extending from east of Brusa south and a little beyond Ushak. The enemy lay between this front and the Anatolian part of the Bagdad Railway, from Geiveh south, via Eskishehr and Afium Karahissar (the Black Castle of Opium) to Denizli. At first the enemy numbered 60,000; then about April 1 he was reinforced by the Fifteenth and the Third Army Corps, under Kiazim Kara Bekir, coming from the Transcaucasian front and numbering from 15,000 to 20,000 men.

The enemy was divided into three armies. The northern army for the defense of both Geiveh and Eskishehr was under the command of Ismet Pasha and Refid Pasha, and was made up of the Twenty-fourth Eleventh, First, Fourth and Sixty-first Divisions. The middle army, under Nar-ed-Din Pasha, for the defense of Afium Karahissar and Ushak, comprised the Twenty-third, Eighth and Fifty-seventh Divisions and the Twelfth, Fourteenth and Eighteenth Brigades. On the left of this army south to Denizli was the Cilicia Army Corps, consisting of the Forty-first Division, reinforced by the Second and Fifth Divisions, all under Sellah Eddin Bey.

The plan of the Greeks, as revealed by their manoeuvres, was to defeat the enemy's right and left wing, make a feint at Eskishehr with a sufficient covering force to hold the spur of the Anatolian Railway, which runs 120 miles east of the Nationalist capital of Angora, and then to direct a formidable attack on Afium Karahissar with the idea of driving a wedge between the enemy's second and third army and occupying the Bagdad Railway.

By March 31 the Greeks had done these things, and General Papoulas dispatched a message to Athens stating that the first part of the plan for defeating the Turkish Nationalists had been accomplished and that it remained only to advance on Angora. In the five days following, however, in spite of the contradictory dispatches received from Athens and Constantinople, it became evident that the situation had been completely reversed: The Kemalists had at least retaken both Eskishehr and Afium Karahissar, had re-established themselves on the Bagdad Railway, and were seriously threatening the Greek left wing between Ismid and Geiveh and the right wing between Afium Karahissar and Ushak. By April 8 the Greek left wing had retired on Mount Olympus, where it was threatened with isolation, while the rest of the line had fallen back on an average of twenty-five miles west of the railroad.

On April 14 a dispatch from Athens announced that a Nationalist drive composed of 30,000 men, led in person by Mustapha Kemal, had been repulsed on the Afium Karahissar sectors with the loss of 6,000 prisoners.

Proof that the Greek Government intends to continue the war until a definite decision is reached was apparently shown by the statement officially made in Athens on April 14 that the army in the field had been reinforced to 200,000 men, and that the officers, adjutants and cavalry reserves of the classes of 1901 to 1913, inclusive, had been called to the colors. The falseness of one Constantinople dispatch is shown from the fact that on the very day that it announced the death of King Constantine's brother, Prince Andrew, on the battlefront, his Royal Highness was in Athens preparing to sail for Smyrna. It was then expected that the Crown Prince would return from his honeymoon in Paris and take command of the navy, which was engaged in preventing Kemal from being reinforced from the European side of the Straits. On the other hand the Allies would not permit Greek detachments to cross the Dardanelles from the Thracian shore to Mudania, the port of Brusa.

On April 8 M. Kalogeropoulos resigned as Premier, for it was the majority of Demetrios Gounaris in the Bulé which was responsible for the renewal of hostilities, and a revolt of the political factions enabled Gounaris himself to assume the active direction of the Government, though, of course, under the orders of the King. So Gounaris left the War Ministry and became Premier,

with the portfolio of Justice, while M. Theotokis exchanged that portfolio for War, and George P. Baltazzis became Minister of Foreign Affairs. MM. Tertiris and Cartales also joined the Ministry but without designated portfolios. The remaining portfolios were distributed as follows:

Minister of Agriculture—JOHN RHALLIS.
Minister of Marine—M. MAVROMICHAELIS.
Minister of Communications — M. TSALDARIS.
Minister of Finance—M. PROTORAPADAKIS.
Minister of Interior—M. STAIS.
Minister of Public Instruction—THEODORE ZAIMIS.

On March 28 Greek wounded began to arrive in Athens, and at once the papers began to print stories of Turkish atrocities. One stated that the Greek Bishop of Adalia had been arrested and carried off in chains by the Kemalists, under the eyes of the Italians, who made no effort to rescue him. Both the Venizelist and the anti-Venizelist press supported the Government in its war policy and were unanimous in considering that on Greece has devolved the task of settling the question between Turks and Christians in Asia Minor.

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MUSTAPHA KEMAL PASHA
Commander-in-Chief of the Turkish Nationalist Army

On March 25, Mme. Aspasia Manos, the morganatic widow of King Alexander, gave birth to a posthumous child. It was a daughter. Had it been a son, a serious dynastic problem as to succession might have arisen.

On March 19 General Gouraud, the French High Commissioner in Syria, arrived in Constantinople, and the next day made a statement to the press. He warned the Turks that France's sympathies were subordinated to her alliance with the British, "sealed by blood on the field of battle." He also pointed out that the treaty just completed between Angora and Moscow might "seriously interfere with the fulfillment of the Franco-Turkish agreement, which would secure great advantages to Turkey."

On March 28 the British Commander-in-Chief at Constantinople, Sir Charles Hardington, issued a proclamation declaring British neutrality in regard to the Turko-Hellenic operations. This was made necessary by the fact that the Greek Eleventh Division was guarding the left flank of the British army at Ismid. The British withdrew to a base nearer the Bosporus, while their places were taken by fresh troops from Athens. On the same day, negotiations were opened for an exchange of prisoners between the British and the Kemalists.

On March 27 it was announced that the French Government would no longer feed the 45,000 survivors of General Wrangel's army who had been interned in the old British camps on Gallipoli, the reason being that General Wrangel's officers at Constantinople wished the formations to remain intact, while the French wished to transport the men where work could be found for them abroad.

Bekir Sami Bey, the head of the Nationalist delegation at the London Near East Conference, reached Ineboli, the port of Angora, on April 14. He came on an Italian cruiser, and brought with him for ratification by the "Grand Parliament," as the Nationalists call the Kemalist "rump," the separate treaties with France and Italy.

On March 16 the Turkish Nationalist delegates at Moscow signed a treaty "establishing fraternal relations between the two

countries," which, according to the French Foreign Office, are to be developed from the following four points:

1. The Russians are to recognize Constantinople as the capital of Turkey;
2. Both Russians and Turks demand an international agreement wherein all States bordering the areas in question shall be represented at a conference for organizing the régime of the Dardanelles and the Black Sea;
3. The Turks shall abandon Batum, giving the port to Georgia, and they shall recognize the autonomy of Georgia;
4. Armenia shall disappear both as a territorial and a projected political entity, and shall be divided among Georgia, Azerbeijan and Turkey.

In reply to a telegram sent by the Papal Secretary of State in the name of Pope Benedict XV. to Angora, praying that the Nationalists respect the lives and property of Christians in Asia Minor, Mustapha Kemal assured the Holy Father early in April that "the safety and welfare of the inhabitants of this country, irrespective of race and religion, is the supreme duty commanded by my humanitarian sentiments, as well as by the Moslem religion."

After keeping him four months in Angoria, Kemal released Izzet Pasha, ex-Grand Vizier and Minister of the Interior in the Constantinople Government, and sent him back to Stamboul, where he arrived on March 19. Izzet is an anti-Bolshevist. On being interrogated by the Sultan, he said that Kemal had told him (Izzet) that he was only playing with Lenin, as Lenin was playing with other statesmen, and that, as soon as the Entente powers had changed their attitude toward Turkey and a formal reconciliation had taken place between Angora and Constantinople, Lenin would find out how much the treaty signed at Moscow on March 16 was worth.

BULGARIA AND THE TURKISH TREATY

[PERIOD ENDED APRIL 15, 1921]

THE disappointment, and even resentment, felt by Bulgaria over the decision of the Allies to modify the Turkish Treaty was frankly expressed by the Sofia press, which drew a comparison between Bulgaria's correct attitude in observing that treaty and the Treaty of Neuilly, a compliance which has met with no reward, and the generous concessions made Turkey because she revolted against the severe terms imposed on her at Sèvres. This discontent more or less colored Bulgarian public opinion during the first half of March, and may account for the "speeding up" of the Government's policies, due not to any intention of emulating Turkey, but to the desire of creating a stronger and more centralized State, ready for any eventuality. The resentment felt, however, was considerably modified by published interviews with Prince Borghese, the Italian member of the Interallied Commission, which was created to aid Bulgaria in executing the Neuilly Treaty. The Prince is known to be anti-Jugoslav, and his expressions of Italian friendship for Bulgaria have had a tranquilizing effect.

The project of a "Green International," conceived and developed by the peasant Premier, M. Stambolisky, has had the effect of diverting the compulsory labor law in the direction of agriculture, and also of inspiring a revolution in education, which should ultimately benefit the farmer in the pursuit of his calling. The scheme has taken the form of a bill, introduced by M. Omartchevsky. Among the Balkan States, the record of Bulgaria for literacy is good. Education is nominally obligatory for both sexes between the ages of 8 and 12. There are 5,000 free elementary schools, with 9,000 teachers and half a million pupils. The University of Sofia is attended by 3,000 pupils, 30 per cent. of whom are women, and it has ninety professors and lecturers. Between these two extremes, however, the secondary education is not well organized, including as it does nearly five hundred non-Bulgarian schools with 50,000 male and 25,000 female pupils, and showing little co-ordination in method or subjects. It is the plan of M. Omartchevsky to divert the basis of education, now principally classical, into practical chan-

nels, particularly by providing instruction in scientific agriculture and by co-ordinating the non-Bulgarian schools under a common system, irrespective of language. Meanwhile, peasant unions are being organized all over the country on a sort of rural socialistic plan. This is expected to have a pronounced effect on manufacturing and transportation, in which at present the "Red International" chiefly prevails.

On March 20 the report of the special commission organized to inquire into the doings of the Radoslavoff Cabinet, which forced the country into the war on the German side, was made public. It is a volume of 218 pages, and deals with the charges under ten heads. The Cabinet's dealings with Berlin, including the borrowing of money and the engagement to declare war on Serbia, its special engagements with Vienna, its diversion of Bulgarian industry to German aid, and the military measures it took without consulting Parliament are all shown to have been unconstitutional, and hence treasonable.

The Bulgarian port of Varna on the Black Sea has a Mayor and Municipal Council who were, but are no longer, communists. They conceived the brilliant idea, early in March, of sending a delegation of welcome and friendship to the Bolsheviki at Odessa, called "Lenin's Earthly Paradise." The delegation consisted of five Councilmen and M. Kmet, the Mayor. They reached Odessa. The first day the Reds deprived them of their shoes; on the second, they were made to exchange their warm clothing for filthy rags. No food was given them. On the fifth day they managed to escape on a fishing vessel and returned to Varna. They are said to be much chastened and declare that Bolshevism would hardly do for Bulgaria.

PALESTINE AND THE ZIONISTS

A THREE-FACED campaign has been developing against the British mandate over Palestine and the manner in which it is being executed. First, there is that of the Arabs which is principally confined to the native press, inspired, it is charged, by the old Franco-Syrian colony at Beirut; then there are the objections of the orthodox Jews, who believe that the mandate is not being executed in a practical way, and who object to political Zionism on principle; finally, there are the objections of the "Little Englanders," who believe that the mandate saddles an incubus upon the empire without any advantages.

The Arab press contends that although they have no fault to find with the Jewish immigrants who are now arriving, because they are occupied in manual labor either on the roads or in the fields, they fear the coming of the industrial Jew with foreign capital, who, with this advantage, will exploit the country and so drive out the Arab merchants and manufacturers. A resolution comprising these and other grievances was recently adopted by the Arab Congress at Haifa. This criticism has been answered in two ways: By an address made by Winston Churchill, the British Secretary of State for the Colonies, in Jerusalem, on March 31, and by a resolution adopted by the influential Beersheba Arabs at about the same time. Mr. Churchill said:

> Examine Mr. Balfour's careful words: Palestine to be "a national home," not "the national home," a great difference in meaning. The establishment of a national home does not mean a Jewish Government to dominate the Arabs. Great Britain is the greatest Moslem State in the world, and is well disposed to the Arabs, and cherishes their friendship. I found since my arrival that the ministrations of the officials make no distinction between Jew and Arab. You need not be alarmed for the future. Great Britain has promised a fair chance for the Zionist movement, but the latter will succeed only on its merits.
>
> Above all, there will be respect for the different religions. Though the Arabs are in a large majority in Palestine, though the British Empire has accepted the mandate in the wider sense, Palestine belongs to the whole world, and this City of Jerusalem is almost equally sacred to Moslems, Christians and Jews, and not only to the dwellers in Palestine, but everywhere. Instead of sharing miseries through quarreling, the Palestinians should share blessings through cooperation.

The manifesto of the Beersheba Arabs reads:

> We, the Beersheba Arabs, are the most im-

portant Arabs in Palestine, and have been such for many years, and we declare that since the occupation of the country by Great Britain we have enjoyed freedom, and are thankful for its just ruling, a rule which has respected our customs. We beg that the declaration of the Haifa Congress be not listened to, and the Congress itself made to withdraw its statement.

To the criticism of the orthodox Jews, led by Professor Jacob Dehaan, Mr. Churchill replied:

The success of Zionism will depend upon the good it will bestow upon the whole country. I hope that in a few years there will be a greater feeling of well-being and unity among the Palestinians, and that the Arab fears will prove unfounded. I have read your address with interest, and will lay it before the British Cabinet, who will see the case forcibly presented by both sides. I will do my best to assist Sir Herbert Samuel [the British High Commissioner] in the task the British Government have given him.

The third phase of the criticism is based on an analysis of the mandate, and is principally confined to the British Liberal press. In order to demonstrate that the mandate brings no special advantage to the empire, it is shown that Article XVIII. provides that the mandatary must see that there is no discrimination against "the nationals" of any of the States members of the League of Nations, "as compared with those of the mandatary or of any foreign State in matters concerning taxation, commerce or navigation, the exercises of industries or professions, or in the treatment of ships or aircraft." What is said "to complete the humiliation of the British Empire" is to be found in Article XXIV., which provides that "the mandatary shall make to the Council of the League of Nations an annual report as to the measures taken during the year to carry out the provisions of the mandate."

THE MESOPOTAMIAN OIL CONTROVERSY

THE diplomatic exchanges between London and Washington on account of the oil concessions to Great Britain in Mesopotamia and growing out of Secretary Colby's note to the British Government on Nov. 20, 1920, remonstrating against special privileges being enjoyed by any nation as a result of the war, may briefly be described as follows:

At San Remo, in April, 1920, England and France reviewed their pre-war concessions received from the Rumanian, Austro-Hungarian and Turkish Governments for working oil wells in those countries, and decided upon a readjustment, particularly in the Turkish concessions in Mesopotamia, so that the New Mesopotamian Government and not Turkey might reap some benefit therefrom. Accordingly, the interests in this region were pooled—62 per cent. was to go to Great Britain, 18 per cent. to France and the remainder, 20 per cent., to the new Government of Mesopotamia.

The contention of the British Government is that at San Remo a readjustment of concessions received before the war was made by it and France, and that therefore the matter is beyond the jurisdiction of the League of Nations, and hence not open to the criticism made by Washington. In continuing the correspondence dropped by Secretary Colby, Secretary Hughes incorporated with the criticism of the Mesopotamian matter the matter of other arrangements made between the Allies without consultation with the United States. This has complicated the matter in the press reports, but in his unpublished note to the State Department on April 5 Lord Curzon, the British Foreign Minister, isolated the Mesopotamian question, presented its entire history dating back to 1906, and proved that the San Remo arrangement was not based on the result of the war, except in so far as it benefited Mesopotamia and not Turkey—the rest was merely a readjustment of pre-war concessions made to Great Britain and France.

* * *

The Mesopotamian nation will be known as Irak; its ruler will have the title of Emir. A general election for Emir will be held, the chief claimants to the throne being the Naqib of Bagdad and the two sons of King Hussein of Hedjaz, either the deposed Feisal or his brother Abdullah.

* * *

Oscar Heizer, the American Consul at Jerusalem, has forwarded to the State Department a report on his recent journey through the region between the Tigris and

Euphrates. He declares that the manna of the Old Testament is still to be found in Upper Mesopotamia and along the Persian frontier. He says that manna falls in the form of dew during September, October and November, and lodges upon the leaves of oak trees. Immediately after falling, it hardens and assumes the form of grain, which is gathered in sheets spread under the trees.

PERSIA'S NEW POLICIES

[PERIOD ENDED APRIL 15, 1921]

THE new Government of Persia, which came into power on Feb. 20 as the result of a coup d'état performed by General Reza Kahn, leader of the Persian Cossacks, in order to prevent the country from surrendering to Bolshevism, issued a message to the Persian people on March 11 which declared that complete order and quiet prevailed at Teheran, that cordial relations were continued with all the powers, and that the following reforms in both internal and external policy would be executed with energy and without delay:

1. Reorganization of the army.
2. Dissolution of Government departments which impose heavy charges on the country, and their reconstruction on the basis of modern administration.
3. Dissolution of the old tribunals and the establishment of courts of justice on a solid basis.
4. Distribution of Government land among the peasantry and elaboration of agrarian laws to improve the condition of the peasants.
5. Financial reforms.
6. Educational reforms.
7. Development of trade.
8. Lowering the cost of living by measures to prevent hoarding and application of anti-luxury laws.
9. Improvement of the means of transport.
10. Municipal reforms.

EXTERNAL POLICY.

1. Maintenance of friendly relations with neighboring and other foreign powers.
2. Suppression of the capitulations [foreign courts for the trial of foreign delinquents] after the establishment of judicial reforms giving guarantees of equal justice to foreign subjects.
3. Revision of certain concessions.
4. Engagement of foreign advisers for the organization of the country.
5. Abrogation of the last Anglo-Persian Agreement.
6. Evacuation of Persia by foreign troops.

The foregoing schedule of policies was conveyed to the Washington Government on April 5, where it was considered that the last two articles of External Policy, if definitely adhered to, would have a far-reaching effect on the Near Eastern problem and would call for the withdrawal of the British forces now in Persia. It would also mean, it was stated in diplomatic circles in Washington, the collapse of the so-called Curzon policy of the British Government with respect to Persia. This opinion is in accord with that of the Wilson Administration, which, as is well known, was not in favor of British predominance in Persia.

POLAND FOUR-SQUARE FOR THE FUTURE

Foundation for the Republic laid on a solid democratic basis in the new Constitution —Peace with Russia finally signed at Riga—Important defensive treaty with France

[Period Ended April 15, 1921]

THE greatest event in Poland's history since the year 1772 was consummated on March 17, 1921, when the Constitution of the new republic was ratified by the Diet. For virtually a century and a half the bitterness of the Polish people over the partition of their national territory, and their ultimate subjection to the iron rule of the Czar, remained undiminished. Only those who have traveled in Russian Poland under the Czar can realize the hatred felt by the Poles for their Russian overlords. Their national spirit was never conquered.

On Nov. 11, 1918, the new-born Poland first arose. On Nov. 28 of the same year elections for the Constituent Assembly were ordered. They were held on Jan. 26, 1919, and the Constituent Assembly met on Feb. 10. The committee for the drafting of the new Constitution was elected on Feb. 25, 1919. This committee worked for nearly a year, finally submitting a tentative draft for discussion on Jan. 21, 1920. This draft went through the three readings requisite, and was finally adopted on March 17, 1921. For the Polish Nation these will be the great, epoch-making dates in the restoration of their existence as a free and sovereign people. [The full official text of the Polish Constitution is published elsewhere in these pages.]

Peace between Poland and Soviet Russia was signed in Riga, the capital of Latvia, on March 18, after months of negotiation. The whole treaty will be in Current History next month. After the signing, M. Dombski, the chief Polish representative, delivered an address, in which he dwelt on Poland's long subjection to alien rule. After intolerable hardships, he said, Poland had at last gained her independence, and hoped to live on friendly terms with Russia. As for the people of non-Polish stock to be incorporated with Poland under the treaty, he declared that it would be Poland's aim to give all such elements freedom and the exercise of all civic rights granted to Polish citizens.

The official announcement of peace was made by M. Witos, the Polish Premier, from the stage of the Grand Opera House in Warsaw on the evening of the 18th. The Premier's speech had been intended for delivery before the Diet, but that body had adjourned before the news came over the wires from Riga. The treaty with the Soviets, the Premier declared, would bring peace not only to Poland, but to the whole of Europe. Poland's energy, he said, which for the last seven years had been devoted to war, would now be directed toward peace, and would secure for Poland her proper position in the comity of nations. The Premier's speech was received with a storm of cheers.

Though Poland and Soviet Russia declared themselves satisfied with the result of the peace negotiations, many Russians in exile, especially the charter members of the new Russian "Constituent Assembly," organized a few weeks ago in Paris, expressed their objections to one feature of the treaty in the strongest terms. Soviet Russia, they declared, had bartered away territory which belonged to Russia and which was inhabited by thousands of Russians, whose numbers were far in excess of the Polish landlords. The viewpoint of these Russians was expressed by their spokesman, Alexander Kerensky, former Russian Premier, in the following terms:

> Under the provisions of the Riga treaty Poland obtains, in addition to and beyond the Curzon line established by the Peace Conference, fifteen counties of the Provinces of Volhynia, Grodno, Vilna and Minsk in their entirety, and parts of eleven counties in the Provinces of Volhynia, Minsk, Vilna and Vitebsk. The total area of land taken away

from Russia is about 140,000 square kilometers (up to 87,000 square miles). This is big enough to make a whole country in Europe! This territory is inhabited by about 7,000,000 people, of whom not more than 400,000, or only 6 per cent., are Poles. The fact that the Poles constitute only a small minority on this territory was acknowledged by the Polish delegation in Riga.

If we will, furthermore, bear in mind the fact that this 6 per cent. of Poles are mainly the local land barons, the rest of the population belonging to the peasantry, it will be easy to imagine the state of the future relations between the victors and the vanquished. Here, just as in Eastern Galicia, a forcible Polonization by means of so-called "colonization," i. e., through systematic expropriation of the land from the local inhabitants in favor of Polish settlers from Poland proper, will be inaugurated.

The Riga peace is not a peace of compromise, as Poland's official representatives claim, but a peace of oppression and national subjection. Not only is it a source of great trials for Russia, not only is it capable of causing new calamities in Poland, but in this peace there is also concealed a most serious menace to the peace and tranquillity of all Europe, if the Allies should assume the responsibility for it, together with the Poles. The Polish Government is trying in every way to attain that end. Until now, however, all attempts of official Poland to shift the great powers from the Curzon line have failed. Let us hope that Europe will hereafter also refuse to cross this line of wise prudence and clear foresight.

An official statement published in the Polish Bulletin by the American Committee for the Defense of Poland on March 31 gave the following answer:

Contrary to the belief of those who are under the impression that Poland acquired part of the territory rightfully belonging to the Russian Empire, the Soviet Government did not concede, nor did Poland demand, any territory either historically or ethnographically Russian. When the question of Poland's frontiers was up for discussion before the Congress of Vienna in 1915, Kosciusko, known particularly for his moderation in presenting the case for Poland's territorial claims, advocated frontiers several hundred miles east of the line fixed at Riga. * * *

Until the partitions of Poland, late in the eighteenth century, Russia never enjoyed nor claimed dominion over the territory known variously as White Russia and White Ruthenia, territory which is not now nor ever has been inhabited by Russians. In the territory ceded to Poland the population percentages are as follows: Poles, 32.2; White Ruthenians, 21.8; Ukrainians, 22.4; Russians, 3.8; Lithuanians, 2.8; Jews, 10.4; others, 6.6.

The White Ruthenians possess their own language, more akin to Polish than to Russian. Lehtonen, the Finnish historian, records that Russian authorities, after the partitions, had to use Polish to make themselves understood by the population. Economically, White Russia differs fundamentally from Russia, never having known the common ownership of land. The landed properties belong to the Poles, as do also the industries, and most of the business and banking institutions.

Consequently, as White Russia has neither historical, ethnographical nor economic claims to White Russia, it may readily be seen that Poland in the acquisition of but a minor portion of the territory thus described, is not only obtaining no Russian territory, but is not even gaining possession over a great expanse of land to which it has far more claims than has Russia.

A third block in the edifice of a strong Polish State was the treaty concluded with France on Feb. 19. No official version of the terms reached by Marshal Pilsudski with the French Government leaders was given out at the time, and it was generally believed that France had declined to enter into a defensive alliance with Poland. Official advices received in Washington on March 27, however, proved that this belief was erroneous, and that in actual fact Poland and France signed such an alliance, pledging themselves to concerted action for defense in case either of the two countries should be attacked without provocation. Mutual approval of policies affecting Continental and Eastern Europe and mutual assistance in economic reconstruction were provided for. Politically and economically, this treaty was of a peculiarly close and intimate nature, calculated to unite the destinies of France and Poland for a long time to come. It was another concrete expression of France's present policy aimed at building up from the smaller nations of Central and Eastern Europe a barrier between Germany and Russia.

The plebiscite in Upper Silesia was held on March 20, and resulted, in the main, in a victory for Germany. [See Germany.]

CONSTITUTION OF THE REPUBLIC OF POLAND

Full text of the new fundamental law, adopted March 17, 1921, under which Poland will henceforth conduct its political affairs—Official English translation

AFTER two years' deliberations, the Polish Constituent Assembly at Warsaw finally completed and adopted the new Constitution of the republic on March 17, 1921. It is the result of compromises of many widely different parties and opinions. In its main lines it follows the United States Constitution, but there are also many features modeled on the French system.

The Parliament consists of an Assembly (Sejm) and a Senate, elected by popular vote of both men and women over 21 years old. The executive power is vested in a President and Cabinet. The President will be elected for a term of seven years by a National Assembly composed of the members of the House and the Senate. The President may be a Catholic or a Protestant. He is Commander-in-Chief of all the military forces in time of peace, but in the event of war the responsibility shifts to the Minister of War, who is empowered to appoint the commander of the army.

Catholicism continues to be the leading faith of the country, but equal rights are accorded to all religions. The relations between Church and State will be legally defined by an agreement with the Vatican, which is to be subject to ratification by the Parliament.

The Constitution provides for free, compulsory education in district and municipal schools. Every citizen has the right to the use of his own language, and a special bill ensures the free development of the minority nationalities living in Poland. The different nationalities are permitted to have their schools and teach their own languages under Government supervision and with partial support by the State.

The full text of the Polish Constitution, translated for CURRENT HISTORY by the Polish Bureau of Information, New York, is as follows:

PROLOGUE

In the name of Almighty God!

We, the Polish Nation, thankful to Providence for freeing us from a servitude of a century and a half; remembering gratefully the courage and steadfastness of the self-sacrificing struggle of generations which have unceasingly devoted their best efforts to the cause of independence; taking up the glorious tradition of the memorable Constitution of the Third of May; having in mind the weal of our whole united and independent mother-country, and desiring to establish her independent existence, power, safety and social order on the eternal principles of right and liberty; desirous also of ensuring the development of all her moral and material forces for the good of the whole of renascent humanity, and of securing to all citizens of the republic, equality, and to Labor, respect, due rights and the special protection of the State—do enact and establish in the Legislative Sejm [Diet or Assembly] of the Republic of Poland, this constitutional law.

SECTION I.—THE REPUBLIC

ARTICLE 1—The Polish State is a republic.

ARTICLE 2—Sovereignty in the Republic of Poland belongs to the nation. The legislative organs of the nation are: in the domain of legislation, the Sejm and the Senate; in the domain of executive power, the President of the republic, jointly with the responsible Ministers; in the domain of the administration of justice, independent courts.

SECTION II.—LEGISLATIVE POWER

ARTICLE 3—The domain of State legislation comprises the establishment of all public and private laws and the manner of their execution.

There can be no statute without the consent of the Sejm, expressed in a manner conforming to standing orders.

A statute voted by the Sejm comes into force at the time determined in the statute itself.

The Republic of Poland, basing its organization on the principle of broad territorial self-government, will delegate to the bodies representing this self-government the proper domain of legislation, especially in administrative, cultural and economic fields, to be defined more fully by statutes of the State.

Ordinances by public authorities, from which result rights or duties of citizens, have binding

force only if issued by the authority of a statute and with a specific reference to the same.

ARTICLE 4—A statute of the State will determine annually the budget of the State for the ensuing year.

ARTICLE 5—The establishment of the numerical strength of the army, and permission for the annual draft of recruits, can be determined only by statute.

ARTICLE 6—The contracting of a State loan, the alienation, exchange or pledging of improvable property of the State, the imposition of taxes and public dues, the determination of customs duties and monopolies, the establishment of the monetary system and the taking over by the State of a financial guarantee can take place only by the authority of a statute.

ARTICLE 7—The Government will present annually, for parliamentary consideration, the accounts of the State for the last year.

ARTICLE 8—The manner of exercising parliamentary control over the debts of the State will be defined by a special statute.

ARTICLE 9—The control of the whole State Administration as regards finances: the examination of the accounts of the State; the annual submission to the Sejm of its motion for the granting or refusing of its absolutorium to the Government, are in the hands of the Supreme Board of Control, which is organized on the basis of collegiality and judicial independence of its members, the latter being removable only by a vote of the Sejm representing a majority of three-fifths of those actually voting. The organization of the Supreme Board of Control and its method of procedure will be defined in detail by a special statute.

The President of the Supreme Board of Control enjoys a position equal to that of a Minister, but is not a member of the Council of Ministers and is directly responsible to the Sejm for the exercise of his office and for the officials who are his subordinates.

ARTICLE 10—Measures can originate either with the Government or with the Sejm. Motions and bills which involve expenditure from

(Photo Underwood & Underwood)

M. JOFFE, HEAD OF RUSSIAN DELEGATION (LEFT), AND M. DOMBSKI, HEAD OF POLISH DELEGATION, EXCHANGING FINAL WORDS AFTER SIGNING THE PEACE TREATY

the State Treasury must state the manner of their raising and expenditure.

ARTICLE 11—The Sejm is composed of deputies elected for a term of five years, to be counted from the day of the opening of the Sejm, by secret, direct, equal and proportional voting.

ARTICLE 12—The right to vote belongs to every Polish citizen without distinction of sex, who, on the day of the proclamation of the elections, is 21 years of age, is in full possession of civil rights, and is a resident of the electoral district at least from the day preceding the proclamation of the elections in the Journal of Laws. The right to vote can be exercised only in person. Members of the army in active service do not possess the right to vote.

ARTICLE 13—Every citizen having the right to vote is eligible for election to the Sejm, independently of his place of residence, if he is at least 25 years of age, not excepting members of the army in active service.

ARTICLE 14—Citizens convicted of offenses which the Law of Elections may define as involving temporary or permanent loss of the right to vote, eligibility, or of being a Deputy, may not enjoy the electoral right.

ARTICLE 15—Administrative, revenue and judicial officials of the State may not be elected in the districts in which they are performing their official duties. This rule does not apply to officials employed in the Central Departments.

ARTICLE 16—State and self-government employes obtain leaves of absence at the moment of being elected Deputies. This rule does not apply to Ministers, Under Secretaries of State and Professors in academic schools. The years spent in the exercise of the duties of a Deputy are considered as years of service.

ARTICLE 17—A Deputy loses his seat on being appointed to a paid office of the State. This rule does not apply to appointment as Minister, Under Secretary of State or Professor in an academic school.

ARTICLE 18—The Law of Elections will define the manner of electing Deputies to the Sejm.

ARTICLE 19—The validity of unprotested elections is verified by the Sejm. The validity of protested elections is decided upon by the Supreme Court.

ARTICLE 20—The Deputies are representatives of the whole nation and are not bound by any instructions given by the voters.

The Deputies make to the Marshal the following vow in the presence of the Chamber: "I do solemnly vow, as Deputy to the Sejm of the Republic of Poland, to work honestly, according to the best of my understanding and in conformity with my conscience, for the sole good of the Polish State as a whole."

ARTICLE 21—Deputies cannot be made responsible, either during their term of office or after it has expired, for their activities in or out of the Sejm appertaining to the exercise of their office as Deputies. For their speeches, utterances and manifestations in the Sejm, Deputies are responsible only to the Sejm. For violation of the rights of a third person, they may be made to answer before a court of law, if the judicial authority obtains the consent of the Sejm thereto.

Criminal, penal-administrative or disciplinary proceedings instituted against a Deputy before his election may, at the demand of the Sejm, be suspended until the expiration of his term of office.

Prescription in criminal proceedings against a Deputy does not run while he retains his office. While he retains his office, a Deputy may not, without the permission of the Sejm, be made to answer before a criminal court, penal-administrative authority or a disciplinary court, or be deprived of his freedom. If a Deputy is caught in the act of committing a common felony, and if his arrest is necessary to insure the administration of justice, or to avert the consequences of the offense, the court is bound to notify immediately the Marshal of the Sejm in order to obtain the consent of the Sejm to his arrest and to further criminal proceedings. Upon demand of the Marshal, the arrested Deputy must be liberated at once.

ARTICLE 22—A Deputy may not, either in his own name or in the name of another, buy, or acquire the lease of any real property of the State, contract for public supplies or Government works, or obtain from the Government any concessions or other personal benefits.

A Deputy is also debarred from receiving from the Government any decorations other than military.

ARTICLE 23—A deputy may not be the responsible editor of a periodical publication.

ARTICLE 24—The Deputies receive compensation, the amount of which is determined by the standing orders, and are entitled to the free use of the State means of communication for traveling over the whole territory of the republic.

ARTICLE 25—The President of the republic convokes, opens, adjourns and closes the Sejm and Senate. The Sejm must be convoked to assemble on the third Tuesday after election day, and every year, *at the latest in October*, to an ordinary session for the purpose of voting the budget, the numerical strength and recruiting of the army, and other current affairs.

The President of the republic may, at his own discretion, convoke the Sejm to an extraordinary session at any time, and is bound to do this within two weeks upon request of one-third of the total number of Deputies.

Other cases in which the Sejm assembles in extraordinary session are determined by this Constitution.

An adjournment requires the consent of the Sejm if a previous adjournment has taken place during the same ordinary session, or if the interruption is to last for more than thirty days.

The Sejm, when convoked in October for its ordinary session, may not be closed before the budget has been voted.

ARTICLE 26—The Sejm may be dissolved by its own vote, passed by a majority of two-thirds of those voting. The President of the republic may dissolve the Sejm with the consent of

three-fifths of the statutory number of members of the Senate in the presence of at least one-half of the total membership. In both cases the Senate is automatically dissolved at the same time.

Elections will take place within forty days from the date of dissolution, the precise date to be determined either in the resolution of the Sejm or in the message of the President, on the dissolution of the Sejm.

ARTICLE 27—The Deputies exercise all their rights and duties in person.

ARTICLE 28—The Sejm elects from among its members, the Marshal, his Deputies, the secretaries and committees.

The Marshal and his Deputies continue in office after the dissolution of the Sejm until the new Sejm shall have elected its officers.

ARTICLE 29—The standing rules of the Sejm define the mode and order of the proceedings of the Sejm, the type and number of the committees, the number of Marshals and secretaries, the rights and duties of the Marshal. The employes of the Sejm are appointed by the Marshal, who is responsible to the Sejm for their actions.

ARTICLE 30—The meetings of the Sejm are public. On the motion of the Marshal, of a Government representative, or of thirty Deputies, the Sejm may vote the secrecy of its meetings.

ARTICLE 31—No one may be called to account for a truthful report of an open meeting of the Sejm or a committee of the Sejm.

ARTICLE 32—A vote is valid only when carried by an ordinary majority in the presence of at least one-third of the total statutory number of Deputies, in so far as provisions of this Constitution do not contain other rules.

ARTICLE 33—The Deputies have the right of addressing interpellations to the Government or to individual Ministers, in the manner prescribed by the standing rules. A Minister is bound to answer, within six weeks, orally or in writing, or submit a statement wherein he justifies his failure to give an answer to the point. At the request of those addressing the interpellation, the answer must be communicated to the Sejm. The Sejm may make the answer the subject of debate and vote.

ARTICLE 34—The Sejm may form and appoint, for the investigation of individual cases, extraordinary committees empowered to hear the interested parties, as well as to summon witnesses and experts. The competence and powers of such committees will be determined by the Sejm.

ARTICLE 35—Every bill passed by the Sejm will be submitted to the Senate for consideration. If the Senate, within thirty days from the day on which a passed bill has been delivered to it, does not raise any objections to the bill, the President of the republic will direct the publication of the statute. Upon the motion of the Senate, the President of the republic may direct the publication of the statute before the lapse of the thirty days.

If the Senate decides to alter or reject a bill passed by the Sejm, it must announce this to the Sejm within the aforesaid thirty days, and must return the bill to the Sejm with the proposed changes within the following thirty days.

If the Sejm votes by an ordinary majority, or by a majority of eleven-twentieths of those voting, the changes proposed by the Senate, the President of the republic will direct the publication of the statute in the wording determined by the second vote of the Sejm.

ARTICLE 36—The Senate is composed of members elected by the individual Voyevodships, by universal, secret, direct, equal and proportional voting. Every Voyevodship forms one constituency, and the number of Senators is equal to one-fourth of the number of members of the Sejm, in proportion to the number of inhabitants. The right of electing to the Senate is enjoyed by every elector for the Sejm who, on the day of the proclamation of the elections, is thirty years of age and has on that day been a resident of the electoral district for at least one year; the right of voting is not lost by newly settled colonists who have left their former place of residence, availing themselves of the agrarian reform; neither is that right lost by workmen who have changed their place of residence as a result of changing their place of occupation, or by State officials transferred by their superior authorities. Eligibility is enjoyed by every citizen who has the right of voting for the Senate, not excludng members of the army in active service, provided that citizen is 40 years of age on the day of the proclamation of the elections.

The term of the Senate begins and ends with the term of the Sejm.

No one may be at the same time a member of the Sejm and of the Senate.

ARTICLE 37—The provisions contained in Articles 14, 15, 16, 17, 19, 20, 21, 22, 23, 24, 27, 28, 29, 30, 31, 32 and 33 have analagous application to the Senate and to its members, respectively.

ARTICLE 38—No statute may be in opposition to this Constitution or violate its provisions.

SECTION III.—EXECUTIVE POWER

ARTICLE 39—The President of the republic is elected for seven years by the absolute majority of the votes of the Sejm and the Senate united in National Assembly. The National Assembly is convoked by the President of the republic in the last three months of his seven years' term of office. If the convocation has not taken place thirty days before the end of the seven years' term, the Sejm and the Senate, upon the invitation of the Marshal of the Sejm and under his Chairmanship, unite automatically in National Assembly.

ARTICLE 40—Should the President of the republic be unable to perform the duties of his office, or should the office of the President of the republic become vacant through death, resignation, or some other reason, the Marshal of the Sejm will act as his Deputy.

ARTICLE 41—In case the office of the President of the republic becomes vacant, the Sejm and the Senate, upon the invitation of the Marshal of the Sejm and under his Chairmanship,

at once unite automatically in a National Assembly for the purpose of electing a President.

Should the Sejm be dissolved at the moment when the office of President of the republic becomes vacant, the Marshal of the Sejm will direct without delay new elections to the Sejm and the Senate.

ARTICLE 42—If the President of the republic does not perform the duties of his office for three months, the Marshal will without delay convoke the Sejm and submit to its decision the question whether the office of the President of the republic is to be declared vacant.

The decision to declare the office vacant is taken by a majority of three-fifths of the votes in the presence of at least one-half of the statutory number of Deputies; that is, the number prescribed by the Law of Elections.

ARTICLE 43—The President of the republic exercises the executive power through Ministers responsible to the Sejm and through officials subordinated to the Ministers.

Every official of the republic must be subordinate to a Minister, who is responsible to the Sejm for the former's actions.

The President of the Council of Ministers countersigns the appointment of officials of the civil Cabinet of the President of the republic, and is responsible for their actions to the Sejm.

ARTICLE 44—The President of the republic signs the statutes jointly with the competent Ministers, and directs the publication of the statutes in the Journal of the Laws of the republic.

The President of the republic has the right to issue, for the purpose of executing the statutes and with reference to the statutory authorization, executive ordinances, directions, orders and prohibitions, and to insure their execution by the use of force.

The Ministers and the authorities subordinate to them have the same right in their respective fields of jurisdiction.

Every governmental act of the President of the republic requires for its validity the signature of the President of the Council of Ministers and of the competent Minister, who, by countersigning the act, assume the responsibility therefor.

ARTICLE 45—The President of the republic appoints and recalls the President of the Council of Ministers; on the latter's motion he appoints and recalls Ministers, and on the motion of the Council of Ministers makes appointments to the civil and military offices reserved by statutes.

ARTICLE 46—The President of the republic is at the same time the supreme head of the armed forces of the State, but he may not exercise the chief command in time of war.

The Commander-in-Chief of the armed forces of the State, in case of war, is appointed by the President of the republic, on the motion of the Council of Ministers, presented by the Minister of Military Affairs, who is responsible to the Sejm for the acts connected with the command in time of war, as well as for all affairs of military direction.

ARTICLE 47—The right to reprieve and to mitigate punishment, and to abolish the consequences of criminal conviction in individual cases, belongs to the President of the republic.

The President may not exercise this right in the case of Ministers convicted upon impeachment by the Sejm.

Amnesty may be granted only by statute.

ARTICLE 48—The President of the republic, in foreign relations, receives diplomatic representatives of foreign States and sends diplomatic representatives of the Polish State to foreign States.

ARTICLE 49—The President of the republic makes treaties with other States and brings them to the notice of the Sejm.

Commercial and customs treaties, as well as treaties which impose a permanent financial burden on the State, or contain legal rules binding on the citizens, or change the frontiers of the State, also alliances, require the consent of the Sejm.

ARTICLE 50—The President of the republic may declare war and conclude peace only after obtaining the consent of the Sejm.

ARTICLE 51—The President of the republic is not responsible either to Parliament or at civil law.

For betraying the country, violating the Constitution, or for criminal offenses, the President of the republic may be made responsible only by the Sejm by a vote of a majority of three-fifths in the presence of at least one-half of the statutory number of Deputies. The cause is heard and the sentence given by the Court of State, according to the rules of a special statute. Immediately upon his impeachment before the Court of State, the President of the republic is suspended from office.

ARTICLE 52—The President of the republic receives a salary according to the rules of a special statute.

ARTICLE 53—The President of the republic may not hold any other office or be a member of the Sejm or the Senate.

ARTICLE 54—Before assuming office the President of the republic takes his oath in the National Assembly, in the following terms:

"I swear to Almighty God, One in the Holy Trinity, and I vow to Thee, Polish nation, that while holding the office of President of the republic I will keep and defend faithfully the laws of the republic and above all the constitutional law; that I will serve devotedly, with all my power, the general good of the nation; that I will avert, watchfully, from the State all evil and danger; that I will guard steadfastly the dignity of the name of Poland; that I will hold justice toward all citizens without distinction as the highest virtue; that I will devote myself undividedly to the duties of office and service. So help me God and the Holy Martyrdom of His Son. Amen"

ARTICLE 55—The Ministers form the Council of Ministers under the Chairmanship of the President of the Council of Ministers.

ARTICLE 56—The Council of Ministers bears the joint constitutional and parliamentary responsibility for the general direction of the activities of the Government.

Apart from that, each Minister is individually responsible, in his domain, for his activities in office; that is, as well for their conformity with the Constitution and the other statutes of the State, and for the activities of the subordinate organs, as for the direction of his policies.

ARTICLE 57—Within the same limits, the Ministers are jointly and individually responsible for the governmental acts of the President of the republic.

ARTICLE 58—The parliamentary responsibility of the Ministers is enforced by the Sejm by an ordinary majority. The Council of Ministers or any individual Minister will resign at the request of the Sejm.

ARTICLE 59—The constitutional responsibility of the Ministers and the way of its realization will be determined by a special statute.

The decision to impeach a Minister can be made only in the presence of at least one-half the statutory number of Deputies and by a majority of three-fifths of the votes cast.

The causes are heard and judgment is passed by the Court of State. A Minister cannot evade his constitutional responsibility by resigning his office. Immediately upon his impeachment, the Minister is suspended from office.

ARTICLE 60—The Ministers and officials delegated by them, have the right to take part in the meetings of the Sejm, and to speak out of the turn of those figuring on the list of speakers; they may take part in the vote if they are Deputies.

ARTICLE 61—The Ministers may not hold any other office or participate in the governing or controlling bodies of societies and institutions which work for profit.

ARTICLE 62—Should the office of a Minister be held by a provisory head of the Ministry, he will be subject to all the rules concerning the office of a Ministry.

The President of the Council of Ministers will, in case of need, appoint one of the Ministers his deputy.

ARTICLE 63—A special statute will determine the number, competence, and mutual relation of the Ministers, as well as the competence of the Council of Ministers.

ARTICLE 64—The Court of State is composed of the First President of the Supreme Court as Chairman, and of twelve members, eight of whom are elected by the Sejm and four by the Senate from outside their own membership.

To membership in the Court of State are eligible persons who do not hold any State office and are in full possession of civil rights.

The election of the members of the Court of State is carried out by the Sejm and the Senate immediately upon the election of their officers for the whole term of the Sejm.

ARTICLE 65—For administrative purposes, the Polish State will be divided by statute into Voyevodships, districts, and urban and rural communes, which will at the same time be the units of territorial self-government

The units of self-government may combine into unions in order to accomplish tasks which belong to the domain of self-government.

Such unions may obtain the character of bodies of public law only by special statute.

ARTICLE 66—The administration of the State will be organized on the principle of decentralization, organs of State administration in the individual territorial units being, as far as possible, joined in one official body under one superior, and on the principle that within the limits determined by statutes, citizens elected for this purpose shall participate in the discharge of the duties of such official bodies.

ARTICLE 67—The right of determining affairs belonging to the domain of self-government rests with elected councils. The executive functions of Voyevodship and district self-government rest with organs formed by adding to boards elected by representative bodies, representatives of State administrative authorities, under the Chairmanship of the latter.

ARTICLE 68—A special statute will create, in addition to territorial self-government, economic self-government, for the individual fields of economic life—namely, Chambers of Agriculture, Commerce, Industry, Arts and Crafts, Hired Labor, and others, united into a Supreme Economic Council of the republic, the collaboration of which with State authorities, in directing economic life and in the field of legislative proposals, will be determined by statutes.

ARTICLE 69—The sources of revenue of the State and of self-government organizations respectively will be strictly deliminated by statutes.

ARTICLE 70—The State will exercise supervision over self-government activities through superior self-government boards; such supervision may, however, be partially delegated by statute to administrative courts.

Statutes will determine the cases in which decisions of self-government organs may exceptionally require confirmation by superior self-government organs or by Ministries.

ARTICLE 71—An appeal from decisions of State and self-government organs will be allowed only to one superior body, unless other provisions are made by statutes.

ARTICLE 72—Statutes will put into effect the principle that from penal decisions of administrative authorities, made in the first instance, the parties concerned will have the right to appeal to the competent court.

ARTICLE 73—For the purpose of passing upon the legality of administrative acts in the field of State, as well as of self-government administration, a special statute will create Administrative Courts, basing their organization on the co-operation of (lay) citizens and (professional) Judges, and culminating in a Supreme Administrative Court.

SECTION IV.—JUDICIARY

ARTICLE 74—The courts administer justice in the name of the Republic of Poland.

ARTICLE 75—The organization, jurisdiction and procedure of all courts will be defined by legislation.

ARTICLE 76—The President of the republic appoints the Judges, unless a different provision

is made by statute, but Justices of the Peace are as a rule elected by the population.

Judicial office is accessible only to persons who possess the qualifications required by law.

ARTICLE 77—In the exercise of their judicial office, the Judges are independent and subject only to satutes.

Judicial decisions may not be changed either by the legislative power or by the Executive power.

ARTICLE 78—A Judge may be removed from office, suspended from office, transferred to a different place of office, or pensioned, against his own will, by judicial decision only, and only in cases provided by statute.

This rule does not apply in the case of the transfer of a Judge to a different place, or his pensioning owing to a change in the organization of the courts decided upon by statute.

ARTICLE 79—Judges may not be criminally prosecuted or be deprived of their freedom without the previous consent of the court assigned by statute, unless they are caught in the act, but even in this last case the court may demand that the arrested Judge be freed without delay.

ARTICLE 80—A special statute will define the peculiar position of the Judges, their rights and duties, as well as their compensation.

ARTICLE 81—The courts have not the right to inquire into the validity of duly promulgated statutes.

ARTICLE 82—The hearings before a determining court, as well in civil as in criminal cases, are public, except when statutes provide otherwise.

ARTICLE 83—Courts with juries will be called upon to determine cases of felonies entailing more severe punishment, and cases of political offenses. Statutes will define in detail the jurisdiction of courts with juries, the organization of such courts, and their procedure.

ARTICLE 84—A Supreme Court for judicial causes, civil and criminal, is hereby created.

ARTICLE 85—Special statutes will define the organization of military courts, their jurisdiction, procedure, and the rights and duties of the members of such courts.

ARTICLE 86—A special Competence Court [Tribunal of Conflicts] will be created by a statute to determine conflicts of jurisdiction between the administrative authorities and the courts.

SECTION V.—GENERAL DUTIES AND RIGHTS OF CITIZENS

ARTICLE 87—A Polish citizen may not be at the same time a citizen of another State.

ARTICLE 88—Polish citizenship is acquired: (a) by birth if the parents are Polish citizens; (b) by naturalization granted by the competent State authority. Special statutes define other rules as to Polish citizenship, its acquisition and loss.

ARTICLE 89—Fidelity to the Republic of Poland is the first duty of a citizen.

ARTICLE 90—Every citizen has the duty of respecting and obeying the Constitution of the State and other valid laws and ordinances of the State and self-government authorities.

ARTICLE 91—All citizens are subject to military service; the character and manner, order and term of service, exemption from such duty, and any duties, contributions or services for military purposes, will be defined by legislation.

ARTICLE 92—It is the duty of all citizens to submit to any public burdens services and duties imposed by virtue of statute.

ARTICLE 93—All citizens are bound to respect legitimate authority and to facilitate the performance of its duties, as well as to perform conscientiously public duties to which they may be appointed by the nation or the proper authority.

ARTICLE 94—It is the duty of citizens to bring up their children as righteous citizens of the mother country, and to secure to them at least elementary education.

This duty will be defined more in detail by a special statute.

ARTICLE 95—The Republic of Poland guarantees on its territory, to all, without distinction of extraction, nationality, language, race or religion, full protection of life, liberty and property.

Foreigners enjoy, on condition of reciprocity, rights equal to those of citizens of the Polish State, and have duties equal to those of such citizens, unless statutes expressly require Polish citizenship.

ARTICLE 96—All citizens are equal before the law. Public offices are accessible in equal measure to all, on conditions prescribed by the law.

The Republic of Poland does not recognize privileges of birth or of estate, or any coats of arms, family or other titles, with the exception of those of learning, office or profession. A Polish citizen may not accept foreign titles or orders without the permission of the President of the republic.

ARTICLE 97—Limitations of personal liberty, especially search of person and arrest, are admissible only in cases prescribed by law, and in the manner defined by statutes, by virtue of an order from judicial authorities.

In case a judicial order cannot be issued immediately, it should be served, at the latest, within forty-eight hours, with a statement of the reasons of the search or arrest.

Arrested persons who have not been served within forty-eight hours with a written statement of the cause of arrest, signed by a judicial authority, regain their freedom at once.

The means of compulsion serving by which the administrative authorities may enforce their orders are determined in statutes.

ARTICLE 98—No one may be deprived of the court to which he is subject by law. Exceptional courts are admissible only in cases determined by statutes, which statutes must have been issued before the offense was committed. A citizen may be prosecuted and punishment inflicted only by virtue of a statute actually in force. Punishment involving physical suffering are not permitted and no one may be subjected to such punishment.

No statute may deprive a citizen of access to the courts for the purpose of demanding reparation for injury or damage.

ARTICLE 99—The Republic of Poland recognizes all property, whether belonging personally to individual citizens or collectively to associations of citizens, institutions, self-government organizations, and the State itself, as one of the most important bases of social organization and legal order, and guarantees to all citizens, institutions and associations protection of their property, permitting only in cases provided by a statute the abolition or limitation of property, whether personal or collective, for reasons of higher utility, against compensation. Only a statute may determine what property—and to what extent, for reasons of public utility—shall form the exclusive property of the State, and in how far rights of citizens and of their legally recognized associations to use freely land, waters, minerals and other treasures of nature, may be subject to limitations for public reasons.

The land, as one of the most important factors of the existence of the nation and the State, may not be the subject of unrestricted transfer (commerce). Statutes will define the right of the State to buy up land against the will of the owners, and to regulate the transfer of land, applying the principle that the agrarian organizations of the Republic of Poland should be based on agricultural units capable of regular production, and forming private property.

ARTICLE 100—The home and hearth of the citizen are inviolable. Infringements of this right by entering the home, searching it and taking papers or movables may, apart from the necessity of executing administrative orders based on a specific statutory authorization, take place only by order of judicial authorities, in the manner and in the cases prescribed by the statute.

ARTICLE 101—Every citizen has the liberty of selecting on the territory of the State his place of residence and abode, to move about and to emigrate, as well as to choose his occupation and profession, and to transport his property.

These rights may be restricted only by statute.

ARTICLE 102—Labor is the main basis of the wealth of the republic, and should remain under the special protection of the State.

Every citizen has the right to State protection for his labor, and in case of lack of work, illness, accident or debility, to the benefits of social insurance which will be determined by a special statute.

The State has the duty of making accessible also moral guidance and religious consolation to citizens under its immediate care in public institutions, such as educational institutions, barracks, hospitals, prisons and charitable homes.

ARTICLE 103—Children without sufficient parental care, neglected with respect to education, have the right to State aid within the limits to be determined by statute.

Parents may not be deprived of authority over their children except by judicial decision.

Special statutes determine the protection of motherhood.

Children under 15 years of age may not be wage earners; neither may women be employed at night, or young laborers be employed in industries detrimental to their health.

Permanent employment of children and young people of school age for wage earning purposes is forbidden.

ARTICLE 104—Every citizen has the right to express freely his ideas and convictions in so far as he does not thereby violate legal provisions.

ARTICLE 105—Freedom of the press is guaranteed. Censorship of the system of licensing printed matter may not be introduced. Daily papers and other matter printed in the country may not be debarred from the mails nor may their dissemination on the territory of the republic be restricted.

A special statute will define the rsponsibility for the abuse of this freedom.

ARTICLE 106—The secrecy of letters and other correspondence may be infringed upon only in cases provided by law.

ARTICLE 107—Citizens have the right of presenting individual or collective petitions to all State and self-government representative bodies and public authorities.

ARTICLE 108—Citizens have the right of combining, meeting and forming associations and unions. The exercise of these rights is defined by statutes.

ARTICLE 109—Every citizen has the right of preserving his nationality and developing his mother-tongue and national characteristics.

Special statutes of the State will guarantee to minorities in the Polish State the full and free development of their national characteristics, with the assistance of autonomous minority unions, endowed with the character of public law organizations, within the limits of unions of general self-government.

The State will have in regard to their activity the right of control and of supplementing their financial means in case of need.

ARTICLE 110—Polish citizens belonging to national, religious or linguistic minorities, have the same right as other citizens of foundng, supervising and administering at their own expense, charitable, religious and social institutions, schools and other educational institutions, and of using freely therein their language, and observing the rules of their religion.

ARTICLE 111—Freedom of conscience and of religion is guaranteed to all citizens. No citizen may suffer a limitation of the rights enjoyed by other citizens, by reason of his religion and religious convictions.

All inhabitants of the Polish State have the right of freely professing their religion in public as well as in private, and of performing the commands of their religion or rite, in so far as this is not contrary to public order or public morality.

ARTICLE 112—Religious freedom may not be used in a way contrary to statutes. No one may evade the performance of public duties by reason of his religious beliefs. No one may be compelled to take part in religious activities or rites unless he is subject to parental or guardian's authority.

ARTICLE 113—Every religious community recognized by the State has the right of organizing collective and public services; it may conduct independently its internal affairs; it may possess and acquire movable and immovable property, administer and dispose of it; it remains

in possession and enjoyment of its endowments and funds, and of religious, educational and charitable institutions. No religious community may, however, be in opposition to the statutes of the State.

ARTICLE 114—The Roman Catholic religion, being the religion of the preponderent majority of the nation, occupies in the State the chief position among enfranchised religions. The Roman Catholic Church governs itself under its own laws. The relation of the State to the Church will be determined on the basis of an agreement with the Apostolic See, which is subject to ratification by the Sejm.

ARTICLE 115—The churches of the religious minorities and other legally organized religious communities govern themselves by their own laws, which the State may not refuse to recognize unless they contain rules contrary to law.

The relation of the State to such churches and religions will be determined from time to time by legislation after an understanding with their legal representatives.

ARTICLE 116—The recognition of a new or hitherto not legally recognized religion may not be refused to religious communities whose institutions' teachings and organizations are not contrary to public order or public morality.

ARTICLE 117—Learned investigations and the publication of their results are free. Every citizen has the right to teach, to found a school or educational institution and to direct it if he complies with the requirements laid down by statute concerning the qualifications of teachers, the safety of the child intrusted to him, and a loyal attitude toward the State. All schools and educational institutions, public as well as private, are subject to supervision by State authorities within the limits prescribed by statutes.

ARTICLE 118—Within the limits of the elementary school, instruction is compulsory for all citizens of the State. A statute will define the period, limits and manner of acquiring such education.

ARTICLE 119—Teaching in State and self-government schools is gratuitous.

The State will insure to pupils who are exceptionally able, but not well-to-do, scholarships for their maintenance in secondary and academic schools.

ARTICLE 120—Instruction in religion is compulsory for all pupils in every educational institution, the curriculum of which includes instruction of youth under 18 years of age, if the institution is maintained wholly or in part by the State, or by self-government bodies. The direction and supervision of religious instruction in schools belongs to the respective religious community, reserving to the State educational authorities the right of supreme supervision.

ARTICLE 121—Every citizen has the right to compensation for damage inflicted upon him by civil or military organs of State authorities, by an official act not in accordance with the right or duties of the service. The State is responsible for the damage, jointly with the guilty organs; action may be brought against the State and against officials, independently of any permission by public authority. Communes and other self-government bodies, as well as their organs, are responsible in the same manner. Special statutes will define the application of this principle.

ARTICLE 122—The rules as to citizens' rights apply also to persons belonging to the armed force. Special military statutes define exceptions to this principle.

ARTICLE 123—Armed force may be used only by request of a civil authority under strict obedience to statutes, for the purpose of putting down disturbances or of enforcing the execution of legal rules. Exceptions to this principle are admissible only by virtue of statutes on the state of siege and of war.

ARTICLE 124—A temporary suspension of citizens' rights; of personal liberty (Article 97), of inviolability of home and hearth (Article 100), of freedom of the press (Article 105), of secrecy of correspondence (Article 106), of the right of combining, meeting and forming associations (Article 108), may take place for the whole territory of the State or for localities in which it may prove necessary for reasons of public safety.

Such suspension may be directed only by the Council of Ministers, by permission of the President of the republic, during a war or when an outbreak of war threatens, as well as in case of internal disturbances or of widespread conspiracies which bear the character of high treason and threaten the Constitution of the State or the safety of the citizens.

Such a decision of the Council of Ministers, if made while the Sejm is in session, must be immediately submitted to the Sejm for confirmation. If such a decision, to apply on a territory which comprises more than one Voyevodship be issued during an interval between meetings of the Sejm, the Sejm meets automatically within eight days from the publication of the decision in order to take the proper step.

Should the Sejm refuse confirmation, the state of siege immediately loses its binding force. If the Council of Ministers directs a state of siege after the expiration of the term of the Sejm, or after dissolution of the Sejm, the decision of the Government must be submitted to the newly elected Sejm without delay, at its first meeting.

These principles will be defined more in detail by a statute on the state of siege.

A statute on the state of war will define the principles of a temporary suspension of the above enumerated rights of citizens in time of war on the territory affected by war operations.

ARTICLE 125—A change in the Constitution may be voted only in the presence of at least one-half the statutory number of Deputies or Senators respectively, by a majority of two-thirds of the votes.

The motion to change the Constitution must be signed by at least one-fourth of the total statutory number of Deputies and notice of such a motion must be given at least fifteen days in advance.

The second Sejm, which will meet on the basis of this Constitution, may revise this constitutional law by its own vote, taken by a majority of three-fifths in the presence of at least one-half the statutory number of Deputies.

ARTICLE 126—This Constitution has binding

force from the day of its publication, or in so far as the realization of its individual provisions is dependent on the issuing of special statutes on the day of their going into force.

All legal rules and institutions now in force which do not agree with the rules of this Constitution, will, within a year from the voting of this Constitution, be submitted to the legislative body in order to be brought into harmony with the Constitution by legislation.

CHINA "MUDDLING THROUGH"

Harassed by bankruptcy, famine and civil war, and deadlocked with Japan, the nation still "carries on" and refuses to accept the foreign loans offered by the consortium

[Period Ended April 15, 1921]

KIPLING, with India in mind, sang, "East is East, and West is West." His comparison might well be applied at the present day to China, for that vast empire, with its millions of souls, still manages to "muddle through," despite conditions of demoralization, under which another race less stoical and fatalistic would long ago have succumbed.

Though still split into two nations by the opéra bouffe civil war between the North and the South and with an almost empty treasury, China still holds to her resolution not to treat with Japan over the return of Shantung, and maintains the economic boycott on Japanese goods, which is perhaps more harmful to the Chinese themselves than to the Japanese. The foreign consortium offers them funds, and they prefer to make their loans from Chinese bankers. A state of war exists between Peking and Canton; and yet Envoys and Ambassadors tranquilly interchange vists in all security, and continue endless discussions which seem to lead nowhere. A Chinese garrison is driven out of the capital of Mongolia by a mixed force of Mongolian insurgents and Russian adventurers, and the Tuchuns calmly disregard the Government's orders to retake it or even to organize a punitive expedition, and the Government accepts the situation. The peasants and farmers are robbed and their homes looted by the embattled soldiers, who do everything but fight, and no redress can be obtained. Faming stalks through great provinces, and pestilence rages, and China, as a whole, looks on unmoved. East is east and the great Mongol race, so different from the alert and dangerously active yellow men from across the strait, continues impassively to go on its ancient way.

And yet, when one studies it, there seems to be a certain logic in the policy which China has been developing. No yielding on Shantung has become a national slogan, and the Chinese Government knows only too well, as a March telegram to the Chinese Minister in Germany showed again, that the opening of any direct negotiations would be dangerous in view of the state of public opinion. Similarly the Government refused to open negotiations with Japan over the occupation of Hunchun and Chientao, on the Korean-Manchurian border, dispatched several thousand troops to the district to maintain order, and repeatedly declared that the presence of Japanese soldiers there was unnecessary. This policy was well advised and effective. It was officially announced from Tokio toward the end of March that the last remaining Japanese forces would be withdrawn on April 1.

As regards the civil war, China's way may be unconventional, and yet perhaps be best adapted to the Chinese character and to the situation that prevails. Actual fighting has virtually ceased. Envoys from Canton and Peking have been admitted to the opposing capital of each section "to talk things over." There is no doubt that many leaders in both Governments are sincerely anxious to bring about a settlement, despite the unyielding attitude of Sun Yat-sen, first Provisional President of China, who remains entrenched in Canton, swearing undying hostility to the Peking Government, which he declares to be corrupt and pro-Japanse.

The revolt of the Mongolians and their

capture of Urga, the capital of Mongolia, in February, was a serious matter for China; the Mongols, who owed their success in driving out the Chinese to the leadership of General Ungern, the associate of General Semenov, crowned the Hutukhtu or "Living Buddha" King of Mongolia on Feb. 25, when the independence of the country was proclaimed. General Ungern had about 500 Russians in his force, about forty Japanese, mostly of the officer class, many Buriats and several thousand Mongols. The Mongols were marching southward about March 18, and had occupied Ude, in the heart of the Gobi desert, sending a wave of alarm into neighboring regions.

Albert Sen, a Chinese telegrapher, who escaped from Urga and reached Peking around March 17, gave a clear and interesting report of the capture of the Mongolian capital. The Chinese garrison, he said, put up a most feeble resistance, though threatened with extermination. The soldiers looted the city before they fled. More than 3,000 of the garrison were slaughtered by the Mongols, who entered the town triumphantly, and were enthusiastically received as liberators. The invaders looted the Chinese shops and banks. When General Ungern arrived, his first act was to hang fifty of the looters. It was also reported that he had ordered the massacre of all Jews and Bolsheviki. Practically all the arms, equipment and stores of the garrison were captured. The wireless station was only slightly damaged.

Financially the Peking Government was at ebb tide, though the Minister of Finance, Mr. Chow Tze-chi, announced in February that the Government had made arrangements to tide over the new year. Large deficits had been met by borrowing on short-term Treasury bonds at high interest. Mr. Chow faced the fact that during the next year the Government must meet liabilities of $300,000,000, and also vast sums for military and administrative purposes. Assuming that no disbandment of military forces will occur, these two items alone are estimated to total $450,000,000, bringing the net total of required expenditure up to $750,000,000 for the coming fiscal year.

The Government was seeking to raise money through private Chinese bankers, as the foreign bankers represented in the consortium were asking terms which the Chinese Government was unwilling to accept. The Chinese bankers, seeing their opportunity, were bringing great pressure to bear to prevent any foreign loan that is not too big for them to handle themselves. They have organized their strength, and are prepared to shoulder a considerable portion of the Government's debts. A bankers' conference held in Shanghai in December, 1920, showed that the Chinese banks, at least forty of which are now organized on Western lines, realize fully the present situation; they intend, however, to deal with the Government only on strictly business principles, and to oppose by every means the ruinous methods that are getting the country more and more deeply into debt. Resolutions passed by them declared against resort to foreign loans, Treasury bonds or domestic bonds, and especially against the vast expenditure for an unnecessarily large army, which is useless, and worse than useless, "for the tale of mutinies, slaughter and banditry is incessant, and comes from every part of the country." The bankers declared that all these forces should be cut down to a minimum for the maintenance of peace and order. A loan of $6,000,000 was made on good security for the purchase of railway stock in February, and was easily obtained, whereas another loan of $4,000,000 for famine relief was obtained from foreign sources only after great haggling with the Legations over the imposition of a surtax on the revenues of the maritime customs.

It was reported on April 10 that China's famine was spreading. The average death rate daily in Honan was 1,000, while deaths in the six northern countries averaged 300 daily. Some 9,000,000 people were utterly destitute, and vast funds were urgently necessary. Charles R. Crane, American Minister to China, in a telegram sent to the State Department, painted an appalling situation. Further large funds were needed to carry the people through to the harvest.

CURRENT HISTORY

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Latest photograph of the commander of the American forces in the World War, who has just been made Chief of the General Staff

DR. JULIUS WIRTH

The new German Chancellor, head of the Ministry that succeeded Fehrenbach's, and that accepted the allied indemnity terms

GERMANY'S SURRENDER ON REPARATIONS

Detailed story of the allied ultimatum that brought about Germany's final agreement to pay a damage bill of $33,000,000,000 and saved the Ruhr industrial district from French occupation—Germany's vain attempt to obtain American intervention—Why France still declines to demobilize her new army on the Rhine—Full text of the ultimatum

THE interminable reparation drama reached its climax and dénouement on May 11, 1921, when Germany, in response to an allied ultimatum and an imminent threat of action by a French army, finally agreed to pay a total sum of $33,000,000,000 for damage done by the German armies in the World War. This act of surrender was performed by a new German Government, headed by Dr. Julius Wirth, which replaced the Fehrenbach Government for the purpose. The terms had been drawn up by the allied Premiers in London, and transmitted in the form of an ultimatum, the essence of which was that if they were not accepted unconditionally by May 12 the whole Ruhr district, Germany's coal centre and industrial heart, would be occupied by the French Army supported by allied contingents, and held and administered as a guarantee for the payment of Germany's reparation debt. Such an occupation, already effected in part by the Allies, meant ruin to Germany, and she knew it. She had come to the end of her road, had her back to the wall, and could go no further. She accepted the new terms unconditionally, and the allied Premiers, to say nothing of Germany herself, breathed a deep sigh of relief.

The history of the allied dealings with Germany over the question of reparation covers fully two years. Conference after conference was held by the Premiers—at Spa, San Remo, Lympne, Hythe, Paris and London—to determine what the reparation payments should be, and how the Allies should move to compel Germany to make them. Plan after plan was adopted, only to be subsequently abandoned in view of Germany's attitude of unwillingness, her protests, her evasions, and her repeated failure to keep her promises.

At the London conference, held in Paris in March, the allied leaders had laid down what they believed at that time were their final terms. Germany had countered with offers which were considered by all the Premiers as ridiculous. Dr. Walter Simons, the German Foreign Minister, declared that he could make no new offer, and he was told by Lloyd George in plain language that this meant the application of the penalties prescribed by the Treaty of Versailles. Dr. Simons returned to Germany and was received with cheers. France moved her army forward in the Rhineland, extending its occupation to Düsseldorf, Duisberg and Ruhrort; this, however, had no visible effect upon the German attitude of refusal. The French then announced that, with or without the support of their allies, they would occupy the whole Ruhr district by May 1 unless they received an unconditional acceptance of the London terms. Lloyd George was reluctant to proceed to this extremity, and his reluctance was reflected by Count Sforza, the Italian representative; France, however, was resolute. Grimly M. Briand, the French Premier, supported by almost unanimous French public opinion, awaited the coming of May.

Germany on April 21, in a last desperate effort to stave off intervention, sent an appeal to the United States Government to act as mediator. President Harding in reply declined to play the rôle of arbitrator, but stated that if Germany would make a new, reasonable offer, he would approach the allied Governments in the interest of world peace and strive to induce them to consider it. Greatly encouraged, Dr. Simons, the Foreign Minister, and Herr Fehrenbach, the Premier, whose Cabinet was already tottering from the violent attacks of the German reactionaries, drafted a new offer and cabled it to Washington. Its main features

were an offer to pay 50,000,000,000 gold marks and a demand for the removal of all penalties.

After careful consideration, reinforced with informal soundings of the Allies, the American President, through Secretary Hughes, cabled back to Germany that the new proposals were wholly unacceptable, and advised Germany to enter at once into direct contact with the allied Governments and to lay before them an adequate and satisfactory offer. The weakened Fehrenbach-Simons Cabinet was finished by this blow. It fell May 4. Meanwhile the Premiers met in London on the eve of the new occupation, and after six days' deliberations drafted a new plan of reparation payments, which was to be the ultimate word. Mr. Lloyd George and Count Sforza prevailed upon M. Briand to defer the invasion for another twelve days and to give Germany one last opportunity to comply with the allied demands. He consented unwillingly, fearful of the effect upon French opinion, which clamored for the invasion. The Premiers drew up their last offers and dispatched them to Germany in ultimatum form. The Germans were told that these proposals must be accepted without reservation by May 12 or the Ruhr district would be invaded and held.

TEXT OF THE ULTIMATUM

The ultimatum was handed on May 6 to Herr Sthamer, the German Ambassador in London, by Lloyd George in person. Its text was as follows:

The allied powers, taking note of the fact that despite the successive concessions made by the Allies since the signature of the Treaty of Versailles, and despite the warnings and sanctions (penalties) agreed upon at Spa and Paris, as well as of the sanctions announced at London and since applied, the German Government is still in default in fulfillment of the obligations incumbent upon it under the terms of the Treaty of Versailles as regards:

First, disarmament;

Second, the payment due May 1, 1921, under Article 235 of the Treaty, which the Reparation Commission already has called upon it to make at this date;

Third, the trial of war criminals, as further provided for by the allied notes of Feb. 13 and May 7, 1920, and,

Fourth, certain other important respects, notably those which arise under Articles 264 to 267, 269, 273, 321, 322 and 327 of the treaty, decide:

(a) To proceed from today with all necessary preliminary measures for the occupation of the Ruhr Valley by allied troops on the Rhine under the conditions laid down.

(b) In accordance with Article 235 of the Versailles Treaty, to invite the Allied Reparation Commission to notify the German Government without delay of the time and methods for the discharge by Germany of her debt, and to announce its decision on this point to the German Government by May 6, at the latest.

(c) To summon the German Government to declare categorically within six days after receiving the above decision its determination (1) to execute without reservation or condition its obligations as defined by the Reparation Commission, (2) to accept and realize without reservation or condition in regard to its obligations the guarantees prescribed by the Reparation Commission, (3) to execute without reservation or delay measures concerning military, naval and aerial disarmament, of which Germany was notified by the allied nations in their note of Jan. 29; those measures in the execution of which they have so far failed to comply with are to be completed immediately, and the remainder on a date still to be fixed, (4) to proceed without reservation or delay to the trial of war criminals, and also with the other parts of the Versailles Treaty which have not as yet been fulfilled.

(d) To proceed on May 12 with the occupation of the Ruhr Valley, and to undertake all other military and naval measures, should the German Government fail to comply with the foregoing conditions. This occupation will last as long as Germany continues her failure to fulfill the conditions laid down.

This ultimatum note was accompanied by the full allied terms, as laid down by the Reparation Commission, prescribing the time and manner for discharging the entire obligation. Briefly stated, they amount to this: Germany must pay the 132,000,000,000 gold marks ($33,000,000,000) fixed by the Reparation Commission in accordance with the provisions of the Versailles Treaty, less sums already paid on the reparations account or subsequently credited on whatsoever basis.

To cover the whole payment, three sets of bonds are to be issued by Germany, secured on all the assets of the German Empire. The first issue is to be delivered by July 1, 1921; the second by Nov. 1; the third issue is to be held by the Reparations Commission until it is satisfied that Germany can pay the interest and sinking fund charges required. Interest payments are provided for at fixed periods. Until redemption of the bonds, Germany is to pay a yearly sum of 2,000,000,000 gold marks ($500,000,000), as well as a 26 per cent. levy, or an equivalent sum, on the value of her exports as from

May 1, 1921; this amount is to be reducible as Germany discharges her obligations.

Within twenty-five days Germany must pay 1,000,000,000 marks in gold or in three-month bills or drafts; these payments are to be treated as the first two quarterly instalments due on Germany's liability of 2,000,000,000 marks yearly, with the 26 per cent. of exports, as above provided.

The other clauses concern mainly the appointment and duties of the special sub-commission, called the Commission on Guarantees, whose duty it will be to supervise the application of the funds assigned as security for the bond issues. These funds will be drawn from German maritime and land customs duties and import and export duties, as well as from the 26 per cent. prescribed on export duties, from indirect taxes or from any other source proposed by the German Government. This 26 per cent. is to be paid by the German Government to the exporter. The commission is explicitly charged not to interfere with the administration of the German Government.

THE ALLIED TERMS

The full text of the reparations protocol is given below:

The Reparation Commission has, in accordance with Article 232 of the Treaty of Versailles, to define the time and manner for securing and discharging the entire obligation of Germany for reparation under Articles 231, 232 and 233 of the treaty, as follows:

This determination is without prejudice to the duty of Germany to make restitution under Article 238 or to other obligations under the treaty.

1. Germany will perform in the manner laid down in this schedule her obligation to pay the total fixed in accordance with Articles 231, 232 and 233 of the Treaty of Versailles by the commission, viz., 132,000,000,000 gold marks less (a) the amount already paid on account of reparation; (b) sums which may from time to time be credited to Germany in respect of State properties in ceded territory, &c., and (c) any sums received from other enemy or ex-enemy powers in respect of which the commission may decide that credit should be given to Germany, plus the amount of the Belgian debt to the Allies, the amounts of these deductions and additions to be determined later by the commission.

2. Germany shall create and deliver to the commission in substitution for bonds already delivered or delivered under Paragraph 12C of Annex 2, Part VIII., Treaty of Versailles, bonds hereafter described:

(A) Bonds for the amount of 12,000,000,000 gold marks. These bonds shall be created and delivered at the latest on July 1, 1921. There shall be an annual payment from funds to be provided by Germany as prescribed in this schedule in each year from May 1, 1921, equal in amount to 6 per cent. of the nominal value of the issued bonds, out of which there shall be paid interest at 5 per cent. per annum, payable half yearly on the bonds outstanding at any time, and the balance to a sinking fund for redemption of bonds by annual drawings at par. These bonds are hereinafter referred to as bonds of Series A.

(B) Bonds for a further amount of 38,000,000,000 gold marks. These bonds shall be created and delivered at the latest on Nov. 1, 1921. There shall be an annual payment from funds to be provided by Germany as prescribed in this schedule in each year from Nov. 1, 1921, equal in amount to 6 per cent. of the nominal value of the issued bonds, out of which there shall be paid interest at 5 per cent. per annum, payable half yearly, on the bonds outstanding at any time and the balance to a sinking fund for the redemption of the bonds by annual drawings at par. These bonds are hereinafter referred to as bonds of Series B.

(C) Bonds for 82,000,000,000 gold marks, subject to such subsequent adjustment by creation or cancellation of bonds as may be required under the first paragraph. These bonds shall be created and delivered to the Reparations Commission, without coupons attached, at the latest on Nov. 1, 1921. They shall be issued by the commission as and when it is satisfied that the payments which Germany is required to make in pursuance of this schedule are sufficient to provide for the payment of interest and sinking fund on such bonds. There shall be an annual payment from funds to be provided by Germany as prescribed in this schedule in each year from the date of issue by the Reparation Commission equal in amount to 6 per cent. of the nominal value of the issued bonds, out of which shall be paid interest at 5 per cent. per annum, payable half yearly, on the bonds outstanding at any time, and the balance to a sinking fund for redemption of the bonds by annual drawings at par. The German Government shall supply to the commission coupon sheets for such bonds as and when issued by the commission. These bonds are hereinafter referred to as bonds of Series C.

3. The bonds provided for in Article 2 shall be signed by the German Government as bearer bonds, in such form and in such denominations as the commission shall prescribe for the purpose of making them marketable and shall be free of all German taxes and charges of every description, present or future.

Subject to the provisions of Articles 248 and 251, Treaty of Versailles, these bonds shall be secured on the whole assets and revenues of the German Empire and the German States, and in particular on the assets and revenues specified in Article 7 of

this schedule. The service of bonds A, B and C shall be a first, second and third charge, respectively, on said assets and revenues, and shall be met by payments to be made by Germany under this schedule.

4. Germany shall pay in each year until the redemption of bonds provided for in Article 2 by means of a sinking fund attached thereto: (1) The sum of 2,000,000,000 gold marks. (2) (a) A sum equivalent to 25 per cent. of the value of her exports in each period of twelve months, starting from May 1, 1921, as determined by the commission, or (b) alternately an equivalent amount as fixed in accordance with any other index proposed by Germany and accepted by the commission. (3) A further sum equivalent to 1 per cent. of the value of her exports, as above defined, or, alternatively, an equivalent amount fixed as provided in Paragraph B above. Provided always that when Germany shall have discharged her obligations under this schedule, other than her liability in respect of outstanding bonds, the amount to be paid in each year under this paragraph shall be reduced to the amount required in that year to meet the interest and sinking fund on the bonds then outstanding.

Subject to the provisions of Article 5, the payments to be made in respect of Paragraph 1 above shall be made quarterly on or before Jan. 15, April 15, July 15 and Oct. 15 each year, and payments in respect of Paragraphs 2 and 3 above shall be made quarterly on or before Feb. 15, May 15, Aug. 15 and Nov. 15 and calculated on the basis of exports in the last quarter but one preceding that quarter, the first payment to be made on or before Nov. 15, 1921, to be calculated on the basis of exports in the three months ending July 31, 1921.

5. Germany shall pay within twenty-five days from this notification 1,000,000,000 gold marks, in gold or approved foreign currencies or approved foreign bills or in drafts at three months on the German Treasury, endorsed by approved German banks and payable in pounds sterling in London, in francs in Paris, in dollars in New York or any currency in any other place designated by the commission. These payments will be treated as the two first quarterly instalments of payments provided in Article 4, Paragraph 1.

6. The commission will within twenty-five days from this notification, in accordance with Paragraph 12A, Annex 2, of the treaty as amended, establish a special sub-commission to be called the Committee on Guarantees. The Committee on Guarantees will consist of representatives of the allied powers now represented on the Reparation Commission, including a representative of the United States in the event of that Government desiring to make an appointment.* The committee shall comprise not more than three representatives of nationals of other powers whenever it shall appear to the commission that a sufficient portion of the bonds to be issued under this schedule is held by nationals of such powers to justify their representation on the Committee on Guarantees.

7. The Committee on Guarantees is charged with the duty of securing the application of Articles 241 and 248 of the Treaty of Versailles.

It shall supervise the application to the service of the bonds provided for in Article II. of the funds assigned as security for the payments to be made by Germany under Paragraph 4. The funds to be assigned shall be: (a) The proceeds of all German maritime and land customs and duties, and in particular the proceeds of all import and export duties. (b) Proceeds of a levy of 25 per cent. on the value of all exports from Germany except those exports upon which a levy of not less than 25 per cent. is applied under legislation referred to in Article IX. (c) The proceeds of such direct or indirect taxes or any other funds as may be proposed by the German Government and accepted by the Committee on Guarantees in addition to, or in substitution for, the funds specified in a or b above.

The assigned funds shall be paid to the accounts to be opened in the name of the committee and supervised by it in gold or in foreign currencies approved by the committee. The equivalent of the 25 per cent. levy referred to under (b) of the preceding paragraph shall be paid in German currency by the German Government to the exporter.

The German Government shall notify to the Committee on Guarantees any proposed action which may tend to diminish the proceeds of any of the assigned funds and shall, if the committee demands it, substitute some other approved funds.

The Committee on Guarantees shall be charged further with the duty of conducting on behalf of the commission the examination provided for in Paragraph 12 B of Annex 2 to Part VIII. of the Treaty of Versailles, and of verifying on behalf of the commission and, if necessary, of correcting the amount declared by the German Government as the value of German exports for the purpose of calculation of the sum payable in each year or quarter under Article IV., Paragraph 2, and the amounts of the funds assigned under this article to the service of the bonds. The committee shall be entitled to take such measures as it may deem necessary for the proper discharge of its duties.

The Committee on Guarantees is not authorized to interfere in the German administration.

8. In accordance with Paragraph 19, Clause 2 of Annex 2, as amended, Germany shall on demand, subject to prior approval of the commission, provide such material and labor as any of the allied powers may require

* A formal invitation to the United States Government to send representatives to all future allied conferences was sent by the Entente powers on May 5. President Harding's acceptance was transmitted on the following day, and Roland W. Boyden was designated to act as official observer with the Reparation Commission.

toward restoration of the devastated areas of that power, or enable any allied power to proceed with the restoration or the development of its industrial or economic life. The value of such material and labor shall be determined in each case by a valuer appointed by Germany and a valuer appointed by the power concerned and, in default of an agreement, by a referee nominated by the commission. This provision as to valuation does not apply to deliveries under Annexes 3, 4, 5 and 6 to Part VIII. of the treaty.

9. Germany shall make every necessary measure of legislative and administrative action to facilitate the operation of the German Reparation (Recovery) act of 1921 in force in the United Kingdom and of any similar legislation enacted by any allied power so long as such legislation remains in force.*

The payments effected by the operation of such legislation shall be credited to Germany on account of payments to be made by her under Article IV., Clause 2. The equivalent in German currency shall be paid by the German Government to the exporter.

10. Payment for all services rendered, all deliveries in kind and all receipts under Article IX. shall be made to the Reparation Commission by the allied power receiving the same in cash or current coupons within one month of the receipt thereof and shall be credited to Germany on account of payments to be made by her under Article IV.

11. The sum payable under Article IV., Clause 3, and any surplus of receipts by the commission under Article IV., Clauses 1 and 2, in each year not required for payment of interest and sinking fund on bonds outstanding in that year, shall be accumulated and applied so far as they will extend, at such times as the commission may think fit, by the commission in paying simple interest not exceeding 2½ per cent. per annum from May 1, 1921, to May 1, 1926, and thereafter at a rate not exceeding 5 per cent. on the balance of the debt not covered by bonds then issued. The interest on such balance of the debt shall not be cumulative. No interest therefor shall be payable otherwise than as provided in this paragraph.

12. The present schedule does not modify the provisions for securing the execution of the Treaty of Versailles which are applicable to the stipulations of the present schedule.

LLOYD GEORGE'S EXPLANATION

The whole scheme laid down in the above provisions was interpreted by Premier Lloyd George before the House of Commons on May 5. After an exposé of the general situation, covering all Germany's defaults in respect to payments pledged, as well as disarmament and the trial of war criminals, the Premier laid before the House the new plan which Germany was called upon to accept. The salient passages of his explanation follow:

I have first of all to mention the scheme of payment which has been agreed to by the Supreme Council and adopted by the Reparation Commission and which will be remitted by the Reparation Commission to the German representatives tonight.

The experts of the allied powers framed very carefully a scheme. The Paris scheme was one of forty-two annuities beginning at £100,000,000 per annum and increasing at intervals of two or three years until at the end of eleven years a maximum of £300,000,000 per annum would be reached. Those were fixed annuities, but in addition to that there was to be a variable sum equal to 12 per cent. on German exports.

The proposal of the London conference is that there should be one fixed sum, and that it should be £100,000,000, but that there should be a variable sum added to that per annum which would be equal to 26 per cent. of German exports. Whether that is higher or lower than the Paris proposal depends upon German prosperity. If German exports do not improve, then it will be considerably lower than the Paris total. If German exports approximate to pre-war figures it will be equal to the Paris figure, and only in the event of Germany becoming exceedingly prosperous will that figure exceed the Paris figure. The whole point of the new scheme is that Germany's annual liabilities will vary according to her capacity to discharge them.

In order to enable Germany to meet her liabilities and to adapt her liabilities to her capacity, and also to enable the Allies to have something in hand to raise money for reparations, it is proposed that three categories of bonds shall be issued.

The first, Series A, will be bonds for £600,000,000 gold, to be delivered by July 1. They will bear interest of 5 per cent. and 1 per cent. accumulating for a sinking fund. Series B bonds will be for 38,000,000,000 gold marks, equal to £1,900,000,000 gold, to be delivered by the first of September. Series C bonds for the balance, estimated at 82,000,000,000 gold marks, equal to £4,100,000,000, are to be delivered by the first of November, this year, but with this important reservation: That the commission is only to attach coupons and issue these bonds as and when it is satisfied that the payments to be made under the agreement are sufficient to provide for interest and sinking fund.

The first three series will be issued this year. The Reparation Commission will decide from time to time as to the capacity of Germany to pay and issue bonds accordingly.

Now I come to a very important question, which gave us a great deal of anxiety.

* It was later given out on German authority that the levy of 50 per cent. on German exports would be virtually suspended in favor of the 25 per cent. laid down by the new terms. No official allied action on this point had been announced when these pages went to press.—Ed.

It is clear that at first there will not be enough to pay interest upon the whole of the amount due. The debt is £6,600,000,000, and 6 per cent. upon that will be £400,000,000. Then comes the question, What is to be done with the interest in respect of the unissued bonds?

Under the treaty Germany was debited with interest at 5 per cent. upon the whole of the debt due from her, with certain powers given to the Reparation Commission to vary the amount. What is proposed to be done is this: That 25 per cent. of exports will be devoted to the payment of the bonds which will be issued. If there is a balance over that for any given year it is to be devoted to payment of interest upon the unissued bonds. But, in addition to that, 1 per cent. will be charged on exports, and the surplus over and above what is available for payment of bonds issued, plus 1 per cent. of the value of her exports, will be devoted to pay interest on unissued bonds.

Beyond that interest will be wiped out. It will not be debited to Germany. It won't accumulate as against her. That is a very important question.

Now I come to the method of payment. All those who have given real attention to this subject know that the practical difficulty with which we are confronted is for Germany to pay outside her frontiers. Payment of a debt of £6,600,000,000 is a serious matter inside one's own country, but to pay outside one's own country even a much smaller amount is baffling to the ingenuity of many financiers.

There will be, first of all, payments in kind. The first payment will be within twenty-five days, a payment of £50,000,000. Germany on the whole has accepted that in her communication to America. There will be no practical difficulty about that. It will be paid in gold, or three months' foreign bills, or Treasury grants endorsed by German banks on London, Paris and New York.

The next item of payment will be in kind—coal. It is coal to make up for the coal which would be produced at present if the French and Belgian mines had not been destroyed. There will also be aniline dyes, timber and material for the reconstruction of France. That I am very glad has been agreed to. I think it is a very sensible method.

To a certain extent there may be labor. That presents very exceptional difficulties, because there are trade unions in France as well as labor. I do not anticipate that there will be any very substantial sum derived from labor, but from material I think there will be a very substantial sum. These sums will aggregate very considerable and will extend over five or ten years. It will take this time at least. The process of reconstruction might take from five to ten years.

The next source of revenue is the duty of 25 per cent. on German exports. You can either collect in the country where the goods are received or collect in Germany. If any country prefers to collect on goods to its own country in its own currency it can do so. Collection will not be in marks, but in the equivalent of gold—in bills. That depends entirely upon the recovery of Germany's trade. That trade before the war was over £500,000,000. The value of that at present would be somewhere about £1,000,000,000. Twenty-five per cent. upon their exports would be £250,000,000.

A sub-commission of the Reparation Commission will be appointed to sit in Berlin for the purpose of supervising this collection. It will have no authority to interfere in administration, but simply to supervise and control and receive payment. Receipts and materials in kind and 25 per cent. on exports will be hypothecated for the payment of the bonds issued. Other German revenues will also be pledged as security for payment of interest on the bonds, and here the German proposal coincides with the proposal we made. The Germans have offered other revenues for security of their payments.

GERMANY'S SURRENDER

In Germany the first effect of the allied ultimatum was to cause the fall of the Fehrenbach-Simons Ministry. After a stormy interregnum following its resignation, Dr. Julius Wirth succeeded in forming a coalition Cabinet, composed of Centrists, Majority Socialists and Democrats, which, confronted by the grave danger of French occupation of the Ruhr, swiftly decided that the conditions of the ultimatum must be accepted. Dr. Wirth announced this decision before the Reichstag on May 10, and asked for an immediate vote. He said in part:

> Our task in this grave hour is to obtain the decision of the Reichstag with regard to the ultimatum of the allied Governments. Acceptance means that we declare our readiness to bear in voluntary labor the heavy financial burdens demanded year by year. Refusal, however, would mean surrendering the basis of all our industrial activities and the shackling of our entire industrial life; and the effects might be even more terrible for our political existence and for our realm. For these reasons the Government accepts the ultimatum. We know that acceptance, by reason of the place Germany will occupy in the economy of the world, will entail the gravest consequences. The responsibility for this falls upon the Allies. But there is one point concerning which there must be no obscurity. It would be useless to say "Yes," without the resolution to do our utmost to meet the obligations incumbent upon us. Ladies and gentlemen, the new Government, after reflection, advises you in all confidence, to accept the ultimatum.

The vote was then taken. The result was 221 in favor of acceptance, 175 against.

Though this meant a victory for the new Premier by a comfortable majority, it was stated on all sides that the Wirth Cabinet was only a temporary makeshift, decided on after days of political chaos, and placed in power for the purpose of accepting the allied demands. The main supporters of the new régime were the Majority Socialists and Clericals. Dr. Wirth was unfavorably regarded by the industrialist and banking interests, because he had been closely associated with Matthias Erzberger, his predecessor as Finance Minister. For the time being, at all events, the Wirth Cabinet served both Germany's and the Allies' purposes: it accepted, and persuaded the Reichstag to accept, the ultimatum. The acceptance was at once dispatched to London by the Wirth Cabinet, and was delivered to Lloyd George by Dr. Sthamer at 11 o'clock on the morning of May 11. The British Premier at once telegraphed the news to all the Governments concerned. The text of the German acceptance was as follows:

> In accordance with instructions just received, I am commanded by my Government, in accordance with the decision of the Reichstag and with reference to the resolutions of the allied powers of May 5, 1921, in the name of the new German Government to declare the following:
>
> The German Government is fully resolved, first, to carry out without reserve or condition its obligations as defined by the Reparation Commission.
>
> Second, to accept and carry out without reserve or condition the guarantees in respect of those obligations prescribed by the Reparation Commission.
>
> Third, to carry out without reserve or delay the measures of military, naval and aerial disarmament notified to the German Government by the allied powers in their note of Jan. 29, 1921, those overdue to be completed at once and the remainder by the prescribed date.
>
> Fourth, to carry out without reserve or delay the trial of war criminals and to execute the other unfulfilled portions of the Treaty referred to in the first paragraph of the note of the allied Governments of May 5.
>
> I ask the allied powers to take note immediately of this declaration. STHAMER.

But though Germany had yielded to the ultimatum, both Great Britain and France manifested doubt as to how she would keep her new promises. The British as well as the French press inclined to the view that the best way of aiding Dr. Wirth was to remain in readiness to enforce the terms which Germany had pledged herself to fulfill. The fact that both the Nationalist and Industrialist organs in Germany were already assailing the acceptance and calling the surrender note a "scrap of paper" was not lost sight of. France, above all, was suspicious, and the French Government, after receiving news of Germany's surrender, announced that it would keep under the colors the 1919 class of soldiers mobilized for the Ruhr until July 1, by which date Germany has now engaged to complete disarmament.

Up to the last day pending the German reply, the French troops had been pouring into the Rhine district, and closing in around Ruhrort in all directions. Divisions with full equipment had been on the move for days, and everything was in readiness for the final push when the German acceptance was received. Though the news of Germany's surrender was in some sense a relief, the French Government gave every evidence of its determination that this new agreement should not add to the long list of broken promises. To Premier Briand and President Millerand the real test of Germany's sincerity would come on July 1. Would Germany disarm, and thus allow France to demobilize her troops?

As early as May 12 it was stated that painful differences were arising between the French and the British regarding the occupation of the Rhine towns effected some weeks previously, and still in force. The British advocated withdrawal from Düsseldorf, Duisberg and Ruhrort, and the suppression of the Rhine Customs barrier; the French wished the penalties already put in force to stand until France gained certainty that the new German promises would be kept. France's whole attitude has been, and remains, that the threat to occupy the Ruhr must be maintained until the Germans disarm. First, and above all, France wished protection from her old enemy: the rest would come. If the Germans abide by the new terms, alike for disarmament and reparation payments, French finances will be made secure, devastated areas will be restored, and the future of France and of Europe will be assured.

CAN GERMANY PAY THE INDEMNITY?

By J. Ellis Barker

A summary of the solid facts on which the Reparation Commission based its indemnity figures—Birdseye view of Germany's agricultural, mineral and industrial resources—Reckless financial management of the nation's affairs the chief peril of the situation

THE Allies have demanded of Germany a total indemnity of 135,000,000,000 gold marks, and Germany, though she has now bowed to the terms of the allied ultimatum, has long been calling heaven to witness that the war has ruined her; many Germans still insist that, with the best will in the world, they cannot satisfy the demands made. The German spokesmen do not tire of pointing out that Germany is a naturally poor country, and that the treaty of peace has permanently impoverished the people by depriving them of some of their most valuable resources. However, the experts representing the Allies affirm that, whereas vast districts of France have been completely devastated, the German mines and manufacturing industries are intact and the latent resources of Germany are so great that she is easily able to pay. Which of the two parties is in the right?

The wealth of a nation depends on its natural resources and on the number and the abilities of the people who exploit them, converting latent wealth into tangible wealth. Germany, far from being one of the poorest nations in the world, is naturally one of the wealthiest, and she should well be able to fulfil the terms to which she has now acceded.

The Germans are a highly intelligent, able-bodied race. The mere fact that the German population within the frontiers of the old empire increased from 40,997,000 in 1871 to 67,810,000 at the outbreak of the war shows the extraordinary vigor of the race. Besides, during this period millions of Germans emigrated, the majority of whom settled in the United States. The human resources of Germany are very great. They represent a vast potential wealth. Let us glance at the physical resources which the German people will be able to exploit, taking for our guidance those official German statistics upon which the allied experts have based their claims and calculations.

The principal wealth-creating resources of modern nations are agriculture, mining, the manufacturing industries and trade. In respect of all these Germany has been singularly favored by nature. Each of these four resources may be considered in turn.

By far the larger part of Germany consists of a gigantic, well-watered plain, which possesses an excellent soil. Owing to this natural advantage and the high development of agricultural science, the German soil yields extraordinary crops, as shown by the following figures from the German statistical abstract:

PRODUCTION PER ACRE (KILOGRAMS) IN 1913

	Wheat.	Rye.	Barley.	Oats.	Potatoes.
Germany	1,910	2,360	2,220	2,190	15,860
France	1,330	1,060	1,370	1,300	8,560
Austria	1,340	1,380	1,600	1,410	9,060
Hungary	1,280	1,190	1,440	1,170	7,540
United States	1,020	1,020	1,280	1,050	6,080

Germany's agricultural soil is very rich. Per acre it yields twice as much as that of the United States, and 80 per cent. more than that of France, Austria and Hungary. However, the Germans feel confident that they can increase their production per acre by at least 50 per cent. by the lavish application of nitrogen, and they have installed gigantic factories which will produce millions of tons of nitrogen from the air. According to the official German statistics, the harvest has increased as follows:

THE GERMAN HARVEST

Year.	Rye, Tons.	Wheat, Tons.	Oats, Tons.
1880	4,952,525	2,345,278	4,228,128
1890	5,868,078	2,830,921	4,913,544
1900	8,550,659	3,841,165	7,091,930
1910	10,511,160	3,861,479	7,900,376
1913	12,222,394	4,655,956	9,713,965

Year.	Potatoes, Tons.	Sugar, Tons.	Hay, Tons.
1880	19,466,242	415,000	19,563,388
1890	23,320,983	1,261,000	18,859,888
1900	40,585,317	1,795,000	23,116,276
1910	43,468,395	1,947,580	28,250,115
1913	54,121,146	2,632,000	29,184,994

Germany's live stock also has increased prodigiously during the last few decades, as follows:

Year.	Horses.	Cattle.	Sheep.	Pigs.
1873	3,352,231	15,776,702	24,999,406	7,124,088
1883	3,522,525	15,786,764	19,189,715	9,206,195
1892	3,836,256	13,555,694	13,589,612	12,174,238
1897	4,038,495	18,490,772	10,866,772	14,274,557
1900	4,184,099	19,001,106	9,672,143	16,758,436
1907	4,337,263	20,589,856	7,681,072	22,080,008
1913	4,523,059	20,994,344	11,320,460	25,659,140

German agriculture gives a picture of abounding and rapidly increasing prosperity, which is bound to continue, for the Treaty of Versailles has deprived the country of relatively only a minor part of its agricultural resources, while the diminution of German agricultural soil has been accompanied by a similar reduction in the number of the German people.

Previous to the war Germany possessed approximately four-fifths of all the coal on the Continent of Europe. Her extraordinary wealth in coal and iron ore, and especially the former, led to the rapid expansion of her manufacturing industries and of her trade. How fast has been Germany's advance in the production of coal and iron may be seen by comparing the record of that country with that of Great Britain, which yields the following picture:

	Production of Coal in		Production of Iron in	
Year.	Germany. Tons.	United Kingdom. Tons.	Germany. Tons.	United Kingdom. Tons.
1880	59,120,000	149,380,000	2,729,000	7,802,000
1885	73,672,000	161,960,000	3,687,000	7,369,000
1890	89,290,000	184,590,000	4,658,000	8,033,000
1895	103,960,000	193,350,000	5,465,000	7,827,000
1900	149,790,000	228,770,000	8,521,000	9,052,000
1905	173,660,000	239,890,000	10,988,000	9,746,000
1910	221,980,000	264,500,000	14,793,000	10,380,000
1913	273,650,000	287,410,000	19,292,000	10,260,000

The Germans bitterly complain that their manufacturing industries have been ruined owing to the Peace Treaty, whereby Germany has lost a large quantity of her coal and the bulk of her native iron ore. However, there has been much exaggeration on their part. The Sarre coal field, which is temporarily occupied by France, and which ultimately may become French by plebiscite, is quite unimportant. It furnished considerably less than one-tenth of Germany's black coal. The Ruhr Valley alone contains considerably more coal than the whole of the United Kingdom. A large part of the important Silesian coal fields will apparently remain with Poland. However, the Poles will find it in their interest to sell coal at a reasonable price to the Germans, quite apart from the treaty provisions that restrain Poland from hampering the exportation of coal to Germany for some considerable time.

As regards the loss of the bulk of her iron ore to France, the position is not as serious as it is depicted by the Germans representatives. France, it is true, has in Lorraine by far the largest iron ore deposits in Europe, but she lacks the coal with which to smelt them. France is exceedingly poor in coal, and the Sarre coal is unsuitable. because it does not make a satisfactory coke. If coal and iron ore are lying at a distance from one another the iron ore always travels to the coal, for obvious reasons. At present iron ore is sent from French Lorraine to the Ruhr coal district to be smelted, and that process is likely to continue. Besides Germany relies, and has always relied, very largely on rich imported iron ore from Sweden and elsewhere. Hence her iron and steel industries are not likely to be ruined, as has so often been asserted.

Previous to the war Germany produced twice as much iron and steel as the United Kingdom. Her vast military strength was due very largely to her predominant position in the iron and steel industry of Europe. Apparently she will retain her old pre-eminence in that important industry. It is true that her iron and steel industry is at present less productive than it was in 1913. Its shrinkage is due partly to the impoverishment of her customers, partly to the disorder in Germany and elsewhere, partly to an insufficient supply of coal. The shortage in Germany's coal supply is not

so much due to the Treaty of Versailles as to underproduction on the part of the German miners. This underproduction is due to temporary causes, such as political troubles, labor unrest, railway congestion, shortage of trucks, underfeeding in the last few years, &c., which should be overcome before long.

Lately the Germans have discovered some gigantic deposits of lignite, or brown coal. The production of this valuable substitute for coal has increased very greatly. It exceeded 100,000,000 tons in 1920. Germany's difficulties in providing an adequate quantity of black coal have mightily stimulated the lignite industry and have caused Germany to take a greater interest in the production of hydroelectrical power than hitherto. The German rivers may be made to furnish millions of units of electrical horse power, while the unimportant streams of the United Kingdom can provide only a few thousands.

In addition to a vast wealth of excellent coal, Germany possesses gigantic quantities of potash and of other mineral salts. The extent of her salt deposits is not yet exactly known. They are so vast that it is impossible to measure them and to calculate their contents. From year to year the known area of her subterranean deposits of salt and potash has been increasing. At first it was believed that these salts occurred only about Stassfurt and Halle, in the centre of Germany. However, potash has been found in vast quantities also in Thuringia, in the Grand Duchy of Saxony, in Hesse, in Hanover, in Mecklenburg, near Bremen and Hamburg, and in Alsace north of Mulhouse. It is believed by many that almost the whole of the North German Plain and part of South Germany rest on salt deposits so gigantic that they almost defy measurement. Boreholes have been sunk through 6,000 feet of solid but soluble salts of all kinds without coming to the end, and nobody knows how much deeper one has to go to find their foundation. The potential value of these inexhaustible deposits is, of course, quite unknown. At one time the precious potash salts were called rubbish salts and were thrown away. There was a time when waterfalls were worthless. The stupendous salt deposits of Germany may before long prove to be a wealth-creating asset of the most extraordinary value. In addition to coal and salts of every kind, Germany possesses a large store of other valuable minerals, such as zinc, copper, lead, tin, &c. Germany is by far the most highly mineralized country in Europe. Its mineral riches are only partly known. Almost every day new discoveries are made.

The German manufacturing industries have mightily expanded during the last few decades, owing to the great mineral wealth of the country, to the intelligence, industry and number of its inhabitants, and to the favorable position of the country for trade and commerce. Not so very long ago, Germany was mainly an agricultural country and was poor. By 1914 Germany had drawn level with England as a manufacturing country, and had, perhaps, drawn ahead of England, which at one time was the workshop of the world. In the steel, chemical, electrical and other industries Germany was far ahead of the United Kingdom. Her great natural advantages have been diminished by the war, but only slightly; therefore there is every reason to believe that Germany will presently once more astonish the world by the prosperity and the expansion of her manufacturing industries, which have been the principal factor in the creation of her vast wealth.

Nature has favored Germany not only with an excellent soil and climate and with great mineral riches, but has given her a unique position for trade and commerce. Germany occupies the centre of Europe. It is the natural meeting place, storehouse and exchange of the nations around. The great trade of Europe has followed the German rivers since the dawn of civilization, and the German river routes will become of increasing importance in the near future, owing to the vast improvements made and to be made. Seagoing ships can ascend the Rhine as far as Cologne, and before long they will be able to go as far as Strasbourg and perhaps as far as Basle. The gently flowing river can easily be deepened as far as Switzerland at comparatively little expense. Ships and barges carrying up to 3,000 tons of goods are already using the most important waterway in Europe and the world. A further deepening will enable ships of 5,000 tons and more to make use of that wonderful river, which is flanked on one side by the largest coalfield of

Europe, on the other by the largest iron ore field in Europe, and is surrounded by mountains which may be made to yield 20,000,000 hydroelectrical horse power units and more.

The Rhine is already connected by canals with the French system of waterways on the one hand and with the Danube on the other. Better connections are to be made in both directions, and the Rhine will be connected by means of deep canals with the Weser, Elbe and other rivers further east. The development of Germany's commerce has been wonderfully favored by a unique system of rivers, which follow a parallel course, which open up the countries around Germany, and which make Germany the natural market of Continental Europe. This development will be greatly promoted by the important waterways projected and begun, full details of which cannot be given in these pages for lack of space. The importance of the inland waterways for the development of the commerce, the agriculture and the manufacturing industries of the country may be gauged from the expansion of the German river fleet, which has grown as follows:

GERMANY'S INLAND SHIPPING

Year.	Number of Ships.	Carrying Capacity, Tons.
1882	18,715	1,658,266
1887	20,390	2,100,705
1892	22,848	2,760,553
1897	22,564	3,370,447
1902	24,839	4,877,509
1907	26,235	5,914,020
1912	29,533	7,394,657

Germany's inland waterways constitute an asset of incalculable value. Between 1880 and 1913 her exports of domestic manufactures quadrupled, because the country is wonderfully favored by the possession of a level plain, great mineral wealth, a most excellent position for commerce and a unique system of waterways. As Germany has retained most of these precious assets, there is no reason to believe that her economic progress will not presently be resumed with the utmost energy. Progress is a term of comparison. We can best realize the rapid advance of Germany in wealth and income by comparing her savings with those of other nations. A comparison of the German and the British savings bank deposits previous to the war shows the following result:

Year.	Savings Banks Deposits In Germany.	Savings Banks Deposits In Great Britain.
1880	£130,690,000	£77,721,084
1890	256,865,000	111,285,359
1900	441,929,000	187,005,562
1910	839,028,000	221,158,021
1913	984,450,000	241,507,028

Wealth and poverty are terms of comparison. We can best form an idea as to Germany's natural wealth by comparing pre-war Germany with pre-war France. According to the official Statistical Abstract of Germany of 1913, the conditions of the two countries may be summarily compared as follows:

	Germany.	France.
Area, sq. kilometers.	540,858	536,464
Population	64,925,993	39,602,258
Average increase per year during decade.	856,901	70,003
Production of wheat and rye, tons	15,959,000	9,960,000
Production of barley, tons	3,482,000	1,086,000
Production of oats, tons	8,520,000	5,069,000
Production of potatoes, tons	50,209,000	12,774,000
No. of horses kept	4,516,297	3,236,110
No. of cattle kept	20,158,738	14,435,530
No. of pigs kept	21,885,073	6,719,570
No. of sheep kept	5,787,848	16,425,330
Production of sugar, tons	1,347,951	465,395
Consumption of cotton, tons	1,770,286	987,843
Coal production, tons.	260,000,000	41,000,000
Iron production, tons.	17,853,000	4,872,000
Railway, kilometer	61,936	50,232
Merchant marine, tons, net	3,023,725	1,462,639
Foreign trade, marks.	21,256,300,000	11,669,800,000

The comparisons given make it obvious that Germany is naturally far richer than France; that Germany, far from being one of the poorest countries in Europe, is one of the richest, being endowed with the most valuable and the most varied resources, notwithstanding the absence of a genial Mediterranean climate.

Previous to the war Germany had become, according to leading German financiers, economists and statisticians, by far the wealthiest country in Europe, and it was believed that, owing to the vastness and expandability of her natural resources, her national wealth would continue growing so rapidly as to put England and France utterly in the shade. Herr Steinmann-Bucher

wrote in his book, "350 Milliarden Deutsches Volksvermögen":

> Formerly we were told that the wealth of Germany amounted to £10,000,000,000, that of France to £10,000,000,000, and that of Great Britain to £12,500,000,000. Today we may say that Germany's wealth comes to £17,500,000,000, France's wealth at most to £12,500,000,000, and that of Great Britain to £16,000,000,000. In twenty years, in 1930, Germany will have a national wealth of £30,000,000,000, which should compare with a wealth of £15,000,000,000 in the case of France and of £21,000,000,000 in the case of Great Britain.

Herr Helfferich, a former Director of the Deutsche Bank and an ex-Minister of Finance, in his book on "Germany's Wealth," estimated that the wealth of the country had increased from 200,000,000,000 marks in the 90's of last century to 300,000,000,000 marks previous to the war, and that it had of late years been increasing by about 10,000,000,000 marks [$2,500,000,000] per annum.

The facts and figures given indicate that, although Germany has lost the war, the principal sources of her abounding wealth have suffered but little. Economic distress over there is due to the war and its after effects, and it is by no means limited to Germany, but is universal. It is noteworthy that at present the country suffers proportionately far less from unemployment than England and the United States. Germany's official representatives protest that their country has been utterly ruined by the war; that its principal wealth-creating resources have been lost or destroyed, and they have tried to prove Germany's inability to compensate the Allies by drawing attention to the ruinous state of the nation's finances and the poverty of those who live on fixed incomes, and who formerly, indeed, were rich or well-to-do. It is true that Germany's finances are in disorder, and that those people who live on fixed incomes have in many cases been reduced to poverty by the depreciation of the German currency. However, the true wealth of a nation consists not in its paper securities and in its paper money, but in its great economic resources, such as agriculture, mining, the manufacturing industries and trade. Moreover, the existing chaos in Germany's finances was created more or less deliberately, in order to enable Germany's negotiators to plead poverty. Unscrupulous business men who do not wish to pay the money they owe know how to tie up their resources, to obscure their accounts and to assume the appearance of poverty by wearing their oldest clothes. That has been Germany's policy to some extent.

Up to the time of the revolution some kind of order was kept in Germany's finances. At the time of the armistice the bank notes of the Empire came to about 26,700,000,000 marks. At that time the discount at which the German mark stood in foreign markets was small. The new democratic Government voted funds with the utmost lavishness for all and sundry, while keeping taxation low, and it raised the gigantic sums which were to be spent by printing bank notes in unheard-of quantities. By now the sum of bank notes outstanding is approximately four times as large as it was at the time of the revolution, and the mark has fallen to considerably less than one-tenth its normal value, with the result that prices in Germany are about ten times as high as they were previous to the war. This extraordinary depreciation has naturally ruined countless people who have to depend on a fixed income from investments.

The Socialist Government, which at first assumed power, was followed by middle-class men who stand under the domination of the great industrialists, among whom Hugo Stinnes is the most prominent. The middle-class Government has continued the policy of financial recklessness pursued by the Socialists. On the one hand, money is squandered in untold millions, and on the other hand no serious effort is made to balance the national accounts, which continue causing the most gigantic deficits. The State railways, the State post office and other national undertakings are run at an enormous loss. For the forthcoming year the budget estimate allows for a deficit of 12,000,000,000 marks on the railways, which probably will be exceeded very greatly. Goods and persons are carried by the State far below cost. The post office and the telephones likewise are to be worked at a gigantic loss. Coal and food have been sold to the people below cost, and the State has paid the difference. Hundreds of thousands of unnecessary officials have been appointed, who are kept in idleness at the cost of the State.

On the other hand, taxes in Germany are

far lower than in many other countries, and the worst is that the German taxes, though nominally high, remain unpaid to a very large extent, for the State does not press for prompt payment. The International Financing Conference of Brussels recently published figures according to which taxation per head was in 1920 as follows:

TAX PAID BY EACH INDIVIDUAL.

	Per Head.
In the United Kingdom	$87.90
In the United States	56.50
In France	34.60
In Norway	27.90
In Australia	27.80
In Denmark	20.40
In Holland	18.70
In Sweden	18.10
In Belgium	15.20
In Germany	12.50
In Spain	10.60
In Finland	10.40
In Italy	5.60

It will be noticed that Germany is near the bottom of the list, that taxation per head was seven times as heavy in the United Kingdom as in Germany. Of course, it may be argued that this comparison is quite unfair, because it does not take any notice of the difference in the income of the nations enumerated. The experts, recognizing the strength of such an objection, carefully calculated the income of eight nations for which fairly reliable figures could be obtained, and showed how large a percentage of the national income was claimed by the tax collector. Their calculations may be summed up as follows:

PERCENTAGE OF TAX REVENUE FROM NATIONAL INCOME.

	P. C.
In the United Kingdom	27
In France	18
In Italy	13
In Japan	13
In Germany	12
In Canada	11
In Australia	9½
In the United States	8

Once more Germany is near the bottom of the list. The fact that Germany is undertaxed is undeniable, although, of course, existing taxation is absolutely ruinous for those unfortunate people whose income has been reduced to one-tenth or less, owing to the criminal levity with which the national finances have been handled since the revolution. Their outcries are perfectly justified and their poverty is very real. On the other hand, the business men and the working classes are prosperous and they are by no means overtaxed.

The above figures give a fair picture of the tax burden borne by the various countries, as far as statistical calculations allow us to estimate the wealth, income and taxation of nations. Of course, no statistics are absolutely correct. Every statistical figure ever produced can be challenged. However, independent investigation shows that the tables given have been drawn up with the utmost care and impartiality. As the currencies of so many nations have depreciated and are constantly fluctuating, the experts reduced income and taxation to American dollars at the prevailing rate of exchange, because the United States is the only great country which possesses a currency based on the gold standard. Hence the American dollar was chosen as the universal denominator.

The impression that Germany is prosperous and relatively lightly taxed, which is created by the study of the statistics given, is confirmed by investigation on the spot. Luxury in Germany is widespread, and it is by no means limited to the profiteers. At no time in Germany's history have such vast amounts been spent on horse racing and gambling, on champagne and tobacco, on theatres and amusements of every kind. The workers and the officials, who were formerly not allowed to smoke during business hours, are now smoking continually. The most sumptuous books and periodicals are being published. The popular restaurants are overcrowded. The popular newspapers contain innumerable advertisements of races, sports meetings and expensive amusements of every kind. Travelers in Germany are amazed at the prosperity of the people, excepting, of course, the new poor, who have been ruined by the spectacular depreciation of the mark.

Among the nations outside Germany it has long been clear that Germany had the means to pay the Allies, but lacked the will. By passive resistance she strove to nullify the treaty of peace. The disarmament of Germany could be brought about only by repeated ultimatums and by the application of force. The wealthiest part of France has been ruined by the Germans, while the economic outfit of Germany is intact. Ger-

many is vastly superior to France in resources and in man power. The French believe, and not without reason, that it will not only be economically ruinous to them if Germany fails to compensate them, but they believe in addition that it will be militarily dangerous for an industrially crippled France to be faced by a German nation which can overwhelm France by reason of its vast superiority in men and in those resources which can rapidly be converted into weapons of war. Unless France is compensated by Germany, she may become bankrupt and may sink into poverty and obscurity, while Germany forges ahead. The French came to the conclusion that Germany could be made to pay only by seizing some of the most valuable assets of the country, holding them as security and, if necessary, exploiting them. Hence the threat to seize the Ruhr Valley, a threat that France now withdraws only so long as Germany meets her acknowledged obligations. The Ruhr coal deposits are both the power house and the arsenal of Germany. The mineral contained in it is of incalculable value. Germany is dependent upon the Ruhr coal for its very life. To Germany the Ruhr Valley is as indispensable as the Port of New York is to New York State or as Liverpool is to Lancashire.

Germany can pay at best only a small fraction of the damages which she inflicted upon the nations she attacked. Of course, it is difficult to gauge her future ability to pay. However, if we glance back at her meteoric development and if we take stock of her wonderful and varied resources, it seems clear that the demands of the Allies were not unreasonable, and that Germany, if she faces the task with the proper will and purpose, can meet the colossal bill of damages which she owes to the nations which she has wronged.

GERMANY'S POLITICAL CHANGES

Personnel of the "Cabinet of Surrender"—The Rhineland custom regulations put into effect—Split among the Communists—Germany's remarkable industrial recovery

[PERIOD ENDED MAY 15, 1921]

AFTER managing to maintain itself since June 25, 1920, the People's Party-Centrist-Democratic Cabinet of Germany headed by Konstantin Fehrenbach (supposedly representative of "big business"), which had conducted the negotiations with the allied powers leading up to the presentation of the ultimatum on May 5, handed in its resignation to President Ebert on May 4. It was replaced on May 10 by a Majority Socialist-Centrist-Democratic combination, with Dr. Julius Wirth, the Centrist Minister of Finance in the old Cabinet, as Chancellor and Acting Foreign Minister. [For details of reparation settlement see first pages of magazine.]

As the three People's Party members of the Fehrenbach Cabinet, under orders from the business political group headed by Hugo Stinnes, did not intend to share what they and the Junker Nationalists called the odium of accepting the Allies' terms, especially as there was a chance that the Reichstag would vote against such acceptance, the collapse of the Ministry in which Dr. Walter Simons was Foreign Minister became inevitable. On May 10, immediately before the Reichstag voted, 221 to 175, to approve the acceptance of the Allies' terms, Dr. Wirth announced the make-up of his Cabinet as follows:

Chancellor and Acting Foreign Minister—Dr. Julius Wirth (Centrist).

Minister of Finance and Vice Chancellor—Gustav Bauer (Majority Socialist).

Minister of Economics—The Rev. Dr. Heinrich Brauns (Centrist).

Minister of Justice—Herr Schiffer (Democrat).

Minister of Labor—Robert Schmidt (Majority Socialist).
Minister of Transportation—General Groener (Democrat).
Minister of Posts and Telegraphs—Johann Giesberts (Centrist).
Minister of Agriculture and Foodstuffs—Andreas Hermes (Centrist).
Minister of the Interior—George Gradnauer (Majority Socialist).
Minister of Defense—Dr. Gessler (Democrat).
Minister of Reconstruction—Herr Silberschmidt (Majority Socialist).

Dr. Gessler, Herr Hermes, Herr Giesberts and General Groener held the same positions in the Fehrenbach Cabinet, and Dr. Brauns was Minister of Labor in that body. Herr Bauer was chosen National Chancellor in June, 1919, to head the Cabinet which accepted the Treaty of Versailles and served for almost a year. Although General Groener formerly was classified as non-political, it seems from the cable dispatches that he has become allied with the Democrats. Dr. Wirth, the new Chancellor, was born in Freiburg, Dec. 15, 1845, and has a long record of public service, especially in financial positions.

Dr. Otto Goeppert, Director of the Peace Section of the Foreign Office, resigned on May 13.

The new Ministry was generally regarded a "Signing Cabinet." It was freely predicted that it would not long survive the attacks of the Nationalists, People's Party and Communists, unless it could obtain the support, or benevolent neutrality, of the Independent Socialists, something which would involve making important concessions in the interest of the German workers, and might alienate some of the more conservative members of the Centre, Democratic Party and the Bavarian People's Party. Of the 469 members of the Reichstag, the combination back of Dr. Wirth's Cabinet controls only 216, but it can count upon the support of the 21 members of the Bavarian People's Party and the five German Hanoverians under ordinary circumstances. With the neutrality, or support, of the 61 Independent Socialists, its position would be secure, provided its original elements could be held in line.

In an appeal directed to the working people on May 14, the Executive Committee of the Independent Socialist Party asked them to support the new Government in its efforts to carry out the economic penalties and the Allies' demands for disarmament and the trial of Germans guilty of war atrocities. It also asked the Government to seize a big share of the profits of the big capitalists.

CUSTOMS REGULATIONS

While the main question of fixing the final amount and terms of the reparation to be made by Germany was occupying the attention of the world the Interallied Rhineland Commission was quietly going ahead with the enforcement of the customs regulations and other penalties that went into effect on April 20 throughout the old and new occupied territory. Some difficulty was encountered at first through the resignation of a number of the German customs officers and there was considerable congestion of railroad traffic on the borders, but this was soon adjusted. The German Minister of the Interior sent a note to the occupied zone saying he could not force the German officials to work under the new régime, but that they could do so without any fear of future punishment. Business slackened off materially in the zone, but unemployment did not reach as serious proportions as had been predicted before the sanctions went into effect.

No differences of any importance were reported between the occupying troops of France, Great Britain and Belgium, and the inhabitants, although in Düsseldorf there was some dissatisfaction at the so-called excessive requisitioning of quarters for officers and "non-coms." On May 1 the President of the Provincial Government of Rhenish Prussia told an American newspaper man that "Our relations with the French authorities thus far have been correct on both sides."

A demand by the Interallied Commission for the extradition from unoccupied Germany of persons wanted under indictments issued by the military authorities of the zone was acceded to on April 29.

A call by the Reparation Commission on April 16 for the transfer of the entire gold stock of the Reichsbank, some 1,100,000,000 marks, to Coblenz or Cologne, where it would be under the eyes of the Allies, was answered by Germany with neither a refusal nor a denial, but by a note to the effect that, as the demand was probably due to

the fact that the second paragraph of Article 248 of the Peace Treaty prohibiting the exportation of gold from Germany would become inoperative on May 1, the German Government would see to it that legislation was enacted to prolong the ban. On April 28 the Reichstag passed a bill prohibiting the export of gold before Oct. 1, 1921, without the consent of the Allies.

Further steps toward the trying of the German officers and soldiers accused by the Allies of having committed atrocities during the World War were taken when the Supreme Court at Leipsic sent representatives to London to hear the deposition of fourteen witnesses against the accused Germans, and when the Reichstag, on May 4, passed a bill providing for the trial of all the men named in the Entente's list, regardless of the quality of the evidence. During the hearings in the Bow Street Court in London a number of ex-service men made a hostile demonstration against the German representatives.

Surprise was registered in Paris on April 17 when German representatives admitted to the Reparation Commission that the German Government's estimate of 4,600,000 tons of German shipping turned over to the Allies on account of reparations was incorrect and that the Allies' figures of 2,113,545 tons were right.

In reporting on May 14 that Germany was still short 140,000 horses in its reparation deliveries to France and Belgium, a Berlin cablegram said the Government had bought a trial shipment of horses in the United States and that they had pleased the allied experts greatly.

Six members of the Central Committee of the Communist Party, including Herr Brandler, who, with Walter Stoecker, was supposed to run the party on orders from Moscow, were arrested.

In connection with a protest by the German Government to the League of Nations against the presence of French troops in the Sarre Valley, the President of the Governing Commission of the Sarre explained that these troops were not being used as a garrison of occupation, but merely to supplement the Sarre police force, which was too small to maintain order.

The principal results of the abortive Communist uprising in March [described in detail in CURRENT HISTORY for May] was the splitting of the United Communist Party and the strengthening of the hands of the Junker reactionaries in their stand for the retention of arms by the agrarians and the city bourgeoisie in defiance of the Peace Treaty. All through the period, the extraordinary courts set up by President Ebert to handle the cases of some 3,500 Communists and mob leaders arrested during the "putsch" were busy handing out more or less lengthy prison sentences to those found guilty of either high treason or common crimes. Although the Communist, and also the Independent Socialist, press was filled with bitter editorials against the activities of the "white terror," there was no report during the month of any of the revolt leaders' being executed, despite the fact that several bandits masquerading as Communists were condemned to death. This was doubtless due to a clause in the order establishing the extraordinary courts providing that the death sentence could only be carried out after the President of the Republic had formally refused to exercise his pardoning power. In Munich Wendelin Thomas, a Communist member of the Reichstag, was tried before an ordinary court (Bavaria was almost untouched by the "putsch") on a charge of promoting rebellion and sentenced to two years in prison. Of the eleven persons arrested in connection with the attempt to blow up the Column of Victory in Berlin on March 13, six were found guilty of violating the explosives law with treasonable intent and were sentenced to six years' imprisonment. Two of the others were sentenced to six months for illegal possession of weapons, and the other three were acquitted.

Due to the fact that the great majority of the well-known leaders of the Communists had been opposed to the agitation for an uprising and took no part in it the lists of those being tried contained few names of importance in the Communist movement. Max Hoelz, the so-called Saxon bandit who bobbed up soon after the beginning of the "putsch" and took charge of the Red forces in the Halle section, was arrested in Berlin, but the courts seemed in no hurry to try him. Considerable indignation was aroused in labor circles by statements by alleged eyewitnesses of the shooting of Wilhelm Sylt, the leader of the Berlin elec-

trical workers who had tried to induce his followers to answer the Communist call for a general strike, that Sylt had been deliberately murdered by the police and not shot while attempting to escape, as alleged in the official version of the affair.

Figures given out by the Prussian Government put the number of Security Police killed during the uprising at 24, with 53 wounded. No data were given as to the casualties among the revolters. The property damage in Saxony was put at 9,000,000 marks by the Saxon authorities.

The split in the United Communist Party was precipitated by the publication by Dr. Paul Levi, the chief of the Communist group in the Reichstag, of a pamphlet entitled "Against Putschism." In this he lamented the fact that the Communist Party, with its 500,000 members, and 1,200,000 voters in Prussia alone, had been so shattered by the anarchistic tactics of an Executive Committee taking its orders from abroad that its very existence was in danger. The Central Committee of the party promptly expelled Dr. Levi from the organization. This was immediately followed by a declaration of solidarity with Dr. Levi signed by Clara Zetkin, Adolph Hoffmann, Curt Geyer, Ernst Daumig, Otto Brass, Paul Eckert, Heinrich Malzahn and Paul Neumann, all leading lights of the Communist Party, in which the convening of a special party congress was called for. In its answer, the Central Committee insisted that its attitude regarding the outbreak had been correct and pointed to a message of approval from the Executive Committee of the Communist International in Moscow as evidence to that effect. The committee, however, agreed to call the special congress as soon as it considered the time propitious for such a move. Later the Central Committee asked the protesting Deputies to suspend their functions as legislators until further notice. This drew sharp protests from a large number of prominent Communists. It was generally believed that the convention would result in a definite division in the Communist ranks, the more moderate element going back to the Independent Socialist Party, while the extremists would unite with the non-political group known as the Communist Labor Party of Germany. In the meantime several Communist Deputies and other high officials have left the party, and in the shop council elections in Central Germany the disgust of the workers with the Communists has been shown by their failure to choose Red representatives.

On May 13 Dr. Levi and his crusaders notified the Central Committee that they did not purpose to abide by the committee's decision, but would take their case to the third congress of the Communist International, due to open in Moscow on June 3.

The approval by the Moscow Executive Committee of the Communist International of the "putsch" did not prevent the German Government from completing and signing a trade agreement with the Russian Government. [See Russia.] Berlin evidently drew a fine distinction between the Bolshevist Government and the Communist International.

Die Rote Fahne, the Berlin Communist newspaper, was suppressed half a dozen times during the period for publishing wild calls for fresh revolts. Its editor, August Thalheimer, was arrested, and released, and it continued to appear intermittently. Its last reported suppression occurred on May 7, when it printed an appeal to the German workers to rush to Upper Silesia to help the workers there to seize the mines and other property and proclaim a Soviet Republic. [See article on Upper Silesia.]

On May 14 Die Rote Fahne printed documents purporting to prove a plot by the German military authorities to invade upper Silesia. The Ministry of Defense denied the charges and began an action against the paper for high treason.

Adam Stegerwald, the Centrist Deputy and leader of the Christian Labor Movement, resigned April 20 from the Premiership of Prussia, to which he had been elected by the new Landtag on April 9 by a vote of 332 out of a total of 388, because of his belief that he had been chosen under a misapprehension. He was re-elected the next day by a vote of 227 to 100 for Otto Braun, the retiring Social Democratic Premier, 21 for Deputy Ludwig, an Independent Socialist, and 1 for Deputy Busch, a Centrist. Stegerwald will hold his place as long as he enjoys the united support of the Democrats, Centrists, People's Party (the Stinnes group) and the Nationalists, as their combined forces number 251 out of a

total membership of 428. The Socialists of all shades refused to co-operate with the People's Party or the Nationalists.

In the midst of the chorus of protests asserting Germany's inability to pay the amount fixed by the Reparation Commission, German private concerns continued to expand at home and reach out for trade abroad. The seven companies making up the dye and chemical trust decided to increase their common stock from 745,640,000 to 1,620,000,000 marks, bringing their total capitalization in stock and bonds up to 1,915,220,000 marks, and to increase their dividend rates to from 15 to 20 per cent. against from 12 to 18 per cent. for 1919. Although a mark is worth only about 1¾ cents at present exchange rates, the common stock of the chemical companies sells at from three to five times its par value, so the capitalization approximates $120,000,000. The increased cost of raw materials was given by the companies as the main reason for raising their capitalization, but German financial writers did not fail to point to past glories in foreign trade and to predict that in the not too distant future German dyes would again rule the world markets. The total fresh capital called for in the first four months of the year was about 3,500,000,000 marks for various industrial concerns.

Hugo Stinnes, the German industrialist, was rebuked when the Hamburg-American Line stockholders refused to re-elect him to the Board of Directors because he had started a competitive service to South America. A dividend of 8 per cent. for 1919 and 1920 was declared. German exports to the United States in March totaled $30,502,988, against $20,940,496 in March, 1920, according to figures given out in Washington on May 2. Germany's imports from this country amounted to $7,367,780.

Deposits in private savings banks at the end of the first quarter of the year totaled 14,975,000,000 marks and there were 8,730,000,000 in the Postal Savings Bank.

An indication of the condition of finances of the German State was found in the fact that for the first twenty days of April the receipts of the National Treasury from taxes, customs, levies, &c., amounted to only 2,534,200,000 marks, while the expenditures totaled 5,098,100,000 necessitating an issue of 2,564,000,000 marks in Treasury notes, making the total floating indebtedness 168,893,200,000 marks.

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MEMBERS OF THE FORMER ROYAL FAMILY FOLLOWING THE REMAINS OF THE EX-EMPRESS FROM THE POTSDAM STATION TO WILDPARK CHAPEL. LEFT TO RIGHT: CROWN PRINCESS CECILE, PRINCE EITEL FRIEDRICH, PRINCE AUGUST WILHELM, PRINCE ADELBERT AND PRINCE OSCAR

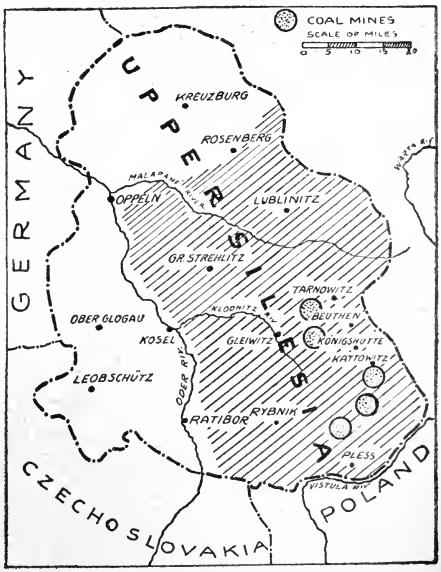
THE SILESIAN CRISIS AND KORFANTY

A grave international situation precipitated in Upper Silesia by the invasion of armed Polish bands, under Polish agitator, pending the allied decision on the plebiscite—Allies, outnumbered, give ground after serious fighting—Friction between England and France

IT was expected by the allied Premiers that the plebiscite held in Upper Silesia under the auspices of the League of Nations in March would bring a solution to the vexed problem of apportioning this rich mining territory between Germany and Poland. The returns from the plebiscite showed that although the district, in general, had voted to remain with Germany, the richest coal-mining areas of the Southeast had elected to unite with Poland This complicated the situation, the Germans at once demanding, on the ground of the general result, that all Upper Silesia be allotted to them, the Poles insisting that the districts which had voted for Poland be incorporated in the Polish boundaries. The granting of this demand, however, meant to Germany that she had lost rather than won the plebiscite, inasmuch as she especially desired to gain possession of the coal fields.

While the Plebiscite Commission was still considering in Paris the most equitable policy of reconciling the vote in full justice to both parties, the whole situation was thrown into confusion by the irruption across the Polish frontier into Silesia of a large Polish force, directed by Adalbert Korfanty, who had but recently given up his post as Polish High Commissioner of the Plebiscite. This force, estimated at 50,000 men, was highly organized, and possessed machine guns, bombs, firethrowers and even airplanes. The allied forces, outnumbered and outfought, retreated, and the Polish adventurers, acting on the conviction that the Allies intended to give the mining districts to Germany, moved forward and occupied the whole of the mining area, even spreading toward the North. Some seventy allied soldiers were killed in the fighting that occurred, the Italians, especially, fought stubbornly. The French fought in some areas, in others remained inactive or withdrew. The news created great excitement in both Poland and Germany, and cast consternation into the hearts of the English. Mr. Lloyd George denounced the Polish Government, which disclaimed all responsibility, and indirectly blamed France for this invasion. The British Premier even declared that he was in favor of accepting Germany's offer to send troops to suppress the movement. Germany's official request to be allowed to do this, however, was flatly refused by the French Government, and the strained feeling between France and Great Britain, which had arisen over the Rhine problems, was increased.

The plebiscite for Upper Silesia was attended by difficulties from the start, owing to strong racial animosities between the German and Polish elements. Herr Horsing, the Social Democratic Imperial Commissioner for Silesia and West Posen, put down a Polish uprising which occurred in August, 1919, by military force; he declared subsequently that the rebellion was due to the



THE SHADED AREA SHOWS THE REGION SEIZED BY KORFANTY'S POLISH FORCES IN DEFIANCE OF THE ALLIED COMMISSION. THE CHIEF COAL MINES ARE INDICATED BY CIRCLES

intention of the Pan Poles to gain absolute possession of Upper Silesia before the ratification of the Peace Treaty. The elections which took place in November, 1919, resulted in a sweeping victory for the Poles; on the basis of this result, the Polish Government asked the Supreme Council to accept this as decisive, without the holding of a plebiscite. This solution the allied Ministers rejected. It was decided on Nov. 4 that the Chairmanship of the Interallied Plebiscite Commission should be given to France, and General Lerond was ultimately appointed to this post.

The Commission, including the British and Italian members, reached Upper Silesia on Feb. 12. The military occupation of the whole plebiscite area had been completed by the allied contingents shortly before. The Commission took over all the German and Prussian powers, and issued a proclamation declaring its firm intention to maintain peace and order and to insure a free vote upon both sides. Stern warnings were sounded to all persons who attempted to break the peace or to coerce either element of the population.

The date of the plebiscite, long deferred, was at last fixed for March 20. Mutual complaints from both elements against the acts and attitude of others drew from the Council of Ambassadors on March 18 an official note to both Governments, reminding them that the task of keeping order in Upper Silesia during the plebiscite period was solely the affair of the Interallied Commission, and that any intervention by troops of either side would be undertaken at the responsibility of the offending party.

The plebiscite occurred at the date set, and was attended with no disorders, though the Poles bitterly complained that the Germans, availing themselves of the allied sanction, had imported fully 200,000 Germans from Germany and from all corners of the earth on the ground that they had been born in Silesia and had the right to participate in the vote. The result, as Germany expected, was a victory for the Germans. Fully two-thirds of the district had elected to remain with Germany. The area on the Polish border, however, including most of the coal mines, cast an estimated vote of 53 per cent. for Poland, notwithstanding the German vote given by the towns.

The final results were established and the full official report forwarded to the Interallied Commission and to the Supreme Council for the ultimate decision. This, however, was slow in coming.

Early in May, while the decision was still pending, the Polish workmen who form the population of the mining districts of Rybnik and Pless, misled by a false announcement, said to have been published in a German paper, that the Allies had decided to give these as well as other coal-mining districts to Germany, declared a general strike. This was followed by news that lawless Polish bands had appeared and were terrorizing the country. These uprisings had resulted in fighting between the French and the Polish rebels at Beuthen, Kattowitz and Tarnowitz. The conflagration spread, and on May 4 came the news that organized Polish forces numbering many thousands had occupied all of Upper Silesia south of a line running from Kosel to Tarnowitz, with the exception of a few large towns, and were moving further northward. Colonel Bond, the British control officer at Gross Strehlitz, opened fire on some 3,000 Polish insurgents who were striving to take the city. Italian troops at Rybnik were surrounded, but were putting up a spirited fight against superior numbers. The fighting continued for four days, during which the allied forces, numbering about 15,000, found themselves impotent to stem the tide, and the Polish rebels, directed by Korfanty in person, attained all their objectives. Korfanty, who, the Germans declared, had been preparing this coup for months, at once set up a government of his own, and issued proclamations defending the movement, and stating that he had taken over full power as Governor.

The excitement was intense in Germany. After a long Cabinet session it was decided that German troops should be sent to aid in putting down the insurrection only in three eventualities: First, if the Entente should express a desire that this should be done; second, if, after the Entente finally decided which part should be given to Poland and which part to Germany, the insurgents should transgress these limits; and, third, if the Poles, inflamed by their success, should attempt to invade German territory, notably East Prussia.

Though both the Interallied Commission and the Council of Ambassadors issued statements assuring the Polish elements that no decision of any kind had been

ADALBERT KORFANTY
Leader of Polish forces that have seized the richest parts of Upper Silesia

(© *Keystone View Co.*)

reached, the situation remained disquieting in the extreme, and it was said that the German elements of Silesia were organizing for defense. Notice was also sent to the Polish Government to exercise all its influence to calm the excited Poles. At this date it developed that the German Government on May 5 had sent an identical note to Paris, London and Rome charging that the Polish bands were committing wholesale murder and other atrocities, that the allied powers were responsible for maintaining order, and demanding that more allied troops be sent to control the situation. It then made a formal offer to aid the Allies in this task by sending its own troops, composed of German Reichswehr. To this suggestion the French Government returned a categorical refusal.

Premier Lloyd George, speaking before the House of Commons on May 13, declared that the situation created by the Korfanty coup was menacing in the extreme. He declared for fair play for Germany, even to the point of allowing her to offer armed resistance if the Poles insisted on defying the provisions of the Treaty of Versailles and the plebiscite held under it. He censured the Polish Government bitterly for not restraining Korfanty and his "insurgents," and declared that the Polish population under Korfanty had tried to rush the allied decision and to confront the Supreme Council with a *fait accompli.* Upper Silesia, as a matter of fact, he declared, had not been Polish for 600 years, and the Polish claim was based wholly upon the mining population.

This speech created a commotion in Paris and greatly disturbed the French Premier, who in a public interview outlined the French position. France, he implied, was taking no orders from any other power regarding her policy. He defended Poland, saying that she had fulfilled her duty and had closed her frontier to prevent further Polish recruits from joining the insurgents. He also asserted that France had likewise done her full duty, and registered a formal protest against Lloyd George's statements. As to Germany's intervention in Silesia, he declared that France would never give her sanction to it. He laid the blame for the whole uprising on the publication of the false report above referred to in German newspapers.

The immediate outcome of the trouble, it was stated, would be the holding of a new allied conference at Boulogne. Such a meeting had been asked for by Lloyd George and M. Briand had agreed to it. The English press generally lauded the Premier's speech before Parliament and declared that a firm hand must be used in dealing with both France and Poland. The general French sentiment was one of flaming indignation against Great Britain for her alleged favoring of Germany at the expense of Poland and France.

THE MONTH IN THE UNITED STATES

General Pershing made new Chief of Staff—House fixes army at 150,000—Economy in Panama Canal Zone—Draft deserters listed—New Annapolis head—Naval Bill—Peace resolution—Supreme Court decisions—Budget system—Emergency tariff—Railroad situation—Trade conditions—Marine strike

[PERIOD ENDED MAY 18, 1921]

DOUBT concerning the future status of General John J. Pershing in the American military establishment was removed on May 13, when Secretary of War Weeks announced his selection to be Chief of Staff of the Army in place of Major General Peyton C. March, effective July 1.

General Pershing was made Chief of Staff to enable him "legally" to perform the functions recently announced by Secretary Weeks when he stated that he proposed to inaugurate in time of peace a skeletonized General Headquarters headed by General Pershing, the purpose of which was to be instantly prepared for active military operations in case of war.

Major General James G. Harbord, who rose from the rank of private through various grades in the American Army to the rank of Major General, was appointed Executive Assistant to the new Chief of Staff, succeeding Major General William M. Wright.

General Pershing will be the tenth officer to hold the title of Chief of Staff since its organization in 1903 by Elihu Root, then Secretary of War.

THE House of Representatives on May 10 confirmed its decision of ten weeks previous that the size of the United States Army should be 150,000 men. An amendment to the Army Appropriation bill proposed by Representative Byrnes of South Carolina, limiting the size to the number indicated, was adopted by a vote of 193 to 159.

HOUSE LIMITS ARMY TO 150,000

In the last session of the Sixty-sixth Congress the House placed the size of the army at 150,000, but the Senate insisted that 175,000 should be the figure. A compromise was finally reached on a total of 156,666. President Wilson, however, vetoed the bill, which thus had to be reintroduced in the present Congress. The Senate had not acted on the House measure up to May 18.

GENERAL PERSHING on May 8 issued a statement with regard to the citizens' military training camps, in which he emphasized the obligation of every citizen to prepare himself to serve his country in time of danger. He strongly advocated the training to be furnished in the camps to be held this Summer under the direction of the War Department. He also urged the perpetuation of the veteran National Guard and National Army units as a foundation for the great citizens' army on which the nation must rely. "It is my belief," he stated, "that if America had been adequately prepared, our rights would never have been violated nor our safety threatened."

PERSHING ENDORSEMENT OF TRAINING CAMPS

CONSIDERABLE criticism was evoked by the publication by the War Department of lists of alleged draft deserters that were found on examination to contain many names of men who had served honorably in the army or navy. Among those thus falsely stigmatized as draft evaders or army deserters were many who had won rank and medals because of distinguished war service. So many of these errors were found that many newspapers refused to publish the lists. In defense of its action, the War Department, through Major General Peter C. Harris, the Adjutant General of the Army, who had charge of the publication of the lists, issued a statement

ERRONEOUS DRAFT DESERTERS' LISTS

May 9 in which he declared that the department had done everything in its power to insure the correctness of the published lists and had succeeded in cutting down to approximately 155,000 names the original total of 489,003. "Everything that is humanly possible," he declared, "has been done by the War Department to insure the correctness of the lists."

ADMIRAL HENRY BRAID WILSON, Commander-in-Chief of the Atlantic Fleet, was on May 10 selected by President Harding as the next Superintendent of the Naval Academy at Annapolis. He succeeded Rear Admiral Archibald H. Scales, who for several years had been in charge of the Academy. The change was to be effective at the end of the present academic year. Admiral Wilson was stationed at Brest during the war, and since his return had been in command of the Atlantic Fleet, which had been brought to a high state of efficiency.

ADMIRAL WILSON TO HEAD ANNAPOLIS

WITHOUT a record vote, the Senate on April 26 passed the budget bill. The bill provides for a bureau of the budget in the Treasury Department to prepare the estimate of appropriations needed by the various departments. The bureau would have as its head a director of the budget, appointed by the President with the consent of the Senate for a term of seven years, with an annual salary of $10,000.

BUDGET SYSTEM ADOPTED

The offices of Controller and Assistant Controller of the Treasury would be abolished under the proposed bill and in their stead offices of Controller General and Assistant Controller General would be created. Their removal would be permitted by joint Congressional resolution, which requires the President's signature.

The House on May 5 passed the budget bill by a vote of 344 to 9. The measure differed in some minor particulars from that passed by the Senate. Arrangements were made for a prompt conference between the two houses so that the bill might have the differences adjusted and be sent to the President in time, if approved, to permit the inauguration of the new system at the opening of the next fiscal year, July 1.

BY a vote of 49 to 23 the Senate on April 30 adopted the Knox resolution declaring the state of war between the United States on the one hand and Germany and Austria-Hungary on the other to be at an end. The importance of this action was overshadowed, however, by an announcement made by Senator Lodge, Republican floor leader, which was construed to imply that a new peace treaty would probably be negotiated with Germany.

ADOPTION OF KNOX RESOLUTION

Senator Lodge was not explicit in his statement, but conveyed the impression that the Versailles Treaty, even if modified by the elimination of the League covenant and addition of reservations to prevent the United States from becoming involved in European politics, would not be submitted to the Senate for ratification. This impression was later modified by the Senator, and a statement from the White House left the impression that the President had not let it be known whether he would again submit the treaty.

The resolution was then sent to the House, where up to May 18 no action had been taken.

TAKING the broad ground that in case of public exigency the limitation of the rights of real property was warranted, the United States Supreme Court handed down opinions on April 18 upholding the New York housing laws and a similar rent restriction enactment by Congress for the District of Columbia. The court divided 5 to 4, and on the same lines in each case. Justice Holmes wrote the majority opinion, which was concurred in by Justices Clarke, Day, Brandeis and Pitney. The minority opinion was handed down by Justice McKenna, with Chief Justice White and Justices McReynolds and Van Devanter joining in the dissent. Justice McKenna held that the rent laws infringed on the constitutional pro-

SUPREME COURT DECISIONS ON HOUSING LAWS

vision that private property cannot be taken for public use without just compensation. He suggested that the principle of interference with contract smacked of socialism.

THE Naval Appropriation bill, which provided for expenditures of approximately $396,000,000, was adopted by the House on April 28 by a vote of 212 to 15, without important changes, despite the effort to obtain amendments that would urge on the President early action in calling an international conference on disarmament. One amendment added was that money should be expended only for work on vessels now under construction; a second prevented expenditures for buildings or shore stations unless specifically authorized. A proposal by Representative Blanton to reduce the appropriation for construction from $90,000,000 to $10,000,000 was defeated by an overwhelming vote. The Senate had not acted up to May 18.

NAVAL APPROPRIATION BILL PASSED

FOLLOWING a series of conferences looking to a settlement of the wage dispute between the American shipowners, the Shipping Board and the marine workers, an order was issued by Admiral Benson, head of the Shipping Board, to all operators of Government merchant craft to reduce wages 15 per cent., effective at midnight of the day the order was issued, April 30.

MARINE WORKERS' STRIKE

This action led on May 1 to a general strike among the marine workers. Six thousand marine engineers in New York harbor left their posts. These were followed by many members of the seamen's and firemen's unions, and a general paralysis of shipping operations was the result. Appeals were made for a revision or revocation of the order, but Admiral Benson insisted that the announced reduction would stand. He served notice on the members of the marine unions who were on strike that the full power of the Government would be employed to move its vessels. He further announced that private interests operating vessels to which the Shipping Board had title must put the 15 per cent. reduction into effect if they wished to retain their ships. Backing up this position on May 12, he issued a formal order taking from the United Transport Company of New York six ships, aggregating about 55,000 deadweight tons, on the ground that the company had failed to put the reduced rate into effect.

The strikers on May 17 gave Secretary of Labor Davis full power to make a settlement with the ship owners and the Shipping Board on their behalf. The owners on the same date voted to reject all contracts with Marine unions.

SECRETARY OF WAR WEEKS announced on April 20 that he purposed visiting the Canal Zone shortly, with the view of gathering data on which to base a reorganization of the entire method of administration, which, he declared, was now conducted extravagantly. Employes of the Canal Zone, the Secretary said, received much higher wages than Government employes in the United States proper, and in addition were allowed sixty days' leave a year, free quarters, the privilege of buying all commodities at cost from Government commissaries and other perquisites. The present cost of administration of the Canal Zone, exclusive of the military forces, is about $800,000 a month.

TO CUT PANAMA CANAL COSTS

IT was announced by the Federal Trade Commission on April 29 that formal complaint alleging unfair competition in interstate commerce, in violation of Section 5 of the Commission's Organic act and Section 2 of the Clayton act, had been issued against the United States Steel Corporation and eleven subsidiary companies, upon application made by the Western Association of Rolled Steel Consumers and other users of steel products.

UNFAIR COMPETITION IN STEEL CHARGED

The complaint was based on the system known as the Pittsburgh base price and Pittsburgh plus price, under which all steel except rails, wherever made, was sold at the Pittsburgh base price, plus an imaginary freight rate charge, equal to the actual freight rate charged from Pittsburgh to

the point at which the product was sold. It was claimed that this practice retarded the natural steel manufacturing growth of other sections of the country and placed a premium on the establishment and maintenance of steel fabricating factories in Pittsburgh.

ON May 2 the conviction of Senator Truman H. Newberry of Michigan of conspiracy to violate the Federal Corrupt Practices act during his Senatorial campaign was reversed by the Supreme Court. The Senator had been found guilty in the lower court, sentenced to two years' imprisonment and fined $10,000.

NEWBERRY CONVICTION REVERSED

Justice McReynolds handed down the opinion, in which he held that Congress did not have authority to regulate primaries. Justice Pitney submitted an opinion, in which Justices Brandeis and Clarke agreed, concurring in the reversal, but on different grounds, and asserting that Congress had unquestioned power to control primaries. Chief Justice White presented an opinion dissenting from the view that primaries could not be controlled by the Federal laws, but concurring with modifications in the reversal. Senator Newberry resumed his seat in the Senate after the decision.

WASTES amounting to a billion dollars annually were laid to managerial inefficiency on American railroads in a detailed exhibit placed before the Railroad Labor Board April 20, as part of union labor's fight against a reduction of wages. Recoverable wastes were estimated by the employes at $578,500,000 a year, and other wastes, impossible of estimation, would equal that amount, it was declared.

RAILROAD WAGE DISPUTES

Recoverable and easily estimated wastes were divided by the exhibit under nine heads, having to do largely with construction and care of locomotives and shop machinery, cost accounting and labor turnover.

The wastes which the unions said could not be estimated in terms of money included a variety of subjects, ranging from defective train equipment and tracks to allegations of incompetent and extravagant management. In the latter class, emphasis was laid upon publicity and advertising and on what the unions thought were unnecessary legal expenses. Such expenditures, it was claimed, had served to increase the operating costs, and had been wrongly charged against them.

The operators' side of the wage controversy was presented in part by Mr. Julius Krutschnitt, Chairman of the Board of Directors of the Southern Pacific, who appeared as the first witness, May 10, before the Senate Committee on Interstate Commerce, which began an exhaustive inquiry into the transportation situation.

The witness declared that the chief reason for the increase in operating expenses of the railroads was the added labor bill of more than $2,225,000,000 since the Adamson law went into effect in 1916. Before that law became operative, the labor bill of the carriers stood at $1,468,576,394. In 1920 it was $3,698,216,351.

Expenses over which the railroads had no control, because of prices fixed by the Government or by general market conditions covered 97½ cents out of every dollar of operating expenses in 1920, asserted Mr. Krutschnitt, adding that 64 cents out of every dollar of operating expenses in that year were paid out to labor, and the wages of labor were fixed by the Government.

The national agreements between the railroads and the workers, which were framed under Government supervision, were stated by the witness to be wasteful, in that expenditures were forced on railroads and the efficiency of the employes was decreased.

THE failure of retail prices to come down to the level warranted by declines in wholesale prices is retarding readjustment, according to an announcement made May 1 by the Federal Reserve Board in its review of general business and financial conditions for the month of April. Heavy transportation charges, high wage levels and high prices for coal and steel were cited as contributing factors, but throughout the review the retail price situation was emphasized as the most important element in retarding business revival.

RETAIL PRICES RETARD TRADE REVIVAL

The board called attention to the fact that statistics prepared by the Department of Labor showed a decrease of but 1 per cent. in retail food prices for the month of March. It pointed out also that the index figures fixed by the Federal Reserve Board showed a reduction since January of 11 per cent. in raw materials, as compared with 3 per cent. in prices to the consumer. The index figure on May 1 stood at 50 per cent. above the 1913 average.

THE Kellogg bill, authorizing the President to regulate and license landings of submarine cables in this country, was passed by the Senate on April 26. Cable companies are prohibited under the bill from landing or operating cables connecting with this country without a Presidential permit, and the President is authorized to revoke licenses should such action be in the Government's interests.

CABLE LICENSE BILL PASSED

The bill was written and pressed by Senator Kellogg of Minnesota at the request of the State Department after the dispute between the department and the Western Union Telegraph Company over the latter's cable landing at Miami, Fla. There was no opposition to it in the Senate, and no record vote was taken.

A REDUCTION was announced by the United States Steel Corporation on May 3 of 20 per cent. in the wages of day laborers in all of its manufacturing plants, to take effect May 16. Other rates, including salaries, were to be equitably adjusted, according to an official statement issued by Judge Elbert H. Gary. The 20 per cent. reduction affected the wages of about 150,000 men and brought the wage scale to the level which existed during the early months of 1918.

U. S. STEEL CORPORATION WAGE REDUCTION

Last year the Steel Corporation, according to its annual report, paid out approximately $581,000,000 in wages to 267,345 employes. These figures were based on full operation, and the 20 per cent. reduction would mean a saving of about $116,000,000 annually, but as the corporation is now employing only between 125,000 and 150,000 men, the saving, based on current operations, would amount to about only half that sum, or $58,000,000. The average wage, including day workers and salaried employes, last year was $2,173. The reduction announced brings this to $1,639.

AN emergency tariff bill, carrying the anti-dumping and American valuation clauses and the Knox dyestuffs protection amendment, was passed by the Senate on May 11 by a vote of 63 to 28, seven Democrats voting with the Republican majority and one Republican with the minority. All efforts to amend the bill as reported by the Finance Committee or to strike out provisions that the opposition objected to failed by substantial majorities. The only amendment on which the vote was comparatively close was that offered by Senator Reed of Missouri that would have denied the benefits of the measure to American exporters who sell their goods more cheaply in foreign markets than at home. This failed by a vote of 50 to 40.

EMERGENCY TARIFF BILL PASSED

The bill then went to conference. A similar measure, with the exception of certain amendments, had been passed by the House April 15 by a vote of 269 to 112. The conferees agreed and the bill went to the President on May 16.

DESPITE popular belief that unemployment has lessened, the Department of Labor announced on May 5 that the actual figures revealed that conditions at the close of April were four-tenths of 1 per cent. worse than at the close of March.

INCREASE IN UNEMPLOYMENT

The reports received showed that of fifty-three industrial centres east of the Mississippi, twenty-eight showed decreases in employment, as against twenty-five showing improved conditions. The Pacific Coast was shown as having lost ground through April, inactivity in shipbuilding and lumbering accounting for much of the reduction. In the Middle Atlantic States, including New York, Pennsylvania and New Jersey, little industrial improvement had been noted in April.

SANTO DOMINGO'S BITTER PROTEST

By HORACE G. KNOWLES
Former Minister of the United States to Rumania, Serbia, Bulgaria, Santo Domingo and Bolivia

A blistering denunciation of the continued American occupation of Santo Domingo—Former Minister to the Island Republic declares that the Military Government has brought it to the verge of bankruptcy and continues to abuse its powers

THE continued occupation of Santo Domingo by the United States authorities is a blemish on the American escutcheon. The facts supporting this declaration were frequently presented to the Wilson Administration during its last days by high authorities who could not be refuted; but this injustice continued, and the suppression of the sovereign rights of a friendly republic was maintained by our powerful nation. This state of affairs is continuing under the present Administration, to the surprise and regret of many of its most ardent supporters. The facts are known in Washington. President Harding has promised to act, and more recently Secretary of State Hughes announced that the United States will withdraw its force from Santo Domingo. The Wilson Administration, in its expiring days, in a kind of deathbed repentance, declared the United States has no longer cause to remain in Santo Domingo and indicated that the evacuation would be effected within six months from Dec. 23 last. But nearly six months have elapsed without the departure of a single marine or bayonet. On the contrary, Washington has just announced the appointment of a new Military Governor for the republic. It seems that only the pressure of public opinion can avail to correct the grave injustice done the Dominican Nation and aid this administration to bring about an early end of the regrettable conditions that we have forced upon it.

The maladministration and extravagance of the American Military Government have brought the unfortunate little country to the very verge of national bankruptcy, and today representatives of the United States and its military Government in Santo Domingo almost in desperation are operating between Washington and Wall Street in an effort to secure a Dominican foreign loan for $10,000,000, so deep in the hole of insolvency have the invading authorities plunged that little and now almost completely ruined country. To the last man, woman and child, the Dominican people oppose such an unauthorized loan and financial yoke, and if against their consent and protests it is negotiated by the offenders and wrongers of their country they declare they never will recognize or pay it.

To one business house in New York alone the military Government has involved the Dominican people in a debt that exceeds $800,000. More than $80,000 was spent for vaccine points for a small country where smallpox is unknown.

The well-known Clyde Steamship Company, which has been in direct and constant touch with the island and country for more than forty years, and in that period has provided almost the total transportation facilities for passengers and freight between the Dominican Republic and the United States, stated publicly a few days ago that the economic and financial conditions of the country under the American Military Government, which has continued uninterruptedly for five years, are the very worst that it has known or experienced during the forty years of its relations with the island.

President Harding in his campaign speeches severely and very justly criticised the Wilson Administration for its doings in Santo Domingo, and since March 4 Secretary Hughes has announced that the United States will withdraw its forces from Santo Domingo, but weeks and months are passing without anything definite being done, so far as the Dominican people can see. In the meantime they see the economic, commercial, financial and educational conditions of their country going from bad to

worse. The unanimous cry and appeal of the Dominicans to the American people and the Administration at Washington is: "Please give back to us that which you wrongfully took from us, and go away and leave us alone. We were better off and happier before you came, and we will be better off and happier after you leave. Please, go away!" Unwelcome when we arrived, and after an enforced stay of five years unwanted! Is it possible that President Harding and the American people can be deaf to such an appeal (and arraignment) as that?

To these brief introductory remarks I append the following letter, written by me to United States Senator Moses, who is a member of the Foreign Relations Committee of the United States Senate. Every statement therein is susceptible of proof and can be sustained by documentary evidence.

I may add that I have Senator Moses's permission to print this letter in THE CURRENT HISTORY MAGAZINE, and he states that he will be pleased if it is given the widest publicity.

LETTER TO SENATOR MOSES

New York City, April 30, 1921.

My dear Senator:

There cannot be the slightest question as to the contention that the last Administration made worse than a blunder when it ordered the invasion and occupation of the Dominican Republic. In accordance with such order a very large force of American marines was landed on Dominican territory; an American Admiral set himself up as Military Governor of the country, and immediately thereafter and with force of arms deposed the duly elected President of the country; dismissed the Ministers of State; dissolved the National Congress; grabbed the National Treasury; prohibited the holding of elections of any kind; enforced a censorship on tongue and pen, mail and wire, in the severest manner possible; and completely seized the country and every governmental function in it, in a no less imperious and subjugating way than the Germans did in Belgium and Rumania. Incredible all this may seem, but it is absolutely true.

What our Government did in that country and to that little friendly nation only a declaration of a state of war would justify But we did not declare war against the Dominican Republic—only Congress could do that—and yet we took possession of the country in the same way we would have done had there been such a declaration or state of war. As a matter of fact, we actually waged war on that country, and have for five years maintained there a state of war. Had the Dominican Republic not been a small and defenseless country, as against such a powerful aggressor; had it been England, France, Japan, Argentina, or even Mexico, our action—invasion—would have been considered an act of war, as in fact it really was, and would have plunged us at once into a terrific conflict.

In the proclamation of occupation it is stated that the cause for the occupation was that the Dominican Republic had violated a certain clause of the Treaty of 1907, which is not true. But, even if the charge had been true, there is absolutely nothing in the treaty that authorizes the United States to take such drastic action. There could be nothing in a treaty that would authorize or warrant our country invade and occupy to the country of the other party to the treaty. Never would any country make such a treaty with us or we with them.

Our Government in one fell swoop made the Dominican Republic a subject nation, and as much so as though we had been at war with it—the little nation trying to fight back with its "big brother" and we conquered it. We invaded and occupied its territory, and we trampled under foot its sovereignty, we took from the people their liberty and independence, and violated not only our treaty with with them, but international law, the very principles of the Monroe Doctrine, and our own Constitution. And, moreover, while in such unlawful action, our forces short, killed and maimed the natives, tortured them and burned their homes.

Our Government was made to act in a criminally careless way. The order to use the bludgeon on a little, and it must be admitted, always friendly nation, that had committed no wrong against us, and a nation of the same sovereign rights as the greatest nations of the earth and our own, the home and last resting place of Christopher Columbus, must have been given and the blow struck without looking into or showing the least regard for the rights of the Dominican Republic, or the rights of our own country in attacking another nation and invading its territory. The solemn treaty of friendship we made with them, in which we recognized and promised always to respect their sovereignty; our own Constitution and international law were not examined or consulted; nor were the guarantees we have always maintained and the promise the Monroe Doctrine gives the American republics, taken into consideration; nor was our own resolution urged upon and passed by The Hague Tribunal in 1907, given a thought.

Indeed, it appears, of only one thing we were sure, and that was, we were going to commit an act of war against a small and not a large nation, against a helpless and not a strong people, and that we had force enough to subjugate them quickly. Then, in ignorance or willful criminality on one hand, and with assurance of our safety

on the other, and then without the shadow of right to support us, and without giving the least warning or notice, we made the attack and invasion, and when resistance was made we shot the patriots, and then added to our cowardice and shame by calling—branding—the unfortunate victims as they fell facing our guns and bayonets and lay quivering on their native land, "revolutionists." They were the same kind of "revolutionists" that fell before the British at Lexington and Bunker Hill. The Dominicans were trying to repel an invading foe, and fell fighting for the sovereign rights of their native land.

Thus they were, in fact, more in the right in resisting our forces than we were in attacking the British. How many of the brave Dominicans were thus shot down remains to be told. Besides those who made the supreme sacrifice there are innumerable ones that suffered untold indignities, injuries, cruelties and even torture. Economically, the country has been ruined by the extravagance, wastefulness and maladministration of the American military Government. Because of a dissipation of the people's money and a worse than incompetent self-imposed Government, the public school system has been paralyzed—the university and all schools closed.

This action of ours in Santo Domingo will make the blackest pages found in our national history.

Every statement I have made I am prepared to support by ample proof, and will be ready to appear any time before you or your committee.

The State Department has admitted—confessed—to me and to others that our Government had absolutely no right to invade and occupy Santo Domingo. That is the truth and it can never be concealed, and, moreover, to our great discredit and detriment it is known to every Latin-American country, many of which have already made representations and formal protests and appeals to our Government. Then, if it be the truth, there is but one thing for our Government to do, and that is at once to quit the country we have wrongfully and illegally invaded, and to withdraw from it in the way and at the time the *injured party* and not the *offender* shall indicate, and then make due reparation for our wrongful action. Would that not be in accord with Secretary Hughes's recently declared policy of "justice" in our dealings with the Latin-American—our sister—republics?

This shameful and disgraceful procedure and the resulting condition in Santo Domingo should not be permitted to continue another day, unless this Administration and our Government and people want to approve the wrong and outrage committed by the thoughtless and heedless last Administration, and it is intended to repudiate the pre-election promise made on this subject by President Harding.

[SIGNED] HORACE G. KNOWLES.

PROTEST OF SANTO DOMINGO'S DEPOSED PRESIDENT

BY FRANCISCO HENRIQUEZ Y CARVAJAL

President of the Dominican Republic since 1916; graduate of the University of Paris in Medicine and Law, and member of The Hague Tribunal

EXACTLY five years ago, on May 15, 1916, the United States marines entered the City of Santo Domingo. These forces were commanded by Rear Admiral Caperton. The Admiral and the American Minister, William Russell, announced to the country as a whole, and to the Dominican Congress in particular, that the entrance of these troops had been undertaken for the sole purpose of aiding the Dominican people to restore peace and administrative order, momentarily disturbed by certain discords which had arisen between President Jimenez and his War Minister, General Desiderio Arias. The President, from patriotic reasons, had resigned from office rather than accept the offer of the Military Command to bear him triumphantly into the capital, which was held by the War Minister with a force of not more than 300 men.

The Dominican Congress wished to elect a new President to complete the term of Jimenez, in accordance with the prescription and the powers granted for such an emergency by the Dominican Constitution. Admiral Caperton and the American Minister asked the Congress to defer the election for a few days. Meanwhile the United States marines, under the command of Brigadier Pendleton, completed their occupation of all strategic points of the Dominican territory. The Dominican Congress, after waiting for two months and a half, elected a President, who assumed office on July 31 of the same year.

After the new Government was installed, the American Minister, supported by the occupying forces, demanded of the President that he accept the following proposal of the American Government: That the President of the United States should appoint a Financial Counselor and a Military Governor for Santo Domingo, the first to control the Treasury, the second to control the Dominican Army. It was implied that the authority of these new officials would be greater than that of the President himself, and that they would possess all the authority and the legislative rights of the Dominican Congress.

The President refused to accept this demand, despite the pressure the military occupation brought to bear on the payment of salaries and of all administrative expenses. As a consequence of this refusal, Rear Admiral Knapp, who had replaced Admiral Caperton, proclaimed officially that the Dominican Republic would remain subject to the American Military Government and that its people would be ruled by martial law. The President then left the country, protested to Washington against this violence and informed all Latin America of what had occurred.

At first the Military Government closed closed its own annual balances with a surplus of from $3,000,000 to $4,000,000. This result was pointed out more than once by officials of the Administration as an honorable justification of the military occupation.

Although the Occupation Government had destroyed the whole governmental system of the country, both national and municipal, it zealously undertook certain works of public utility, such as lengthening the highways, constructing bridges and public buildings and organizing elementary public instructions. Many rural schools were opened. It was declared in public documents that because of this great number of newly created schools a total of 100,000 children were finding instruction in the educational nurseries. They even went so far as to define this success as the culminating glory of the military intervention.

Of no importance was the fact that in the fields were dying men, women and children, some at the point of the bayonet, others as the victims of stupid reconcentration orders as bad as those of Weyler in Cuba. It was of no importance that the people were gagged, robbed of all individual liberty and terrorized, that all journalists who dared to protest against the cruelty of the occupation were cast into prison, threatened and even shot, for the sole crime of having defended the liberty and independence of their country and of having advocated passive resistance to the invader and his occupation. All these facts, it seemed, were dimmed and eclipsed by the radiance of those twin glories—the schools, the public works.

But quite suddenly, perhaps because an expert and far-sighted official was no longer in control of the Treasury, the surpluses disappeared. The budget grew larger every year; from four millions it rose to five, to six, to eight, and finally to eleven millions. The commercial crisis which still afflicts the world today struck Santo Domingo. Prices went down, trade diminished, the economic condition of the country suffered the same shock which it had suffered in other countries of Latin America. The Military Government was unable to foresee this crisis. On the contrary, as the result of its inexperience of public affairs, it prepared to plunge into it by the widest door, leading by every sign to bankruptcy. Debts were paid with increases. It was decreed that the total debt could be wiped out in thirty-two years before the time limit fixed with the lenders. No more alluring prospect could be conceived. Only the Dominicans kept bad accounts. The Military Government now considered itself able to execute a budget plan calling for more than $11,000,000, while the Dominicans, who kept such bad accounts, had estimated their highest budget at not more than $4,500,000.

Such was the prospect. A change came overnight. The revenues decreased. The budget could be covered. But they began to cut salaries and to reduce personnel. The employe who received $100 was paid only $40. In an office where there were four employes, only two were left. The courts of justice were suppressed in various places. Some of the schools were suppressed; where there had been scarcely 600, only 300 remained. But this was not enough. Public works were discontinued. How could they go on with them? The only recourse left was to create a new public debt.

What they are now seeking is a new loan

of $10,000,000 at 8 per cent. interest, whereas the country is paying on the previous debt only 5 per cent. But the people are refusing to support this new loan. They are protesting, in the press, in speeches, at meetings, to the Washington Government. They prefer misery, hunger, to this loan. To impress on the people the necessity of the loan, the Military Government has resolved to suppress, not a part of the schools, but the whole system of public instruction, from the university down to the smallest primary school. The people are raising their voice against this method of persuasion, never used before in their country, not even in its saddest days of revolts and misery. But though they protest against this measure, they also say: "No matter, we will support our schools, we will dispense with salaries, but we will not have this loan." This is the most formidable protest that a people can make against a loan which they do not wish. There are today no public works, no paid schools, no public offices for the Dominicans—but there will be no new loan with the consent of the Dominicans.

To justify the necessity of the loan, a certain person called in New York a meeting of business men who are in commercial touch with Santo Domingo. The firm of Clyde said at this meeting: "In the forty years we have been working in that country, we have never seen such a grave situation as that which prevails there at present. The American Military Government has spent there $800,000 in improvement of the harbors, and yet the harbors have never been in such a bad condition as they are today."

The Military Government intervened in Santo Domingo under the pretext that the American Government had made debts without the consent of the President of the United States. A later investigation showed that the financial situation of the Dominican Republic was excellent. After five years of a government of intervention, salaries are not paid, public offices are suppressed, courts of justice are suppressed, the whole educational system is suppressed, considerable sums are owed to commerce, a bond issue is made covering a total of $1,200,000, without the consent either of the Dominican people or of the American Government, and the Military Government now wishes to save the situation by raising a loan of $10,000,000, to which the Dominican people refuse their consent.

FOREIGN POLICY OF THE UNITED STATES

THE month under review was marked by a number of events tending to clarify the foreign policy of the United States under the new Administration. The rejection by President Harding of Germany's new reparation proposals, submitted after a special appeal for American intervention, was accompanied by a note showing plainly the President's belief that the allied reparations policy was justified. The allied Governments were sufficiently encouraged by President Harding's attitude to send him on May 5 an invitation to participate through duly accredited representatives in all future allied conferences. The Washington Government replied at once, saying that the United States "though maintaining the traditional policy of abstention in matters of distinctly European concern" was "deeply interested" in the future settlements, and was ready to co-operate within the limits described. George Harvey, the new Ambassador to Great Britain, was appointed unofficial observer on the Supreme Council; Myron T. Herrick, Ambassador to France, was to act in a similar capacity on the Council of Ambassadors at Paris, and Roland W. Boyden on the Reparation Commission. This change of policy, even under reservations, was received jubilantly by the allied press.

Official correspondence showed that the Harding Administration was holding firm both on the dispute with Japan over Yap, and on the issue with Holland over the participation of American interests in oil concessions in the Dutch East Indies. The address of the President at the unveiling of the Bolivar Statue on April 19 showed a similar firmness in regard to the upholding of the Monroe Doctrine. The whole subject of American foreign policy will be fully treated in the July issue of CURRENT HISTORY.

ITALY'S ELECTION ONE OF WORLD IMPORTANCE

Conservative parties win by an overwhelming majority, and the Bolshevist elements lose a large part of their former strength in Parliament—What the results signify

[Period Ended May 18, 1921]

THE elections to the twenty-sixth Legislature of Italy took place May 15, in accordance with the decree of the King dissolving the twenty-fifth Legislature and convoking the new Chamber with the Senate for June 8. The importance of these elections is not confined to the Kingdom of Italy. In other countries the same forces which produced them have reached various stages of conflict, but in Italy the climax had come: Should the Government continue to abdicate to political theorists and fanatics, or should it give heed to the demonstrations of the middle-class majority and ask for a new set of lawmakers?

The returns to May 18 show that the various parties of the Coalition Constitutionalists, on which the Giolitti Government can depend, have raised their representation from 189 in the old Chamber to 266, that the combined Socialist factions have lost 36 seats, that the Popular or Catholic Party returned the same number of Deputies which it had at the beginning of the old Chamber, that Nitti's personal party has been reduced from 23 to 15, that the 10 Outlanders returned from Bolzano and Istria may indicate that Italy has an Alsace-Lorraine on her hands, and, finally, that there must be one or more uncertain seats, as the total, 536, is one over the number required. The returns are:

Constitutional Coalition	266
Socialists (all factions)	134
Popularists (Catholics)	101
Republicans	10
Nitti Liberals	15
Slavs	6
Germans	4

The election of the twenty-sixth Legislature was held under the same law which produced the twenty-fifth—the Election Law of Sept. 2, 1919, when the number of election districts was changed from the number of Deputies to be elected to an arbitrary number designated by the Minister of the Interior, and the manner of voting was changed from what is called the *scrutin d'arrondissement* to the *scrutin de liste.*

Thus, there were just 508 constituencies for the Chamber elected in October, 1913—the one which survived the war—and only 54 constituencies for the late Chamber elected in November, 1919. The new Chamber, which will take its seat on June 8, was elected from forty constituencies and produced the ordinary 508 Deputies, and, from the additional constituencies carved from the territory recovered from Austria-Hungary, numbering 6, producing 27 Deputies, thus making the twenty-sixth Legislature contain 535.

The reduction of the 54 constituencies to 40 was made in order to neutralize the Socialist vote in the great manufacturing centres, where several towns had set up Soviet municipal Governments.

The line-up of the Chamber on the eve of dissolution was not exactly the same as when elected, for meanwhile, in accordance with the law of July, 1920, each Deputy had been obliged to declare his party adhesion, as follows:

Liberal Democrats	87
Republicans	10
Reformists (War-Socialists)	18
Official Socialists	155
Liberals	23
Popularists (Catholics)	98
Radicals	57
Progressives	33
Mixed group	18
Non-political President	1
Vacant seats	8
Total	508

The greatest deflection had been from the Liberal Democrats, Premier Giolitti's party, on account of the manoeuvres of his predecessor, Signor Nitti. The Official

Socialists refer to the regular Socialist Party, which included the Syndicalists of the preceding Chamber and the new Communists, who were to separate from the party at the Leghorn Congress of last December, numbering about twenty; the Popularists represent the Catholics, who had been organized into a party in January, 1919, although in the Chamber of October, 1913, there had been twenty-four individual Catholics without a recognized party; the Mixed Group is made up of Nationalists, ex-service men and independents. With the Constitutionalists, or Ministerialists, made up principally of the Liberal Democrats, Liberals, Progressives, some of the Mixed Group, and a strong contingent of Radicals, the usual division in Parliamentary business was as follows:

Constitutionalists	189
Socialists	170
Popularists	100
Radicals	36
Republicans	13
Total	508

The prominent features in the life of the late Chamber which made themselves felt in the electoral campaign begun after the dissolution were the "repudiation" of the Communists by the Socialists and the consequent gains by the Reformists—Socialists who placed Italy above the fetish of the International—the turning of several Popularists to communism, the encouragement by the Constitutionalists of the Fascismo movement as a means of preserving the waning prestige of the Government, if not always its authority, and finally the attempt of the Socialists to make the cause of labor their own without, however, abandoning the academic communist program—they merely reverted to the ballot instead of direct action in order to gain the millennium.

Without questioning the sincerity of the Socialists, it is therefore apparent that whatever may have been the political or social affiliations of the parties which met on May 15 at the polls, the voters, however classed, represented movements superior to all parties; the one led by the Fascismo for the perpetuation of democratic government, the other led by the Socialists for the destruction of that government and the establishment of a new form in which the proletariat should dominate at communist dictation.

The Fascisti reaffirmed the necessity for Italy's entering the war in 1915; they celebrated Vittorio Veneto, the "immortal legion" at Fiume and its leader; they demanded an end of State collectivism and a return to economic freedom; they favored the labor movement, so far as it did not clash with the interests of production and national necessaries; and, finally, they wanted Italy to free herself both from Leninism and from the thralldom of being dependent on other States for raw materials. As a result of their punitive conflicts with the communists on the eve of the election, provincial Prefects had been obliged to remove five Soviet Mayors; three had resigned, and over 200 buildings used for treasonable intercourse had been destroyed. With the Fascismo the International is synonymous with treason. Benito Mussolini, the converted Socialist who helped to mold the ex-service men of Italy into one of the most wonderful organizations in the world, said of the Fascisti: "We are not a party, we are a movement"—*Non siamo un partito siamo un movimento.*

But this is also what the Socialists claimed to be, after they had been so often mistaken for communists by the Fascisti that they complained to the Government of their treatment and threatened to stay away from the polls, for they said in their manifesto: "The Socialist Parliamentary group has no purely parliamentary aims of its own; it aims at Socialist results, therefore its tactics cannot but be uncompromisingly opposed to any bourgeois government."

They then selected from the Government program, published in the address of the Ministerial Council to the King asking for dissolution, such items as they thought might especially appeal to the proletariat and made them their own—in their own way:

> Our program in Parliament is to back the labor organizations in the class struggle; to help them win the workers' control in the industries today, to help them eliminate the exploitation of tomorrow. * * * We want to promote co-operative enterprises on a large scale, and without any dividends, as a substitute for the individualistic forms of production and exchange. We want to promote the socialization of the soil; we want the collective management of food supplies; of the storage, packing houses) and the useful industries. * * * We want to abolish the

standing army; to protect labor, the old and the sick, promote the moral and physical life of the proletarian by means of cultural improvement, combine manual and scientific work; free justice by appointing judges through the ballot; compensate the war victims, reorganize the invaded regions, &c.

Moreover, it will be seen that the repudiation of the Reds by the Official Socialists was merely an expedient forced upon them by public opinion and the activities of the Fascisti and proclaimed with the idea of winning the support of the workers at the polls, for the manifesto deliberately declares:

From Parliament our Socialist Deputies, even in their minimalist parliamentarian program, looking to the needs of the working class, will aim at our maximalist program, which is communism in the full sense.

By April 25 the nomination lists of candidates were complete. The Socialists, with 195 candidates, presented themselves in 37 out of the 40 constituencies; independent of these were the communists ,with twenty-four lists; the Popularists, or Catholics, were prepared to contest the election in thirty-four constituencies; the Fascisti in only two. On the other hand, the various parties forming the Constitutional bloc were, on an avowed scheme of coalition, prepared to contest 35 constituencies.

On May 11 Signor Giolitti, in his capacity of Minister of the Interior, sent the following order to the Prefects of the Provinces, under whose direction national elections are held:

As election day approaches, the more careful must be your efforts to assure to all parties, without distinction, freedom for propaganda. The electoral battle must be fought within the limits of legality, especially where the conflict of ideas is most acute and personal animosity is sharpest. Violence must be averted, whether by members of the Fascisti, communists or other parties.

The local measures taken to execute this order were generally effective. On election day the Fascisti ceased their punitive expeditions and assisted the Carabinieri in preserving order at the polls.

A repercussion of the campaign in Italy was felt in Fiume, where, on April 24, the first national election was held in accordance with the Treaty of Rapallo. The principal contest was between the Italian annexationists, led by the former lieutenants of d'Annunzio, and the autonomists, led by Riccardo Zanella. The latter won by 1,000 votes. They, thereupon, instigated by the communists, usurped the power of the constituted Government before their time and seized government buildings. Then the Fascisti arrived from Trieste, and in their turn seized the power, reinstated the old Government, and destroyed the ballot boxes, declaring that the election had been fraudulent and ordering a new one. In the end they were removed by the Italian Regulars and order was restored under a High Commission, which, headed by the former Mayor Bellasich, is identical with the old provisional Government.

THE DUTCH OIL CONTROVERSY

A CONTROVERSY has arisen between the United States and Holland over the right of aliens to prospect for oil in Sumatra. The Djambi oil fields in the Province of Palembang have long been the object of a struggle among the Standard Oil, the Dutch East Indies and the Shell group of oil producers. Three Standard Oil officials in April made a bid for one-half of the Djambi concession on the Dutch Government's own terms, the contract for which came before the second chamber of The Hague Parliament on April 26. The bill, it was pointed out, would give the Royal Dutch Company the exploitation not only of the Djambi concessions but of all the Dutch Indies oil fields in the future.

As amended and passed on April 29 by a vote of 49 to 30, the bill provides for the exploitation of the Djambi fields for forty years by a combination of the Dutch Indian Government and the Batavia Oil Company, the latter belonging to the Shell group. The capital of 10,000,000 guilders will be equally divided, but the company will be under control of the Dutch Government, and the Directors must all be Dutchmen, while the Minister of the Colonies will nominate the President, Vice President and one other member of the board.

A vigorous note had previously been addressed to the Dutch Government by Secretary Hughes, insisting that American oil companies must have equal opportunities

with the Royal Dutch Company or any other in the development of the Djambi oil fields in Sumatra and elsewhere in the Dutch East Indies. The note made it plain that if American capital did not receive such equal opportunity, access to oil under public lands of the United States would be denied to foreign capital.

Holland's reply was received in Washington on May 12. The Dutch Foreign Office points out that the American note came too late, as the law passed by the second chamber had been already drafted, and the question, pending the approval of Parliament, had been settled. The Minister says there are rich oil fields in addition to the Djambi concession, both in Sumatra and Borneo, and the Minister of the Colonies would be glad to make with other companies contracts similar to that already made with the Dutch company. No more concessions, he declared, would be given for the exploitation of oil fields, but the Netherlands East Indian Government would either develop the oil fields itself or do so by contract with persons or private companies having previously been authorized to do so. These companies must be incorporated either in the Netherlands or the Netherlands East Indies. The managing and directing boards are to be subjects of the Netherlands or the Netherlands East Indies.

The decision of the second chamber was not final, for it was still to come before the first chamber, the debate there being expected to begin about May 17.

HUNGARY UNDER A NEW GOVERNMENT

[Period Ended May 15, 1921]

SINCE the solution of the Ministerial crisis caused by the unexpected appearance in Hungary of former King Charles, interest has centred in the new Cabinet and the sensational trial of a group of suspects charged with instigating the murder of Count Stephen Tisza, former Premier of Hungary, the "iron man" of Central Europe.

The new Cabinet, headed by Count Stephen Bethlen, on April 19 offered its program to the Parliament in Budapest. The Premier significantly declared that a new policy must be inaugurated, and that it would be a fatal mistake to let things continue as Count Tisza had left them. He further declared that although the Government espoused the Christian idea and a national and agrarian program, it strongly condemned anti-Semitism. His Government would not permit disturbance of social order by individuals or groups or organizations, but would punish, and if necessary destroy, all who caused strife or offered resistance. He expressed desire for close co-operation among all classes of the nation, but especially between the farmers and intellectuals. Unequivocally he denounced demagogy and radical tendencies bearing the seeds of disorganization and bloody conflicts. He advocated constructive measures free from catchwords and wrong appeals to mob psychology. In picturing a brighter future for the nation, he appealed to all to go to work and cease debating legal questions. He promised democratic legislation, without bowing to extreme demands. The first step in this direction would be made, he said, in the restoration of the rights of a free press and free assembly.

Among bills to be introduced, he mentioned especially one to reform the electoral franchise; another to modernize State administration, and a third regarding restoration of the upper chamber of the Parliament. The second bill would contain a broad outline as to how the Government proposes to bring about a just distribution and taxation of the land in the creation of small landowners.

Toward succession States the Premier counseled patience, but he expected them to show the same attitude, and, despite the enormous benefits they reaped through the assistance of the Entente, to be mindful of their obligations as established in the peace treaty. He hoped that commercial intercourse would open in the near future and that economic barriers would be lifted.

As an echo to the recent dynastic plot to restore King Charles of the Hapsburgs, he said that exercise of the royal prerogatives had ceased by virtue of a law adopted

in time of the revolution; any one opposing the new state of affairs would be punished. The ultimate decision regarding the monarchy would be left to a time, he declared, when conditions had become stable and when the will of the nation could express itself freely in Parliament without undue pressure from within or without.

Although support was pledged to the new Government by the National Assembly, the Government will find it hard to survive. The Christian Nationalists seem to think it concedes too much to the Liberals, while the latter oppose it because of a charge that the Cabinet is monarchistic and desirous of restoring the aristocracy to its former privileges. They argue that an attempt to call into life an upper house, in which the scions of privileged classes should sit as lawmakers, is a retrograde step and shows that talk of promoting democracy is but an empty phrase. On the other hand, while a large majority of the Farmers' Party is solidly behind the new Cabinet, the so-called radical wing vigorously opposes the same and predicts a short life and unpleasant one for Count Bethlen's Ministry.

A large majority of the Farmers' Party favors a dissolution, because this party is anti-Hapsburg and sees a wonderful opportunity to go before an electorate on a platform of free election as to who shall be the future head of the nation. Such an attitude was clearly revealed at a party conference held on the night following the new Cabinet's first appearance before the National Assembly. There a resolution was adopted demanding that the Government prosecute all who had a hand in the restoration plot.

Count Julius Andrassy, known as one of the foremost legitimists or Carlists, reminded the National Assembly that the question of the right to the Hungarian throne can be decided only by the law of the land, which is in favor of the former monarch, since his right to the throne has never been abrogated and he is still the lawful King of the country. Incidentally he offered support to the new Cabinet, but wished the extermination of groups addicted to violence and the doing away with anything that savors of military rule.

The return of King Charles to his Swiss exile has by no means quieted the agitation in Hungary. There is still a strong public sentiment both for and against Charles. Not only Hungarian and Austrian aristocrats and clericals are interested in his restoration, but also a powerful French military clique supported by royalists, some publicists, and even diplomats. Marshal Lyautey is freely mentioned in the French group, while in the second group almost all royalist and clerical newspapers can be counted, especially Philippe Millet's papers. Opposition papers agree that the coup was frustrated mainly by Regent Horthy and the Little Entente.

The trial of the suspected instigators of the murder of Count Tisza is of absorbing interest to the populace of the Hungarian capital. Because of the intrigues behind the bloody deed, the political aspirations of some of those connected with the first revolution under Count Karolyi, and the character of some of the leading figures, the trial is historically important. At a previous trial Hüttner, Stanykovszky and Dobo were sentenced to death. Now the instigators are being tried, Stephen Friedrich, Prime Minister after the overthrow of the Bolshevist régime, being the most conspicuous figure on the criminal docket. Dobo died in prison, while Hüttner and Stanykovszky are the chief witnesses against the former Premier. Hüttner testifies strongly against Friedrich, but there is doubt regarding his trustworthiness. Fényes and Kèri, both publicists of radical tendencies, and Vago-Wilheim, once a commissary under Bolshevist rule, are the principals among the accused. Frequent reference is being made to Count Karolyi as to one who had some knowledge of the criminal conspiracy.

Some uneasiness is caused by the French Parliament's delay in ratifying the Peace Treaty with Hungary. Hungarians are little elated over England's ratification, despite the fact that some of the foremost leaders in both houses of the British Parliament unreservedly denounced the pact. Its territorial and economic clauses were strongly assailed, and Hungary's insurmountable hardships in existing as a self-supporting nation were pointed out; yet the treaty was adopted without modifications.

The finances of Hungary are rapidly improving, and State expenditures and income balance each other.

WHAT THE GREEKS ARE FIGHTING FOR

By Paxton Hibben, F. R. G. S.

AUTHOR OF "CONSTANTINE I. AND THE GREEK PEOPLE"

A plain narrative of what really happened in Greece at the time of Constantine's abdication and of his recall to the throne—Events as interpreted by an American eyewitness, who holds that the Allies, not the Greeks, were to blame for unfavorable developments

WHOEVER regards the present struggle between Greece and the Turkish Nationalists as a new war is in error. It did not even begin in 1917, when, under pressure of France, Great Britain and Italy, Greece was finally dragged reluctant into the allied camp. In the very nature of things, there can be no truce between Greek and Turk. They represent two wholly antagonistic conceptions of life: the Greeks, passionately democratic, their King chosen by popular vote, practical, diligent, business-like, and Christian; the Turks, essentially feudal, with the Sultan a religious as well as a political figure, amiable, indolent, corrupt, and Mohammedan.

In 1912, Constantine's victorious armies struck the first Greek blow that seemed seriously to threaten the Ottoman power. That the whole fabric of the Turkish Empire did not crumble was due to the intervention of the Western European powers, especially Russia, moved by fear lest the Greeks regain control of the ancient capital of the Byzantine Empire, Constantinople. The Greeks have made no concealment of the fact that this is their ultimate goal. When, therefore, the second Balkan war, with the harsh terms imposed by the Treaty of Bucharest, made a potential enemy of Bulgaria, Greece merely parried the danger by reaching an alliance with Serbia providing for definite joint military action against Bulgaria in any future Balkan conflict that might arise, and kept her powder dry for the great struggle with Turkey.

When the World War broke out, Greece was untouched by it. On Aug. 2, 1914, M. Venizelos's Government informed Serbia that Greece would maintain a "benevolent neutrality" toward her ally. Two days later, King Constantine categorically rejected overtures of his brother-in-law, the German Kaiser, to join Germany in the war, and declared that Greece would remain neutral, nor touch any of Germany's friends, Greece's neighbors, "just so long as they do not touch our local Balkan interests." The Entente powers were likewise informed of Greece's "benevolent neutrality," and the Greeks as a whole adopted much the same attitude as the Americans at the same period: friendly to the Allies, but unwilling to be dragged into the conflict.

The first division in Greek opinion arose on Aug. 18, 1914. The Russian Minister had made the suggestion that Greece join the Allies and send 150,000 Hellenic troops to fight the Austrians on the Danube, "as an ally of Serbia." The evident purpose of this move, at a time when Turkey's participation in the war on the side of Germany was already foreseen, was so to employ the bulk of the Greek forces that in the event of a campaign against Constantinople in which Greece might be induced to share, Greece would be in no position to dispute, militarily, Russia's claim to the Turkish capital. M. Venizelos favored the idea, but as the consensus of Greek opinion was strongly opposed to jeopardizing in any such way Greece's aspirations to possess the ancient byzantine capital, the project was abandoned.

GREEK SENTIMENT DIVIDED

But from that moment forward there were two camps in Greece: those who, led by M. Venizelos, favored immediate intervention in the war on any front and under any conditions suggested by the Entente Powers; and those of whom King Constantine subsequently came to be regarded

as the leader, who opposed Greece's participation in the war except under circumstances and guarantees consonant with the aim of all Hellenic history for eight and a half centuries, namely, not merely concessions for Greece in Asia Minor, but the destruction of the Ottoman Empire.

This latter point of view King Constantine authorized his Minister, on Aug. 23, 1914, to express to the Allies, advising them that Greece

> thought it her duty to declare to the Entente Powers that, if Turkey went to war against them, Greece would place all her military and naval forces at the disposal of the Entente for war against Turkey, always provided that Greece were guaranteed against the Bulgarian danger.

It was not until Nov. 1, however, that Turkey openly espoused the cause of Germany. If Greece were to be free to carry out King Constantine's offer of participation in the war against Turkey, it behooved the Entente to find some way of conjuring the danger that Greece, once engaged in the struggle with Turkey, would suddenly be attacked in the rear by Bulgaria.

With Russia claiming Constantinople and a hinterland in Thrace as spoils of victory, there was nothing to offer Bulgaria, save at the expense of Greece, Serbia or Rumania. That part of Greece which the Entente Powers proposed to pay Bulgaria as the price of her co-operation, or at least her neutrality, was precisely the territory which Greece had fought the second Balkan war, the year previous, to gain, and which once in Bulgaria's hands would cut Greece off forever from any land connection with the coveted capital of Byzantium. To the Greeks, vague offers of possible compensations in Asia Minor made through M. Venizelos were meaningless. Asia Minor would always be separated from Greece by the sea, and Italy, France or Great Britain, not Greece, would always control the Mediterranean. Greece had Kavalla and Eastern Macedonia, while Smyrna was still in Turkish hands. A bird in the hand is worth two in the bush is also a Greek proverb.

But if the campaign against Constantinople were made with a sufficient joint force to handle Bulgaria, whatever her attitude, there was no danger of a surprise attack. It was a carefully worked out campaign on this basis that King Constantine proposed to the Allies at this juncture.

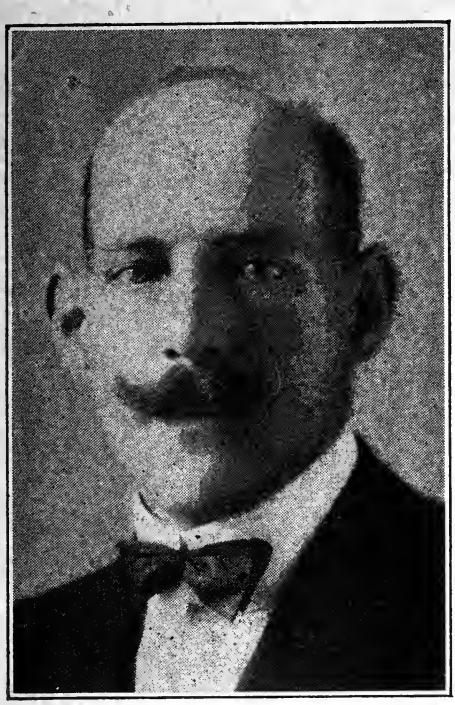
On Nov. 3, 1914, an allied bombardment of Kum Kalessi, at the mouth of the Dardanelles, had put the Turks on their guard. When, therefore, on Feb. 19, 1915, a second effort to take the Dardanelles by

PRINCE GEORGE OF GREECE
Brother of King Constantine and Chief Commander of Greek Navy in present war with Turks

sea failed, King Constantine's proposal of a joint land and naval campaign received serious consideration.

It was at this moment that Russia, on March 4, secretly declared her "annexation" of Constantinople, Thrace, the two Greek islands of Imbros and Tenedos, and a considerable territory in Asia Minor, while at the same time interposing a veto upon the use of any large Greek force in the campaign against Constantinople, or the entry of Greek troops into the ancient Byzantine capital, should it fall to allied arms. This, of course, left Greece nothing to hope for from co-operation with the Entente, and King Constantine broke off negotiations the instant he learned of Russia's attitude. M. Venizelos, who had been

the spokesman of the Entente in urging Greece's participation in the war on any terms, resigned his Premiership on March 6, while the allied fleet, as if Greece's co-operation were a matter of no consequence,



KING CONSTANTINE
Restored Greek ruler, who has taken up the war against the Turkish Nationalists

made a third attempt to force the Dardanelles by sea.

POLICY OF THE ALLIES

The attempt failed, with heavy losses, and the Entente Powers returned to negotiations with the Greeks. Tranquilized by French and British acquiescence in her "annexation" of Constantinople, Russia withdrew her veto upon Greek participation in the campaign. On March 22, Premier Gounaris offered Greece's co-operation in the war against Turkey on conditions defined, on April 14, as (1) a guarantee of the integrity of Greece and (2) a definition of what compensations Greece had to expect.

Entangled in a web of secret agreements with Russia and secret negotiations with Italy, the Entente Powers could grant neither of these conditions. To have defined what Greece might expect to receive in Turkey would have been to reveal what Greece could not receive, because already allotted to Russia. On the other hand, in the negotiations then in progress for Italy's entry into the war, Italy was being offered part of the territory in North Epirus won by Greece in the first Balkan war. Between Italy and Greece, the Entente Powers did not hesitate; they chose the former, at the expense of Greece. The Pact of London was signed on April 26, 1915.

M. Venizelos was re-elected on June 13, 1915, on much the same basis as President Wilson was re-elected in 1916—as the man who had kept Greece out of the war. His record was good either way; twice he had categorically refused to leave neutrality, and twice he had proposed to do so. But his support of every shifting phase of the Entente policy in Greece had convinced the allied statesmen that he could be depended upon to deliver Greece whenever and under whatever conditions they liked. No sooner was he elected, therefore, than Greece was no longer consulted; she was merely informed that Kavalla would be ceded to Bulgaria as the price of Bulgaria's neutrality, while Greece would be expected to fight in addition to losing one of the richest bits of land in the world.

The best efforts of M. Venizelos were unable to awake enthusiasm in the Greeks for war under these conditions. Moreover, every one in Greece was aware of what the Entente statesmen were blind to, namely, that Bulgaria was on the eve of joining, not the Allies, but the Central Empires. To strengthen his position, M. Venizelos invoked Greece's obligations under the Greco-Serbian alliance, which his own Government had repudiated in 1914. But Serbia was no longer able to fulfill the military requirements of that pact, which called for a Serbian contingent of 150,000 combatants to co-operate with the Greek Army against the Bulgarians. M. Venizelos, therefore, on Sept. 21, went secretly to the French and British Ministers in Athens and asked them to send to Serbia the 150,000 combatants that Serbia could no longer furnish.

On Sept. 23, M. Delcassé replied that France was "ready to furnish the troops which had been requested." A year later, in the Chamber of Deputies, M. Delcassé

admitted that France had not been ready to carry out this pledge, and that he knew it when he made the promise. Moreover, the landing of foreign troops on Hellenic soil without authorization of the Hellenic Parliament was in contravention of Article 99 of the Greek Constitution. The step which M. Venizelos had taken in secretly provoking a violation of the fundamental Greek law was a grave one. Had France sent the 150,000 troops promised, it might have passed unchallenged; but France sent only 13,000 men, who arrived too late to be of any aid to Serbia or to stem the Bulgarian advance. The whole manoeuvre revealed on the part of the French an attempt to "trick" Greece into the war, as a French Deputy put it, which struck a body blow at allied prestige in Greece and caused King Constantine to dismiss M. Venizelos, the Minister who had been responsible for the fiasco, and who had come so near to involving his country in an overwhelming disaster.

THE ARMY AT SALONIKI

Though the Entente Powers had been impatient with the Greeks for their reluctance to attack the Bulgarians without proper equipment or sufficient force, the Entente army in Saloniki was no more eager to attack than the Greeks had been. To explain at home this inaction, resulting as it did in considerable criticism of the Saloniki adventure, it was consistent with war psychology that both the high command in Saloniki and the governments in London and Paris responsible for the expedition should blame the situation on the alleged "pro-Germanism" of King Constantine and assert that, if only M. Venizelos were in power in Greece, a decisive military campaign could at once be undertaken from Saloniki. In much the same way, for the first year and a half of the war, the French press and public assailed President Wilson as "pro-German" and insisted that, had only Theodore Roosevelt been President, America would have joined the Allies and the war have been won long since.

New elections in Greece were ordered for Dec. 19, this time with a view to deciding definitely and unequivocally the will of the Greek electorate as to war or peace. Confident of M. Venizelos's ability to carry the elections, and uncertain as to the moral effect at home of the abandonment of the Saloniki adventure, the Entente Powers decided to leave the handful of French and British troops that had begun to arrive in Saloniki on Oct. 5 in Greece, in the hope that the return of M. Venizelos to power would add the Hellenic Army to the allied force and render military operations in Macedonia possible. In this hope, also, the Island of Cyprus was offered to Greece as an inducement to leave neutrality. But the situation of the allied Saloniki army was so perilous, the whole enterprise had been undertaken with such little foresight, that not only were the Greeks unwilling to enter the war, but it soon became clear that M. Venizelos would not be returned at the approaching elections.

Left in this embarrassing predicament by the Entente Powers, whose cause he had espoused so consistently, M. Venizelos was forced as a political manoeuvre to take the ground that a dissolution on Nov. 4 of a Parliament elected in June was an unconstitutional act, and to save his face by abstaining from voting in the elections. As there are numerous precedents in recent Greek history for King Constantine's act in dismissing his Minister and calling for new elections, the Greeks did not take this contention seriously, nor was it intended they should. It was a position taken entirely for foreign consumption. The Entente Powers were seeking some pretext to intervene actively in the internal affairs of Greece to compel Greece's participation in the war. By Article 4 of the Convention of May 7, 1832, it had been stated that

> Greece, under the guarantee of the three Courts [Great Britain, France and Russia] shall form a monarchical and independent State.

ALLIED INTERVENTION

In the Treaty of July 13, 1863, the word "constitutional" had been added to this guarantee of Greece's independence. If therefore now it could be shown that the constitutionality of the Government in Greece had been endangered, the "guaranteeing powers" might make a case to satisfy conscience for intervention. The fact that they had, themselves, been the first to violate the Hellenic Constitution by landing troops on Greek soil could be ignored, as could also the employment of the Greek

Island of Corfu as an Entente military and naval base, in violation of the pledge of perpetual neutrality contained in Article 2 of the Treaty of March 29, 1864.

While the Entente Powers were seizing Greek islands, ports, railways, public buildings and forts in connection with their occupation of Saloniki, the Bulgarians were not idle. On May 26, 1916, they moved seven miles inside the Greek frontiers and took possession of the Pass of Rupel. A great hue and cry was at once raised in London and Paris that the Hellenic Government was permitting a violation of Greece's neutrality by Bulgaria. While only the peculiar psychology of war can account for the serious advance of such a thesis by those who were themselves daily violating the neutrality of Greece, the fact served as a pretext for that direct intervention in Greek internal affairs that the Entente Governments had decided upon.

CROWN PRINCE GEORGE
Future ruler of Greece, who recently married Princess Elizabeth of Rumania

On June 21, 1916, after a fifteen days' blockade of Greek ports, an ultimatum was dispatched to Premier Skouloudis demanding

1. The demobilization of the Hellenic Army.
2. The resignation of the Skouloudis Cabinet, which had succeeded the Ministry of Alexander Zaimis on Nov. 6, 1915.
3. Dissolution of the Greek Parliament and new elections; and
4. To enable M. Venizelos to carry the new elections, the surrender of the control of the Greek police to a partisan of M. Venizelos.

Greece was in no position to resist these demands, and Alexander Zaimis returned to power to accept the terms of the ultimatum. The demobilization of the Greek Army began at once, and as the Greek troops were withdrawn from Eastern Macedonia in compliance with the allied demand, the Bulgarians naturally followed, occupying the very territory Constantine's army had wrested from Bulgarian control in 1913. Part of a Greek army corps, caught in Kavalla and refused transport to old Greece by the allied warships on guard, was even interned by the Bulgarians.

The advance of the Bulgarian forces into Eastern Macedonia on Aug. 26, though an obvious consequence of the Entente's ultimatum, aroused the greatest indignation in Greece. Hitherto the Greeks had had no reason to fight Bulgaria; but now they had. On Aug. 27 Rumania joined the Allies, and offered Greece an extraordinary opportunity, by co-operating with Rumania, to take Bulgaria on both flanks and crush her between an army from the north and one from the south. On Sept. 1 King Constantine offered Greece's participation in the war on the side of the Allies, with this in view, to the British Minister in Athens, Sir Francis Elliot.

THE FRENCH ULTIMATUM

The French, however, had demanded new elections in the ultimatum of June 21, with the idea of using General Sarrail's army and their widely extended secret police throughout Greece to carry the elections for M. Venizelos, and they preferred to gamble on the success of this plan. The same day, therefore, that King Constantine offered Greece's departure from neutrality, an allied fleet under French command arrived off the Piraeus and presented another ultimatum requiring the surrender to allied control of the Hellenic posts, telegraphs and wireless, as well as the right for the Franco-British secret police to proceed to arrests of individuals within Greece, without due process of law.

Of course no sovereign Government could grant such terms; but Greece was not in a position to choose. Premier Zaimis ac-

cepted, and resigned at once, to be succeeded on Sept. 11 by Nicholas Kaloguyeropoulos, whom King Constantine had selected to put into diplomatic form the proposal he had already made to join the Allies. Under French leadership, however, Premier Kaloguyeropoulos was not recognized by the Entente, and his formal offer of Greece's participation in the war was ignored.

But the Entente's activities in behalf of M. Venizelos hurt him. It became increasingly evident that the French policy had been in error, and that M. Venizelos could not be elected, despite allied control of police, posts, telegraphs and railways in Greece. Rather than risk another defeat at the polls, M. Venizelos, therefore, on Sept. 25 left Athens secretly on an allied warship, and inaugurated, with active French backing, a revolution against the Constitutional Government of Greece from Saloniki. It was hoped by the French that the great majority of the Greek people would follow M. Venizelos and flock to Saloniki to form—under his leadership—an army to fight Bulgaria, under French command. Nothing of the sort took place, however, and the result of the French policy was merely to embitter the Greeks by loosing civil war in the country, with no corresponding advantage to the allied force in Saloniki.

Having embarked on a wrong course, the French felt that their prestige was at stake, and determined to proceed with the policy they had adopted, instead of accepting King Constantine's offer of Greek military cooperation with the Allies, to which no answer had yet been given. On Oct. 10, the French Admiral demanded the surrender of the entire Greek light flotilla of 24 war vessels, and the following day seized the ships. On Nov. 15, he followed this by demanding the surrender of virtually the entire military equipment of the Hellenic army. But matters had reached a crisis. The patience of the Greeks was exhausted. Much of their territory, their second city, their merchant marine and their war fleet, their railways, posts, telegraphs and police had passed, through ultimatum after ultimatum, into foreign control. There was civil war in the country, and a surrender of their arms meant, and was intended to mean, a triumph of the revolutionary army over the Constitutional Government. The new demand was therefore refused and the French Admiral was informed that Greek public opinion was so excited that even were King Constantine, as Constitutional Commander-in-Chief of the Hellenic army, to order the Greeks to surrender their arms, he would not be obeyed.

BOMBARDMENT OF ATHENS

Nevertheless, Admiral Dartige du Fournet announced his intention of seizing the armament he had demanded, by force, on Dec. 1, if it were not delivered to him before that date. He was repeatedly warned that any such invasion of Greece would be resisted; but he had gone too far to draw back. A Venizelist uprising in Athens had been planned to take place simultaneously with the Admiral's landing, and the French staked everything on the triumph of the Venizelist movement, which they had fostered and financed. Therefore, when the arms were not delivered on Dec. 1, Admiral Dartige du Fournet led in person a landing force of 3,000 men, who marched on Athens.

The struggle was brief. The French Admiral's party was surrounded and virtually made prisoner. Surprised and chagrined at his failure, a bombardment by the Allied fleet of the open city of Athens was ordered, without the customary warning to enable the women and children to depart. After about half an hour of shelling of the city, to save further loss of life among the civilian population, King Constantine agreed to surrender part of the armament demanded. The Venizelist revolution broke out on schedule time, but was put down by the Government in 48 hours, and order restored.

French pride had, of course, been wounded. It was promptly claimed in Paris that Admiral Dartige du Fournet's landing force had been "ambushed" by the Greeks and a number of French sailors "murdered." Just how an armed body of 3,000 sailors happened to be in a position, in a friendly country, to be ambushed by an army is not clear. I witnessed the entire operation myself, and know of my own observation that the story of an "ambush" is absurd. At the same time, nothing was said in France about the bombardment of the city of Athens, and a rigid censorship

kept knowledge of the facts from the rest of the world.

A drastic blockade was promptly clapped on Greece, and maintained with intermittent severity for six months. On Dec. 14, another ultimatum was delivered demanding the internment of the entire Greek peace army in the Peloponnesus, where they became virtually prisoners of the Entente Powers. The revolutionary movement led by M. Venizelos in Saloniki was a failure; it was evident to the French that if they were to get M. Venizelos back into power in Greece, it must be done not only without but against the will of the Greek people.

When the Briand Ministry fell on March 19, steps were therefore taken by Premier Ribot to gain at least the acquiescence of Great Britain in direct action in Greece to place M. Venizelos in power and to dethrone King Constantine, by force if need be. The British Government was reluctant to approve a course in contempt of the will of the Greeks, while at the same time posing as one of the guarantors of the independence of Greece; Italy was decidedly opposed to the course France proposed, while Russia's approval was also lacking. The United States, then associated with the Allies in the war, was kept in ignorance of the plan which the French projected in Greece.

CONSTANTINE'S ABDICATION

It was therefore not in co-operation with France's Allies, but with M. Venizelos, that Senator Jonnart, French High Commissioner to Greece, on June 7, arranged for (1) the invasion of Thessaly from Saloniki, by General Sarrail's army; (2) the occupation of the Isthmus of Corinth by a French naval force, to cut off the Greek army; and (3) a landing of French troops near Athens in connection with a naval demonstration within gunshot of the Greek capital. These measures were not preliminary to a demand that Greece leave neutrality, to which the British Government had consented, but to a demand for the abdication of King Constantine and the return of M. Venizelos to power, the French plan.

On June 10, the program was carried out. At the express order of King Constantine, as Commander-in-Chief of the Hellenic army, the Greeks offered no resistance. King Constantine designated his second son, Alexander, to exercise the constitutional functions of sovereignty *ad interim*, and left Greece on June 12. To tranquilize the Greeks, Senator Jonnart declared:

> 1. The protecting powers have no intention whatever of imposing a general mobilization on the Greek people.
> 2. The abdication of King Constantine is temporary. It is within the power of the people after the war to call the King again to the throne.
> 3. M. Venizelos under no circumstances is to come to Athens, and the powers have no intention of establishing him in power.

Despite these assurances, Senator Jonnart, on June 21, summoned M. Venizelos from Saloniki, and on June 24 informed King Alexander that M. Venizelos would be the new Premier of Greece. There were no elections, and, as parliament was hostile to M. Venizelos, Senator Jonnart summoned the last parliament in which M. Venizelos had had a majority, to give the rule of M. Venizelos a color of legality.

The first act of M. Venizelos was to decree a general mobilization of the Hellenic army, which, thereafter, participated in the war until the armistice with Bulgaria on Oct. 30, 1918. But Kavalla was not reconquered, nor were the Bulgarians driven out of Eastern Macedonia. As the Greek army was not used against the Turks, no decision was reached in the age-old struggle between Greek and Turk. Greece merely served as one of the twelve nations actively engaged in hostilities against the Central Empires, suffering losses less than any other European country except Portugal.

AT THE PEACE CONFERENCE

But the close relationship in which M. Venizelos had stood to France assured him of a large rôle at the Peace Conference, where, owing his Premiership to France, he was expected to repay at the peace table his obligation. It was in close co-operation with France, also, that on May 14, 1919, before peace terms with Turkey had even been broached, M. Venizelos ordered a Greek military occupation of Smyrna, where French business and banking interests are heavy. Unfortunately, however, excesses by the Greeks against the Turks in Smyrna prejudiced public opinion against

the claims which M. Venizelos was pushing to Greek sovereignty over Smyrna and its hinterland, in respect of which certain assurances less than promises had been given Greece at various times during the negotiations for Greece's entry into the war. At the same time, also, tentative negotiations for the cession of Cyprus to Greece were dropped by Great Britain.

When the draft of the peace treaty with Turkey came to be presented to Tewfik Pasha on May 11, 1920, Greece was to receive thereby only a two years' tenure of Smyrna. Yet, though already bankrupt, Greece was forced to continue her army mobilized to assist in policing the territory occupied by the Allies. In view of the comparatively small part played by Greece in the war, the concessions made to Greece appeared to the rest of the world enormous. But the Greeks found them pitifully inadequate compared with the vast Hellenic Empire of which M. Venizelos had talked as an assured thing, when he was trying to persuade the Greeks to support him in his attempts to hold and regain power. Realizing that his prestige with his own people was slipping, at Hythe on June 20, M. Venizelos offered the use of the Hellenic army to compel the Turks to accept the treaty terms, promising, as he had declared at Spa on May 25, that "Greece would win a complete victory over the Turkish Nationalists much quicker than the world thought possible."

This boast was unfulfilled. After eighteen days of desultory fighting, the Turkish Nationalist army was still undefeated, and the Greek campaign in Asia Minor gave way to the occupation of Thrace, allotted to Greece by the terms of the Turkish Treaty. The Treaty of Sèvres was finally signed on Aug. 10. But in the secret partition of Turkey into zones of influence and exploitation by the British, French and Italians, Greece had no part.

In Greek eyes the Treaty of Sèvres spelled disillusionment. A sector 80 miles deep and 150 miles wide about Smyrna was a long way from the 125,000 square kilometers M. Venizelos had promised; nor was even that to be Greek. Greece, it is true, obtained Thrace, but not Cyprus. The Dodekanese Islands were secured, but independent of the Sèvres settlement and on the same terms of concessions to Italy that they might have secured them at any time. The Sultan was still in Constantinople; Smyrna still flew the Turkish flag. By dint of secret agreements and commercial concessions, Mustapha Kemal was slowly winning both Italians and French from the support of their Greek allies. While the rest of the world was hailing M. Venizelos as victor in a great diplomatic struggle, the Greeks were undeceived. They knew that he had obtained much less than he had promised, and far less than they had hoped.

The Treaty of Sèvres, also, left Greece increased in size, but overwhelmed with debt. During M. Venizelos's régime the Greek Government had spent three times its income. Much of this had been paid for second-hand war material, on which there had been enormous graft. The Greek debt had been increased by $800,000,000, without counting that part of the Turkish debt Greece was required to assume in return for the territory she had received.

ERRORS OF VENIZELOS

Moreover, immediately upon becoming Premier again in 1917, M. Venizelos had dismissed 9,057 public officials and replaced them by his own henchmen; he had similarly replaced 1,218 officers in the Hellenic army, in time of war; he had caused the arrest and trial by courts-martial of his leading political opponents, one of the most brilliant of the opposition leaders, John Dragoumis, even being shot by his guards, in the streets. In the navy, the Church and the university, the same spoils system had been followed. Martial law was maintained; no elections were held, even when the Parliament—called by Senator Jonnart without legal authority of any kind—had long outlived its constitutional span. Censorship of press, mail and telegrams, and prohibition of travel and of free speech, irritated the Greeks, while constant trials for "treason" disposed of any critics of M. Venizelos's Government.

Under these circumstances, when elections were finally held on Nov. 14, 1920, for the first time since Dec. 19, 1915, M. Venizelos was overwhelmingly defeated, the Premier even losing his own district.

To the Greeks, King Constantine, in exile in Switzerland, embodied the idea of constitutional government as opposed to the military dictatorship which M. Venizelos,

with the aid of foreign troops, had imposed on the country since his return to power at the behest of France in 1917. King Alexander's death had left the question of the succession open, and Demetrios Rhallys, who had succeeded M. Venizelos, called King Constantine to return to Greece.

But King Constantine was just as eager to have his position in the Greek body politic rest on a popular vote as M. Venizelos had been reluctant to consult the will of the people. He therefore insisted on a plebiscite. It was held on Dec. 5, 1920, and King Constantine received the suffrages of 98 per cent. of the Greek electorate, despite the effort of the Entente Powers to affect the voting unfavorably by the issue of a joint note on Dec. 2 warning the Greeks that the return of King Constantine would mean a financial boycott of Greece.

SINCE CONSTANTINE'S RETURN

On Dec. 19 King Constantine returned to Greece and was received in extravagant triumph. The European press had explained to its own satisfaction that the defeat of M. Venizelos had been due to war weariness on the part of the Greeks, and on this assumption the French Government, believing that the Greeks would no longer fight to retain the territory they had received by the Treaty of Sèvres, proposed a revision of that instrument, at the expense of Greece and to the profit of both French and Turkish interests. A conference was called in London on Feb. 21, 1921, for this purpose.

Under the leadership of the French an attempt was made at this conference to cut the temporary Greek control of Smyrna to a mere shadow, Smyrna definitely remaining Turkish, albeit autonomous. When this proposal was submitted to the Greek Parliament by Premier Kaloguyeropoulos, it was promptly rejected. But on March 10 the Greek delegates were advised that the Treaty of Sèvres would be revised along the lines laid down, and on March 11 both France and Italy secured payment from the Turkish Nationalists for their services, in the form of secret agreements by which both countries were granted large concessions for the exploitation of the Ottoman Empire, re-established through their efforts.

This was reckoning without the Greeks. On March 20 King Constantine called three classes to the colors and Greece prepared to fight, single-handed if need be, to maintain the provisions of the Sèvres Treaty. The campaign began immediately, and it was clear that the French assumption that the Greeks would not fight was based, as usual with the French policy toward Greece, upon an erroneous conception of the motives that had moved the Greek people in recalling King Constantine.

The early Greek successes were followed by reverses, but without decisive result either way. More Greek troops have been called to the colors, and, despite French and Italian aid of the Turks, the end is not yet in sight.

So far as the Greeks are concerned, their disgust with the alleged peace which has followed the war is profound. At first blaming M. Venizelos for having failed to obtain at the settlement what he so freely promised when he was seeking election, the Greek people are more and more placing the blame on the great European powers, who have shown a sordid readiness to sacrifice the principles, for which they claimed to have been fighting, for commercial and financial gains.

The Greeks recall the stubbornness with which King Constantine refused to leave neutrality without specific, written guarantees that Greece would not be sold out at the final settlement. They realize that M. Venizelos's policy of tying Greece to the chariot wheels of France has brought only ruin. Crushed under a debt of over $200 for every man, woman and child in Greece, and with the financial boycott instituted by the powers slowly stifling all Greek economic life, the Greeks today declare with bitterness that "the Turks are the only victors of the World War."

FRANCE'S DEBT TO MYRON T. HERRICK: REVEALED BY AN EX-PRESIDENT

By Raymond Poincare

FORMER PRESIDENT OF FRANCE*

MYRON T. HERRICK has consented to serve again as United States Ambassador to France. He will find here only old friends. When he returned to Paris several months ago he was welcomed everywhere—in the offices of the various Ministries, in the City Hall and at social gatherings—as one of those Americans who, in these last few years, have best understood and best loved France.

At the brilliant reception given him by the Municipal Council he uttered with deep emotion certain words which went to the hearts of all those present, and which recalled to many there some tragic memories. Among other things, he recalled, with great exactness of detail, the visit which he paid me at the Elysée on Wednesday, Sept. 2, 1914—a visit which is the best evidence of his sincere love for France. Now that Mr. Herrick is again to represent the United States among us, I find myself, naturally, recalling the many friendly conversations which I had with him in those former days, during his first Ambassadry, and also those which I have held with him more recently, during the trips which he has made to Europe since the war. But the strongest impression which I retain is that left on me by the interview of Sept. 2, 1914, concerning which so many absurd reports were subsequently circulated, and which Mr. Herrick recently related so faithfully in his eloquent address at the City Hall.

Several days before this date, General Joffre and General Galliéni, not wishing to be embarrassed in their military movements by the presence of the Government, had asked M. Millerand, then Minister of War, to prepare for the Government's departure from Paris. The Council of Ministers had been confronted with this painful decision since Aug. 29, but, in agreement with the military command, had deferred action. There occurred on Sunday, Aug. 29, a new survey of the situation, at which General Galliéni and the Presidents of the two Chambers were present. General Galliéni explained that the trench system for protection of Paris was far from complete, but stated that even if all the missing links could be rapidly joined up, the capital would be unable to resist a sudden attack supported by heavy artillery. He very wisely, therefore, advised that instead of allowing Paris to be invested we should create out of three or four corps a new army and place it under his command, to form the left wing of the entire French Army, and that wing would fight before Paris. This, as you see, was an anticipated outline of the battles of the Marne and of the Ourcq. While he was laying before us his arguments a German

RAYMOND POINCARE
President of France during the World War

*Translated from the Paris Temps, issue of April 11, 1921.

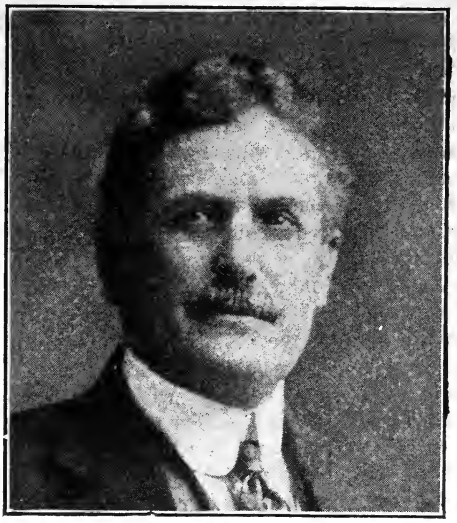
airplane was flying over Paris. It dropped three bombs on the Valmy Quai and into the Rue Vinaigriers, which did not disturb for an instant the population's admirable calm.

The news from the front was somewhat more favorable on Monday, the 31st. Our retreat had slowed down; we had counter-attacked successfully at several points. General Joffre did not insist on the immediate departure of the Government, but he asked that the decision should be agreed upon in principle and that only the fixing of the day for departure should be deferred. Several of the Ministers and I, myself, before taking this decision wished to await the outcome of the battle which was about to take place before Paris; but after repeated conferences with Generals Joffre and Galliéni, the Minister of War declared that he could not assume the responsibility for this delay.

During the course of the same day I had gone to the Saint-Martin Hospital to visit the wounded men evacuated from Mangiennes, from Péronne and from Charleroi, and I had found them sublimely calm. In the streets the crowd, with magnificent unconcern, were shouting: "Long live France!" It was frightfully sad to think of leaving so many good people, and to seem to be deserting them. But M. Doumergue, a member of the Government, described in a few very noble words the cruel obligation incumbent on us: "Duty," he said, "in this crisis consists in appearing to be cowards. But there is perhaps more courage needed to face blind reproaches than to risk being killed or taken prisoners."

On Tuesday, Sept. 1, the army of General Manoury fell back on Paris, and the Minister of War did not deem it possible to delay the departure of the Government beyond Wednesday evening. German aviators had again flown over the city and had dropped menacing proclamations for the amused people to read. On Wednesday, Sept. 2, one of these Taubes, which seemed quite inoffensive, was manoeuvering above the Elysée. The Post Commander deemed it necessary to mount his men on the balconies and to order a section fire. This fusillade had no effect upon the German aviator, but it did frighten the birds of the park, and one of them flew into my office as a place of refuge.

The members of the diplomatic corps had announced their intention to accompany the Government to Bordeaux. Myron T. Herrick alone had announced that he would stay in Paris. "If the city is occupied by the



MYRON T. HERRICK
Ambassador to France, who will also represent the United States in the Council of Ambassadors

Germans," he said, "my presence may not be useless. My country is neutral, and I myself am covered by diplomatic immunity. I shall undoubtedly be able to render some service."

Wishing to thank the Ambassador for his kind offer, I had asked him to come to see me on Wednesday. When he entered my office his face, usually so jovial, was sad and overcast, and the moment we began to speak his eyes, which gazed at one so frankly and directly, filled with tears. These were his words:

"No, I will not leave Paris. Some one must stay here to defend the people's rights. Who will protect your monuments, your museums, your libraries? I shall be able to speak in the name of the United States, and be assured I shall find means to prevent all massacre and pillage."

I told him how deeply it pained me to leave the city, and I swore to him that we would continue the struggle until we won to victory. He answered: "I know that, and I congratulate you. As for me, I do not doubt that you will be victorious. France cannot perish."

In every one of these words there was such a vibration of the soul, such a depth of sentiment, that even if I had not known before his love for France, I should have been convinced that day that we had few friends as true and devoted as he.

He loves us, because he has seen French life from the inside, because he has been able to observe and to appreciate certain fundamental qualities which strangers often do not see. Long before the war he understood that we were not, thank God, the showy, frivolous and corrupted people which the German writers have so often depicted. He described us to his compatriots as we were yesterday, as we are today, and he told the truth about us before the Marne and Verdun revealed to the world a France too little known. In the future delicate negotiations which it still remains for us to conduct with the United States he will be, I doubt not, in time of need our witness and our bondsman. It is not he who will remain silent when calumny insinuates that France is an ambitious, turbulent, and imperialistic State. Like M. Viviani and M. Jussarand, like his own successor and predecessor, Hugh Wallace, he will remain what he has always been—a good worker for the Franco-American entente.

M. Henry de Jouvenel said the other day, from the Senate platform:

> We behold, perhaps, one of the most singular and deplorable misunderstandings of history when we see how the great American people came to the aid of France, disembarked here hundreds of thousands of men, who died shoulder to shoulder with ours, and then departed without having learned to know France.

And amid the loud applause of the Assembly the orator added keenly:

> The explanation is that a million of them came to make war, while only one came to make peace.

Yes, only one came to make peace, and with our national mania for personification we imagined that he was all America. I can still see before my eyes the wildly enthusiastic welcome which President Wilson received on Dec. 14, 1918, along the avenues of the Bois de Boulogne and the Champs Elysées. He himself seemed overcome by it. It was not a man which had come to us: it was a world. According to certain people who posed at that time as the only interpreters of our guest's mind and heart, it was our duty to treat him as a kind of sacred being. I was severely blamed by these persons when, in the toast which I addressed to him that day, I was so bold as to advise him to go directly to the devastated regions, adding: "For the suffering and sadness of yesterday, peace must bring reparation; for the perils of tomorrow it must be a guarantee."

In conclusion I would say that since Mr. Wilson forgot the existence of an American Senate, we believed ourselves justified in forgetting it also. Somewhat late we have awakened from our long dream to realize that the mind of America was not contained solely in the fourteen points of Mr. Wilson. But this blunder can still be redeemed today, if not completely, at least in large measure. Happily, America has not ceased to love France, nor has France ceased to love America. Men pass, nations remain. The inherent reasonableness of the nations will enable us to fashion out of peace with Germany a reparation and a guarantee.

THE DRAMA OF BRITISH LABOR

By Frank Dilnot

An illuminating explanation of the English labor movement, the new power of the trade unions since the war, their apparent threat of revolution, and what restrains them from a violent use of their strength—Historical antecedents of the coal miners' strike

THE story of organized British labor reaches back to the times when what we know as the English people was in the making. The present challenge of the miners and railwaymen and of other trades is but the culmination of a long serial, and the narrative throughout manifests on the part of the contestants a special spirit—a spirit which, for want of a better term, we may characterize as Anglo-Saxon—a mingling of conservatism and forceful resolution, a persistence in action rather than loud words, above all a tenacity which has descended from one generation to another. These qualities have been shown on both sides and are being shown now. They would inevitably lead to tragedy were it not for some other Anglo-Saxon qualities, and notably a desire for achievement rather than for triumph, a willingness for compromise, if essential aims can be secured; in other words, a common-sense moderation when the final issue has to be faced.

Back before the Reformation there was what was known as the Guild system in Britain, definable as a combination in various industries for the common benefit of those industries. In the time of Henry VIII. this Guild system was submerged, but with the growing commercial activities of Britain in the seventeenth century, and especially in the eighteenth century, there were renewed indications of the coming together of workmen in the effort to protect and improve their conditions. Before the time of the American Revolution there were in existence at least some organizations which had resemblance to the modern trade unions, although they were frowned upon by employers as being opposed to the general interest. Indeed, the Combinations Laws, as they were called, made it illegal for workmen to combine to increase wages. Nevertheless, in the first twenty years of the nineteenth century many trade organizations were formed, and there were contests and repressions, and not a little tyranny by those in authority. The struggles led to the repeal of the Combinations Laws in 1825. It is thus within the span of a hundred years that we find the trade unions in Britain have advanced from being under the ban of the law to being practically lawmakers. There is a possibility that before the century is completed the trade unions will be forming the law of the land which, four generations ago, considered their purposes as criminal.

The War of Independence in the United States, followed by the French Revolution, stimulated enormously the minds of the common people of Britain. This leaven worked more and more powerfully under the exploitation-pressure arising from the development of the factory system, which herded men, women and children together at starvation wages for long hours of work—a result of the increase of population, of modern invention, and of the increasing world trade and demand for British goods. And thus we arrive at the ferment which was the beginning of the British labor movement as we know it today.

For many years trade unions were regarded in England with dislike and contempt, and they were forced to wage a continuous and bitter fight, although all the time they were growing in power and substance. The rights of man, as distinct from the rights of property, steadily made their way in popular esteem, and about fifty years ago an act of Parliament established the legal status of trade unions with a protection for their funds. During the next twenty years, from 1870 to 1890, the British trade unions forged ahead, slowly at first, but latterly with increasing momentum. It is interesting to look back and see how the

opinions held by the leaders—opinions which we should now regard as those of very moderate Liberals—were labeled at that time as the tenets of dangerous revolutionists. It must be remembered that those whom we now class as Socialists were in that period but scattered individuals classed as visionaries outside the pale of practical consideration. It was the trade unionists who were the real labor movement. And in spite of the loud vocal effort of the Socialists of today, it is the trade unionists who remain the real labor movement of Britain.

A few figures will show how the trade unionists have progressed. There is an annual congress of the trade unions which delegates from the various societies attend, and the number of union members represented has been tabulated for each year. Here are the figures at intervals of ten years from the start of the congress:

1868	118,367	1898	1,200,000
1878	623,957	1908	1,777,000
1888	816,944	1918	4,552,085

When the figures for 1921 are available it will probably be found that the trade unions of Britain total about 6,000,000.

A little over twenty years ago it became increasingly evident to some of the wiser heads of the rapidly growing labor movement that what is called industrial action—that is to say conflicts and agreements between employers and workmen—was not effective as a means of realizing in their full scope the humanitarian aims of the great mass of the community represented by the unions. There then sprang into existence what was known as the Labor Party—distinct from the comprehensive labor movement—whose methods were to be political rather than industrial, and which organized to elect members to Parliament and to the local municipal bodies. The Labor Party consisted principally of trade unionists, but it also took in Socialists and other sympathizers. Many trade union leaders were Labor Party leaders, and there was and still is a good deal of overlapping with the leading personalities of one filling an important part in the other, although the trade unions and the Labor Party have remained distinctly separate institutions. When we speak of the labor movement we mean the whole body of labor, as represented both by the Trade Union Congress and the Labor Party. The labor movement, therefore, includes constitutional trade unionists and theoretical Socialists like Ramsay McDonald and Philip Snowden.

It is thus explainable that there are wide divergencies of opinion in the movement,

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ARTHUR HENDERSON, M. P.
Leader of the British Labor Party

ranging from extremist groups to a multitude of members who are of what may be called the moderate type. It is important to note that this moderate type probably outnumbers the others by ten to one. The Socialists and extremists, however, are more gifted in expression and more forceful in temperament, and thus they often secure an unwarranted influence in the councils of the labor movement as a whole. They draft many of the resolutions; they form much of the policy. Small groups of them in the unions sometimes bring to bear a disproportionate influence in industrial action—in strikes, for example. The actual trade union element in the labor movement may be gauged by the fact that at the beginning of war the outside Socialists numbered 50,000, as compared with over 3,000,000 trade unionists.

When hostilities began labor had a spe-

cial party in the House of Commons numbering about forty, which for some years had exercised considerable influence, not only in debate, but also in the modification of Government policies. That group of

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J. F. CLYNES
Labor leader in British Parliament, and former Food Controller

forty constituted the political voice of the trade unionists who make up the mass of workers in all the great industries, and who, after fifty years of struggle, have forced themselves into a position of equality in negotiations with employers. There were 15,000 trade union branches throughout the country. Every union which had organized itself for individual and separate action was, with an occasional exception, a member of the Trade Union Congress, the general Parliament of Labor, which met for a week each year to formulate policies near and distant, and to decide on various forms of administrative action for the coming months. This was the situation when war broke on the country.

Although both the labor leaders and the rank and file rapidly united in patriotic effort, fears were openly expressed that the labor movement would be adversely affected as a result of the war. Those fears were intensified in the next month or two, when in order to speed up special war production it became necessary to ask the Trade Unions to abrogate many of their cherished and hardly won privileges. It was necessary to impose restrictions against workmen leaving one factory and going to another for higher wages, necessary to establish piece work where piece work had hitherto been forbidden; it was necessary to admit women and boys to certain departments of industry, and to engage the unskilled or half-skilled to do work that had hitherto been expressly reserved for the expert members of the trade. All these and many other changes were assented to only under the pressure of war, and with many forebodings for the future. The Government, it is true, promised to re-establish the old state of affairs when the war was over, but Governments were regarded as untrustworthy in their relations with labor, and war might well provide an excuse for breaking up an organization established by fifty years of effort and hardship.

Never were fears so groundless. The war had not run half its course before it was seen that Labor was to be not weakened, but strengthened; strengthened beyond measure. It was a war of peoples, not of Governments, and the war was to be won not only by the workmen who were fighting in the trenches, but also by the workmen on the farms and in the factories, and by their wives, and sisters, and sweethearts.

Several labor leaders went into the Ministry. One of them, Mr. Clynes, eventually became Food Controller of the whole country. Meanwhile Trade Union membership went up by leaps and bounds. Here are the official figures of Trade Union membership for the four years of the war:

1915	2,677,357	1917	3,052,352
1916	2,850,547	1918	4,552,085

Consciousness of power in the labor movement was one of the new factors. Another was the change of mood induced by the sufferings and sacrifices of the war. Men and women who had struggled for a livelihood in the old days had acquired a new outlook on life; they wanted new arrangements which should give them a better time all

around. And this mood, combining with the realization of new power, has been the great motive force in bringing about all that is happening now.

The keener brains in the labor movement began to organize for the future. The first sign of this was in 1918, when membership in the movement, which had been previously confined to manual workers, was thrown open to brain workers as well. Even more significant, however, was the organized campaign set afoot to secure a greatly increased number of candidates for Parliament. What general policy did this enlarged and vitalized labor movement have in mind? I quote from the official "Labor Party" book, which gives a summary of the proceedings of the big conference held in June, 1918, and which speaks of the new program thus:

> It lays down the doctrine that what has to be constructed after the war is not this or that Government department, or piece of social machinery, but society itself. The party declares that whether in opposition or in office it will not tolerate the revival of the social and economic system the war has destroyed, but will seek to build up a new social order built on a plan of co-operation in production and distribution for the benefit of all who labor by hand or by brain. Four propositions are laid down in the memorandum, propositions upon which the party proposes to establish a democratic control of all activities of society:
>
> Universal enforcement of the national minimum (of wages).
>
> The democratic control of industries.
>
> The revolution in national finance.
>
> The surplus wealth for the common good.

The report goes on to say that what is contemplated is not only the wholesale nationalization of railways, mines, shipping and canals, but also the retail distribution by the Government of commodities like coal and milk.

Even when all allowance is made for the sweeping rhetorical assertions of political parties in formulating their program, there is sufficient definiteness in these words to cause some anxiety about the future among those who think that the leaders of the labor movement leave out essential factors in human nature in their decisions, and in their enthusiasm are inclined to take short-sighted views. It is necessary, however, to bear in mind that English political progress has always been a step-by-step affair, a matter of common-sense expediency. History has shown that the British proceed

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THE "BIG FOUR" OF BRITISH LABOR, REPRESENTING THE STRONGEST UNIONS IN THE UNITED KINGDOM. LEFT TO RIGHT: H. MORRISON, SECRETARY OF LONDON LABOR PARTY; FRANK HODGES, SECRETARY OF THE MINERS' UNION; HARVEY GOSLING OF THE TRANSPORT WORKERS, AND J. H. THOMAS, RAILWAY UNION LEADER

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BRITISH COAL MINERS ON STRIKE, STARTING A MINE ON THEIR OWN ACCOUNT. THEY ARE SINKING A SHAFT TO REACH "SURFACE COAL," AT A DEPTH OF ABOUT 25 FEET, WHICH THEY PLAN TO GET OUT AND SELL IN THE NEIGHBORHOOD

through experiment, and not through great idealistic conceptions. It is a racial tendency, and the tendency is as strongly marked among the rank and file of the trade unionists as it is among other classes of the community. In surveying the circumstances it is impossible for an impartial observer to avoid the conclusion that violent revolutionary schemes will defeat themselves owing to the nature of the English people, without distinction of class. It is just a question of whether that after-the-war mood, the new financial needs and circumstances, and the added power of labor, will be sufficient to break down the traditional conservatism.

One department of labor that has been strengthened by the war is what is called the Triple Alliance, a special sectional combination for common purposes of the three great unions representing the miners, the railway men and the transport workers. It is unnecessary to say that common action by these three unions would hold the nation up to ransom. From time to time, when one or another of these three parties has been engaged in a dispute, there has been talk of united action by the three, but it has never yet come to pass. In this hesitancy one gets a view of the caution of the workers as a whole. What is going on at the present moment is a psychological battle between these common-sense tendencies and the combined new moods and new circumstances arising from the war with their urge toward violent methods. The sinister possibilities of the general labor situation in Britain have been demonstrated several times in the last year or two, and they all point in the same direction. Impatience under a sense of injustice, and a consciousness of overwhelming power have led a great number of workers to consider a short cut to a new order of government.

"Direct action" is the phrase which comprises the new-visioned policy, and it means that one union or a group of unions with power over a vital industry shall stop that industry until political, as well as industrial, demands are granted. For a long time past it has been tacitly agreed that the workmen as represented by the unions have the right

either to give or to withhold their labor when the question at issue is a matter of wages or of conditions of work. But a new interpretation has been put upon this prerogative coincident with labor's growth in power. Labor has contended in effect that it has the right to call a stoppage of work in order to impose a policy on the nation. Labor leaders defend this view by the assertion that labor is banded in a political party whose right it is to form conclusions as to what is best for the whole community, and imply that since the workers are the larger part of the population they have the right to say how life shall be lived.

The opposition view, as represented for the moment by the Government, declares that what this comes to is a demand by one section of the people that it shall hold all the people up to blackmail in order to push some special political desire, which may be right or wrong. It is held that this is the antithesis of democratic government, and that all alterations in the laws should be made by the House of Commons elected by the votes of people of all classes. In other words, there is a tendency in the labor movement—not yet pushed to an extreme point—to challenge the Constitution.

Most of the recognized labor leaders are men with a good deal of training and responsibility, men who foresee that the overturning of the British Parliamentary system would lead nowhere. A new system would have to be devised, and there has not yet been suggested any kind of plan which would equal the popular advantages of the present Parliamentary arrangement. Labor has only to secure enough votes to have an instrument to its hand in the existing Constitution.

The threat of direct action was made in the big railway strike of 1919. It has reappeared during disturbances created by the miners since then. In August, 1920, a joint consultation of the labor movement threatened to instruct all trade unionists to lay down tools if there was war between the allied powers and Russia on the issue of Poland. In July, 1920, Robert Smillie said:

> Rightly or wrongly, the miners believe that the public ownership and development of the mining industry will be in the interests of the safety of the mining community. That is a point on which I am not prepared to allow the general views of the people to weigh against my own.

One of the demands made last year was that troops should be withdrawn from Ireland, and this demand was accompanied by another threat to down tools. Nothing was done because the vast mass of the common people in Britain realized that, whatever the incidental evils, the Government could pursue no other course than to strive to restore law and order in Ireland. Aided by the general discontent arising from the war, the extremists have gained considerable power in the labor movement, and it is they who are responsible for many of these resolutions and decisions. The more prominent labor leaders are not blind to the dangers of the situation. In the course of a speech last year J. H. Thomas, the leader of the railwaymen, said:

> Half the difficulties we are experiencing are due to the fact that trade unionists always allow the minority to do their business. If the men consider their leaders obsolete, they know how to deal with them; but nothing but disaster will overtake the great working class movements unless a spirit of loyalty and majority democratic rule be exhibited by those who call themselves trade unionists.

There was also a pronouncement from John Hodge, one of the most successful trade union leaders in the country. His words go to the root of the matter:

> At the general election the rank and file of the workers had the opportunity of voting for labor men, and had they done so consistently there would have been a bigger Labor Party in the House of Commons today. Even in the subsequent by-elections there has been no great evidence of the workers rallying to the support of labor candidates. What is the reason? It is simply this, that the extremists are damaging the labor cause by their advocacy of political methods that destroy themselves by their violence and scare away a great body of sympathetic electors.

The revolution in money matters produced by the war has a good deal to do with the situation. All previous standards are upset. Prices have risen enormously and wages have also gone up. There are disputes as to the actual ratio, but it may be taken as a pretty general guide that the cost of living and wages have both risen 100 per cent., although there are naturally many anomalies and inequalities. And in this connection it has to be remembered that the workers are claiming not merely

pre-war standards, but a better scale of living arrangements, in relation both to hours and to wages. The following official tables concerning the miners, prepared by the Government a few months ago, show the increase of workers, the decrease in product and the rise in wages:

MINING WAGES AND OUTPUT

Number of workers:	
1913	1,110,000
1920	1,206,000
Increase	96,000
Output:	
1913 (tons)	287,500,000
1920 (tons)	240,500,000
Decrease	47,000,000

AVERAGE ANNUAL EARNINGS

(All classes of mine workers, including boys:)

1913 ..... £82 1920 ..... £222

It may be added that miners are supplied with free or cheap coal for their own consumption to the value of £8,000,000 a year.

Similar results are shown for another class of workers—namely, the agricultural laborers in England and Wales. Here are the figures:

AVERAGE WAGE, 1914

	Shillings	Pence
Special classes	20	6
Laborers	18	2

AVERAGE WAGE, 1920

	Shillings	Pence
Special classes	51	5
Laborers	42	7

(By special classes is meant workmen who are employed as stockmen—that is, horsemen, cattlemen and shepherds).

If the stable element in the labor movement is able to withstand the encroachments of the new spirit—and I think on the whole that this is more probable than the triumph of the latter—then there must be hammered out some line of progress to enable labor to move forward coincidentally with the welfare of the nation as a body. Labor is certain not to lose a great part of the power which has so dramatically come within its grasp. The general election following the war increased the Labor members in Parliament from forty to sixty, and this was under adverse circumstances for labor. It is certain as anything can be that there will be a large increase in members at the next election. Meanwhile, in industrial fields, labor by its organizations will be stronger than ever. It will be able to dictate terms up to the point where employers will have to shut up their business rather than suffer a loss.

What, then, short of revolution, is the probable course of events? There are several indications. What are called the Whitley Councils provide the best illustrations. In the early part of 1917 an official committee under the chairmanship of Mr. Whitley, Deputy Speaker of the House of Commons, reported as follows:

> In the interests of the community it is vital that after the war the co-operation of all classes, established during the war, should continue, and more especially with regard to relations between employers and employed.

The Government took up this proposal, and organizations for working people were started in many industries; these have been continually added to since the beneficial effects of the new procedure were made apparent. Industrial councils in each case take into consideration not only wages and hours, but the general surroundings of the business and all connected circumstances. Such questions as the best way of conducting the business and of fixing prices enter into the discussion. There is in effect a continual consultation as to the welfare of the business as a whole, in the realization that the fate of the workers is linked together with that of the employers. Sixty industries, comprising 3,000,000 workers, have already set up industrial councils of this kind. And although the procedure is yet in its infancy, and though some mistakes have been made and there have been here and there disappointments, yet the general results are so encouraging that in the development of this Whitley Council idea may be found a new method of common effort which will satisfy the needs and ambitions of labor, and which, at the same time, will build up the interests of the community. There are some individual movements running on parallel lines to the Whitley Councils. The general stream of tendency is well marked. It is this new method of co-operation which is bound to be the rival o frevolution, and the instincts of the British people make it reasonably sure that this line will be followed.

The course of events has been sufficiently

demonstrated by the present miners' dispute (May, 1921), which, for a time, seemed likely to involve the Triple Alliance in a challenge to the nation. All the various moods which I have cited were in operation, and it seemed almost to the last moment as though violence was to triumph. The mine owners wished to reduce wages, and, in view of the freeing of the mines from Government control, it was apparent that adjustments would have to be made if the industry was to be saved from bankruptcy. The Government had said in effect that it was unfair that the community, as a whole, hard pressed in many directions, should subsidize the coal-mine industry in order to better the lot of the miners as a class; the industry must pay its way, like every other industry.

The miners resented the reduction of wages and demanded that the coal-mining of the country should pool its profits so that the profitable mines should provide higher wages for the mines which were unprofitable. This, of course, amounted in effect to a demand for nationalization of the industry. The British Government took a firm stand on the ground that political changes must be produced by political means, namely, through the elected House of Commons, and not through the influence or threat of any particular class of men. The miners enlisted the sympathy of the railwaymen and the transport workers, but at the last moment these other organizations broke away, owing to the fact that large numbers of them shared the view of the community outside of labor, a view that was effectively put forth by Mr. Lloyd George on behalf of the Government. And thus again British common sense prevented catastrophe.

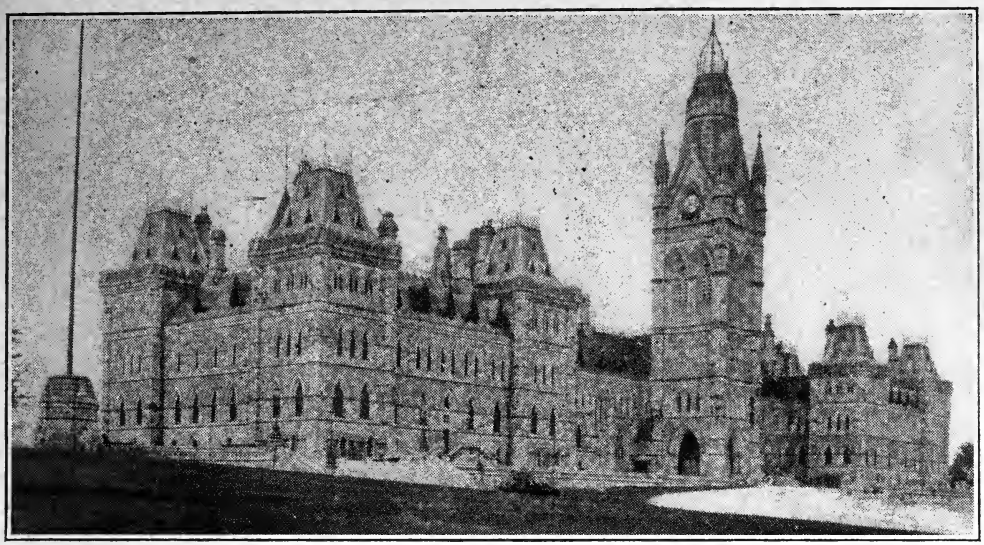
The struggle is not over. Even when this miners' dispute is settled there will be other labor uprisings from time to time. There may be more threats of revolution, but there will be no revolution in the ordinary sense of the word. There will almost certainly be a more or less gradual transformation of the system of wages and profits, which historians, centuries hence, may be justified in classing as a revolution of the kind which has not been uncommon in British history—a revolution effected by the general will of the people, as a whole, to meet the needs of the present and the future. In this sense the labor movement of Britain will be making history from now onward, not only for the British people, but possibly, also, in some directions, for other countries as well; for it is inevitable in these days that fundamental social changes should have their reactions quite irrespective of national frontiers.

CANADA'S NEW HALL OF FAME

By John Gladstone Grace

FAME has been described as the flickering white light that lures some ambitious men to imperishable glory, and others to destruction. "Antony sought for happiness in love; Brutus in glory, and Caesar in dominion, but each found destruction." These, however, are extreme cases, and each nation of the world today has its roll of famous men whose lives have been given to their country's service, at home or on the battlefield. These names it is only fitting to commemorate. This Canada plans to do by the creation of a Hall of Fame in the new Parliament building constructed at Ottawa to replace the edifice so mysteriously destroyed in 1916. This Hall of Fame in the palatial Canadian Capitol will surpass anything of the kind on two continents. The work has now progressed so far that the niches are almost ready for the statues.

The idea of a Hall of Fame has long ceased to be a novelty. The State of Ohio has its Hall of Fame in the Capitol at Columbus, where the bust of President Harding will ultimately be added to Ohio's honored trinity—Garfield, Grant and McKinley. The truly representative Hall of Fame for America, however, is at present on the grounds of the New York University. Canadians were much interested to learn that among the seven new names recently added to this gallery were those of Patrick Henry and Mark Twain, who will hence-



(Photo Wide World Service)
THE NEW PARLIAMENT BUILDING AT OTTAWA, CANADA, THE MOST BEAUTIFUL STRUCTURE OF THE KIND IN THE WORLD

forth be recognized as belonging to the canonized benefactors of the great Republic.

W. H. Northrup, K. C., who for twenty-five years was a leading member of the House of Commons and of the Ontario bar, will have temporary charge of the Canadian Hall of Fame, pending the election of a tribunal whose duty it shall be to select the candidates for immortality. It is hoped that this tribunal will be composed of men of broad mental calibre and unerring judgment. The whole value of the project will depend on the mode of selection.

Above all, this new temple of national patriots must be symbolic of Canada's past and its rise to unity. To all Canadians, including the 300,000 Canadian soldiers who fought on the fields of Flanders, the former Parliament building at Ottawa—destroyed, it is believed by many of us, at the behest of Germany—was the symbol of Canadian Confederation. It was a tangible reminder of the great Gladstone, who in 1854 saw the shadows of disintegration coming, and who advocated a united Canada. It was also a monument to such men as Darcy McGee, who was the pioneer leader in bringing about confederation. McGee, to a much greater extent than Macdonald, Tupper, Brown, Mowatt, Cartier and others, was international in the sweep of his vision. The actual existence of Canada's national Parliament dates back to the year 1860, when the late King Edward, then Prince of Wales, came from England to lay the cornerstone. It is interesting now to note that there was strenuous opposition to Ottawa as the Dominion capital; had it not been overcome, some other Candaian city would have been chosen as the seat of government, just as Georgetown, in all probability, would have been selected as the capital of the United States, had not Washington, Jefferson and Madison insisted on the present location.

The Canadian Hall of Fame will be devoted mainly to Canadian patriots, but it will also recognize some international figures. The Canadian Committee will aim to avoid the chief faults discernible in Westminster Abbey. The deans who guard posterity, and who decide who shall or shall not rest in England's famous Pantheon, were startled recently, when revising the names of the celebrities interred there, to find several whose family trees it was quite impossible to trace and whose title to fame could not be discovered. There was no more record of these persons than if they had walked in from the street and registered. The Canadian Committee will

not waste space on mere titles and patents of nobility. Only merit will count in our Hall of Fame. Knighthood is no longer in flower in the Dominion, for the law of 1918 prohibits any citizen of Canada—with the exception of war veterans—from accepting any decoration or title from any source.

There will, of course, be differences of opinion as to who should be among the first to have their statues niched in the new Hall of Fame, but some there are whom the Canadian nation, by common consent, will wish to honor. These will include the Confederation's first Prime Minister, Sir John Macdonald; the Hon. Edward Blake, founder and leader of the Liberal Party, and the empire's foremost lawyer; Darcy McGee, already mentioned, statesman, poet and orator; Baron Thomas Shaughnessy, head and largely the creator of the Canadian Pacific Railway; Sir William Osler, one of the world's foremost physicians and scientists; Sir Wilfrid Laurier, famous orator, for forty years in Parliament and for fifteen years Prime Minister of the Dominion; Dean Harris, scientist, geologist, theologian and author; Sir Charles Tupper, distinguished parliamentarian and empire-builder.

What will the Hall of Fame be like? This Dominion Court of Honor in the finest parliamentary building in the world will stretch from the Memorial Tower, which rises 300 feet above the main entrance, directly across the entire structure, to the Library at the rear, which overlooks the "Lovers' Walk," the Ottawa River and the Gatineau Mountains beyond. Flanked on the east by the Senate Chamber and on the west by the House of Commons, the Hall is about 300 feet long and 30 feet wide. The whole is adorned with a barrel-vaulted marble ceiling. The Dominion is proud of the fact that the material for the whole building was found within its own boundaries, with the exception of small quantities of Tennessee marble and Vermont granite used for color-blends, and of teakwood and ebony from distant India and Africa, used for finishing. The estimated cost of the Parliament Houses, in which the Hall of Fame is lodged, is approximately $10,000,000.

In the Memorial Tower will be preserved the fame of Canada's soldiers in the great war. A special war chamber in this tower will contain the names of the entire Canadian Expeditionary Forces, and here will be inscribed with due recognition the names of the 65,000 Canadian heroes who sleep in Flanders fields.

TREATY DAY WITH THE CANADIAN INDIANS

ONCE yearly there takes place in the far northland of Canada one of the most picturesque of scenes, an event which is historic, but of which the outside world has heard nothing, probably because few travelers enter the region. This annual event, known as Treaty Day, has been repeated yearly for a little over half a century, and will probably continue for countless years to come. Treaty Day is the day on which a member of the Canadian Government ratifies an agreement with the nomadic Indians of the far northland. In payment for taking over the Indians' lands, the Government, during the reign of Queen Victoria, promised as follows:

> Her Majesty agrees that each chief after accepting the treaty shall receive a silver medal and a suitable flag, and every third year thereafter shall also receive a suit of clothes.

The headman of each band also receives a suit of clothes. To every common member of the tribe the sum of $5 is given; the chiefs receive $25 and the headmen $15 each. There are also given to each person ammunition and material for net-making to the amount of $1 per person. The treaty adds that this agreement shall be ratified "forever and aye."

The meeting places agreed upon—generally the site of some trading post on the bank of one or other of the great northern rivers—are yearly visited by the Indians upon a set date. Here, upon the open plain, the Government agent stands, surrounded by the Indians. Upon a box or table lie huge bundles of $1 and $2 bills; bills larger than these are not looked on

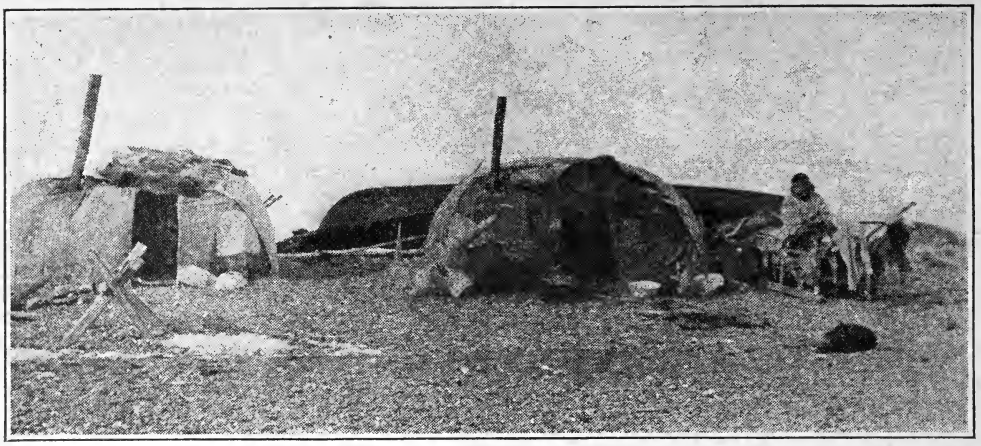
(*Photo Francis Dickie*)

INDIANS OF NORTHERN CANADA WAITING TO RECEIVE TREATY PAYMENT FOR THEIR LANDS. THESE PAYMENTS ARE MADE BY THE CANADIAN GOVERNMENT EVERY YEAR AT VARIOUS POSTS IN JUNE AND JULY

with favor by the Indians. Beside the money lies a book in which the names of all the tribesmen are inscribed. According to their standing in the tribe, the men and women come forward; first the grave and dignified chiefs, next the headmen, and then the younger tribesmen and squaws with their papooses.

The Indian agent, who is always a man familiar with the Indians from long years of dwelling in the north country, and who generally speaks several native languages, knows a great many of the people by sight. For one and all, as he makes the allotted payment, he has a kind word and question as to their welfare. Sick members are inquired about, and medicine is sent to those whose cases the agent can diagnose from hearing a description of their ills. Once in a while some squaw, unaware of the system of the white man, tries to carry out a mild fraud. Gathering around her several children belonging to other mothers, she marches them up to the agent along with her own one or two children, and unblushingly pretends that they are all her own. If she could succeed in this fraud, it would be very profitable for her, as $15 is paid her for each child. But in his book the white man has her name, and the fact is noted that last year she received treaty money for only two children. So now, when she presents herself with five, the agent points out that though such a rapid increase to the family would no doubt have gladdened the heart of the late Mr. Roosevelt, the Canadian Government cannot possibly accept the view that any woman can have three new children in one year, particularly as several of them are three or four years old. So the ambitious lady finds that the white man has some knowledge that is beyond her reckoning, and goes sadly away.

Annually about $100,000 in $1 and $2 bills is paid out to these nomadic Indians for the Government's use of their land. Since the land thus paid for yearly was never owned by the Indians, in the white man's sense of the term, and since the Indians roam as freely today as they ever did, with their hunting, fishing and trapping rights absolutely unrestricted, the Government's treatment is indeed generous. As this land will probably always remain much as it is today, the clause which says that the treaty shall be ratified yearly, "forever and aye," bids fair to be fulfilled. Each year, certainly, when the ice goes out on the northern rivers, and for a very long time to come, will see the Government agent on his way with his wooden boxes full of bills to pay the money promised by the "Great White Queen" more than half a century ago.



(*Photo Francis Dickie*)
TYPICAL SUMMER HOME, OR TUPIK, OF THE ESKIMOS IN THE HUDSON BAY DISTRICT OF NORTHERN CANADA

THE ESKIMO OF TODAY

By Francis Dickie

TO those who have imagined the Eskimo in the Canadian arctic regions as a fairly numerous race, it may come as somewhat of a surprise to know that, according to the latest Mounted Police census, the entire Eskimo population in the Hudson Bay district was only 1,107, made up of the following tribes: Kenipitumiut, Padlingmiut, Shaunuktungmiut, Avilingmiut, Iglulingmiut, Nechillingmiut. The first-named tribe is today practically extinct. Probably four of the tribe might be found after a careful search of the Hudson Bay region near to the coast. The tribe of Iglulingmiut has also lost its identity as a separate body through absorption by the Avilingmiuts. There are several other tribes throughout the vast arctic stretch of the Canadian northland that do not come within the population figures given above. Some of these Eskimos on the Pacific side of the continent are very primitive, living almost like men of the Stone Age. It is, therefore, impossible to make an accurate census, but with the available data, supplemented by the estimates of Mounted Police and missionaries, it is safe to say that the entire Eskimo population of Canada today does not exceed 3,000 persons, if indeed the number actually reaches this figure.

From years of contact with whalers, exploring parties and visiting scientific men, the Eskimos on Hudson Bay and along Coronation Gulf and Beautfort Sea on the western side of the continent have become to some extent modernized, so that they know the use of guns and many of the white man's tools. They have also formed a taste for tea and sugar and tobacco; tea and tobacco are specially prized. Some of their Summer homes, or tupiks, have stoves; if not a whole stove, at least a stovepipe. The stovepipe is a valuable article of trade among them, and where there is no stove to go with it, it is still put through the roof to carry off the smoke from the oil lamp, as well as to waft away the varied and wonderful odors common to a people living under these conditions.

In spite of adopting many things from the white man, however, the Eskimo still remains much like his forefathers. Living by hunting in a land of almost eternal frost, drinking blood and eating meat almost entirely, mostly very fat and often rancid, the Eskimo, as might be expected, is not overly clean. What little water he does use is melted at great labor over a stone bowl filled with seal oil, for which a bit of dry tundra moss serves as a wick. But for all his savage diet, and his not unnatural uncleanliness, the Eskimo is one of nature's noblemen, and has been spoken of favorably by every explorer, scientist, and whaler who

has come in contact with him. It may safely be said that the majority of these men have found the Eskimo superior to the Indian in business honesty, in ability to cope with his environment and as a companion.

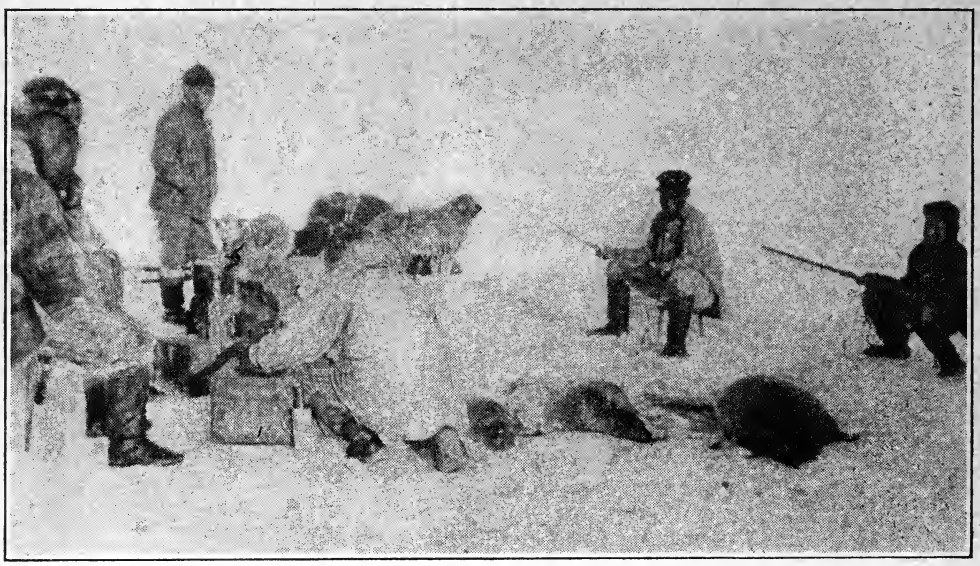
A particularly interesting and almost unique thing in connection with the modern Eskimo is that though none of the natives of the northland had a written language a hundred years ago, they have one today and books are published in it. This written language is phonetic, and was invented by a missionary named Evans. Nearly a hundred years ago Mr. Evans came out from Scotland to the settlement of Selkirk, a Red River trading post in what is now Manitoba, Canada. After years of personal contact with various tribes of Indians, he created this written language, which was so successful that slowly it spread westward and northward to the shores of the Arctic Ocean and the Pacific, until today the illiteracy among natives of the northland in proportion to the population is less than that existing in some of the cities of civilization. The principal books published are Bibles and hymn books; the hymns appeal to the Eskimo particularly.

(*Photo Francis Dickie*)
AN ESKIMO BELLE
Partly in the garb of civilization, partly in that of the northern wilds

The Eskimo religion, if such it may be called, is a great collection of myths, with a vast and complicated system of things taboo. To a white man it is difficult to comprehend how these people can remember all the things they must not do at certain times, all the rites to be observed and all the spirits that have to be propitiated.

A brief recital of a few of these is enough to show how hard, after all, is the way of the good Eskimo who lives up to his beliefs. When the men are away hunting sea animals, such as the walrus, seal or polar bear, the women must do no work on the hides of land animals. Also when the men are hunting land animals, such as the caribou, musk-ox or white fox, the taboo works in the opposite way. The men must do no work on iron for three days after hunting the polar bear. This is a modern taboo, arising since contact with the white men. The first seal killed must not be brought through the door of the dwelling, but through a special hole cut for its entrance. Before bringing the seal in a knife is run into its dead eyes to prevent its soul from seeing the interior of the home. It is very often difficult to understand the Eskimo's explanation of certain things. When the men are hunting on the ice, the women must not touch any of the bedding in the dwellings, for fear of causing ice cracks to open and thus cut the men off from land by open water. But one could go on for dozens of pages and still overlook some of the minor taboos.

The Eskimo idea of a future life is very vague, but in many ways it resembles the Indian conception, in that it is believed that the body still lives on and retains its corporeal wants. These wants are always supplied abundantly by the relatives of the deceased. When an Eskimo man dies, his body is carefully wrapped in fur. It is then buried under a great cairn of stones, probably for the reason that the ground is always frozen too hard to permit of grave digging. Around the grave are placed all the possessions of the deceased—guns,



(Photo Francis Dickie)
AN ESKIMO HUNTING PARTY PREPARING A MEAL AFTER A SUCCESSFUL SEAL HUNT ON THE ARCTIC ICE IN THE FAR NORTHERN REGION OF CANADA

canoe or kyak, his lamp, cooking utensils and other objects destined for the chase or for domestic use. Among the stones is erected a tall pole, at the top of which are placed some rags or moss. This "flag" by blowing in the breeze fends off evil spirits. For five days after the man's death his nearest of kin, generally the oldest son, goes daily to the grave and holds a one-sided conversation with the corpse. This is to keep the spirit from getting lonely, for it is not supposed to leave its earthly shell until five days after death. At the end of this time the communications cease. The goods of the dead man may then be removed, as these are needed only for the few minutes consumed by the spirit in making its journey to the next world. The kyak, rifles, tools, cooking utensils, &c., may be disposed of by relatives of the deceased to Indians or white men, but on no account to any other Eskimo. In case no whites or Indians happen to be in the vicinity, the things are destroyed. If it is a woman who dies, or a young person of either sex, these rites are not adhered to, as women and children are too inferior to receive such attention.

The principal deity of the Eskimo is Nuliaok. Unlike most deities, Nuliaok is conceived to be of human origin. Around this beautiful Eskimo maiden is woven the Eskimo myth of the creation of the water animals, and the origin of the different races of people. The first tale is a very interesting one. The second story is also interesting, but, like many of the Eskimo legends, deals with matters impossible to reproduce in print. Many of the Eskimo religious rites, known as the Angekok, are of a highly improper order, judged by European standards, though seemingly accepted with all naturalness by the primitive Eskimo. The missionary influence, of course, has caused a cessation of many of these rites in recent times.

Nuliaok, according to the first story, was a beautiful Eskimo maiden living on the shore of Hudson Bay. Nourak, the god of the gulls, fell in love with her. But Nuliaok's father, Anautclick, was opposed to the match. One day when the father was away the gull, in the form of a beautiful young man, came for Nuliaok and carried her away in a boat. When Anautclick arrived home, he at once set off in pursuit in his kyak. Being a very swift paddler, he quickly caught up with the eloping pair, who were riding in an oomyak, or family boat, which was much harder to row, owing

(Photo Francis Dickie)
AN ESKIMO GRAVE IN THE FAR NORTH, WITH THE CANOE, GUN AND OTHER BELONGINGS OF THE DEPARTED. THE POLE IS ERECTED TO DRIVE AWAY EVIL SPIRITS

to its greater size. Just as Anautclick came abreast, the cowardly gull, instead of defending his loved one, changed back to his original shape and flew away. Nuliaok was then forced to climb into her father's boat. He started paddling home with her, leaving the oomyak to drift away.

The god of the gulls, however, controlled the storms, and in revenge immediately caused high winds to blow and the sea to rise. Anautclick's little kyak was not built to carry two people, so to save himself he threw his daughter overboard. But Nuliaok clung desperately to the boat's side, threatening the frail craft with capsizing. In anger and fear, her father drew his knife and slashed off the first joints of her clinging fingers. These dropped into the sea and from them sprang the race of Natchuk, the hair seal. Still the girl clung on. Next the father slashed off the fingers to the second knuckle, and from them came Oog Joug, the ground seal. When she still clung on, her father cut off the rest of the fingers to the last knuckle, from whence sprang Ivik, the whale. Then Nuliaok sank to the bottom of the sea, where she became the goddess of the sea animals. To her all the souls of animals go after death.

Though the Eskimo population is much smaller today than fifty years ago, it cannot be said that the Eskimo is a passing race, but rather one in which the number remains almost stationary. Much intermarriage has occurred with whalers in the last half century, so that today you will find Eskimo children with kinky hair and a chocolate complexion, explained by the fact that the father was a negro deckhand on one of the visiting ships. There are also children who are half Norwegian, half American or half Scotch; in fact, these Eskimo children are halved with almost every nationality in the world, for the crews of whalers are a mixed lot. Perhaps the interfusion with blood from other parts of the world will help to perpetuate this simple, kindly race of people. Though the main Eskimo branches have now been known to white men for several centuries, there are still some small detached tribes in the extreme north that have had almost no contact with white people, and who yet remain to be investigated by ethnologists.

TREATING INCOMING ALIENS AS HUMAN BEINGS

By Frederick A. Wallis

United States Commissioner of Immigration for the State of New York

The stirring and deeply human story of Ellis Island and of the improved methods now used there—What is being done to bar out unfit immigrants and to make the others happier—Pathetic scenes at the gateway of the nation

NOTHING more affects the political, social, economic and industrial conditions of this nation than the foreign-born, and no problem is greater than that of the immigrant. He is the most vital, the most profoundly serious subject that confronts Congress today. Our problem is the immigrant, not immigration. The widespread antagonism to immigration unquestionably lies in the lack of a true understanding of its importance to our present economic system. The problem of the immigrant himself, both socially and economically, can best be met by scientific selection, intelligent distribution, and broad assimilation.

Europe has ninety-one persons to the square mile more than the world's average, while North America, peculiarly blessed with earthly resources of great wealth, has thirteen persons to the square mile less than the earth's average. It requires no science of logarithms and differential calculus to estimate that, even should immigrants come to this country at the rate of a million per annum, it would require centuries to bring about an equality with Europe in the matter of population to the square mile.

It is quite obvious that in view of the great number who would like to come, there is no reason why this nation should not have the privilege of picking its 1,000,000. In other words, we can skim the cream off European immigration, taking the finest and the best, and still have more immigration than the ships can possibly handle, should we desire the maximum. Alarmist statements, either by the open door advocates or the total exclusionists, will, in my opinion get us nowhere along the path of a correct solution of the important problem of immigration. The immigrant is here, has always been here, will always be here. The nation itself is largely the work of his hand and brain. He founded the country, cleared the forests, developed its resources, fought for it, died for it, and the last war proved that the new immigrants were not greatly different from the old.

Face to face with the immigrant on Ellis Island, day in and day out, a business man learns to look upon immigration as a very simple business proposition after all. As one looks upon the upturned faces of the great throng of aliens in the inspection hall and finds all eyes fixed upon the desk of the inspector as

FREDERICK A. WALLIS
Commissioner of Immigration

though it were some holy shrine of deliverance, one's mind turns back countless pages of history to the chapter of Genesis, which tells how Cain crossed over into the land of Nod; or to the book of Exodus, when the Israelites fled Egypt; or to that chapter in our own national history about the Pilgrim fathers. It is the same old story; the immigrant of today is coming here to better his condition. To let him do so without lowering our standards of living is the whole question, and it is the purpose of this article to discuss the methods with which the nation has equipped its immigration service to meet the task.

At the nation's main gateway on Ellis Island, the Government, at a cost of many millions, has established its immigration station. There are two main buildings, one for inspection and detention of immigrants, the other a hospital for treating or holding under observation the mentally or physically defective. The hospital is under the direction of the Public Health Service, a bureau of the Treasury Department. The immigration building is a part of the immigration service, which is a bureau of the Department of Labor.

When immigrants arrived in New York Bay, those of the steerage class are taken to Ellis Island. The cabin passengers are inspected aboard ship, and if passed on preliminary inspection are permitted to land directly from the ship without having to go to Ellis Island. But if there is a doubt about the admissibility of a cabin passenger he, too, must be taken across the bay to the immigration station for closer inspection.

When the immigrant lands upon Ellis Island he, or she, is taken first to the medical inspection rooms. Lined up in single file, the aliens appear one by one before the doctors, who stand ready to look them over. These doctors wear the khaki-colored uniforms of the army and are thoroughly informed upon all matters of medical science, particularly upon the maladies which disqualify, under our laws, an alien seeking admission to the United States. By turning back the eyelids of the immigrant the doctors make inspection with a view to detecting trachoma, a most common stumbling block of the alien at our gates in point of physical fitness. The scalps of the aliens are closely inspected with a view to detecting favus and ringworm. Never have we had so many scalp cases. Because of the contagious nature of these diseases many aliens are denied entrance to our country. Cripples are carefully studied to ascertain whether they may or may not become public charges, and mental defectives are promptly certified and barred. But a real, thorough examination of the alien will never be made until our Government orders every alien stripped and examined physically from head to foot. Only suspicious cases, showing some outward sign of inward disability, are stripped, and many of the great social loathsome diseases go by undiscovered.

METHOD OF INSPECTION

Having passed the medical inspection, the line of aliens proceeds upstairs to the great hall of inspection. Some twenty or thirty tall desks stand in a row at one end of this large room; behind each desk are an inspector, an interpreter and a guard or matron. This little group composes a court of preliminary inspection. To them is entrusted the task of measuring the law to the immigrant. This duty is not as easy as it may seem. The immigrant must be registered; his passport must be carefully scrutinized to see if it has been properly issued by his own Government and whether it has been viséd by the American agent nearest his home and again by the American Consulate at the port of embarkation. It must be borne in mind that we are still enforcing the wartime regulation about passports and will probably continue to do so for a long while to come, because it is by this means only that we can practice any handpicking on the other side, where it is so essential.

We are presented with hundreds of passports whose visés are "faked"; our Government revenue stamps upon them are also often counterfeit. Counterfeiters and producers of fake visés are working overtime in Poland, Greece and Italy, and many immigrants are heartbroken at this station to find that they are scheduled for immediate deportation because of imperfect passports or visés. The long trip has been made and all their money has been spent with the sole result that they are rejected at the gateway.

Then the literacy test must be applied. The immigrant must show that he can read

forty words of some language. It is not required that he read English, but any language he may select, or any dialect. Psalm texts, or some of the books of the Old Testament, are usually handed to the immigrant, printed in whatever language he may select, and if he fails to read the requisite amount he is held for further examination by what we call a Board of Special Inquiry. The literacy test does not apply to children under 16 years of age, for it is assumed that they will be sent to school under the system of whatever State may be the future home of their parents.

The immigrant must answer the preliminary inspector's question as to whether he is under contract to do any kind of work in this country. This we call the contract labor law, and so rigidly is it enforced that if an alien should say that a friend or relative had written him, saying he could get employment at any specified place for any specified pay, the alien is held as a contract laborer under the law, and is detained for the Boards of Special Inquiry to deal further with his case.

Under the classification "liable to become a public charge," a great majority of the women and children now coming to the United States have their greatest difficulty in passing. Herein lies one of the many inconsistencies of our immigration laws. If a person shows that he or she has positive assurance of a means of making a living, the contract labor law is a pitfall. If that person shows that he or she has no such means of earning a living, then comes the danger of being classed as liable to become a public charge. Both requirements are necessary, even though they seem to be absurdly inconsistent.

It is quite the fashion to find fault with our immigration laws, but my observation has been that this criticism is due mainly to popular ignorance of the letter of the law. With a few exceptions, such, for instance, as the literary test, which was passed by Congress under wartime stress over the veto of President Wilson, and which had been vetoed by two other Presidents, Cleveland and Taft, the close student of our immigration laws will find little to criticise and much to approve. Outside the literacy test, which is alleged by many to be nothing short of a farce, the national immigration law could hardly be improved, if vigorously enforced in letter and in spirit. Under the law at present we are empowered to exclude the following classes of aliens:

> All idiots, imbeciles, feeble-minded persons, epileptics, insane persons; persons who have had one or more attacks of insanity at any time previously; paupers, professional beggars, vagrants; persons afflicted with tuberculosis in any form, or with a loathsome or dangerous contagious disease; persons who have ever been convicted of any crime or misdemeanor involving moral turpitude; polygamists, or persons who practice or believe in polygamy; anarchists or persons who believe in or advocate the overthrow by force or violence of the Government of the United States, or of any Government, or persons who affiliate with organizations founded upon such beliefs; prostitutes, or persons coming into the United States to practice immorality; persons likely to become a public charge; persons whose passage is paid for by any corporation, association, society, municipality, or foreign Government, either directly or indirectly; stowaways, except that any such stowaway, if otherwise admissible, may be admitted in the discretion of the Secretary of Labor; all children under 16 years of age unaccompanied by, or not coming to one or both of their parents, except in the discretion of the Secretary of Labor.

In addition to the foregoing classes that are excluded, we have what we term the barred zone by which Asiatics in a certain territory are excluded. In the case of the Japanese, we have "the gentlemen's agreement," by which Japan agrees to give no passports to the laboring class of emigrants from that country to the United States; this agreement serves as an eliminator, with the exception of teachers, merchants or professional men.

EXCLUDING THE UNFIT

Of exemptions there are many, and the discretionary powers given to the Secretary of Labor have a wide range. All immigrants excluded by our Boards of Special Inquiry, unless mandatorily excluded, have the right under the law to appeal to the Secretary of Labor. They may employ a lawyer, if they desire, but the lawyer is allowed to charge a fee of only $10, and few of them find it profitable to practice in the immigration field. Inspectors and employes on the island give their services gladly in this ministry of filing appeals in Washington, and the records show that 95 per cent. of the appeals are granted, leaving only such

(© Underwood & Underwood)

YOUNG IMMIGRANTS OF A VIGOROUS AND DESIRABLE TYPE RECEIVING A HOLIDAY DINNER ON THEIR ARRIVAL AT ELLIS ISLAND

deportations to be executed as are mandatory under the terms of the law.

That the Boards of Special Inquiry are strictly applying the immigration laws on Ellis Island is witnessed by the large number of detentions, crowding the buildings far beyond their capacity, with all the consequent evils of congestion. That strong pressure is brought to bear upon Washington, oftentimes by political influence, on behalf of the detained and excluded ones, is witnessed by the large number of "excluded" let out temporarily upon bonds and by the few who are ultimately deported. The percentage of deportations in comparison with arrivals during the last year has been running less than one per cent., although the number of "exclusions" by the Ellis Island Boards of Special Inquiry have amounted to thousands.

The public has doubtless noted that several of the bills recently introduced in Congress to regulate immigration provide for a change in the exercise of this discretionary power by appointing a high court, or commission of immigration, whose sessions would be held at the immigration station, and whose privilege it would be to see personally each alien who appealed for exemption under the selective tests or asked for temporary admission. Herein lies one of the problems of immigration. No two immigrants are exactly alike. The personal equation must be recognized. I believe the most practicable and businesslike method would be to designate the Commissioner of Immigration at Ellis Island as an Acting Secretary in appeal cases, so that he could personally pass on doubtful or excluded cases. He would have the immigrant in person before him; this would afford a better opportunity for more thorough and effective examination; furthermore, the heads of the Boards of Special Inquiry, or any of the Ellis Island officials, could be called in for conference, and the immigrant given every chance to prove his case. This would immediately relieve the congestion at Ellis Island. Above all, it would make for efficiency in service. It hardly seems reasonable that appeals should be forwarded to Washington when some competent official at Ellis Island could be entrusted with this function of the law. Appealing to Washington has often delayed the admission or deportation of the immigrant a month or longer.

THE ILLITERACY TEST

Some idea of the difficulties of applying the law to aliens may be gained by scanning the exemptions to certain of the selective tests. Let us consider the exemptions in the literacy test, for instance:

(© International)

A STUDY IN FACES OF IMMIGRANTS PHOTOGRAPHED AT ELLIS ISLAND WHILE THEY WERE BEING ENTERTAINED BY FOLK DANCES INSTITUTED BY COMMISSIONER WALLIS TO CHEER THE HOURS OF WAITING

The following classes of aliens over 16 years of age are exempted by law from the illiteracy test, or from the operation thereof, viz.:

Persons who are physically incapable of reading.

Persons of any of the following relationships to United States citizens, admissible aliens, or legally admitted alien residents of the United States, when such persons are sent for or brought in by such citizens, admissible aliens, or admitted aliens: Father, if over 55 years of age; grandfather, if over 55 years of age; wife, mother, grandmother, unmarried daughter, or widowed daughter.

Persons seeking admission to the United States to avoid religious persecution in the country of their last permanent residence.

Persons previously residing in the United States who were lawfully admitted, have resided here continuously for five years, and return to the United States within six months from the date of their departure therefrom.

Persons in transit through the United States.

Exhibitors and employes of fairs and expositions authorized by Congress.

Agricultural laborers from across the border of Mexico or of Canada.

A most effective way of evading the rigorous tests of our immigration laws is for the foreigner to come as a seaman. The door is thus open for all kinds of undesirable aliens to arrive in this guise. The desertion of seamen has been very heavy. The steamships of one nation reported to me last week that in less than ninety days 2,000 seamen had deserted their ships at this port. A ship's crew, made up of Arabs, Turks and Armenians, lost seventy-three of its number while here. It is doubtful if any of them would have been admissible under our immigration laws.

Desertion has been so heavy of late that it has been necessary for the immigrant inspectors to examine the seamen between the Quarantine Station and the piers at Manhattan. Before the ship can make fast to the pier these seamen rush from the boat like rats from a burning building. They run off the ship, swing out to the pier by the use of ropes, and resort to almost any hazard to go ashore, where they are lost in the great crowds upon our streets. If we continue to inspect seamen at the same rate as they have been coming to us in the last six months, we will actually inspect 800,000 seamen in this port during 1921. Some forty-three Chinamen were recently picked up and deported as seamen deserters.

Under these exemptions thousands of illiterates have been admitted to the United States, while just 1,810 were deported during the fiscal year ended June 30 last; 1,639 of them excluded at ports of entry throughout the whole country and returned to countries whence they came, and 171 deported under warrant, after having gained entrance to the United States. When this illiteracy test was passed over the President's veto, the main argument advanced in its favor was that it would prove a great factor in restricting immigration. But experience has proved that as an eliminator it has been a failure, and it has in-

(© Underwood & Underwood)

TYPICAL GROUP FROM A SHIPLOAD OF GREEK IMMIGRANTS THAT INCLUDED 300 YOUNG WOMEN WHO HAD COME TO THIS COUNTRY TO MARRY MEN WHOM THEY HAD KNOWN ONLY THROUGH THE MEDIUM OF LETTERS AND PHOTOGRAPHS

flicted unspeakable hardships upon a few by separating parents and children, brothers and sisters, while thousands of illiterates have been admitted under the exemptions, or under bond.

It is difficult to see how the most ardent and sincere champion of the literacy test could ever believe that it would be effective as a factor in keeping out the mean and malevolent immigrant or dangerous radical. The latter class will usually be found among the educated foreigners. We recently deported one group of communists from Ellis Island consisting of twenty-three men and women. Each one of them could read in from three to five different languages, and pretended to know the theories of Karl Marx by heart and backwards. On the day of their departure from Ellis Island, my attention was called to the case of a big, honest, strong-armed, blue-eyed Czechoslovak blacksmith, who had been excluded because he could not read. He could shoe a horse, and was a wheelwright, besides, and he had brought his young wife and two children to this country, hoping to find honest work and learn the English language. His wife could read, but he could not, so he was sent back while the wife and children were admitted, in the care of a brother of the unhappy husband. Leaving Ellis Island, this man vowed that he would learn to read forty words and return.

On another occasion my attention was called to a young Jewish woman, who had been parted from her brothers and sisters and ordered deported because she had failed to pass the literacy test. She was sobbing aloud in the hallway near my office. I inquired of her why she had never learned to read, as her sisters and brothers had done. I ascertained that she had to stay at home and work to educate the sisters and brothers. I could not help feeling that she was the worthiest one of the family, even though she had to be parted from them and sent back to a homeless, friendless land.

The record of arrivals, debarments and deportations under warrant recorded at Ellis Island for the last ten months of 1920 and the first two months of 1921 shows that immigration steadily increased from about 30,000 in March, 1920, to about 75,000 in October of the same year, and decreased from about 61,000 in November, 1920, to about 35,000 in February, 1921. The immigration in these twelve months

totaled 647,414. The number of debarred and deported in the same period ranged from about 180 to about 290, and totaled 3,200. Aliens deported under warrant proceedings rose from 59 to 142, and totaled 913. Statistics ,however, it should be remembered, have two aspects. If 60,000 to 80,000 aliens are admitted every month, about half that number are leaving the country in the same period. If about 100,000 are annually becoming naturalized citizens, their families are automatically becoming naturalized, bringing the real number up to about four times as many.

The statesman who will eventually solve the immigration problem for the American people will be the one who shows the way to speeding up industry and increasing production, making proper and effectual use of the stranger within our gates; distributing labor to the geographical location of our national needs by making those fields of industry remunerative to owner and worker, and meeting the selected foreigner half way with cordial feelings and humane treatment, thus giving to the immigrant the most practicable and sensible examples of Americanization.

Like a mighty river flowing to the ocean is the continual stream of eager and picturesque immigrants passing daily through Ellis Island. No sooner have they landed than they scatter to all points of the compass, most of them going to the cities. According to an authority, the territory where nearly 80 per cent. of them go is well defined. If a line were drawn from the northwestern corner of Minnesota down to the lower corner of Illinois, and then eastward to the Atlantic Ocean, passing through the cities of Washington and Baltimore, it would cut off less than one-fifth of the area of the United States. But contained in the portion marked off there are located more than 80 per cent. of the immigrants coming to this country. The remaining 20 per cent. are divided between the Southern States and those west of the Mississippi River. Only about 3 per cent. percolate through to the Southland.

Perhaps our greatest problem in immigration is the absence of authority or system to send the alien not only where he is most needed and could make most money, but where he would find more favorable conditions under which to raise his family, thus building a happier, stronger and more contented America. We must interpret to the foreigner the better things of life, and we must interpret them in terms of fairness and good will. The assimilation of the immigrant, his absorption into our life, is a slow process. Americanization can be best achieved through the force of environment, night schools, better living conditions, sufficient wages, hours which guarantee a healthful life; in other words, Americanization is for the most part an economic problem. You cannot any more force Americanism down an alien's throat than your minister can cram religion down your throat. Americanization is a work of patience, not pressure.

CHEERING UP THE NEWCOMERS

It was Summer when I assumed charge at Ellis Island. There was no place for recreation or diversion. I immediately directed that the people be put outdoors, where they could see the skyline of the city, watch the passing of the big ships, breathe the fresh atmosphere and bask in the sunshine of a June sky. I was told that the alien did not like either the sun or the air. The real trouble was that certain employes did not like the extra work involved. Much to the surprise of every one, it was with greatest difficulty we induced the aliens to come in at close of day. When the weather grew cold, a large storage room was converted into a bright recreation hall, capable of seating over two thousand immigrants.

Out of this grew our wonderful concerts. Sunday afternoons we have the finest musical and operatic talent that New York affords. The impression the concerts make upon the alien is indescribable. No more interesting study can be found than to sit before this great audience of foreigners, hailing from every port on earth, representing every nationality, every race and creed, some in laughter, some in tears. It is exceedingly fascinating and absorbing to watch these people respond as if by magic to music, the common language of the world.

Surely there has been more crying and shedding of tears on Ellis Island than in any place on the face of the earth. It is not only the most interesting spot in the world but it is also the most human spot in the

world, and it is interesting because it is human. I found men, women and children crying everywhere. Virtually it was a vale of tears. My first step, after eliminating officiousness and discourtesy, was to proceed to humanize the island and to organize it into more efficient and effective service that it might no longer be a disgrace to the world, but function to the credit and glory of our Government and to the relief of mankind.

It has been said that when you begin mixing sentiment with organization, humane motives with efficient management, you are scheduled for trouble, but that theory has been exploded at Ellis Island. It did not interfere with intelligent directions when we converted a huge storeroom into an examination section, which saved tired men and women and children the exertion of carrying their heavy belongings up and down long flights of stairs.

Humanity is the better since the rooms were cleaned up and made more sanitary and comfortable; mankind is grateful for drinking water in the dining rooms, which, I am told, had not been there for years; aliens have a different impression of America since they have been supplied daily with soap and towel, and they have also a different impression of the steamship companies since we have insisted that breakfast be served when they are called at 5 o'clock in the morning to be inspected; mothers, babies and little children are healthier and freer from hunger because they now have warm milk and crackers served at stated hours, day and night, on the island; life is sweeter because the immigrants now have sugar on the tables. Many of them had not seen sugar for six years. Four men were knocked out and one carried to the hospital with three broken ribs in their scramble for sugar when they first saw it in the dining room.

It does not dehumanize the immigrant, nor pamper him either, if a large auditorium is equipped with a piano, with facilities for reading and for amusement during what to him often seems an interminable detention. Fresh air is always better than foul; and music, lectures, motion pictures three nights in the week, and courteous and humane treatment are regenerating influences that change the spirits of men.

I am daily asked from what country is all this immigration coming. My reply is from the countries nearest the vessel last sailing, though I am sure the two greatest nationalities are the Jews and Italians; these are followed hard by the Greeks, Czechoslovaks, Spaniards and Northwestern Europeans. Indeed, the immigrants are coming from everywhere. There is much fine immigration in the flow; there is also much driftwood. No one watching the movements of the world can doubt that there is a mighty stir among the peoples of the globe, and that America is the goal of their ambition and the fulfillment of their dreams.

LETTING IN THE RIGHT ONES

The problem in immigration is to see that no one gets into this country who should not get in, and also to see that no one is kept out who should get in. Recently an eminent immigration official of Canada made the statement that 15,000,000 non-English-speaking people would like to come to Canada. The Canadian Government is restricting immigration from Central Europe, Russia and Poland. It is actually spending money to keep people away, and has agents in such centres as Havre and Antwerp. All this affects greatly the United States. Unquestionably, much of our immigration is composed of people whose ultimate aim is to cross the invisible line that separates us on the north.

Steamship companies have been bringing to this port large numbers of aliens, who have to be detained under our immigration laws. It has been found necessary to hold 85 per cent. of all steerage arrivals from some steamships. We had 1,100 aliens on three ships who had less than $1 each, and 1,700 who had less than $20; one woman, with five children, with scarcely enough on to be decently clothed, was going to Chicago with no ticket and only $1.08. I could name hundreds of cases as bad or worse. Our detention rooms and dormitories are crowded day and night, and it is only by constant attention that these rooms and their equipment can be kept clean and sanitary. Every immigrant is now given fresh blankets daily, and every precaution is exercised to prevent disease. The island was built to accommodate but one-half of the number we are receiving.

I have no war to make on the ships.

Many of our best ships come into the port clean, fresh and sanitary. But there are some ships that come in that are so insanitary, dark and filthy that they should not be allowed to stick their nose in the port of a civilized country. Not long ago I took some Congressmen on a ship which had 1,923 steerage passengers. We had been on the boat only a few minutes when every one had to make for a porthole. The stench was unbearable, and the conditions indescribably filthy. Men, women and children were sitting in the dark on the floor in the passageways, eating their supper out of a bucket with spoons. Many were eating from the same bucket. It was so dark on the boat that we stepped upon people sitting on the floor. Congress asked for our findings on this ship, and our report was recently published in the Congressional Record. We detained 983 of these arrivals at Ellis Island.

Another big ship came into port shortly after a snowstorm. The conditions on that boat were intolerable. I have sent several affidavits to Washington to the effect that no one could get drinking water in the steerage without paying for it, and that even after the ship came into this harbor and was detained several days at Quarantine, it was impossible for them to get water with which to wash their hands and faces. The only way they could wash their hands was to gather up the dirty snow in basins from the deck of the ship. There were many other inhumane conditions on the ship, which are a matter of record. Under no shipping regulations are conditions such as these warranted. Since the steerage rate has jumped from $25, before the war, to $150 in the last two years, there is not the slightest excuse for insanitary and inhumane conditions. During the rate-cutting war between the ships, immigrants could go from Berlin to Chicago for $11. Now it costs from $110 to $150 to come steerage from European ports to New York.

I have also no war to make upon the railroads. Most of the roads are now giving the aliens good accommodations. But we must bear in mind that the aliens pay the same amount for their tickets as all first-class passengers. There is no longer any third-class or immigrant railroad rate. The immigrants are certainly entitled to the ordinary conveniences of travel. I found at one station that aliens were regularly detained until 1 o'clock in the morning, awaiting the departure of the immigrant train on its westward journey. Some were huddled together in a large room upstairs over a freight pier; others outside in a pen. In neither place were there seats, drinking water, toilet accommodations, or any other conveniences. The women with children and babies had to stand or sit on the floor until the small hours of the morning. This was corrected immediately, and the train went out at 8 P. M. instead of 1:15 A. M.

CLEANING UP THE ISLAND

I found at Ellis Island an enclosure where immigrants were detained in numbers from 200 to 600. There was so much filth and dirt on the floor that one would actually slip in the slime while walking, and yet little children were playing on the floor. I called for the man in charge of that part of the building, and when I pressed the question, he told me that this floor had not been washed for probably four months.

In another room where hundreds of immigrants were detained, the atmosphere was so foul and stifling as to be sickening. When I asked the guard why he did not keep the door open, so that the immigrants could get fresh air, he replied: "If I leave the door open, the immigrants ask me too many questions."

I found mothers, children and babies crying on one of the large floors. When I investigated the cause of so much crying, I found that the babies and children were hungry. Somebody had been serving the children with sour milk and cold milk. Orders were at once issued for warm sweet milk and crackers to be served at regular hours of the day and night the year through. I found another room where many detained aliens were behind locked doors. Men, women and children were all using the same toilet.

In the dining room for immigrants, where some days over 10,000 meals are served, I observed that there was not a drop of drinking water in sight. Yet there were two hydrants, one on either side of the room. I told the waiters that those people were entitled to water, certainly to common hydrant water; that many of them

were used to light wines on the other side. When I asked why they did not turn on the faucets, their excuse was that the tiled floor around the hydrants would become sloppy. We turned on the water immediately. The immigrants were so thirsty, we could scarcely get them away from the hydrants.

One night, at about 10 o'clock, I started with a guard and a matron on a round through the dormitories. We first came to the women's dormitory, where there were probably six or seven hundred women. Every window in the room was closed tight. These alien women seemed to know nothing about how to retire. All of them went to bed with their clothes and shoes on. From there we went to the men's dormitory. All had retired except two or three who were in one corner of the room washing their hands. When I inquired as to how many towels and how much soap were used daily on the island, the guard said he had been on the island eight years and that he had never seen an alien with a towel during the entire time. The next day we began furnishing every man, woman and child with towels and soap. They looked like an army of new people the next morning. Their faces were bright and they seemed to have an ambition to keep clean. Physical cleanliness always inspires moral cleanliness. A new atmosphere seemed to pervade the detention rooms.

You can make an immigrant an anarchist overnight at Ellis Island, but with the right kind of treatment you also can start him on the way to glorious citizenship. It is first impressions that count most. Two of the New York papers said recently that Ellis Island had been transformed from a house of tears to an island of sunshine. I feel that this is true.

It ought not to be difficult for a nation of our education and intelligence to frame humane laws that will exclude those who are physically and mentally and morally unfit. On the other hand, a welcome worthy of the honor and dignity of this nation should be extended to those whose energies may contribute to this upbuilding of our undeveloped communities, provided always they are in sympathy with American ideals. Above all things, I believe that this great immigration question should be protected from the manoeuvring of politics, because it is from the standpoint of policy too important and from the standpoint of humanity too sacred to be exploited by partisan or private interests.

Revision of the system of handling these people is needed before this nation can be assured of getting the better class of immigrants. Some method of preferential selection must be immediately put in operation at the ports of embarkation. There is nothing so inhuman and certainly nothing so unbusiness-like as to bring millions of people to America and begin here the process of sifting the chaff from the wheat or separating the dross from the gold. I believe that 90 per cent. of the "culling" process could be done on the other side at the ports of embarkation.

WRONGS DONE TO IMMIGRANTS

Every day is Judgment Day for many people at Ellis Island, and the great final day of assize will not disclose sadder scenes than we see daily enacted at this station. Families are being cut in twain, husband and wife separated, children taken from their parents, or one taken and the other left. It is all wrong.

These people have been saving for years, denying their families many little luxuries in order that they might get together sufficient funds to come steerage. After years of sacrifice and saving, they come to this port only to be sent back to Europe. And sent back to what? Literally to the devil and his angels. Europe is worse off today than during the war. These people go back with no home, no business, broken in pocket, and, a thousand times worse, broken in spirit. No one can ever picture the scenes of anguish of spirit that we see at this port. We frequently find it necessary to carry people bodily from the building and put them on the ship, many of them going into hysterics and threatening to jump overboard.

It is said by many that the other nations would not permit us to come to their shores and pick the desirables from those seeking emigration to this country. If this policy were adopted, either through diplomacy or legislation or both, I believe it would be only a short time before public opinion in those countries would so assert itself that the nations would be asking us to send our doctors and our inspectors to their ports.

Inspection over there is infinitely better than rejection over here. The day must come when there will be a change in this inhumane and unbusinesslike system of bringing the immigrant to our shore.

A most effective way of evading the rigorous tests of our immigration laws is for the foreigner to come as a seaman. The door is thus open for all kinds of undesirable aliens to arrive in this guise. The desertion of seamen has been very heavy. The steamships of one nation reported to me last week that in less than ninety days 2,000 seamen had deserted their ships at this port. A ship's crew, made up of Arabs, Turks and Armenians, lost seventy-five of its number while here. It is doubtful if any of them would have been admissible under our immigration laws.

Desertion has been so heavy of late that it has been necessary for the immigrant inspectors to examine the seamen between the quarantine station and the piers at Manhattan. Before the ship can make fast to the pier, these seamen rush from the boat like rats from a burning building. They run off the ship, swing out to the pier by the use of ropes, and resort to almost any hazard to go ashore, where they are lost in the great crowds upon our streets. If we continue to inspect seamen at the same rate as they have been coming to us in the last six months, we will actually inspect 800,000 seamen in this port during 1921. Some forty-three Chinamen were recently picked up and deported as seamen deserters.

HUNDREDS OF STOWAWAYS

Another menace that threatens the safety of the country is that of the stowaways. A book could be written upon this subject alone. The story is romantic and thrilling, Never in the history of the nation have stowaways been coming in such great numbers. Recently we have had three ships with eighteen stowaways each, two with sixteen, one with nineteen, one with twenty-three, and another with forty-three. The other day one ship came in with fifty-four stowaways.

Two stowaways recently jumped from a big ship at the Narrows. One of them was drowned. The other was picked up at Hoffman Island. After much persuading he gave some interesting information. There was a stowaway organization on the other side, he said, working from Greece out to the Mediterranean coast and up to Liverpool. This organization sells passage to the stowaways for from $25 to $30 apiece. The regular fare is $130. They stand in with the seamen, who hide the stowaways in the ship and feed them all the way across the sea. This stowaway further said that when his ship left Trieste they put ashore eighteen stowaways. The vessel then proceeded to Palermo. A thorough search was made there and sixteen more stowaways were put ashore. Then the ship moved up to Naples. The marines at Naples assisted the officials in searching the vessel. Fourteen more stowaways were put ashore.

This stowaway told us that twelve more stowaways could be found in the hold of the vessel. The officers of the ship, the Captain included, all refused to go down into the hold to make the search. They said that they would do so only at the risk of their lives. Finally nine policemen and detectives with drawn guns searched the ship and the twelve stowaways were brought out. When these twelve stowaways saw their comrade, who had disclosed their hiding, they said to him. "When we get you back in Naples, we'll cut your heart out." The young man began to cry. We assured him he would not be sent back with the other stowaways.

The stowaways, as a class, are made up of the scum of the country from which they come. They are, with but few exceptions, ex-convicts, criminals and degenerates. We are told that they are frequently assisted in going aboard vessels by the police officials of those countries. However, sometimes we find among the stowaways a worthy case, but to determine the admission of any of the stowaways is an exceedingly difficult undertaking.

One of the most pitiful class of cases is that of the immigrant who comes to this port believing himself fully qualified for admission, only to find, after passing the doctors and inspectors, that his passport has a fraudulent visé. There is a well-organized band of counterfeiters and forgers on the other side, who are systematically exploiting the immigrants by persuading them to pay exorbitant sums for the viséing of their passports. This includes two classes of cases: those who have been refused visés

by the American Consuls and those who come from interior points and have been waiting for weeks in line to appear at the American Consulate. The passport thieves pass along the line, persuade these people to leave it, and take them to some part of the city, where they use a facsimile of the visé stamp and the signature of the Consul. They also use counterfeit $10 fee stamps. These stamps are good imitations of the American revenue stamp, except that they are a shade off in color. Immigrants arriving with fraudulent visés must be deported, no exceptions being made in these cases. Many women and children are the sad victims of this new phase of robbery and extortion on the other side.

PROBLEMS OF QUARANTINE

One of the worst menaces in immigration is the danger of bringing loathsome and dangerous diseases from the plague spots on the other side. We are told that at the frontiers of the nations in Europe, quarantine officials are confronted by a singular problem. Most of the refugees' clothing is so rotted that it will not stand the strain of disinfection. If new clothing be not at hand, it is not less than criminal to disinfect the old. Therefore many of the immigrants cannot be made safe for society under existing conditions. If Ellis Island needs anything in the world next to a new Ellis Island, it needs a great system of baths so that every man, woman and child passing through our gateway should receive a disinfectant bath before entering the buildings. While they are being cleansed their luggage could be sterilized and made free of disease germs and vermin. This bath was required of every soldier when he returned home. Not a mother's son could enter this country until he had been washed and all his luggage fumigated.

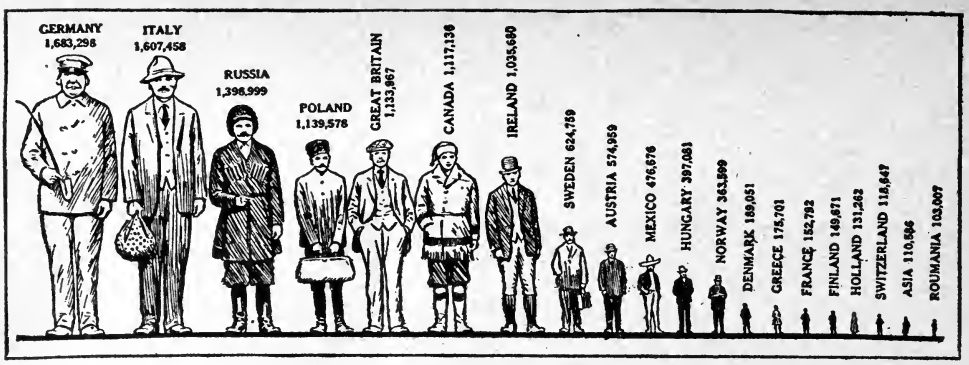
An erroneous impression seems to prevail in some quarters that the immigration authorities at United States ports are responsible for the enforcement of quarantine laws and regulations. This is not a fact. The immigration officials have nothing to do with the enforcement of quarantine laws. Our sole duty is to enforce the immigration laws after quarantine has granted "pratique" to arriving ships.

When the immigration officials have determined that an alien is eligible for admission, it is their duty to land him promptly, irrespective of his destination. The strict and impartial enforcement of the immigration law will continue to be the diligent and untiring aim of the Ellis Island officials.

As we look out over the world we see humanity stunned, bruised and bleeding, but, thank God, still free. This country has been urged to save Europe. We are willing to do what we can for humanity's sake. We must revive, recreate and reconstruct what the war has laid waste; and, more, we must feed and clothe Europe, and also furnish the money to defray the cost of relief.

Europe's plight is very grave. We had no hand in bringing it about, but we contributed very heavily in relieving it when we sent over our men to help to stop the war. The great pity is that we did not keep on till we reached Berlin, in order to settle the question decisively once for all. Congress has its hands full, but I have every confidence in the intelligence, courage and patriotism of Congress and the new Administration to safeguard America and American interests.

So far as my administration is concerned, the gates at Ellis Island swing both ways. They swing inwardly in cordial reception to the alien in sympathy with American ideals, who is willing to work and become a corporate part of the United States. But these same gates swing outwardly, eternally and impassably, to the man or woman who by word or deed would destroy the peace and tranquillity of the nation or threaten the overthrow of its free institutions.



(Graphic Diagram from the Literary Digest)

THE SIZE OF THE HUMAN FIGURE IN EACH CASE INDICATES THE RELATIVE NUMBER OF ALIENS OF THAT NATIONALITY IN THE UNITED STATES

Current Hist 1921

NEW LAW RESTRICTING IMMIGRATION

A LAW restricting foreign immigration into the United States to 3 per cent. of the foreign-born persons in this country in 1910 was passed by Congress in the closing days of the Wilson Administration, but President Wilson vetoed it by leaving it unsigned when he went out of office. The Sixty-seventh Congress has now enacted the same law, practically unchanged, and at this writing it awaits only the signature of President Harding. The House passed it on April 22, 1921, without a rollcall. The Senate passed it on May 3 by a vote of 78 to 1, the only adverse vote being cast by Senator Reed of Missouri. Numerous amendments proposed in both houses, notably a provision permitting immigration of victims of religious or political persecution, were rejected by decisive majorities.

The new law will become effective within fifteen days after being signed by the President, and will continue in force until June 30, 1922. By limiting the number of immigrants to 3 per cent. of the foreign-born persons of each nationality in the United States as determined by the census of 1910, the new law will permit only about 350,000 immigrants to land here in the next thirteen months, divided as follows:

NORTHWESTERN EUROPE.

Belgium	1,482	Sweden	19,956
Denmark	5,440	Switzerland	3,745
France	3,523	United Kingdom	77,206
Germany	75,040		
Netherlands	3,624	Total N. W. Europe	202,212
Norway	12,116		

OUTSIDE NORTHWESTERN EUROPE.

Austria	50,117	Turkey in Europe	967
Bulgaria	345	Turkey in Asia	1,792
Serbia	139		
Greece	3,038	Total outside N. W. Europe	153,249
Montenegro	161		
Italy	40,294	Total N. W. Europe	202,212
Portugal	1,781		
Rumania	1,978		
Spain	663		
Russia	51,974	Grand total	355,461

There was a frantic rush, especially in Southeastern Europe, to get into the United States before the new restrictions were imposed, and American representatives abroad reported in May that they could handle only a small percentage of the applications for visé of passports.

AMERICA'S FOREIGN-BORN MILLIONS

THE Census Bureau at Washington on April 23 gave out statistics, based on the 1920 census, regarding the persons of foreign birth now living in the United States. Our foreign-born population last year totaled 13,703,987. This was an increase of 358,442, or 2.7 per cent., over 1910. In the decade ended with 1910 the increase had been 30.7 per cent.; the greatly lessened increase in the last decade is ascribed to the almost complete absence of immigration during the war, and to the considerable emigration in the same period.

A view of the comparative standing of foreign countries in the number of immigrants sent here shows that Germany still leads with 1,683,298, though this figure means that there are now 818,035 fewer

Germans in the United States than there were in 1910. Italy takes second place in the number of her citizens now in this country; in the preceding census she was fourth. Russia has taken the third rank from Ireland, while Poland falls into fourth place. Canada is fifth, but with a figure considerbly less than in the preceding decade. Ireland's total of 1,035,680 represents a decrease of 316,571, a much greater decrease than that of the decade 1900-1910. Mexico increased its contribution of human exports to the United States by nearly 100 per cent. in the last decade, raising the total from 254,761 to 476,676. Austria, formerly sixth on the list, is now ninth, representing the second largest numerical decrease. The Census Bureau's general table of foreign-born residents, arranged alphabetically by States, is as follows:

FOREIGN-BORN WHITE POPULATION OF THE UNITED STATES

State	Foreign-Born White 1920	1910	1900	Increase 1910-1920 Number	P.Ct.	Increase 1900-1910 Number	P. Ct.
United States	13,703,987	13,345,545	10,213,817	358,442	2.7	3,131,728	30.7
Alabama	17,662	18,956	14,338	*1,294	*6.8	4,618	32.2
Arizona	78,099	46,824	22,395	31,275	66.8	24,429	109.1
Arkansas	13,975	16,909	14,186	*2,934	*17.4	2,723	19.2
California	681,654	517,250	316,505	164,404	31.8	200,745	63.4
Colorado	116,954	126,851	90,475	*9,897	*7.8	36,376	40.2
Connecticut	376,513	328,759	237,396	47,754	14.5	91,363	38.5
Delaware	19,810	17,420	13,729	2,390	13.7	3,691	26.9
District of Columbia	28,548	24,351	19,520	4,197	17.2	4,831	24.7
Florida	43,008	33,842	19,257	9,166	27.1	14,585	75.7
Georgia	16,186	15,072	12,021	1,114	7.4	3,051	25.4
Idaho	38,963	40,427	21,890	*1,464	*3.6	18,537	84.7
Illinois	1,204,403	1,202,560	964,635	1,843	0.2	237,925	24.7
Indiana	150,868	159,322	141,861	*8,454	*5.3	17,461	12.3
Iowa	225,647	273,484	305,782	*47,837	*17.5	*32,298	*10.6
Kansas	110,578	135,190	126,577	*24,612	*18.2	8,613	6.8
Kentucky	30,780	40,053	50,133	*9,273	*23.2	*10,080	*20.1
Louisiana	44,871	51,782	51,853	*6,911	*13.3	*71	*0.1
Maine	107,300	110,133	92,935	*2,833	*2.6	17,198	18.5
Maryland	102,148	104,174	93,144	*2,026	*1.9	11,030	11.8
Massachusetts	1,077,072	1,051,050	840,114	26,022	2.5	210,936	25.1
Michigan	726,214	595,524	540,196	130,690	21.9	55,328	10.2
Minnesota	485,261	543,010	504,935	*57,749	*10.6	38,075	7.5
Mississippi	8,019	9,389	7,625	*1,390	*14.6	1,764	23.1
Missouri	185,893	228,896	215,775	*43,003	*18.8	13,121	6.1
Montana	93,447	91,644	62,373	1,803	2.0	29,271	46.9
Nebraska	149,652	175,865	177,117	*26,213	*14.9	*1,252	*0.7
Nevada	14,802	17,999	8,581	*3,197	*17.8	9,418	109.8
New Hampshire	91,154	96,558	87,961	*5,404	*5.6	8,597	9.8
New Jersey	738,761	658,188.	430,050	80,573	12.2	228,138	53.0
New Mexico	29,077	22,654	13,261	6,423	28.4	9,393	70.8
New York	2,783,773	2,729,272	1,889,523	54,501	2.0	839,749	44.4
North Carolina	7,099	5,942	4,394	1,157	19.5	1,548	35.2
North Dakota	131,486	156,158	112,590	*24,672	*15.8	43,568	38.7
Ohio	678,647	597,245	457,900	81,402	13.6	139,345	30.4
†Oklahoma	39,951	40,084	20,390	*133	*0.3	19,694	96.6
Oregon	102,149	103,001	53,861	*852	*0.8	49,140	91.2
Pennsylvania	1,387,298	1,438,719	982,543	*51,421	*3.6	456,176	46.4
Rhode Island	173,366	178,025	133,772	*4,659	*2.6	44,253	33.1
South Carolina	6,401	6,054	5,371	347	5.7	683	12.7
South Dakota	82,372	100,628	88,329	*18,256	*18.1	12,299	13.9
Tennessee	15,479	18,459	17,586	*2,980	*16.1	873	5.0
Texas	360,071	239,984	177,581	120,087	50.0	62,403	35.1
Utah	56,429	63,393	52,804	*6,964	*11.0	10,589	20.1
Vermont	44,499	49,861	44,694	*5,362	*10.8	5,167	11.6
Virginia	30,784	26,628	19,068	4,156	15.6	7,560	39.6
Washington	249,818	241,197	102,125	8,621	3.6	139,072	136.2
West Virginia	61,899	57,072	22,379	4,827	8.5	34,693	155.0
Wisconsin	459,904	512,569	515,705	*52,665	*10.2	*3,136	*0.6
Wyoming	25,243	27,118	16,582	*1,875	*7.0	10,536	63.5

*Decrease. †Includes population of Indian Territory for 1900.

(Courtesy of Radium Co. of Colorado)
CRUDE CARNOTITE OR RADIUM ORE AS SHIPPED FROM THE MINES IN SACKS

THE STORY OF RADIUM IN AMERICA

BY THOMAS C. JEFFERIES

Truth about the mysterious metal, worth 180,000 *times as much as gold—Though Mme. Curie discovered it in Europe, it is now produced almost solely in the United States—Limitations of its use for the cure of cancer—Romance of radium mining*

A LITTLE over half a century ago, or, to be more definite, in the year 1867, there was born in the City of Warsaw, Poland, a woman who was destined to become world-renowned through scientific research, and especially as one of the co-discoverers of the most wonderful mineral in the world. This woman was Mme. Curie, who is now visiting the United States, and the mineral, which for the first time was isolated by her and her French husband, Professor Curie, was radium. Hence the appropriateness of the movement to raise $120,000 and present her with a gram of radium for experimental purposes.

Dr. Robert Abbe of New York has given us much interesting information regarding this remarkable woman in his book called "Madame Curie." He tells us that her father was a Polish Jew named Ladislaus Sklodowski, who was a professor of physics at the University of Warsaw. Her mother was a Swede. As a young woman she went to Paris to pursue advanced work in science. While there she led an austerely simple life combined with intensive studies, which greatly increased her store of scientific knowledge and experience. She was welcomed into the Latin Quarter, and eventually became associated with the famous physicist and X-ray investigator, Professor Henri Becquerel. While engaged with this scientist in important experiments, she met Professor Curie, then a professor of chemistry, who later became her husband. With him she became the co-discoverer of the mineral with which their name will always be associated.

Radium has proved itself so valuable in the treatment of human disease that every effort should be made to conserve it after it has been isolated. The life of radium is estimated at 1,760 to 2,000 years. Experienced surgeons say that if radium were useful for nothing else, the relief from pain it gives in certain forms of cancer makes it worth its whole cost. Radium cures some tumors which, before this substance was discovered, were successfully treated only by severe operations. That it does not cure all cancers or all tumors is beside the mark. Its value is sufficiently proved without claiming for it universal application.

The price of radium within the recent past ranged from $90 to $120 per milligram for the element contained in a salt. Since the war most of us have learned to regard the necessities of life as representing rather high standards of value when measured in terms of gold dollars; but imagine a substance that in volume and quantity is 180,000 times the value of gold, or, in other words, a substance of which a quantity the size of a five-dollar gold piece is worth $900,000! Considering, however, the hardship and the privation that both man and beast are obliged to undergo in order to obtain this precious mineral, and the long, complicated and expensive process by which the ore must be treated before its valuable residues can be secured for the use of humanity, the present writer, who spent some years in the radium fields, and who later, in the laboratory and the clinic, has seen many cases of malignant growth retarded or cured completely, has become convinced that the vast monetary value of this mineral has not been overrated.

MME. MARIE CURIE
Discoverer of Radium, now visiting the United States

Some one has told us that heaven knows how to place a proper price upon its wares. With this in mind, we may regard the almost inaccessible deposits of radium ore, their distance from such necessities as fuel, food and water, and the difficulty and enormous expense of reducing the ore to its precious content, as nature's compensatory method of price fixing.

Radium is found in quantities so exceedingly small that it is never visible even when the material is examined with the aid of a microscope. Radium ore ordinarily carries only a small fraction of a grain of radium to the ton, and radium will never be found in large masses because it is formed by the decay of uranium, a process that is amazingly slow, while in its natural state radium itself decays and changes to other elements so rapidly that it does not accumulate in visible masses.

Radio activity, or, in other words, the characteristic manner in which radium manifests its presence, was accidentally discovered by Professor Becquerel while carrying some radium in a tube in his waistcoat pocket. The burning of his body about the chest led to his discovery of the therapeutic value of the substance. Even after Mme. Curie's discovery of radium it was still regarded as a scientific curiosity until Professor Becquerel's accident. With this evidence that radium would destroy tissue its later employment in fighting malignant disease was but a question of time and experimentation.

Radium crystals give off minute explosions at the rate of about 360,000 per second. These explosions form a gas, and it is this gaseous emanation which is the therapeutic agent. There is no remedial action in the powder itself. The presence of radium is manifested by the repelling of disks and sheets of tinfoil that form a part of a testing apparatus.

Radium minerals are generally found in granite formation. Most of the original radium minerals, such as uranitite, samarskite and brannerite are black, and are seldom found in quantities of much commercial value. Pitchblende is of practically the

same composition as uranitite and of the same general appearance, excepting that it shows no crystal form and occurs in veins. It has been found in but few places, among them Bohemia, Southern Saxony, Cornwall and in Gilpin County, Colorado.

When these original radium minerals break down through the effect of the elements upon them other radium elements are formed from them, such as antunite, tyuyamunite and carnotite. The latter two are the most abundant and furnish the bulk of the world's radium. To the naked eye they appear exactly alike, both being of a bright canary yellow. They are powdery, of very fine crystals, although in rare instances they are of a claylike nature. Carnotite is technically known as potassium uranium vanadate. Tyuyamunite, which is similar in composition, contains lime instead of potash. Large deposits of this last substance have been found in Russian Turkestan. The greatest known deposits of the two minerals, however, are found in Southwestern Colorado and Southeastern Utah, where both are associated with fossil wood and other vegetation in friable, porous, finely grained sandstone. It is reported that small quantities of carnotite also have been produced at Radium Hill, near Olary, South Australia.

In America radium has been obtained chiefly from carnotite ore, the principal deposit of which is in the southwestern section of Montrose County, Colorado, in a valley called "Paradox," because, unlike most valleys, it runs at right angles to the mountain ranges which enclose it. This ore deposit extends over into Utah, but the Paradox Valley may be regarded as America's radium fields proper. This section is rich with legend and tradition of the American red man, for our radium fields are located on the site of a famous old Indian playground—a reservation once occupied in peace and contentment by the Ute tribe of Indians.

Radium ore seems always to be found in places that possess potential hardships. Most camps, when new, are tented villages. So it was in the camp in Paradox Valley in which I once sojourned. Offices, bunks and mess were under canvas. They have since been more permanently established in frame buildings, as shown in the photograph (Page 453) of headquarters camp in the radium fields. The "front yard" of radium headquarters is an expanse of alkali desert land, cactus and sagebrush; the back yard is a mountainside of jagged rocks and scrubby piñon trees. One of the few remaining open cattle ranges in this country is in this region, and during much of the year large numbers of range cattle graze and roam at will. Cattle raising, however, has become merely an incidental occupation; most thoughts and dreams there run to the precious radium. That is the chief subject of conversation for prospector, miner and operator. When some one tells of a new radium claim located, or a new body of good ore uncovered, eyes widen and listening ears eagerly catch each word.

As a rule, radium miners come from gold and silver mining districts. Many come into Paradox from Telluride, the nearest large quartz mining camp, about seventy-five miles to the southeast. At that place are situated such large mines as the Tom Boy, Smuggler Union, and, a short distance further, the famous Bird Mine at Ouray. Hard rock miners as a rule are ignorant concerning both the nature and the location of carnotite ore. The miner in quartz must learn the mining game over again when he goes to the radium fields. Deep shafts and long drifts are seldom required, radium mining frequently being conducted by quarrying operations. Most miners of carnotite develop a hacking cough, caused by the fine dust raised by the handling of this ore.

There must be a well-equipped camp, located conveniently near wood and water, both of which are scarce in the radium fields. Within the camp there must be plenty of good, substantial food and clothing. The operator must also have many thousands of heavy canvas sacks available, and needles and twine with which to sew the sacks when they are filled. Production requires picks, shovels and drill steel and a forge, for mining tools must be kept sharpened. There must be powder, caps and fuse and a burro train for packing the ore from the mountainside to the foot of the hill. Not only is the original cost of production of radium-bearing ore high, but long hauls and handling and rehandling en route increase it. The use of tractors in freighting the ore in recent years is proving successful.

Mankind owes a debt of gratitude to the courageous and unselfish pioneers who supplied the means with which this work was carried on during the days when no commercial return came back to them. Long before a ray of light broke through or a dollar returned for the bread they cast upon the water, these men had demonstrated their faith to the extent of $500,000, and were content to keep going in the thought that the final result of their efforts would be of great benefit to humanity. Unfortunately, Joseph and James Flannery, the pioneers in this work, have both died within the last two years, and can in no event share in humanity's verdict.

Many times I have heard Joseph M. Flannery relate the circumstances that influenced him to enter the course that made him the world's largest radium producer. Several years ago, when the spectre of death crossed the threshold of the Flannery home at Pittsburgh, and cancer bore away one of its members, Joseph Flannery, with all the solemn determination of a head thus bowed and a heart thus weighted, imposed upon himself an obligation to find a cure for the disease whose ravages he had witnessed, a scourge that has disregarded time, geography, race and circumstance. He dispatched experts to Europe, who reported back to him that radium would do the work, and forthwith he set out to obtain the precious substance in quantity. He established at Pittsburgh the largest and most complete radium laboratory in the world, and his mines in Colorado attained an output of over 100 tons of ore a month, from which one gram of radium was obtained. Flannery, shortly before his death, stated that the production of the world's annual ounce of radium involved the use of not less than 1,400 carloads of raw material, of which 1,500 tons is carnotite ore, the basic ore that is found in Colorado.

EXTRACTING RADIUM FROM ORE
View of the grinding and sampling room in reduction works
(Courtesy Radium Co. of Colorado)

RADIUM'S WAR ON CANCER

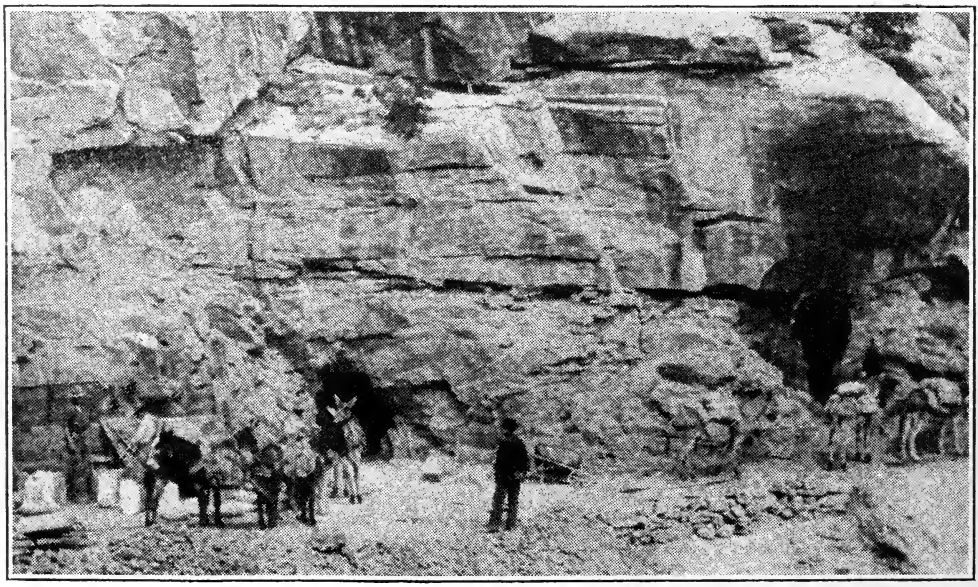
Radium is not yet "ex-mystery." Although it has been used in the treatment of cancerous growths for several years, its curative properties are not wholly understood. It is generally admitted that, in the main, radium is still in the infancy period of investigation. Questions in the form of experiments are still being addressed to nature on the subject. Its value, however, has been sufficiently demonstrated to induce many European cities to equip municipal hospitals with a working supply of the costly mineral. One great obstacle to investigation and experiment, both in Europe and the United States, has been the almost prohibitive cost of the substance. Mme. Curie herself has had to forego further study owing to the fact that she possessed no radium, and had not the means to purchase it. And yet, before the war, the world's supply of radium came from Europe. Since 1914 that leadership has been transferred to America. When hostilities ceased, the United States was producing almost the entire world output, which amounts to but an ounce, or approximately a teaspoonful, annually, and it sells readily at $3,500,000. It is estimated that the total amount of radium in the United States at the present time does not exceed twenty-five grams, and that not over 100 grams can be located in the whole world.

Despite the cost and scarcity of the substance, however, the use of radium goes on apace. A gram of it, worth about $120,000, has been purchased for clinical and experimental purposes by the Post-Graduate Medical School and Hospital of New York. This is the largest amount of radium ever as-

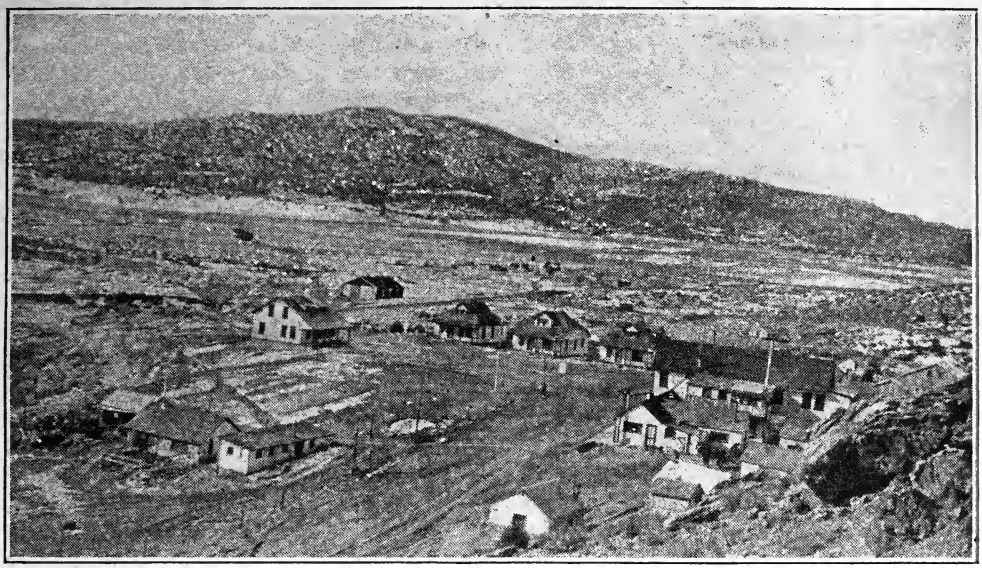
sembled for instruction purposes. The State of New York, furthermore, has purchased for the State Institution for the Study of Malignant Diseases at Buffalo two and one-fourth grams of radium, for which the sum of $225,000 was paid. Though the whole purchase could readily be contained in an ordinary fountain-pen barrel, it is enough to be a great permanent asset to the State and to do untold good to suffering humanity.

Though the action of New York State marks a forward step in the treatment of cancer, victims of that disease have been treated free in New York since 1889, at the Memorial Hospital for the Treatment of Cancer and Allied Diseases. Since 1914 that hospital has treated these diseases exclusively. Its medical staff, in affiliation with the Cornell Medical School, has been studying the application of radium to the treatment and cure of cancer since 1912. Through the generosity of the late Dr. James Douglas, eminent mining engineer and metallurgist, the Memorial Hospital in 1917 received over three grams of radium, valued at about $300,000, and later the hospital received by deposit from the United States Government, through the Bureau of Mines, over one-half a gram of radium to be used for the treatment of soldiers and sailors of the United States. This is said to be the largest deposit of the substance held by any public medical institution in the world. It is used exclusively for the treatment of cancer, and the condition under which the radium was obtained was that the poor should be treated liberally, and, when possible, gratuitously. In addition to the radium on deposit with the hospital, that institution recently erected a laboratory, at a cost of $75,000, which is fully equipped for the study of cancer in its relation to treatment by radium and radium emanation, and also maintains a staff of eminent physicians and physicists.

Radium gives off three different kinds of rays: alpha rays, which reach about one-half inch from their source; beta rays, which are projected three times as far, and gamma rays, which continue for a much greater distance from their source. A film of tin foil will serve as an effective filter to bar the alpha rays and permit the continuance of the other rays, or even a sheet of paper will do this. A barrier of lead a millimeter thick is sufficient to arrest the beta rays, but the gamma rays penetrate through seven and one-half inches of iron, and lose thereby only about 1 per cent. of their intensity. The gamma rays are the ones the surgeon employs, on account of their effect in retarding abnormal growths. In fact, they sometimes induce actual retrogression. The rays must always be confined to the diseased part when they are



ENTRANCE TO THE THUNDERBOLT MINE, IN COLORADO, WHERE MUCH VALUABLE CARNOTITE ORE WAS TAKEN OUT



FIELD HEADQUARTERS OF STANDARD CHEMICAL COMPANY, LARGEST RADIUM PRODUCING CONCERN IN THE WORLD, FOUNDED BY THE LATE JOSEPH M. FLANNERY OF PITTSBURGH

applied; otherwise, new growth is likewise retarded, and inflammation or ulceration in healthy tissues may be superinduced.

Actual practice has shown that in superficial conditions, where radium is easily applied, it has been 95 per cent. successful. This applies to cancerous diseases of the skin, lips, eyelids, &c. As for malignant growths, the head of the Department of Pathology of one of our large universities, who has long occupied a prominent position in the world of medical and scientific research, has stated that in many cases radium has replaced the knife in the treatment of such cases, and that in many others it has supplanted the knife with effective results. A leading radium therapist has declared that the best effect of radium does not consist in merely killing cancer cells, but in the symptoms of change and stimulation that mark the healing process. Some of the disadvantages are overtreatment, the ill-advised attempt to control too large an area of tissue, and the attempt to use radium on hopeless cases. A little radium improperly used can do much harm. It is highly important that its limitations should be recognized, so that its failures outside of its proper field should not prejudice its legitimate claims.

The somewhat complex physical laws governing the action of radium, the variations in quantity, duration and distance in the dosages of different operators, the wide range of filters employed, the varying effect of alpha, beta, gamma and secondary rays, the conflict of opinion and advice between enthusiasts and uninformed critics, have all contributed a share to the confused history of radium therapy to date. What radium therapy most needs is the active co-operation of the workers and clinics, the standardization of methods and the concentration of the work, so far as possible, in large clinics thoroughly equipped with radium, techniciars and trained medical specialists.

We have heard of many disastrous burns received by workers from radium and X-rays. In the leading radium clinics, however, the workers are protected from the dangerous effects of the rays, and, as a further precaution, they work with these rays only on alternate days.

It is a regrettable fact that tumors often follow X-ray treatment. Radium, however, is considered a more efficient agent, although some cases have been satisfactorily treated with radium in combination with the X-ray. In such cases, of course, great care and attention must be given to the matter of sequence and the intensity of the different applications.

There has been some difference of opinion

between surgeons and advocates of X-ray or radium treatment, but, since each of these agencies contributes its share to the general advancement of scientific treatment of disease, there is little reason to expect anything but co-operation in the future. The necessity for this is emphasized by certain cases that are encountered and that demand a combination of different treatments. Sometimes, in treating cancer of the breast, for instance, the diseased part is exposed to radium rays, after which X-ray treatment is applied. In the treatment of cancer of the stomach, tubes containing radium have been swallowed. Certain cancerous conditions must be exposed with the knife before the diseased area can be treated with radium rays.

As stated recently by a prominent scientist, "the practical limitations to the use of radium in cancer are numerous and formidable, and in any but experienced hands it is a dangerous agent. Until these difficulties are more widely recognized or overcome, a general recommendation of the use of radium, especially in place of competent surgery, is inadvisable. Although the available supplies of the metal are limited, and the indispensable skill in application so restricted, it would be specially unwise to spread among the general public the impression that radium is ready to supplant surgical treatment of operable cancer. On the other hand, these precautions should not be permitted to stand in the way of the normal and legitimate extension of the radium treatment of cancer."

STOPPING ROBBERIES OF MAIL CARS

AT a conference of freight claim agents and operating officials of railways in the Southeastern United States, held in Atlanta, Ga., on April 23, 1921, it was authoritatively stated that the railroad loss in 1920 from robbery and damage of freight amounted to $104,000,000. The loss of the railroads from robberies alone averaged nearly $2,000,000 a month during the same period.

Mr. Will Hays, the new Postmaster General, declared in Washington on April 25 that mail robbers had stolen a value of nearly $6,000,000 in 1920. About $3,000,000 of this had been recovered. Steps were to be taken at once, said the Postmaster General, to remedy this "absolutely intolerable" condition. In addition to the distribution of arms to postal employes, he stated, the standing offer of $5,000 to any employe of the department who brought in a mail robber had been widened to include anybody at all who performed that public service. At a luncheon of the American Newspaper Publishers Association, held in New York on April 29, the Postmaster General, in referring to the robberies, said:

> We are arming postal employes. The War Department has given us 16,000 automatic revolvers, 1,000,000 rounds of ammunition and several hundred riot guns. We simply have to go back to the old Wells Fargo days, and shoot to kill, and we are going to do it.

Postmaster William B. Carlile of Chicago, at the suggestion of Mr. Hays, has arranged for Federal troops to patrol posts at the Federal Building, the Federal Reserve Bank, the Custom House, at railroad stations and at fifty-two Post Offices and substations. More than one thousand soldiers are to be used in Chicago, which has lost a total of over $1,000,000. The Chicago Postmaster charged that one highly organized band was responsible for this entire loss. As a further step the Government is constructing armored mail cars of steel, built in separate compartments in the style of safes that are both burglar and fireproof. The first car of this kind, built by the New York Central Railroad, made its initial trip with mail from New York to Chicago on May 7. It had already had several weeks' successful test as an express carrier. The car is built with nine separate and removable containers, which, besides being robber-proof, are so rapidly handled that the whole car can be unloaded in twenty minutes.

A STATE'S SOVEREIGN POWERS

By Frank Parker Stockbridge

A glance into the forgotten history of the formation of our States—How several States came into being—A State is "on an equal station with the other Nations of the Earth"

WHAT with New York and New Jersey negotiating and ratifying a treaty with each other as solemnly as though they were at Versailles, and citizens gravely discussing the proposal to divide the State of New York without so much as saying "by your leave" to Washington, the man in the street who has had the idea that somehow the whole question of State sovereignty was settled in the negative by the Civil War finds himself in doubt as to how seriously he needs to take either the projects themselves or the language used to describe them.

Doubtless the term "treaty," as applied to the agreement just concluded between New York and New Jersey (or New Yersey, as it is spelled on the old maps) for the unified control and development of the whole port area around New York Bay, seems to many to carry no implication of an agreement between sovereignties or independent Governments. And in the light of the only method familiar to the present generation of adding new stars to the flag—creating States out of Federal territories—the average citizen suspects that discussion of the proposed State of Manhattan is mere conversation unless the Government at Washington decides upon it.

What has really happened in the matter of the New York-New Jersey treaty, and will happen if the proposed division of New York is carried out, is merely a repetition of history. We have to go back to the beginning of the Republic to find the same things being done on any important scale, but the underlying principle—that in every matter in which it has not surrendered its rights to the Federal Government, each State is an independent nation, with all the rights, powers and privileges of an independent nation, including the right to fix its boundaries by agreement with its neighbors and to divide itself into two or more States at will—is not only unchanged since the Revolution, but is upheld in numberless court decisions, both before and since the Civil War.

We have become so used to writing "The United States *is*" instead of "The United States *are*" that we have lost sight, largely, of the distinction between the terms "Federal" and "National," a distinction that is much more than merely technical. In an earlier day that distinction was never lost sight of, and the records of the disputes and treaties between the States, incident to the "shaking-down" of the loose relationship under the Articles of Confederation into the more compact alliance under the Federal Constitution, throw interesting sidelights on the current history of interstate relationships and intrastate divisions.

Some of these half-forgotten curiosities of American history occasionally are recalled because of their bearing upon matters of present moment. Such, for example, was the treaty between New York and Massachusetts that left the title to a considerable part of the bed of Lake Ontario vested in Massachusetts, although New York is the only State bordering upon the lake. Not long ago the City of Rochester wanted to extend certain piers at the mouth of the Genesee River, and it was necessary to obtain the consent of the State of Massachusetts, since New York's dominion ran only to the water's edge.

This curious state of affairs arose out of the claim of Colonial Massachusetts to ownership of all the land west of a line drawn southward from what is now Oswego to the northern boundary of Pennsylvania, and etxending between these north-and-south limits to the South Sea, as the Pacific was then known. The treaty between France and Great Britain at the end of the Seven Years' War limited the western boundary of this and other similar Colonial claims to the Mississippi River, but it was not until 1786, when the young Republic was well under way, that Massachusetts

yielded its claim to this territory and by treaty with New York relinquished all right to lands lying *south* of Lake Ontario. But the title of Massachusetts to this land, derived from royal grants, extended to the boundary between the States and Canada, which lies in the *middle* of Lake Ontario. This fact was overlooked or regarded as negligible in framing the Treaty of 1786, so the technical claim of Massachusetts still holds to all the land under water within the territorial limits of the United States between Oswego and Youngstown.

Out of the same conflict of claims to territory comes the curious little triangular extension of Northwestern Pennsylvania, in which the city of Erie is situated. Pennsylvania was one of the few colonies the boundaries of which were completely defined prior to the Revolution, and as a State it laid no claim to the western lands that most of the others were anxious to possess. West of Pennsylvania, Virginia, Massachusetts, New York and Connecticut had set up claims that overlapped at many points. New York was the first to relinquish its claims to western lands, and in 1780 had established its own western boundary on the meridian of the westerly extremity of Lake Ontario. Connecticut and Massachusetts both withdrew their claims in 1786 and Virginia's claim had never covered the territory lying between the westerly extension of the north boundary of Pennsylvania and Lake Erie.

This left the triangle formed by the new western boundary of New York, Lake Erie and the northern line of Pennsylvania a genuine "No Man's Land," owing sovereignty to none of the States, so the new Government under the Articles of Confederation adopted the orphan and gave it to Pennsylvania, thus giving that Commonwealth the right to share with New York the distinction of stretching from the Atlantic to the Great Lakes.

West Virginia and Kentucky, as the heirs of Virginia in the premises, still have technical ownership of the bed of the Ohio River, from the Pennsylvania line to the Mississippi, in spite of the fact that Ohio, Indiana and Illinois all border the river on the north. Here, again, is a curious situation arising out of the old Colonial claims that were not settled until after the new Republic had become established.

Virginia extended west to the Mississippi, and claimed ownership of everything east of the Mississippi and west of New York and Pennsylvania, as far as Canada. Connecticut had a colorable claim to a strip extending from Pennsylvania to the Mississippi and from latitude 41 degrees to 42 degrees 2 minutes. When Connecticut, in 1786, composed its differences with New York, it relinquished to the Federal Government all but the easterly 120 miles of this strip; this portion retained by Connecticut formed the "Western Reserve," out of which a dozen Ohio counties have been carved and which contains the City of Cleveland among others; from the sale of these lands Connecticut established a school fund that still aids in maintaining her educational system.

But when Virginia, in 1784, ceded its claims to the "Northwest Territory" to the general Government, the deed of cession read "all lands *north* of the Ohio River." And Virginia—or the States since erected out of what was Virginia—still claims the bed of the Ohio. Numerous efforts to arrive at an agreement that would give Ohio a claim to joint ownership in the river have failed. The Virginia-Ohio Boundary Commission of 1848 held many sessions, but could come to no mutually satisfactory conclusion, and the matter is still subject to future treaty agreement between the States interested.

The process of settling boundary lines in the early days was accomplished by the construction of new States. Even before the Revolution the "Green Mountain Boys" had claimed independence for what is now Vermont, but was then claimed by the colonies of New Hampshire and New York. New York's claim rested on the royal grant to the Duke of York of all lands west of the Connecticut River; New Hampshire's on a patent conveying rights to within twenty miles of the Hudson River. New Hampshire relinquished its claim in 1780, but it was not until 1791 that New York finally consented to the separation of the Green Mountain country from its domain and the erection of that country into the State of Vermont, the first new State to be taken into the United States after the Federal Constitution went into effect.

A year later, in 1792, the settlers in that part of Virginia lying west of the Cumber-

land Mountains, and known as Kentucky County, had the satisfaction of being admitted to the Union as a separate State. They had held nine conventions to demand separation from Virginia, and Virginia had agreed to let them go provided the Federal Congress would accept the territory as a new State.

Splitting off new States from old did not stop with Kentucky. The North Carolina settlers west of the mountains began soon after the Revolution to try to break the tie between themselves and the mother State. North Carolina would not deal with them directly, but undertook to cede the territory to the Congress under Articles of Confederation. The Congress refused to accept the cession, but the inhabitants of the country went right ahead and formed the State of Franklin, which existed for nearly four years, 1785-88, before the North Carolina authorities took steps to annul its acts. After the Federal Constitution had been ratified and the permanent Federal Government established, North Carolina again in 1790 ceded the land beyond the mountains to the Government, which accepted it under a pledge to grant Statehood when there should be 60,000 free white inhabitants. The new State of Tennessee thus came into the Union in 1796, and was the first State to be erected out of the public domain, the territory having become the property of the Federal Government and ceased to be a part of North Carolina for a considerable period before its admission as a State.

With two exceptions, all the States since admitted have been created out of the public domain, territorial government under the direct control of Washington having first been set up. But both Maine and West Virginia were split off from original States, the former by mutual consent of the inhabitants of the two parts and the latter as a war measure.

Maine's case more closely parallels the proposed splitting of New York State than that of any of the other States added to the original thirteen. As a province of Massachusetts, Maine's interests developed along different lines from the rest of the States. Isolated geographically, many of its residents felt that they could manage their own affairs better than they could be run from Boston. Through the influence of their representatives in the General Court they obtained the passage of an act providing for a referendum in Maine on the question of separate Statehood. The first referendum failed of a sufficient majority, owing to the opposition of shipping interests, who feared that the establishment of another customs district would necessitate the clearance of all vessels plying between Boston and Maine ports on every voyage. This objection was overcome by an act of Congress, the passage of which was procured by the influence of members who were anxious to have Maine admitted in order that the votes of its two Senators should counteract those of the two Senators to be chosen from Missouri, which was then clamoring for admission as a slavery State. The second referendum resulted in an overwhelming vote in Maine in favor of Statehood, and the new State was admitted in 1820.

Not since then, except in the case of West Virginia, has a new State been carved out of an old one. If, however, the citizens of Greater New York desired to do so, and could by any means persuade the Legislature at Albany to permit it, it would be no concern of anybody's outside the present State of New York if the plan proposed for the division of the Empire State into two parts were carried through. The admission into the Union of the new State of Manhattan, or whatever it might be called, would be a foregone conclusion.

The problem involved is practical rather than legal. It is doubtful whether the right of a county or group of counties to secede from the jurisdiction of the State without the consent of the Legislature or authority of a referendum of the people of all the State could be seriously maintained. And under the Constitution of the State of New York the City of New York can never, no matter how large a proportion of the State's population inhabits its five boroughs, have a majority in either house of the Legislature. "Up-State" saw to that many years ago. It is extremely doubtful whether the "agrarian" section of the State, controlling the Legislature as it does and always will, would ever give its consent to the separation from it of the city that pays three-quarters of the running expenses of all the State. And that is the only way the proposed new State can be set up. It is not a matter in which the Federal Government can interfere.

In this, as in all other matters, power over which has not been delegated by the States to the Federal Government, New York, like its sister Commonwealths, is a sovereign nation. The precise status of the States was expressed in 1833 by the United States Circuit Court of New Jersey in the famous "Pea Patch" case, in which the Federal Government attempted to dispossess the tenant of an island in the Delaware River which Delaware had ceded to the United States. The tenant set up the claim that the island never was part of Delaware, but appertained to New Jersey. The Commissioners appointed to investigate upheld this contention, and the court ruled that not even the United States Government could compel the occupant to vacate without the consent both of the State of New Jersey and of the tenant.

"For all purposes and objects not affected by the Constitution of the United States," said the court in this case, "these States are foreign to each other. They became free, sovereign and independent States by their own declaration of independence, which placed them severally on an equal station with the other nations of the earth, before the treaty of peace with Great Britain, which was merely a recognition and not a grant of their independence."

This doctrine has never been challenged; the dictum of the court in 1833 is still an accurate statement of the status of each one of the States. It is as States "foreign to each other" and "on an equal station with the other nations of the earth" that New York and New Jersey have just ratified their port treaty.

MACAULAY'S WARNING TO AMERICA

AN interesting letter written in 1857 by the historian Macaulay to Henry S. Randall of Cortland, N. Y., and republished recently from an old file of Harper's Magazine, expresses Macaulay's grave fears of the results of democracy as he saw it developing in the United States. "I have long been convinced," he said, "that institutions purely democratic must, sooner or later, destroy liberty and civilization or both." Repeatedly Lord Macaulay stressed his belief that democracy meant, in the essence, spoliation of the rich by the poor, leading either directly to general ruin or indirectly, through the establishment of a strong military despotism, to the loss of liberty. The salient passages of the letter are quoted below:

> You may think that your country enjoys an exemption from these evils. * * * But the time will come when New England will be as thickly peopled as old England. Wages will be as low and will fluctuate as much with you as with us. You will have your Manchesters and Birminghams, where hundreds of thousands of artisans will assuredly be sometimes out of work. Then your institutions will be fairly brought to the test. Distress everywhere makes the laborer mutinous and discontented, and inclines him to listen with eagerness to agitators who tell him that it is a monstrous iniquity that one man should have a million while another cannot get a full meal. * * * Through such seasons the United States will have to pass in the course of the next century, if not this. How will you pass through them? I heartily wish you a good deliverance. But my reason and my wishes are at war, and I cannot help foreboding the worst. It is quite plain that your Government will never be able to restrain a distressed and discontented majority. For with you the majority is the government, and has the rich, who are always a minority, absolutely at its mercy. * * * On one side is a statesman preaching patience, respect for vested rights, strict observance of public faith. On the other is a demagogue ranting about the tyranny of capitalists and usurers, and asking why anybody should be permitted to drink champagne and to ride in a carriage while thousands of honest folks are in want of necessaries. Which of the two candidates is likely to be preferred by a workingman who hears his children cry for more bread? There will be, I fear, spoliation. The spoliation will increase the distress. The distress will produce fresh spoliations.
>
> There is nothing to stop you. Your Constitution is all sail and no anchor. As I said before, when a society has entered on this downward progress, either civilization or liberty must perish. Either some Caesar or Napoleon will seize the reins of government with a strong hand, or your republic will be as fearfully plundered and laid waste by barbarians in the twentieth century as the Roman Empire was in the fifth, with this difference, that the Huns and vandals who ravaged the Roman Empire came from without, and that your Huns and vandals will have been engendered within your own country by your own institutions.

JAPAN'S POLICY OF EXPANSION

By Lyne O. Battle

How the Island Empire has carried out its program of expansion at the expense of its neighbors—Acquisition of Formosa, Korea, Saghalien, Shantung, and the former German islands—Japan's hold on Manchuria and Siberia—Threat to Philippines

THE determined expansion policy of Japan is of interest to Americans for several reasons. The most important of these is that, at present, the British Empire, Japan and America constitute the great sea powers of the world, and it is only a sea power that offers any threat to our national welfare. In making the preceding general statement, I have not lost sight of the nearness of our next-door neighbor, Canada, for the ratio of population between Canada and the United States is so much in favor of the latter that a threat from Canada, unsupported by the rest of the British Empire, would amount to nothing; without Britain's sea power, any support to Canada from overseas would be impossible.

The expansion of Japan, by encroachment on China, grates upon America in two respects. In the first place it violates the American sense of fair play. In a struggle between China and Japan, the former is the under-dog; she is helpless now, in a military way, when dealing with Japan, and will probably remain so far beyond our time. If, therefore, China receives no more than moral support from other nations, Japan will be able to take Chinese territory at such time and in such amounts as are best suited to Japanese policy; there is no more to prevent Japan from doing her will on China than there was in the case of Korea. In the second place there is the natural desire of Americans to share in the profit to be made in the development of Chinese resources and in a fair share of a growing Chinese trade.

BASIS OF FRICTION

To the average American mind the origin of any lack of cordial relations between America and Japan is not in the hornet's nest stirred up by the defeat of the American laborer in his competition with the Japanese on the Pacific Coast. That trouble is local, to a great extent, and attracts but little attention in the central and eastern sections of our country.

The cause of friction with Japan goes deeper; our growing distrust, or, to be more explicit, our growing fear of future trouble with our transpacific neighbor, lies in our dread that the new Pacific power will become too strong—that Japan may become so powerful that eventually, when interests clash, America may be forced to measure strength with a giant.

For the reason, then, that America is, as she should be, deeply concerned with the future, it is of interest to look into the expansion policy of Japan; to see what has been done in the past in the territorial growth of our present rival for power in the Pacific. This may serve as a guide to show us what to expect in the future, and will enable us to consider the situation with clearer heads.

JAPAN'S POLICY OF AGGRESSION.

The aggressive policy of Japan is not of new growth. As far back as 1582 a Japanese army swept over Korea, but was finally driven out by the Chinese. In 1873 the Ministry, which included Okuma and Ito as members, planned annexation of Formosa, Korea, Manchuria and a part of Siberia. The various stages by which Japan reached her present position of power may be traced as follows:

Although her expansion plans had been under discussion for a number of years, the first actual increase of Japanese territory, beyond the four main islands occupied at the forcible reopening of Japan by Commodore Perry, did not take place until 1875. At this period Russia and Japan both claimed the southern half of Saghalien and the Kurile Islands. By the treaty of 1875 Japan accepted the Kuriles and agreed to the validity of the Russian claims in South Saghalien. This is of interest mainly be-

cause it marked the beginning of Japanese expansion.

The Loochoo Isands were next on the program. Their sovereignty was in doubt; sometimes they paid tribute to China, sometimes to Japan. Fortunately for the Japanese plans, in 1872 some fishermen from one of the Loochoo Islands were stranded on the east coast of Formosa, where they were killed by head-hunters. This gave Japan an opening to further her claims to sovereignty over the islands, and she demanded that China punish the Formosans. China demurred, holding that the head-hunters in the interior and on the east coast were beyond her jurisdiction. Finally, after much diplomatic wrangling, she consented, in 1874, to a Japanese expedition against the Formosans. This so strengthened the position of Japan that she seized the Loochoos in 1876, and almost precipitated the war between Japan and China, for which the former was not yet ready.

America now intervened as peacemaker, suggesting that China and Japan divide the Loochoos equally between them, both agreed to this solution. Later on, China receded from the agreement, hoping, no doubt, eventually to secure the whole. Japan, however, kept the Loochoos, and still has them.

GETTING HOLD OF KOREA

About 1884 trouble again cropped out between China and Japan, this time over Korea. The Hermit Kingdom, which had been more or less a vassal of China, had finally opened its doors to foreign embassies, and one or more of its ports to foreign trade. The Japanese legation, occupied in building up the interests of its country in furtherance of the expansion policy, was attacked by a Korean mob, assisted by Chinese soldiers, and the legation building was burned. War was narrowly averted at this time through negotiations between Ito and Li Hung Chang; in a treaty, drawn up by them, both China and Japan agreed to withdraw all troops from Korea, and to send no more without previous notification. They decided that Korea should indemnify Japan, but left China the upper hand in matters of Korean internal policy.

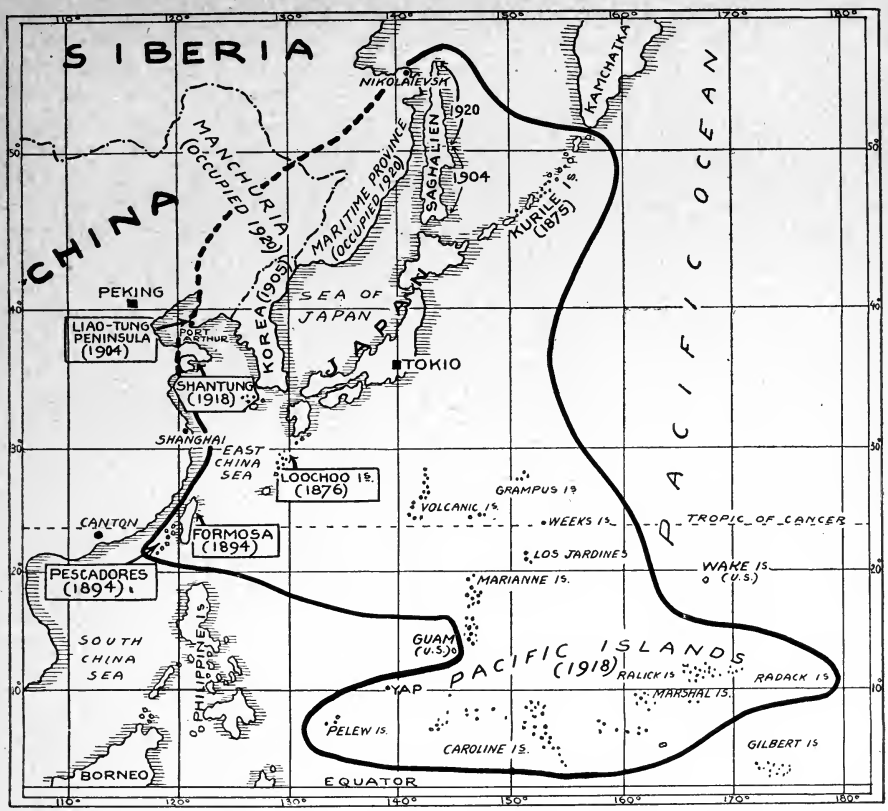
The next ten years were spent by Japan in preparation for the war her statesmen could so plainly foresee. China, ignorant of her own military weakness and of the growing strength of Japan, did nothing. In the struggle with China over Korea, the guiding motive in Japan was expansion, pure and simple. Later on, in the struggle with Russia over the same territory, the motive became more nearly one of fear. With Korea in the hands of a nation weak in military forces, like China, there was little to fear. Korea in the hands of Russia, however, was quite a different matter. It was a "dagger pointed at the heart of Japan."

The inevitable war between China and Japan came in 1894, as soon as Japan was ready for it. As we are dealing simply with the remarkable expansion of Japan, resulting from a well-considered policy, the details of the war with China will not be considered. It was a quick war, for which Japan was fully prepared, and the result was never in doubt. By the peace terms, Japan obtained Formosa, the Pescadores Islands (between Formosa and the China coast), and the whole of the Liao-tung Peninsula. As Liao-tung lay west of Korea and formed a wedge between that kingdom and China, Korea now passed under Japanese influence. One of the clauses of the treaty was almost humorous—both China and Japan recognized the independence of Korea! The indemnity to be paid Japan was £12,000,000, and it was agreed that Japan should hold Wei-hai-wei, on the north coast of Shantung, until the indemnity was fully paid.

The excellent strategic position obtained by Japan as a result of the war with China gave her command of the Yellow Sea and of all the approaches to Peking. If the peace terms were allowed to stand, it meant paramount Japanese influence in Far Eastern affairs, and would have shut out Russia, Germany and France from what they considered a fair share of influence in China and from any partition of Chinese trade and territory.

FORCED TO YIELD LIAO-TUNG

These European nations never had any intention of standing idle while Japan gained the ascendency in China, so the latter country now became a European "grab-bag." This policy began with a combined note to Japan from France, Germany and Russia demanding that Japan recede the Liao-tung Peninsula to China. Japan, always efficient in sizing up a situation,



THE BLACK LINE INDICATES THE EXTENT OF JAPANESE TERRITORIAL CONTROL, INCLUDING PORTIONS OF CHINA AND SIBERIA OCCUPIED BY JAPANESE TROOPS. DATES GIVEN ARE THOSE ON WHICH JAPAN GAINED POSSESSION IN THE COURSE OF HER RAPID EXPANSION

concluded that the combination was too strong for her, and bowed to superior force. For one reason or another, Germany, Russia, Fance, and even England took slices of Chinese territory in 1897, or around that time. Germany took Tsing-tau and got her hold on Shantung; Russia took Port Arthur, on the Liao-tung Peninsula, the very territory that Japan had won in the recent war; France got Kwang-chau Bay in the south, while Great Britain was satisfied with additional territory at Hongkong and Wei-hai-wei Bay, still in the hands of Japan.

It was only natural that Japan was furious at being thus robbed of her spoils of war, but she could do nothing else than respect such a strong combination of powers. She had gained some territory, however, and had replaced the Chinese influence in Korea.

Russia, seemingly secure in possession of Port Arthur, now took the place of China as the opponent of Japan in Korea; and for another ten years Japan bided her time and prepared her army and navy for the war with Russia. A bitter diplomatic struggle between Japan and Russia was carried on at the Korean capital with varying success, depending on which party had possession of the Korean King. Up to this time Japanese political ethics had been no better and no worse than those of European nations. They all, England included, acted on the principle that "might makes right," and seized whatever they coveted. The deepest blot on the Japanese escutcheon came from the official murder of the Korean Queen.

In 1902, Japan's hand in Far Eastern affairs was greatly strengthened by the alliance with Great Britain. The main benefit derived by Japan from this treaty was that it broke up the combination of

France, Germany and Russia, which had forced Japan to give up some of the territory gained in the Chinese war. The gist of the treaty was that, should one of the signatory powers become involved in a war with another power, the other signatory was to remain neutral—but when attacked by *more* than one power, the other signatory was to come to its assistance. Incidentally both high contracting parties guaranteed the independence of China and *Korea* in this treaty.

Japan was now protected from the European coalition and free to go to war with Russia, which she did in 1904. At the end of the war the Japanese policy of expansion was rewarded with the southern half of the island of Saghalien and with the Liao-tung Peninsula; Russia also recognized the suzerainty of Japan over Korea. The fact that the Liao-tung Peninsula belonged to China, and that both Russia and Japan had guaranteed the independence of Korea, was forgotten by both parties in the Peace Conference.

ANNEXATION OF KOREA

Having beaten Russia and cleared her path of active armed opposition in the Orient, Japan now brought into play, in Korean affairs, the political strategy which resulted later in the incorporation of Korea as an integral part of the Japanese Empire. Japan and the British Empire were now the most influential powers in the Orient, so the first step of Japan, in the plan to take over Korea, was to bring about a change in the treaty of alliance with Great Britain. In the 1902 treaty Japan and Great Britain recognized the independence of China and Korea; in the 1905 treaty they again recognized the independence of China, but of China alone. Great Britain admitted that Japan possessed paramount political, military and economic interests in Korea, and further recognized the *right* of Japan to take such measures of guidance, control and protection to safeguard and *advance* those interests as Japan deemed necessary. Russia had been crowded out; Germany, France and England naturally made no effort to prevent the rape of Korea, for they were equally guilty in China.

The story of Korea from 1905 until 1910 is a pitiful one of gradual absorption of all governmental power by the Japanese Resident General. Most of the papers relinquishing Korean rights were signed literally at the point of the sword. The best Korean lands were taken by the Japanese; some were paid for at as low as one-twentieth of their real value, some were not paid for at all. Korean objectors to such harsh treatment were thrown into prison and in many cases were tortured. In 1907 the abdication of the Korean Emperor in favor of his weak-minded son was brought about; in 1919 his Majesty the Emperor of Korea made complete and permanent cession to his Majesty the Emperor of Japan of all rights of sovereignty over the whole of Korea!

AMERICA DECLINES TO INTERVENE

The action of America in the case of Korea is an interesting sidelight and is of great significance with respect to the expansion policy of Japan. It occurred in 1905, when the United States had one of the strongest Presidents we have ever had—Theodore Roosevelt—and when Elihu Root was Secretary of State. Though the American Government, unlike most of the European nations and Japan, had never guaranteed the independence of Korea, it had, nevertheless, signed a treaty to use its influence in favor of the continued independence of Korea. The Emperor sent an emissary to the American President with a pitiful letter, telling of Japanese aggression, and stating that he was forced to sign away Korean rights "at the point of the sword." The Korean agent was never received by Mr. Root, but he received word from the American Secretary of State that "the letter from the Emperor has been placed in the President's hands and read by him * * * it seems quite impracticable that any action should be based upon it."

Roosevelt's own explanation, some years later, was as follows:

> To be sure, by treaty it was solemnly covenanted that Korea should remain independent. But Korea itself was helpless to enforce the treaty, and it was out of the question to suppose that any other nation, with no interest of its own at stake, would do for the Koreans what they were utterly unable to do for themselves.

The end of the World War brings Japanese expansion up to date. The Treaty of Versailles, signed by all the interested nations save China, and finally disapproved by the United States Senate, gave Japan

the German rights in Shantung and made her mandatary over all the former German islands in the Pacific Ocean north of the equator.

JAPAN'S PRESENT POSITION

The Japanese Ministry of 1873 took a long look ahead when it planned annexation of Formosa, Korea, Manchuria and a part of Siberia. In forty-eight years much of the plan has been carried out, for Japan has incorporated into the Empire of the Rising Sun, Formosa, the Loochoos, the Kuriles, all of Saghalien, the Pescadores and Korea. In addition Japan has possession of the Liao-tung Peninsula and Shantung, and has a strong hold on part of Manchuria and Eastern Siberia.

Shantung forms a Japanese wedge for entering China, just as Korea formed a stepping stone to the Asiatic mainland. But Japan has promised to give back Shantung to China. Yes; but Japan, by treaty, solemnly guaranteed the independence of Korea at least four separate times!

During the Peace Conference at Paris a representative of one of the great American newspapers, in conversation with a Japanese official, spoke of the trouble Japan would inevitably stir up by a penetration of China, and asked why Japan did not aim further north at Eastern Siberia. The reply was laconic: "Too cold."

This reply contains a warning for the Filipinos, in their pressure for independence, and also a warning for the United States. Americans, as a people who love freedom, will no doubt grant independence to the Philippines as soon as they feel that those islands have any chance to succeed in self-government. As soon as the Philippine Islands receive their independence there will be nothing whatever to prevent Nippon from seeking a warmer climate there, instead of going where it is "too cold."

The action of the Supreme Council in awarding to Japan the former German islands north of the equator has placed an impassable barrier to any attempt of America to go to the assistance of the Philippines, once they are granted their independence. The Caroline and Marshall Islands extend 2,400 miles east of the Philippines; they are only 1,800 miles from the Hawaiian Islands. Guam, the second stepping stone of America on her way to the Philippines, is now surrounded by Japanese islands.

When the Philippines and Guam fall to Japan, which is certain to occur in case of war between Japan and America, the line of communication to any American force sent to the assistance of our former colonies must pass close to Japanese ports for a distance of 2,400 miles.

It is true that Japan took the Carolines and Marshalls with the understanding that they should not be fortified; but it is also true that Japan, on four or more separate occasions, guaranteed the independence of Korea.

The object of this paper, however, is not to predict the future, but simply to tell what Japan has accomplished in the way of territorial expansion. Those who read are able to draw their own conclusions.

PROGRESS IN CONTROLLING AUTOMOBILE TRAFFIC

THE curious lighthouse towers that stand at intervals in the middle of Fifth Avenue, New York, flashing red, green and yellow lights to stop and start the endless automobile traffic, have proved to be a boon both to the pedestrian and to the motorist.

Dr. John A. Harriss, Special Deputy Police Commissioner in charge of traffic, originated the tower signal system and built the five present structures at his own expense. New and more beautiful towers, which are about to be substituted for the original ones by the Fifth Avenue Association, are to contain a new device designed by Dr. Harriss, by which the police can stop any car in the avenue suspected of carrying criminals. By signals and telephone all traffic can be stopped and the suspected car dislodged for investigation or arrest. Dr. Harriss has also prevailed upon New York City to try a plan which is intended ultimately to control the traffic of the whole city at night, and which makes each policeman a sort of walking signal tower by means of electric lanterns worn on a belt.

SIBERIA AND THE JAPANESE

By Frederick A. Ogg
Professor of Political Science in the University of Wisconsin

How Russia extended her dominion over Siberia and pushed toward the South—The situation at the outbreak of the World War, which led to the allied occupation and to Japan's present hold upon Eastern Siberia—Japan at the parting of the ways

THE war remade the map of Central Europe, of Africa, of the Pacific, and of the Near East. The Bolshevist revolution in Russia is today doing the same thing for Northern and Central Asia, and the transformations east of the Urals are on a larger scale than those that have taken place in any of the other regions mentioned. A single new State here is six times the size of France, twenty-seven times the size of Ohio, and slightly larger than that part of the United States lying between Kansas and the Pacific Ocean.

Events in this quarter have raised questions which deeply concern the world at large, and particularly the United States. Is Bolshevist Russia, like Czarist Russia, to be an Asiatic as well as a European power? Are Bolshevised "buffer States" to plant themselves menacingly along the Mongolian and Manchurian frontiers of China? Is the new Far Eastern Republic to be a really independent State, or only a blind for Japanese control in Siberia? Is the open door for which John Hay labored to exist north of the Amur, or are American and other western manufacturers and traders to be barred from the growing markets of that region? Is the outlet for Japanese emigration, which is denied by the United States, Canada and Australia, and for Japanese imperialistic enterprise, which is narrowed by international opposition in China, about to be opened wide in the Siberian maritime provinces?

Back of these questions looms the query, What is Siberia, and what Russian, Japanese, Chinese, American and other national and international interests centre on its soil?

The term "Siberia" has commonly been used in a loose way to designate the whole of the former Russian dominions in Asia. On both geographical and political grounds, however, this is inaccurate. Siberia proper does not include Turkestan and the other Transcaspian lands formerly under the Russian flag. Its southern boundary runs, rather, from the sources of the river Ural to the Tarbagatai range (following the watershed between the Aral and Irtish basins), thence along the Chinese frontier to the vicinity of Lake Baikal, and thereafter along the Argun, Amur, and Ussuri rivers to the Korean border in the neighborhood of Vladivostok. Even so, the country is 10 per cent. larger than China, with all her dependencies, and 50 per cent. larger than the Continental United States. The State of New York could be set down in it one hundred times, with room to spare.

Few western people have outgrown the schoolboy notion of Siberia as an interminable sheet of ice and snow, with here and there a colony of shivering, starving exiles; but in the main as a waste, the eternal stillness of which is broken only by the yelping of wolf-packs in pursuit of the luckless traveler or explorer. Of the 30 per cent. of the country which lies within the Arctic Circle, this is a sufficiently true picture. But of the great stretches traversed by the Trans-Siberian Railway, the vast regions included in the upper valleys of the northward-flowing Ob, Yenisei and Lena Rivers, and especially the broad provinces bordering the Sea of Okhotsk northward to Kamchatka, the description is no more true than it would be if applied to Saskatchewan and Manitoba, or even Maine and Montana.

Large sections of the country are very similar climatically to Southern Canada, and are no less adapted to wheat growing, stock raising and other branches of husbandry. The Summers are short, but sufficient for the ripening of crops. Vegetation is luxuriant while it lasts; the eighteen or twenty hours of broad daylight, with hot sunshine, more than counteract any ill-effects of the brief nights, even when they

are chilly and possibly frosty. Although the country as a whole has never been self-supporting, this is because of primitive modes of cultivation and inadequate means of transportation, and not on account of any lack of capacity for production. Southern Siberia is, indeed, one of the world's great undeveloped farms. Particularly is this true of the Amur and Ussuri Provinces, in the southeast, with a combined area of 880,000 square miles, which is more than four times the area of France.

There are other important forms of natural wealth. Vast regions are heavily forested, and it is not impossible that Siberia may some day be our main source of lumber supply. Coniferous trees are most plentiful, but oak, maple, ash and other familiar deciduous trees of North America also abound. Birch is especially common, and the paper-pulp industry was beginning to grow when the war cut off access to markets.

There is also mineral wealth. Gold-dust is found in paying quantities in almost all parts of the country. Under normal conditions, the output is a million ounces a year, and this represents a mere scratching of the surface. Probably the richest gold fields remaining in the world today are in Siberia. Silver and silver-bearing lead ores are abundant, as are also copper, cinnabar, tin and graphite. From the Altai region come all manner of precious and ornamental stones, including jasper, malachite, beryl and dark quartz. There is some coal and much petroleum, although apparently not much iron. Finally may be mentioned, among resources, the country's enormous yield of furs and the unlimited opportunity for the development of fisheries on the eastern coasts.

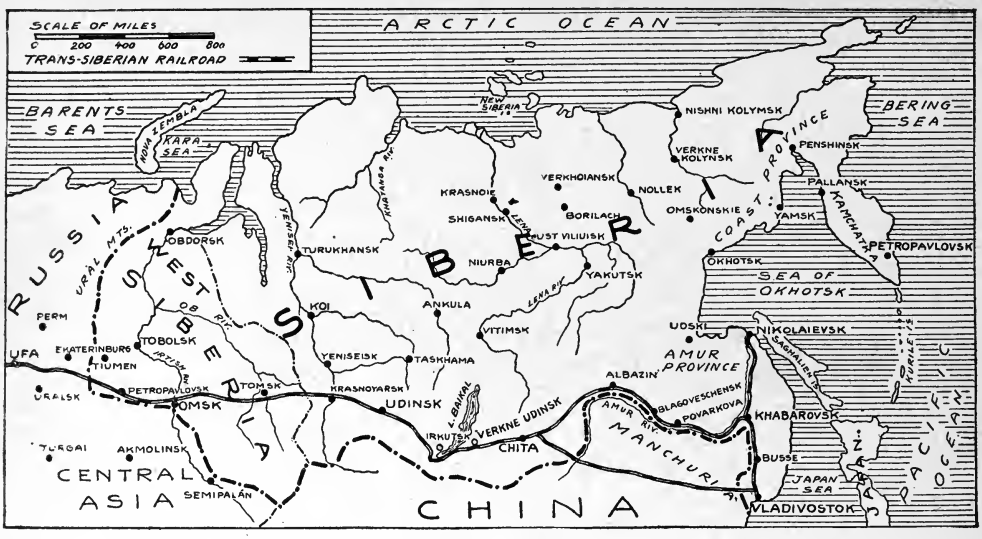
Until within the memory of men still living, the world at large knew next to nothing about Siberia and had no interest in it. The Russians were permitted to extend their control over it with no competition, and with never a word of protest until, near the middle of the nineteenth century, they began to use the country as a base for expansion southward in the direction of Persia, India and Korea. Even then, no one challenged the Russian position in Siberia proper.

The story of Russian rule in Siberia stretches through three and a half centuries. It begins with the conquest of the central Irtish valley by the Cossack chieftain Yermak in 1582, and moves forward as a great epic comparable with the story of the westward expansion of white population and dominion in our own land. The loves and hates, the daring deeds and homely labors of land-seekers, fur-traders, hunters, gold-diggers, adventurers of every sort, make up the warp and woof of one story as of the other, save for the sombre figure of the Russian political exile, which has no counterpart in the making of the new America.

Once started, Russian sovereignty advanced through Asia at an average yearly rate of 20,000 square miles—half the area of Ohio—for 325 years. There were no great wars of conquest. Rather, the method of expansion was to reach out successively into new regions, plant trading posts protected by garrisons, and from these centres to bring under control the restless and predatory native tribes of the vicinity. In this way Tobolsk was founded in 1587, Tomsk in 1604, Yeniseisk in 1619, Yakutsk in 1632, Verkhneudinsk on Lake Baikal in 1648, Albasin in 1663.

The same instinctive desire for a free outlet to open water that led toward the Baltic and the Black Sea turned inevitably toward the ice-free waters of the Pacific Ocean; and this desire was satisfied as early as 1636, when Cossack explorers came within sight of the Sea of Okhotsk. After a fierce struggle with the aborigines, a fort was built on the coast in 1647.

Two hundred years were required to round out and consolidate Russian dominion in Siberia proper. Then new lines of advance were started. The first of these led toward China and its nominal dependency, Korea. Count Nicholas Muriaviev, who became Governor of Eastern Siberia in 1847, initiated this phase of Russian policy and carried it far toward realization. In 1850 the Muscovite flag was unfurled at the mouth of the Amur River; in 1858 China was manoeuvred into a position where there was nothing for her to do but cede to the Russians all of her rich territories on the left bank of that stream; and two years later another cession added the maritime province between the Ussuri



GENERAL VIEW OF SIBERIA AND ITS PRINCIPAL CITIES AND RIVERS

River and the sea, and conferred the right to occupy Vladivostok.

The second line of southward advance lay in Central Asia, and was directed toward the Persian Gulf and the frontiers of India. Action began in this field about 1864, and by the close of the reign of Alexander II. (1881), Muscovite domination had been established throughout almost the whole of the vast expanse of territory lying between Siberia on the north and Persia and Afghanistan on the south, and stretching from the eastern coast of the Caspian to the Chinese frontier. The greater part of the territory was formally incorporated in the empire, and the petty potentates, such as the Khan of Khiva and the Amir of Bokhara, who were allowed to retain a semblance of their former sovereignty, became obsequious vassals of the White Czar.

Hardly was Russian power recognized in these newer possessions before the great push toward the south entered upon a new stage, in both west and east. In the west it took the form of penetration of Persia and Afghanistan, and was halted only in 1907, when, by recognizing a Russian sphere in Northwestern Persia, Great Britain secured from the Czar's Government an agreement to keep its hands off both in Southern Persia and in Afghanistan.

In the east the lure was the fertile lands of Manchuria and the warm-water harbors of Korea, and the pretext for aggression was found in the construction and defense of the Trans-Siberian Railway. The bold idea of linking up European Russia with the Pacific by flinging a road of steel across 5,000 miles of Siberian wilderness originated with Count Muriaviev-Amurski, founder of the Russian Empire in the Far East, and a route was marked off by an army engineer in 1866. Funds were at last obtained, mainly from France, and in 1891 work was begun on seven sections simultaneously. By the opening of the present century a rail and steamer route was open for traffic from Moscow to Vladivostok. Its itinerary was as follows: Rail from Moscow to Lake Baikal, steamer across the southern end of the lake, rail again to Stretensk on the Upper Amur, steamer down the river to Khabarovsk, and rail thence southward to Vladivostok.

Meanwhile, however, interest in the lower Amur route yielded to a plan to carry the rail line further south, across Chinese territory, to Vladivostok, and possibly to ports still more favorably situated; and this decision influenced the course of Far Eastern affairs as has nothing else in the past half century, save the great war itself. What it led to immediately was the formation of the Eastern China Railway Company and of the Russo-Chinese Bank, the building of a Russian-controlled railroad from the Trans-Siberian line at Kaidalovo southeast-

ward across the Chinese province of Manchuria to Vladivostok, and (after the Russian lease of the Liao-tung Peninsula in 1898) the construction of a yet more important Russian road southward from Harbin, in Central Manchuria, to Mukden, Port Arthur and Talien-wan, renamed Dalny, on the Gulf of Pechili. What the decision led to eventually, of course, was the clash of Russian and Japanese ambitions in Northern China, the defeat of Russia in the war of 1904-5, and the conversion of Japan from an Oriental into a world power.

In the story of Siberia these great Russian projects toward the south are vital, for in later decades Czarist policy in Asia was determined almost exclusively with reference to them. In the eyes of the political and military strategists at St. Petersburg, Siberia was the great bulwark, the base, from which Russia's successive drives for territory and power in both Far East and Middle East were to be launched. Large opportunities for economic development in the northern country were habitually ignored because of the feverish desire for exploitation and aggrandizement further south.

None the less, Siberia, in the years before the great war, was becoming truly Russian. From the first entrance of Muscovite power down to 1900, the country was a penal colony, and a considerable share of its present Russian-speaking population is composed of freed hard-labor convicts or their descendants. But there has been a large amount of voluntary Russian immigration. At certain stages, this movement was stimulated and directed by the Government itself. For example, when the Amur and Ussuri provinces were acquired, the State gave families free transportation thither, provided temporary accommodations on their arrival, gave each head of a household 200 or 300 acres of land, sold necessary agricultural implements at cost, and made long-term loans without interest. At other times, the authorities tried to curb the movement.

Regardless, however, of the official attitude, serfdom, conscription and religious persecution could always be counted on in earlier days to keep the stream flowing; and in later times, ease of transportation, the abandonment of the exile system, and increased ability of the liberated peasant to move about supplied fresh impetus. For a decade prior to 1914, settlers were pouring into Siberia's vacant lands at the rate of 300,000 a year; and when one considers that in the year mentioned the entire population of the country, both Russian and native, was less than three times that of Greater New York, it is obvious that the scale, in the matter of numbers as well as in types of civilization, was fast being inclined in the Russians' favor.

The major part of this growing Muscovite population was to be found, however, in Western, rather than Eastern, Siberia, and many Russians considered that the increase in the latter quarter was not sufficiently rapid to insure permanent possession. The rival that was feared, of course, was Japan. It is true that the war of 1904-5 was scarcely ended before the St. Petersburg and Tokio Governments began to draw together; and successive agreements in the ensuing decade brought them outwardly into complete accord on Far Eastern affairs. But Russians east of Lake Baikal saw with increasing apprehension Japan's absorption of Korea, her veiled exploitation of Southern Manchuria, and her economic penetration of Inner Mongolia, and many of them were convinced, before 1914, that Japan would some day come aggressively to Siberia.

Among those who took this view was Nikolai Gondatti, Governor General at Vladivostok at the time when the great war broke out. Rabidly anti-Japanese, he had for years left no stone unturned to block the ingress of Japanese commerce and to prevent Japanese encroachment upon Russian fishing interests; and finally he had made it the chief policy of his administration to shut out all alien labor, Chinese and Korean, as well as Japanese, although in this he was not wholly successful.

Hence it was not simply China that sensed disaster when the war unexpectedly spread to the Orient; despite the Russo-Japanese alliance, the East Siberian Russians were similarly apprehensive. Japan's professed motives in seizing Kiao-chow were discounted, and her promises to maintain Far Eastern peace were regarded as having been made only for effect.

Nothing happened for more than three years—in other words, until the Bolshevist revolution turned European Russia upside down and precipitated the Asiatic dependencies into chaos. But that event created a

situation in the Far East which brought Japan and her allies and associates to vigorous action, and raised an international problem which promises to vex the chancelleries of the world for a long time to come.

The situation, in a word, was this: Soviet Russia was making peace with Germany. The latter was now free, not only to mass most of her divisions on the western front, but to overrun Russia and to turn to her own use foodstuffs and other supplies which were known to be distributed liberally along the Trans-Siberian Railroad. At Vladivostok alone 600,000 tons of food and indispensable war materials lay in the warehouses and in great heaps on the wharves. Two hundred thousand released German and Austrian prisoners of war were capable of being organized by Bolshevist commanders in Eastern Siberia for use against the Allies. Apparently, Siberia was about to be converted from an allied resource into a German base.

Another factor in the situation calls to mind one of the most romantic episodes of the war, namely, the expedition of Czechoslovak soldiers across Siberia on the way to the western front in France. Never before, perhaps, had an army undertaken to turn a retreat into an advance by circumnavigating the earth and coming at the enemy from the opposite direction. Organized from Czech and Slovak prisoners taken by the Russians in the early stages of the war, this indomitable army of 50,000 men turned to fighting on behalf of the captors, and during the last few months before the Bolshevist revolution it was the only really effective army on the Russian front. Finding itself cut off, after the revolution, from the Czechoslovak Army on the western front, it seized all the engines and cars within its reach and set out—eighty train loads in all—eastward with the intention of going to the battlefields of France by way of America. By the Spring of 1918 it had reached Western Siberia, but was beset by the Red forces and was reported to be in danger of annihilation.

Predisposed by these circumstances to favor intervention, Great Britain and France received with cordiality a suggestion of Japan that she be given a mandate by the Allies to throw a military force into Siberia. "Germany," said Marshal Foch in February, 1918, "is walking through Russia. America and Japan, who are in a position to do so, should go to meet her in Siberia. Both for the war and after, America and Japan must furnish military and economic resistance to German penetration."

At Washington, the proposal was not immediately welcomed. On the contrary, disapproval was expressed, on the ground that the Central Powers could and would make it appear that the invaders of Siberia were doing in that quarter exactly what Germany, with a view to "restoring order," was doing in Russia. At all events, the United States, it was given out, would have no part in the campaign.

The project was, however, only momentarily halted. The murder of two Japanese in a riot in Vladivostok in early April caused a detachment of Japanese marines to be landed forthwith in that city; and the increasing seriousness of the general military situation overcame all inclination to hesitate longer. With the full assent of the Allies, Japan began sending regular troops; Great Britain and France decided to take an active part; and, by an extraordinary reversal of policy, the United States also agreed to participate. In all, about 100,000 men were despatched to the scene of action.

Historians will probably always disagree on the results, as well as the justification, of this venture. Some already hold it a gigantic fiasco, which accomplished nothing except to add to the difficulties of maintaining peace and justice in the Orient. Others consider that, in view of Germany's impending collapse, it was unnecessary, though this could not have been perceived at the time. Still others believe that, by disarming and placing under restraint the former German-Austrian prisoners and by fighting the Bolsheviki in the vicinity of Vladivostok and along the Amur, it stayed the tide of Bolshevist conquest and possibly saved China and Korea from invasion.

The one aspect of the undertaking which is indisputable is that it was deliberately turned by the Japanese to their own national advantage. It is true that the Tokio Government entered upon the campaign reaffirming its "avowed policy of respecting the territorial integrity of Russia, and of abstaining from all interference in her internal politics," and promising that upon

realization of the announced objects of the intervention it would "immediately withdraw all Japanese troops from Russian territory." But, in the first place, though it had been agreed that no power should send more than 7,200 soldiers, Japan sent 72,000; and, in the second place, the campaign, the principal commander of which, on the basis of seniority, was the Japanese General Otani, was carried out in Japanese fashion and with thinly disguised Japanese ends in view.

Admiral Kolchak's anti-Bolshevist Government at Omsk was nominally supported while it lasted, but emissaries from Tokio took advantage of its weakness to extort a number of commercial concessions. Semi-independent Cossack chiefs, notably Semenov and Kalmykov, were aided, with the general effect of discouraging the rise of a strong Government of any kind in Siberia. The country was flooded with Japanese manufacturers, shipped under the guise of military stores at a time when it was impossible for the merchants of other nations to secure shipping facilities for their goods. The Japanese constructed their own military telegraph, which they reserved entirely for their own purposes, military and commercial, and almost every strategic city and railroad junction received its Japanese garrison or guard. In short, by the close of 1918, Japan dominated the Far Eastern situation and had at her mercy not only the Russian sphere in Northern Manchuria, but all Siberia east of Lake Baikal.

These things were, of course, not unknown to the western powers, and they roused much indignation. It was, indeed, repeatedly rumored that Japan had a secret understanding with Germany under which the former was to acquire all Trans-Baikal Siberia, though this was categorically denied at Tokio. So long as the war lasted, no protest could be made. But when the armistice became assured, Secretary Lansing pointedly urged upon the Japanese Ambassador at Washington that the military party under whose dictation Japan was obviously acting in Siberia be checked in its mad course. The request caused an upheaval in Japanese political circles, and the militarists were for defying American opinion. Better counsels, fortunately, prevailed; and as an evidence of good faith more than half of the Japanese troops in Siberia were recalled.

The question then arose whether all of the powers should not withdraw completely. The objects for which intervention was undertaken had been attained or were no longer desirable. The country's political status was still unsettled; Kolchak's Government was tottering and Soviets were being set up in the eastern cities. But the powers, including Japan, had said that they had no intention or desire to control Siberia's political future, and by midsummer of 1919, when Kolchak's régime finally collapsed, American, British and French public sentiment unmistakably demanded that the entire enterprise be brought to an end. The American withdrawal took place early in 1920, and that of the British and French soon afterward.

Japan stayed on. She reiterated that it was no part of her plan to annex Siberian territory, and she publicly promised to withdraw all of her soldiers when "the political situation in the regions contiguous to Japanese territory is settled, the danger to Korea and Manchuria removed, the lives and property of Japanese residents protected, and the freedom of communication safeguarded."

It was, of course, easy for people who suspected Japan of ulterior motives to point out the ambiguity of this pledge; precisely when the political situation in Siberia was to be regarded as "settled" and Japanese interests were to be considered duly "protected" was likely to be viewed very differently in Tokio and in London or Washington. Furthermore, Japanese actions in succeeding months lent fresh color to the charge that there was no real intention to withdraw at all. The number of troops stationed in the country was increased until it totaled 100,000; Vladivostok was practically converted into a Japanese fortress; Nikolsk, near by, Khabarovsk, on the Amur, and other important railway towns were brought under strict control; in 1920 occupation of the Maritime Province was extended and, despite protest from the United States, possession was taken of the northern, i. e., the Russian, half of the island of Saghalien.

A section of Southeastern Siberia three times the size of New England still lies in the hollow of Japan's hand, and Japanese

influence is a main factor in the political and commercial situation westward to Irkutsk.

Rarely has a nation been more sorely tempted. Japan is a small country—hardly larger than Montana—with very limited resources. Her people multiply at the amazing rate of 12 per cent. per decade. The average density of population is 380 per square mile, as compared with 35 in the United States. The only solution of the problem of subsistence which can be immediately effective is emigration; and artisans, shopkeepers and laborers leave the country by the tens of thousands every year. Yet this emigration not only brings the empire into troubled relations with the peoples around the further shores of the Pacific, but robs it of man power that may some day be needed. Consequently there is strong desire for territory in which the Japanese may settle in unlimited numbers without being lost to the home land. Southern Siberia, although further north than the empire's emigrants would prefer to go, offers an outlet of precisely this sort. And the Japanese are already practically in possession there.

Confronted with this temptation, Japan stands at the parting of the ways. If she allows herself to be led by the militarist elements which have been the invisible powers behind the throne in recent years, she will repudiate her pledges and defy international sentiment by formally annexing some large portion of Siberia, or will perhaps seek to attain the same ultimate object by disguised control through the intermediary of a native state or federation of States. If, on the other hand, she yields to the guidance of men who, though perhaps imperialists at heart, are conservative and cautious—men of the type of Viscount Kato, leader of the Kenseikai party—she will call her soldiery home from Siberia and try to solve her national problems on less perilous lines. Whatever her decision proves to be, world politics in the next quarter century will be profoundly affected by it.

The future of Siberia, therefore, can be laid out only in terms of possibilities. That part of the country situated west of Lake Baikal is likely to go whatever way European Russia goes. At present its connections with the Moscow Government are tenuous. Siberia east of Lake Baikal seems likely to become permanently independent, notwithstanding its predominantly Russian character. This may add to the family of nations one large State, either the Far Eastern Republic, the creation of which at Chita was announced early in the present year, or some similar political establishment. Or a series of buffer States may arise—under the more or less open control of Japan. Such an arrangement has been seriously discussed at Tokio as a means of erecting a barrier against the conquest of the Far East by Bolshevism. In any case the historic balance in the Far East would thus be overturned. Japan would become a great continental power quite as truly as if the territories had been formally annexed to the empire—an alternative which, incidentally, is not outside the possibilities of the situation.

IMPROVING THE WORLD'S TRANSIT FACILITIES

THE League of Nations Commission on Transit and Waterways ended its deliberations at Barcelona on April 21, 1921. Two conventions were signed. The first dealt with waterways, and laid down as a principle the absolute freedom of navigation for all nations without any special customs duties, taxes, or other dues. The same freedom was granted for the use of rivers harbors. The second convention dealt with the question of transit overland, and agreed that there should be absolute equality for all States in transporting goods through a country when such goods are neither embarked nor disembarked in the country in question. It was agreed by the delegates that a technical consultation commission should be set up in Geneva on an international basis, for the settlement of all waterways and transit disputes. It was reported at that time that Mr. Rowell, one of the Canadian delegates at Geneva, had protested against this establishment of a new commission by the Barcelona Conference as contrary to the League Assembly's rulings. M. Hanataux, who presided at Barcelona, delivered a farewell address emphasizing the unanimity of the decisions reached.

BUSINESS CONDITIONS IN SIBERIA

By Walter Irving

This article was written in Vladivostok and sent to CURRENT HISTORY from that port on March 22, 1921. Its author is connected with a leading business establishment there, and his description of the economic and trading situation is Siberia is based on intimate personal knowledge. His summary of political happenings since the fall of Kolchak, coupled with his clear-eyed view of present business conditions throughout Siberia, has special interest at a time when both the Soviet Government and the leaders of the Far Eastern Republic are talking of giving vast concessions to foreign capital.

WITH the retreat of the Kolchak forces, which began about the beginning of November, 1919, and continued until February, 1920, the territory evacuated by them came under the rule of the Central Soviet Government in Moscow. The remnant of the Kolchak forces, an army of about 40,000 officers and men under the command of General Kappel, was forced to retreat on foot, the railway to the east being heavily overburdened with the evacuation of the Czechoslovak and other allied forces. This retreat was made in the depth of the Siberian Winter. The Kappel force was closely pursued by the Red Army, and was continually engaged in rearguard actions with the enemy. When this force arrived outside the town of Irkutsk it found the town in the hands of the Reds, so that the army was forced to make a detour to the northward, in order to avoid being surrounded. Crossing the frozen Lake Baikal into the Transbaikal Province, it eventually joined up with the anti-Bolshevist force of General Semenov, whose headquarters were in Chita. This retreat of General Kappel's force a distance of some 2,000 miles, through hostile country, and in the depth of the terrible Siberian Winter, took a heavy toll. Of the 40,000 that retreated from Krasnoyarsk, only about 20,000 reached Chita. General Kappel himself died on the way, and his body was brought to Chita for interment.

It was only the presence of the Japanese forces in Transbaikalia that prevented the Reds from pursuing the anti-Bolshevist forces further than Irkutsk. The communist Government which was eventually formed in Western Transbaikalia, with headquarters in Verkhneudinsk, and which was supported by the Soviet authorities, afterward attacked the anti-Bolshevist forces, but as the latter were materially and actively supported by the Japanese, they were more than able to hold their own. Eventually an agreement was signed between the Japanese and the Verkhneudinsk Government, whereby Verkhneudinsk undertook not to move its armed forces further east than the Yablon Mountains, which practically cut Transbaikalia into two equal parts. Two Governments were formed, the Verkhneudinsk Government ruling Western Transbaikalia, and the Government of General Semenov, Eastern Transbaikalia. These events, so far as the Russian Far East was concerned, had the effect of making the Siberian territory west of the Yablon Mountains a sealed book, as there was no free intercourse between Eastern and Western Siberia, and no postal, telegraphic or railway communication. This vast territory, therefore, both politically and economically, came under the direct influence of the Moscow Government, and the form of government prevalent in European Russia was extended to Western and Central Siberia.

The Russian Far East, composed of five provinces—Transbaikalia, Amur, Maritime, the Island of Saghalien and Kamchatka—after the fall of the Kolchak Administration, was administered by four separate Governments — Western Transbaikalia by the Verkhneudinsk Government, Eastern Transbaikalia by the anti-Bolshevist Government of General Semenov, the Amur Province by the communistic Government of Blagoveshchensk, and the Maritime Province, together with the Island of Saghalien and Kamchatka, by the Vladivostok Government, which was a coalition Government, with the communists in the majority. Each Government had its own special administration and its own paper currency, each issuing paper with a face value of millions of rubles, but in reality worth hardly more than the paper it was printed

on. Each Government had also a certain amount of gold and silver at its disposal, these metal reserves being parts of the Russian metal reserve which had been captured by the Kolchak Government, and which, when the Kolchak forces had been obliged to retreat, was evacuated to the east. The Blagoveshchensk Government, which had no metallic funds, was overjoyed when the Vladivostok Government evacuated the Kolchak gold, some 2,000 poods, to Blagoveshchensk for safe keeping. Naturally the Vladivostok Government never saw this gold again, Blagoveshchensk thinking that it had quite as much right to it as Vladivostok. The metal reserves of the different Governments had to be held strictly for the supplying of the population with the necessities of life, for the purchase of grain, flour, meat, &c.

As the trading and economic status of the whole of the Russian Far East had collapsed, such commodities had to be obtained from Northern Manchuria, and as the Chinese merchants would sell their commodities only for good "hard cash," it was not long before the supplies of metal were exhausted. Then came the time of nationalization and requisition from the peasants in the territories that had been evacuated by the Japanese forces. What effect these requisitions had on the economic life of the country will be described later.

With the withdrawal of the Japanese forces from Transbaikalia and the subsequent withdrawal of the support to General Semenov's Government, it soon became evident that an agreement must be come to between Chita and Verkhneudinsk, or that the Chita Government must capitulate. Several attempts were made to come to an agreement, but owing to the various demands made by Verkhneudinsk, some of which were not acceptable to Chita, it was evident that military operations were inevitable. These eventually came to a head. The Semenov and Kappel forces put up a hard fight, but they were obliged to retreat into Chinese territory, where they were disarmed by the Chinese military authorities. In accordance with their wishes they were transported to the Maritime Province, where they are now trying as far as possible to eke out an existence by peaceful labor.

With the fall of the anti-Bolshevist Government of Chita a movement was started for uniting the whole of the Russian Far East under a central Government as an autonomous democratic State, and with headquarters in Chita, to serve as a buffer State between Japan and Soviet Russia. This project was eventually brought into being when the Amur Government subjected itself to Chita. Vladivostok, after many discussions in the local National Assembly, subjected itself under certain conditions, the principal one being that the local National Assembly should still exist as a provincial apparatus for the administration of the province, in order to ward off the danger of the military occupation of the province by the Japanese forces, should the administration not meet with the approval of the Japanese command.

As the Chita Government was entirely composed of communists who were under the direct influence of the Moscow Government, it was only to be expected that a form of government exactly similar to that in force in Soviet Russia and Siberia would be brought into being by the Government of the Far Eastern republic. It is true that, in accordance with the declaration of the Chita Government, freedom of the press, free trade and the inviolability of private property were guaranteed by the buffer State, but there are plenty of ways of gaining the desired end, and a communist can generally find a way, even if he has to repudiate a whole series of previous declarations. Vladivostok and the surrounding districts, owing to the presence of the Japanese forces, has not as yet felt the full force of the "Proletariat's Paradise," and the Vladivostok authorities, although in reality subject to Chita, bow to its authority only when such bowing will not upset the Japanese; whenever there is a possibility of a conflict with the Japanese, should the local authorities accede to the demands of Chita, such demands fall upon deaf ears, and Chita has no redress.

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The Japanese forces in Siberia are said to number three army divisions, a total of about 30,000 officers and men. With the forming of the Central Government in Chita, and Vladivostok's submission, it seemed as if a conflict between the Japanese and Chita was inevitable, the Japanese command openly declaring that it would

not allow a communist form of government in the territory occupied by the Japanese forces. In spite of the Chita Republic's declarations of a democratic form of government the Japanese will have nothing to do with it, and they maintain connections only with the local authorities in Vladivostok, all disputes being brought before the Russo-Japanese Conciliatory Committee, which was formed after the operations of the Japanese forces in the Maritime Province on April 4 and 5, 1920. This committee is still functioning.

A great deal of discussion is going on in the Russian and Japanese press regarding the evacuation of the Japanese forces from Siberia, but in my opinion this will not be soon, as the local Japanese residents have signed a petition to their home Government demanding adequate protection of their lives and property, and as the Japanese Parliament has voted all the credits for the upkeep of the Siberian expedition.

A word might also be said here about the comments in the world's press regarding the actions of the Japanese in Eastern Siberia. The foreign business man, be he Japanese, British, American or French, feels that his business and capital are safe from nationalization and requisition only as long as the Japanese forces remain here, and one cannot doubt for a moment that, were the Japanese forces to be evacuated, Vladivostok and its surrounding districts would suffer the same fate as the other territories of Siberia. Besides, as no other nation thinks fit to go to the expense of protecting the lives and property of its nationals in Siberia, except perhaps America, which has a cruiser permanently stationed here, what nation can question the right of the Japanese to protect the lives and property of their nationals, who, next to the Chinese, form the largest part of the foreign population of the Russian Far East? Moreover, the political, economic and national welfare of the Japanese Empire is threatened by the extending of Bolshevist influence to its territories, and who can deny Japan the right of taking the measures which she thinks fit to prevent such a possibility?

* * *

According to official statistics of the Imperial Russian Government for 1911, the Government income and expenditure for Siberia were as follows: Income, 111,500,000 rubles; expenditure, 298,300,000 rubles; excess of expenditure over income, 186,600,000 rubles.

The income and expenditure were divided among the Siberian provinces as follows:

Province.	Income in Millions of Rubles.	Expenditure in Millions of Rubles.
Tobolsk	1.0	7.5
Tomsk	42.7	65.5
Akmolinsk, Semipalatinsk and Semiretschensk	15.8	24.0
Western Siberia	59.5	97.0
Yeniseisk	8.6	12.8
Irkutsk	15.5	47.3
Transbaikalia	10.0	44.0
Yakutsk	1.0	1.5
Central Siberia	35.1	105.6
Far East	16.9	95.7
Total for Siberia	111.5	298.3

The further to the east, the greater the expenditure became. If, for instance, we take the income for the various regions of Siberia as 100, the expenditure would be as follows:

	Income.	Expenditure.
Western Siberia	100	160
Central Siberia	100	300
Far East	100	570
Siberia	100	260

In general the expenditure of the Imperial Russian Government in 1911 for Western Siberia was one and one-half times the income, for Central Siberia almost three times, for the Far East almost six times, and for the whole of Siberia two and one-half times the income.

From the above it will be seen that the Russian Far East, including Transbaikalia, cost the Imperial Government Treasury some 113,000,000 rubles. With the financial budget of the Soviet Government in the state it is, owing to a heavy annual deficit for the last three years, it was natural that Moscow should find a way of ridding itself of this burden, which at the present state of the depreciated currency would not be, say 113,000,000, but as many milliards. What better way could be found by Moscow than that of granting the Far East its autonomy?

Another reason for the granting of autonomy was the need of Moscow for a respite from military operations in the east,

thereby giving her the possibility of putting her house in order in the reconquered territories; the Moscow Government had hopes, which to a great extent were fulfilled, of relieving the great shortage of first necessities felt in European Russia from the cutting off of stocks in Siberia. A conflict with the Japanese would have upset these plans, as Moscow would have been engaged in military operations against a strong foe, with the added danger of having a line of communications which was liable to be cut at any moment. In spite of the numerous demands and petitions from the Far East for a reunion with Soviet Russia, the edict went forth from Moscow that a buffer State must be formed, and that to appease the Japanese this new State must have a democratic form of government.

In reality there is no difference between the form of government in force in European Russia and the Russian Far East, as Chita is under the direct influence of Moscow, and in Chita Moscow's orders override all others. Only in Vladivostok and the surrounding districts is there a less radical form of government, due to the presence of the Japanese forces.

* * *

Financially, Siberia and the Russian Far East are in a deplorable state. All the Siberian territories are flooded with paper currencies of every sort and design. Among them might be mentioned Romanoff paper, Kerensky paper, Soviet paper, paper of the Verkhneudinsk Government, Amur paper money and, last but not least, paper money of the Vladivostok Government. At present in Vladivostok and its surroundings the Vladivostok paper money has almost entirely disappeared from circulation, which is not surprising, seeing that one can buy some 3,000 Vladivostok paper rubles for one Japanese yen. Vladivostok district is the only territory in Siberia which has a stable currency. The principal circulating medium is the Japanese yen, although American and Chinese dollars have free circulation and are accepted at the current rates. There are also small Russian silver coins in circulation.

Naturally, the purchasing power of the Russian Far East has fallen away to nothing, as nobody cares to accept paper money in exchange for his goods. The peasant, when he brought his commodities to market, would not accept this worthless paper money for them, but would exchange them only for some commodity of which he was in need. Later, the only way in which the Government could obtain the necessary supplies for the population was by requisitioning these commodities from the peasants, for which they paid paper money at fixed rates, in exchange for which the peasant could not buy anything. Now the peasants have become wise and do not produce any surplus commodities, but only enough for their own needs, so that the town population can no longer be supplied from this source. All the metallic funds which the various Governments had at their disposal have long ago been expended for necessities, the biggest part having gone to the merchants of Northern Manchuria, so that Siberia, one of the former granaries of the world, that used to export grain and foodstuffs for millions of rubles yearly, is now on the verge of starving, the population just eking out a bare existence. The authorities have been obliged to take extraordinary measures to supply the population with the necessities of life and are sending armed detachments into the villages for the requisition of commodities from the peasants. The latest news states that not only European Russia, but the whole of Siberia, is in revolt, this being the direct result of these forcible requisitions.

Although no definite news has been received regarding the success of these revolts, even should they fail, the Soviet Government will be forced to moderate its policy in order to satisfy the peasants, who form 80 per cent. of the population.*

Since the fall of the Kolchak Administration there has been a steady decline in the trade of the country, till at the present time it has about reached its limit. The former prosperous import and export trade through Vladivostok has fallen away to nothing. The decline in the import trade is due to the low purchasing power of the population, also to the fact that the merchants do not care to take the risk of importing goods which might eventually be

*Since this was written, the anti-Soviet uprisings, due to the cause stated, have generally failed, but Lenin has announced the modification of the Soviet policy regarding the peasants foreseen by the writer of this article.—Ed.

requisitioned. The decline in the export trade is due to the low productive power of the population and the deplorable state of the transport facilities, as well as to the many restrictions placed upon export goods by the local authorities.

A report of the Vladivostok Agency of the Chinese Eastern Railway states that on Feb. 1 the amount of export goods lying at Eggersheld Docks awaiting export was about 700,000 poods, or about 11,500 tons. Compare this figure with that quoted before the war, or even during the war, when there was always from 10,000,000 to 15,000,000 poods awaiting shipment, and you will get an idea of the decline in the export trade through the port of Vladivostok. In former times a great part of the transit export trade from Northern Manchuria passed through Vladivostok, the remainder going through the South Manchurian port of Dairen. In former times Vladivostok could freely compete with Dairen, but during the last year Vladivostok has been left a long way behind. The principal reason for the loss of this once profitable trade is found in the very heavy demands made by the Vladivostok dock laborers for the loading of cargoes; also in the very frequent strikes; the exporters had no guarantee that the cargoes would be loaded in the contracted time, and, if the loading was not done, they became liable for heavy demurrage payments for delays to vessels. A report says that during 1920 some 8,000,000 poods of export cargoes were shipped through Dairen, whereas last year only 1,500,000 poods of transit cargoes were shipped through Vladivostok.

At a discussion of the local Chamber of Commerce regarding measures to be taken for the reviving of the export transit trade through Eggersheld Docks, it was found that the principal obstacle was the absence of sufficient guarantees to the exporters that their export cargoes would not be requisitioned and confiscated, and that in the absence of such guarantees foreign insurance companies refused to insure such cargoes; that foreign banks refused to give advances against such cargoes, and that the tax of the Vladivostok dock laborers for loading was too high, and would have to be considerably reduced in order to compete with the port of Dairen. It was decided to apply to the local Government, petitioning it to make a special law guaranteeing export cargoes from any kind of requisition and confiscation, and also to indicate to the authorities the necessity, in the interests of the dock laborers themselves, of reducing the tax for loading cargoes by 50 per cent.

With the exception of Vladivostok City and district there is no freedom of trade in Siberia, the trade of the country being monopolized by the Government and centred in the hands of its agents, the co-operative societies. These concerns receive subsidies from the Government, otherwise they would not be able to exist. In former times they received the support of the peasants, who handed to them their commodities for shipment abroad, thus supplying them with funds for the purchase of foreign manufactured goods, which they received and turned over to the peasants. But this state of affairs is ended, the peasant now having no surplus commodities, and were the Government to take away its support of these concerns they would fall to pieces. In such circumstances it is not surprising that trade steadily goes from bad to worse.

There is much talk in the press regarding the possibility of trade with Russia, but how trade can be carried on in existing circumstances it is impossible to say. There is no money in the country, excepting worthless paper money, so that business can be done only on a credit basis; but what reasonable business man would think of extending credit to the co-operative societies?

The only way in which the trade of the country could be reconstructed would be to hand it over to private enterprises, the heads of which are real business men, men who are experienced in the methods of their own particular districts.

In conclusion I would say that Siberia offers great opportunities for foreign capital. Its great stores of mineral wealth being as yet practically untouched, they constitute a great source of supply of numerous raw materials. So far only Japan has taken an active part in trying to reconstruct Siberian trade and industry, but there is room for the capital of all nations, and the first to come will receive the best pickings. For the exploitation of the riches of Siberia, capital is needed, and only the foreigner can supply it.

SIBERIA'S NEW REPUBLIC: ITS STANDING

By Francis B. Kirby
Member of a British Engineering Concern in Vladivostok

A clarifying account of how the Far Eastern Republic at Chita was evolved by absorbing the powers of three other Governments—Its relations with Moscow and its local reputation—What Japan is working for in Siberia

When Kolchak's Government collapsed in Irkutsk in December, 1919, the authority in that place fell into the hands of the non-Bolshevist Socialists and Democrats. These people formed what was called a political centre, composed of various well-known social-revolutionary and democratic political workers, who conceived the idea of creating a buffer State, extending for the time being from Irkutsk to Vladivostok, the Government of which was to be of a genuinely democratic nature and to be situated in Irkutsk. This idea even met with the approval of the Moscow Soviet, as the latter hoped to use the proposed buffer State as a link with the outside world for the purpose of obtaining much-needed supplies. The reign of the political centre in Irkutsk, however, was a very short one, as the undercurrent of local Bolshevism soon became too strong for it, and its leaders were obliged to transfer their activities to Verkhne-Udinsk, leaving Irkutsk in Bolshevist hands.

On Jan. 31, 1920, the last of Kolchak's representatives, General Rozanov, was overthrown in Vladivostok by the Partisans, and the reins of government in that place were put in the hands of the Zemstvo Board of the Maritime Region. The Partisans then made their way up the railway as far as Khabarovsk, which thus came under the jurisdiction of the Vladivostok Government. Blagoveshchenck, however, fell into the hands of its local Bolsheviki.

A curious situation was thus created, in that there were four Governments in the Far East—Verkhne-Udinsk, Chita, Vladivostok and Blagoveshchensk. The first and third of these were democratic in character; the second, under Ataman Semenov, reactionary, and the last semi-Bolshevist. Semenov's Government in Chita naturally existed only because of the presence of Japanese troops, and it considerably hampered the efforts of the Verkhne-Udinsk and Vladivostok Governments.

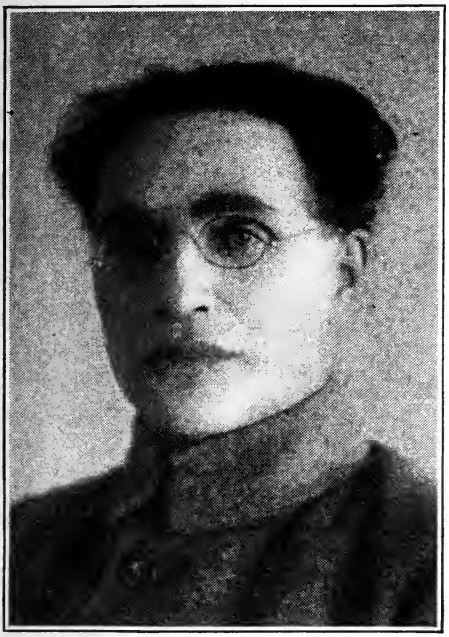
As had been the case with the Irkutsk political centre, the local Bolshevist element soon became too strong for the Verkhne-Udinsk and Vladivostok Governments' democratic aspirations, and by the end of March the controlling influence in both these centres was Bolshevist, although the nominal authority was still with the Zemstvos. It was this undesirable state of affairs which caused the Japanese to resort to strong measures on the 4th and 5th of April, 1920, in Vladivostok, Nikolsk-Ussurissk, Khabarovsk, Iman, &c., as a result of which the railways as far as Khabarovsk and Pogrannitchnaia were placed under Japanese control and the towns on this line were policed by Russian militia under strict Japanese supervision.

Having drawn the teeth of the local Bolsheviki and Partisans, the Japanese left the Russians to work out their own political salvation, merely reserving to themselves the right to maintain law and order in the zone occupied by Japanese troops. Although their methods were at times clumsy, and misunderstandings were frequent owing to their lack of knowledge of the Russian language and to their regarding many things from a viewpoint quite incomprehensible to the European nations, the Japanese displayed great forbearance, cool-headed judgment, and unselfishness in their handling of the Russian problem. In judging the actions of the Japanese, one must compare them with those of the many other nations who have taken a hand in this Russian business, and not treat the Japanese as a nation apart from the rest without a right to any ambitions or aims of their own. There are very few among the "interventionaries" in Russia's affairs who can con-

scientiously throw many stones at the Japanese.

In April, 1920, Krasnochekov—alias Tobelson—a well-known Bolshevist leader from Khabarovsk, turned up in Verkhne-Udinsk and formed a new Government of distinct Communist tendencies. Krasnochekov claimed precedence for his Government over all other Governments in the Far East.

On the other hand, the Vladivostok Government by this time was making genuine efforts to get rid of its Bolshevist element



(Photo Keystone View Co.)

ALEXANDER M. KRASNOCHEKOV

Provisional President of the Far Eastern Republic

and was preparing for the convocation of the National Assembly or Pre-Parliament, which was to take place on June 17. Chita remained in the hands of Semenov and the Japanese, while Blagoveshchensk was sitting on the fence claiming no precedence for itself, but waiting to see whether it should throw in its lot with Vladivostok or with Verkhne-Udinsk.

In order to forestall the Vladivostok National Assembly, Semenov opened a so-called National Assembly in Chita on June 5, but as only fourteen genuine delegates were present at the first sitting it could hardly be called a great success.

The first sitting of the Vladivostok National Assembly took place on June 20, 1920. The number of delegates present was 113, the majority representing the peasants.

Following on the formation of the National Assembly, efforts were made by the Vladivostok administration to persuade the moderate and conservative elements to enter the Government, and a coalition Government was formed which lasted until the middle of October, when it collapsed ignominiously, owing to the moderate elements withdrawing on account of the treacherous behavior of the Bolsheviki.

Since that time no Government worthy of the name has existed in the Far East, and judging from the efforts of the present Chita and Vladivostok régimes, it is improbable that they will ever develop into anything of a sound and lasting nature.

The next important event in the existence of the buffer State was the election of the Constituent Assembly. This was led up to by an exchange of delegations between Vladivostok and Verkhne-Udinsk, Vladivostok and Chita, and Vladivostok and Blagoveshchensk. These delegations were exchanged during the month of October for the purpose of discussing the question of joining the Far Eastern buffer State, determining the nature of its government, and deciding where the seat of government was to be. Nothing very much came of these preliminary delegations, as naturally Semenov's régime in Chita could not agree with that of Verkhne-Udinsk, and neither could agree with Vladivostok. However, by the end of October the Japanese had evacuated Transbaikal and Semenov's régime in Chita had come to an end. The Verkhne-Udinsk administration moved to Chita, and the work of unifying the Far Eastern State began in earnest by the appointing of a temporary Cabinet in Chita, consisting of five communists. This was done without even consulting Vladivostok, and from that time on Chita began dictating terms to the other centres of the buffer State, Vladivostok being relegated to the position of a mere district administration. The elections to the Constituent Assembly took place in January, 1921, and on the whole resulted in a victory for the communists, as the Peasant Party, under the in-

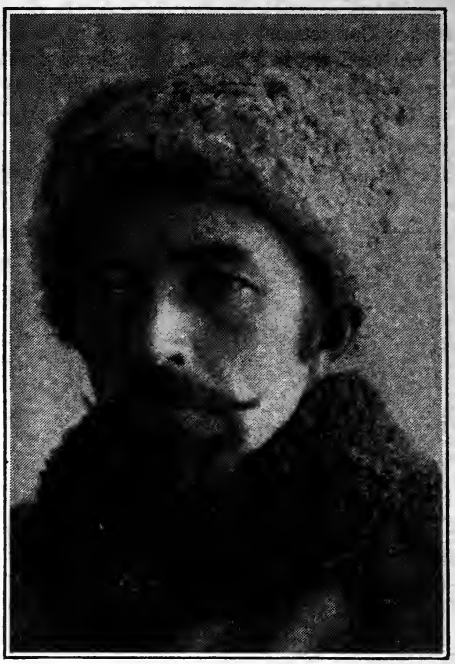
fluence of fear of foreign aggression and reactionary adventures, joined them.

The Constituent Assembly was opened on Feb. 12, 1921, and at its first sitting elected as its President and Vice Presidents, Shilov, Borodavkin, and Klark, all communists. Since that date the Assembly has been in session, but has done nothing to improve the financial or economic condition of the State. It has been clear throughout that Chita's policy is dictated by Moscow, and in fact many of the so-called representatives of the Chita Government who have come to Vladivostok have been sent direct from Moscow.

There is little more to say about the Government of the Far Eastern Republic. That it is Bolshevist through and through is clear to every unbiased observer, but in order to get on friendly terms with the outside world and so obtain much-needed supplies of first necessities of life, it can doubtless be forced to adopt a democratic system, and this is what Japan is at the present moment trying to bring about.

The economic condition of the buffer State is deplorable and its towns are actually on the verge of starvation. Discontent is rife amongst all classes of the population, and it is difficult to see how any improvement can be reached without outside assistance. Soviet Russia has quite enough trouble of her own, and, in fact, looks to the buffer State for help in the way of supplies, so aid must come from Japan or America or both. Financially the country is completely ruined, and the various administrations, State and municipal, are hard put to it to find money to pay their employes. Industry and commerce are at a complete standstill. The value of real estate has fallen to ridiculous levels, as even foreigners are afraid to invest, not knowing when the Bolsheviki may be all-powerful in the buffer State and everything nationalized. So far, the Japanese are the only people who are taking serious advantage of this situation, and they are gradually getting an economic grip on the country by buying houses, land and commercial enterprises at low prices.

As regards the Japanese remaining in Vladivostok permanently, as many people have got into the habit of predicting, this is hardly probable. There are other reasons apart from the climate which prevent the Japanese from making a colony of the Far East of Siberia, but it is improbable that they ever had any such intention. From all their actions it is quite clear that what they intend to capture is the Siberian market for their cheap manufactured goods,



(Keystone View Co)

MATVAEV, MINISTER OF WAR
The man who is organizing the Far Eastern Republic's army against Japanese aggression

and, by diligently buying property and securing all kinds of concessions, get the economic control of Eastern Siberia. This will undoubtedly prove to be a good investment, provided the Japanese are able to make use of their opportunities and produce salable goods, and combined with the possession of Saghalien and the fisheries will satisfy the appetite of Japan.

The Japanese will evacuate Siberia just as soon as they are satisfied that the Government of the buffer State intends to follow a democratic policy and will not indulge in Bolshevist habits of requisitioning other people's goods or nationalizing private enterprises. The most optimistic observer cannot truthfully say that the Far Eastern republican Government has yet reached this state of perfection, consequently it is not surprising that the Japanese remain.

Vladivostok, April 12, 1921.

THE PEACE TREATY BETWEEN POLAND AND RUSSIA

Text of the compact between Poland and Russia, which reflects the relations of the two peoples from 1772 down to the present—All expropriated property to be returned to Poland, which also receives new territory and 30,000,000 gold rubles—Political amnesty and abstention from propaganda agreed upon

THE treaty of peace finally concluded between Soviet Russia and Poland, as the principal high contracting powers, and with the Soviet Ukrainian Government as a minor signatory, was signed at Riga, the capital of Latvia, on March 18, 1921. Agreement between the Polish and Russian delegates on the terms eventually signed was reached only after months of negotiations, which were often threatened with disruption, and only mutual concessions made the conclusion of the treaty possible. Both Governments welcomed the signing of the compact. Moscow ratified the document on March 22. The Polish Diet formally ratified it on April 15, thus coming within the thirty days' time limit set for ratification. The ratification of the Ukraine was included in that of the Soviet Government.

This long, detailed and historically important document gives an interesting reflection of the interrelations of Russia and Poland since 1772. Poland's national pride was solaced by the Soviet pledge to return all the old Polish flags and trophies of war seized by former Russian armies and carried off triumphantly to Russia. All property seized since the European war, and especially during the recent war between Russia and Poland, is to be restored to the former owners. A general political amnesty is agreed to by the contracting parties, who also mutually agree to refrain from all subversive propaganda against each other, and to refuse support to all organizations hostile to the other. In plain words, this means that Moscow promises to cease anti-Polish propaganda, and that Poland will aid no other military ventures to overthrow the Bolshevist Government. Poland is freed from all the debts of the former Empire, and will receive 30,000,000 gold rubles to recompense her for her former economic credits.

The wavering and much-disputed boundaries between Poland, Russia and the Ukraine are fixed, and the Moscow Government cedes to Poland some 3,000,000 square kilometers of territory near Minsk, and also the Ukrainian district of Polesia. [For Russian protests and other details, see Pages 489-90] CURRENT HISTORY is indebted to the Polish Bureau of Information, New York City, for the following translation of the treaty; also for the summary of the boundary terms which is here substituted for the long and tedious details in Article 2 of the original document. Otherwise the following is the complete text of the treaty:

INTRODUCTION

PREAMBLE—*Poland on the one hand, and Russia and the Ukraine on the other hand, desirous of terminating as soon as possible the war between them, and with the aim of concluding a final, lasting and honorable peace founded on a mutual understanding, on the basis of the agreement signed in Riga on Oct. 12, 1920, concerning the preliminary conditions of peace, decided to open peace negotiations, and to this end designated as their plenipotentiaries:*

The Government of the Republic of Poland: Messrs. John Dombski, Stanislaw Kauzik, Edward Lechowicz, Henry Strasburger and Leon Wasilewski;

The Russian Socialist Federated Soviet Republic in its own name, and with the authorization of the Government of the White-Ruthenian Socialist Soviet Republic, and the Ukrainian Socialist Soviet Republic: Messrs. Adolf Joffe, Jacob Hanecki, Emanuel Quiring, Leonid Obolenski and Alex Szmulski.

The above-named plenipotentiaries assembled in Riga, after the exchange of their credentials, acknowledged as sufficient and drawn up in proper form, agreed to the following decisions:

ARTICLE 1—Both contracting parties declare that the state of war between them is ended.

ARTICLE 2—Both contracting parties, conforming to the principle of the right of nations to self-determination, recognize the independence of the Ukraine and White-Ruthenia, and agree and decide that the eastern frontier of Poland, that is, the frontier between Poland on the one hand, and the Ukraine and White-Ruthenia on the other hand, shall be constituted by the following line:

[Then follows a detailed description of the frontier, which may be summarized by stating

that beginning at the junction of Latvia and Russia the international boundary follows the river Dzwina in a southeasterly direction past the town of Dzwina, where the line turns off in a southern direction, leaving the town of Orzechowno on the Polish side, and continuing south about twenty kilometers east of the Polish city of Wilejka, and about an equal distance to the west of the White-Ruthenian city of Minsk. Thence the frontier traverses the great Pinsk marshes, crossing the Prypek River about sixty kilometers to the east of the Polish city of Pinsk. Continuing south across the lowlands, the line passes well to the east of the Polish cities of Rowno and Dubno, and then follows the old Austrian frontier of Eastern Galicia to the junction of the Zbrucz River with the Dniester River. This line varies but slightly from the armistice line agreed upon in October 1920].

The exact determination and demarcation on the spot of the above frontier, and the placing of frontier marks, are the duty of the Mixed Commission of Demarkation, appointed on the basis of Article 1 of the agreement concerning the Preliminary Conditions of Peace of the 12th of October, 1920, and in conformity with the supplementary protocol on the subject of the execution of the above article, signed at Riga on Feb. 24, 1921. * * *

Each of the contracting parties binds itself, not later than fourteen days after the signing of the present treaty, to withdraw its military forces and its administration from those localities which, in the present description of the frontier, have been recognized as belonging to the other side. In localities lying on the frontier line itself, in so far as in the present treaty it has not been determined to which side they belong, the administrative and frontier authorities at present existing will remain until the frontier is marked on the spot, and the appurtenance of these localities has been defined by the Mixed Commission of Demarkation; these authorities shall then be removed to their own territory, observing the principles given in paragraph 9 of the Armistice Agreement of Oct. 12, 1920.

The question of archives connected with the territory of Poland is determined in Article 2 of the present treaty.

TERRITORIAL RIGHTS

ARTICLE 3.—Russia and the Ukraine renounce all rights and pretensions to territories situated to the west of the frontier determined in Article 2 of the present treaty. Poland on her part renounces, to the benefit of the Ukraine and White-Ruthenia, all rights and pretensions to territories situated to the east of this frontier.

Both contracting parties agree that in so far as the territories situated to the west of the present frontier determined in Article 2 of the present treaty include territories under dispute between Poland and Lithuania, the question of the appurtenance of these territories to the one or the other of these two States belongs exclusively to Poland and Lithuania.

ARTICLE 4.—From the former appurtenance of parts of the territories of the Polish Republic to the former Russian Empire, no obligations or burdens shall result for Poland in relation to Russia, except those foreseen by the present treaty.

In an equal measure, from the former common appurtenance to the former Russian Empire no mutual obligations and burdens shall result between Poland, White-Ruthenia and the Ukraine, except those foreseen by the present treaty.

RESPECT OF SOVEREIGNTY

ARTICLE 5.—Both contracting parties guarantee to each other complete respect of State sovereignty and abstinence from any interference whatever in the interior affairs of the other party, especially from agitation, propaganda and all kinds of intervention, or from supporting the same.

Both contracting parties undertake the obligation neither to create nor to support organizations having for their aim armed combat with the other contracting party, either by attacking its territorial integrity or preparing the overthrow of its State or social structure by violence, as well as organizations assuming the rôle of Government of the other party or of a part of its territory. Wherefore the two contracting parties bind themselves not to allow the presence on their territories of such organizations, their official represenations and other organs, to forbid the recruiting of soldiers, as well as the import to their territories and the transport through their territories of armed forces, arms, ammunition and all kinds of war materials destined for these organizations.

CITIZENSHIP OPTION

ARTICLE 6—1. All persons who have reached the age of 18 years and who are on Polish territory at the moment of the ratification of the present treaty, who on Aug. 1, 1914, were citizens of the Russian Empire and are inscribed, or have the right to be inscribed in the registers of the stable population of the former Kingdom of Poland, or were inscribed in the town or rural communes, or in one of the social class organizations on territories of the former Russian Empire forming part of Poland, have the right to make known their desire on the subject of the option of Russian or Ukrainian citizenship. From former citizens of the former Russian Empire of other categories, who at the moment of the ratification of the present treaty are on Polish territory, such action is not required.

2. Former citizens of the former Russian Empire who have reached the age of 18 years, who at the moment of the ratification of the present treaty are on the territories of Russia or the Ukraine, and are inscribed or have the right to be inscribed in the registers of the stable population of the former Kingdom of Poland, or were inscribed in town or rural communes, or in one of the social class organizations on territories of the former Russian Empire forming part of Poland, will be considered as Polish citizens if, in the form of option foreseen in the present article, they express such desire.

Equally, persons who have reached the age of 18 years and are on the territory of Russia or of the Ukraine, will be considered as Polish citizens if, in the form of option foreseen in the present article, they express such a desire, and prove that they descend from participants in the struggle for the independence of Poland in the period from 1830 to 1865, or that they are the descendants of persons who, no further than three generations back, were permanently domiciled on the territory of the former Republic of Poland, and prove that they themselves, by their activities, their use of the Polish language as their usual language, and in the bringing up of their offspring, have plainly manifested attachment to Polish nationality.

3. The prescriptions concerning option apply also to persons corresponding to clauses 1 and 2 of the present article, in so far as these persons are outside the Polish frontiers in Russia or the Ukraine, and are not citizens of the State in which they reside.

4. The choice of the husband extends to the wife and the children up to the age of 18 years, in so far as a different understanding does not take place between husband and wife on this subject. If husband and wife cannot agree, the wife has the right of independent choice of citizenship; in this case the choice of the wife extends to the children brought up by her.

In case of the death of both parents the choice is adjourned until the child attains the age of 18 years, and from that date are reckoned all time periods determined in the present article. For others incapable of legal action the choice is made by a legal representative.

5. Declaration of the choice of citizenship should be made before a Consul or other official representative of the State for which the person in question declares himself, within the term of one year from the moment of the ratification of the present treaty; for persons residing in Caucasus and in Asiatic Russia, this term is prolonged to fifteen months. These declarations will be made within these same time periods before the proper officers of the State in which the person in question finds himself.

Both contracting parties undertake the obligation, within one month from the date of the signing of the present treaty, to publish and make known, as well as to make known to each other reciprocally, a list of the authorities designated to receive declarations of the choice of citizenship. The two contracting parties also undertake to make known to each other, within the term of three months, by diplomatic procedure, lists of persons who have made declarations of choice of citizenship, with mention both of the declarations recognized as valid and the declarations recognized as non-valid.

6. Persons making declaration of choice of citizenship do not thereby acquire the nationality chosen. When a person who has made a declaration of choice of citizenship responds to the conditions specified in clauses 1 and 2 of the present article, the Consul or other official representative of the State in favor of which the choice is made, shall give the decision thereon, and shall send his attestation, together with the documents of the chooser, to the Ministry (People's Commissariat) of Foreign Affairs. Within the term of one month from the day of sending the attestation, the Ministry (People's Commissariat) of Foreign Affairs shall either communicate to the afore-mentioned representative its opposition to the decision, in which case the matter shall be decided by diplomatic procedure, or shall recognize the decision of the representative, and shall send him an attestation of the cessation of the former citizenship of the chooser, together with all the other documents of the chooser except his residence permit.

The non-reception within the term of one month of the notification of the Ministry (People's Commissariat) of Foreign Affairs shall be considered as consent to the decision of the representative.

In cases where the person choosing responds to all the conditions mentioned in clauses 1 and 2, the State in favor of which the option is made shall not have the right to refuse citizenship to the person choosing, while the State in which the person in question is residing shall have the right to refuse liberation from citizenship.

The decision of the Consul or other official representative of the State in favor of which the choice is made, shall fall within a term of two months at most from the moment of the reception of the declaration of choice; this term, for persons residing in the Caucasus and in Asiatic Russia, shall be prolonged to three months. The execution of option shall be free from stamp, passport and all other taxes, including taxes for publication.

7. Persons who have validly executed their option shall be allowed to depart without obstacle to the State in favor of which the choice was made. Both contracting parties, however, may demand that these persons shall make use of their right to leave; in this case the departure shall take place within six months from the day of notification.

The choosers have the right to retain or legally liquidate their movable and immovable possessions; in case of departure they may take their belongings with them in accordance with the rules determined in Affix 2 to the present treaty. Possessions so taken out of the country shall be free from all customs duties and taxes. Possessions exceeding the standard fixed for possessions to be taken out of the country may be taken away later, when transport conditions have improved.

8. Up to the moment of a validly executed option, choosers shall be subject to all the laws obligatory in the State in which they are residing; after its execution they shall be considered as foreigners.

9. Should the person who has validly executed his option be under accusation or under trial for a penal offense, or be serving his sentence, he will be sent under guard, together with the documents pertaining to the case, to the State in favor of which the choice was made, if that State demands his extradition.

10. Persons who have validly executed their option shall be recognized in every respect as

citizens of that State in favor of which their choice was made, and all rights and privileges without exception granted to the citizens of that State, be it by the present treaty or by future agreements, shall belong to the choosers in the same measure as if they had been already citizens of the State in favor of which they have chosen, at the moment of the ratification of the present treaty.

NATIONAL RIGHTS

ARTICLE 7.—1. Russia and the Ukraine guarantee to persons of Polish nationality who are in Russia, the Ukraine and White-Ruthenia, on the principle of the equality of national rights, all rights securing the free development of culture, language, and the exercise of religious rites. Reciprocally, Poland guarantees to persons of Russian, Ukrainian and White-Ruthenian nationality who are in Poland all these rights.

Persons of Polish nationality who are in Russia, the Ukraine and White-Ruthenia, have the right, within the limits of internal legislation, to cultivate their own language, to organize and support their own schools, to develop their own culture, and to this end to form associations and unions; these same rights, within the limits of internal legislation, belong to persons of Russian, Ukrainian and White-Ruthenian nationality who are in Poland.

2. Both contracting parties undertake the obligation to refrain reciprocally from interference, either direct or indirect, in affairs of the organization and the life of the Church, as well as of the religious associations which are on the territory of the other party.

3. Churches and religious associations in Russia, the Ukraine and White-Ruthenia to which belong persons of Polish nationality have the right, within the limits of internal legislation, to the independent organization of the internal life of the Church. The above-mentioned churches and religious associations have the right, within the limits of internal legislation, to the use and acquisition of the movable and immovable possessions indispensable to the exercise of religious rites and the maintenance of the clergy and Church institutions. Following these principles, persons of Polish nationality in Russia, the Ukraine and White-Ruthenia have the right to avail themselves of the churches and institutions indispensable to the exercise of religious rites. This same right belongs to persons of Russian, Ukrainian and White-Ruthenian nationality in Poland.

COSTS OF THE WAR

ARTICLE 8.—Both contracting parties reciprocally renounce the restitution of the costs of the war, that is, State expenditure for the carrying on of war between them, as well as indemnity for war losses, viz., losses that were inflicted on them or their citizens on the territory of war operations by military activities and dispositions during the Polish-Russian-Ukranian war.

ARTICLE E9.—1. The agreement on repatriation concluded between Poland, on the one hand, and Russia and the Ukraine, on the other hand, in the execution of Article 7 of the preliminary peace agreement of Oct. 12, 1920, signed in Riga on Feb. 24, 1921, remains in power.

2. The mutual liquidation of accounts and the payment of the real costs of maintenance of prisoners of war should be made at periods of three months. The mode of calculation and the extent of these costs will be determined by the mixed commission provided for in the above-mentioned agreement on repatriation.

3. Both contracting parties pledge themselves to respect and suitably to maintain the graves of prisoners of war who have died in captivity, and also the graves of soldiers, officers and other members of the opposing army who fell on the field of battle and are buried on their territory.

Both contracting parties bind themselves, after an understanding with the local authorities, to allow the erection of monuments on the graves, as well as to permit the exhumation and transport of bodies to their native country, according to the reduced tariffs, taking into consideration the legislative prescriptions of the country and the demands of public health.

The above prescriptions apply also to all graves and bodies of hostages, civil prisoners, interned persons, exiles, refugees and immigrants.

4. Both contracting parties agree to supply each other, reciprocally, the documents concerning the decease of the persons above mentioned, and to make known the number and the locality of the graves of persons who died and were buried without the establishment of their identity.

AMNESTY

ARTICLE 10—1. Each of the contracting parties guarantees to the citizens of the other party complete amnesty for political crimes and offenses. By political crimes and offenses is understood acts directed against the organization or the safety of the State, as well as acts committed to the advantage of the other party.

2. The amnesty extends also to acts pursued by administrative procedure or outside the courts, as well as to infractions of regulations obligatory for war prisoners and interned persons, and in general for citizens of the other party.

3. The application of amnesty according to Clauses 1 and 2 of the present article involves the obligation not to begin new investigations, the annulment of pursuits already begun, and the non-execution of sentences already pronounced.

4. The withholding of the execution of sentences does not necessarily involve setting the accused at liberty; in case this is done, however, the persons concerned should be immediately surrendered to the authorities of their own State, together with all the requisite documents. If, however, a person should declare that he does not wish to return to his country, or if the authorities of his country should not agree to receive him, this person may be again deprived of liberty.

5. Persons who are under accusation or who

are being prosecuted, against whom preliminary proceedings are being taken, or who are on trial for common offenses, and also those undergoing sentence for such offenses, shall, at the demand of the State of which they are citizens, be surrendered immediately, together with all the documents in the case.

6. The amnesty foreseen in the present article extends to all the above-mentioned acts committed up to the moment of the ratification of the present treaty. The execution of death sentences for the acts mentioned shall be withheld from the moment of the signing of the present article.

MONUMENTS AND ARCHIVES

ARTICLE 11.—1. Russia and the Ukraine will restore to Poland the following objects removed to Russia or to the Ukraine from the territory of the Polish Republic since Jan. 1, 1772:

a. All war trophies (for instance, flags and standards, all military signs, guns, arms, regimental regalia, &c.), as well as trophies taken since 1792 from the Polish nation during its struggle for independence against Czarist Russia. The Polish-Russian-Ukrainian war of 1918-1921 is not subject to such restitution;

b. Libraries, collections of books, archaeological collections, archives, works of art, relics, as well as all kinds of collections and objects of historic, national, artistic, archaeological, scientific or general cultural value.

The collections and objects described under letters a and b in this article are subject to restitution without regard to the conditions under which they were removed or the prescriptions of the authorities of that period, and without regard to what legal or personal holder they belonged originally, or after removal.

2. The obligation of restitution does not extend to:

a. Objects removed from territory situated to the east of the Polish frontier determined by the present treaty, in so far as it is proved that these objects are the product of White-Ruthenian or Ukrainian culture, and that they were brought to Poland not by voluntary transaction or by inheritance;

b. Objects which were brought to Russian or Ukrainian territory from their lawful owner through voluntary transactions or inheritance, or which were brought to the territory of Russia or the Ukraine by their lawful owner.

3. If collections and objects of the category mentioned under letters c and b in Clause 1 of the present article, brought from Russia or the Ukraine in this same period, are found in Poland, they are subject to restitution to Russia and the Ukraine on the principle mentioned in Clauses 1 and 2 of the present article.

4. Russia and the Ukraine will restore to Poland the following objects taken from the territory of the Republic of Poland since Jan. 1, 1772, and connected with the territory of the Republic of Poland: The archives, records, materials pertaining to the archives, acts, documents, registers, maps, plans and drawings, as well as plates and clishés, sealing stamps and seals, &c., of all State offices and institutions, self-governing, social and clerical.

Those of the objects above denominated, however, which, although not connected as a whole with the territory of the present Republic of Poland, cannot be divided, will be returned to Poland in their entirety.

5. Russia and the Ukraine assign the following objects dating from the period between Jan. 1, 1772, to Nov. 9, 1918, during Russian rule over territories which form part of the Republic of Poland: Archives, records, materials pertaining to archives, acts, documents, registers, maps, plans and drawings of legislative institutions, central, provincial and local organs of all Ministries, offices and administrations, as well as self-governing bodies, social and public institutions, in so far as the objects denominated above have connection with the territory of the present Republic of Poland and are in reality on Russian or Ukrainian territory.

Should the objects denominated in this clause, and which have connection with territories remaining with Russia or the Ukraine, be found in Poland, Poland undertakes the obligation to assign them to Russia or to the Ukraine on these same principles.

6. The decisions of Clause 5 of the present article do not extend to:

a. Archives, records, &c., having connection with the struggles of the former Czarist authorities with the revolutionary movements in Poland after the year 1876 up to the time of the conclusion of a special agreement between both parties on their restitution to Poland;

b. Objects representing military secrets and having connection with the period after the year 1870.

7. Both contracting parties, agreeing that the systematized, scientifically elaborated and complete collection forming the basis of a collection of universal cultural importance, should not be subject to destruction, decide the following: If the removal of any object whatever, subject, on the principle of Clause 1 of the present article, to restitution of Poland, may destroy the value of the collection as a whole, the said object, except in case of its close connection with the history or the culture of Poland, shall remain in its place with the agreement of both parties of the mixed commission foreseen in Clause 15 of the present article, in exchange for another object of equal scientific or artistic value.

8. Both contracting parties declare their readiness to conclude special agreements concerning the restitution, the redemption or the exchange of articles of the categories denominated in Clause 1 b of the present article, in cases when these objects passed to the territory of the other party through voluntary transaction or inheritance, in so far as these objects represent cultural acquisitions of the interested party.

9. Russia and the Ukraine undertake to restore to Poland the following objects forcibly or voluntarily removed to Russia or the Ukraine from the territory of the Polish Republic since Aug. 1 (new style), 1914—that is, from the beginning of the World War—to Oct. 1 (new style), 1915, and belonging to the State or its institutions, self-governing bodies, social or public institutions, and in general to all legal and physical holders:

a. Archives of every kind, records, acts, documents, registers, account and commercial books, writings and correspondence, surveying and measuring instruments, plates and clichés, sealing stamps, maps, plans and drawings, with sketches and measurements of the same, with the exception of objects having at present the character of military secrets, which belonged to military institutions;

b. Libraries, archival and artistic collections, with their inventories, catalogues and bibliographical material; works of art, relics and all collections of articles of a historical, national, scientific, artistic or in general of a cultural character; bells and all objects of religious cult of all confessions.

c. Scientific and school laboratories, cabinets and collections, scientific and school accessories, instruments and apparatus and also all auxiliary and experimental material of the same character.

d. Objects subject to restoration and mentioned in the present clause under letter c may be returned, not necessarily *in natura*, but in the form of a proper equivalent, determined with the agreement of both parties in the mixed commission provided for in Clause 15 of the present article. Objects dating from before 1870 or donated by Poles may be returned, not necessarily *in natura*, but in the form of a proper equivalent, solely with the agreement of both parties of the above-mentioned mixed commission.

10. Both contracting parties undertake the obligation reciprocally to restore on the same principles the collections and objects mentioned in Clause 9 of the present article removed voluntarily or forcibly from the territory of the other party after Oct. 1 (new style), 1915.

11. Objects denominated in Clauses 9 and 10 of the present article not forming the property of the State or of State institutions shall, upon demand of the Governments based on the declarations of the owners, be returned for the purpose of their restoration to the owners.

12. Objects denominated in Clauses 9 and 10 of the present article are subject to restitution in so far as they are *de facto*, or prove to be under the administration of governmental or social institutions of the State making the restitution. The obligation of proving that an object was destroyed or lost is incumbent on the State making the restitution. If the objects denominated in Clauses 9 and 10 of the present article are in the possession of third persons, whether physical or legal holders, they shall be taken from them for the purpose of restoral.

Also, at the request of the owner, objects denominated in Clauses 9 and 10 of the present article and in his possession, shall be formally restored.

13. Costs in connection with the return and restitution will be borne by the State making the restitution within the limits of its own territory to the frontiers of the State. Restitution shall be executed without regard to prohibitions or restrictions of export and shall not be subject to any taxes or payments.

14. Each of the contracting parties undertakes to surrender to the second party the cultural or artistic possessions donated or bequeathed up to Oct. 7 (new style), 1917, by the citizens or institutions of the other party to its State or to its social, scientific or artistic institutions in so far as these donations or bequests were accomplished according to the obligatory statutes of the State in question.

Both contracting parties reserve the right to conclude special agreements in the matter of the above-mentioned donations and bequests made after Nov. 7 (new style), 1917.

15. For the execution of the decisions of the present article there shall be formed not later than within six weeks from the ratification of the present treaty a special mixed commission on the principle of equality, with headquarters in Moscow, composed of three representatives of each party and the indispensable experts. This commission will direct its activities according to instructions forming Affix 3 to the present treaty.

STATE PROPERTY

ARTICLE 12. Both contracting parties recognize that State property of every kind on the territory of the one or the other of the contracting States, or subject to restitution to that State on the basis of the present treaty, forms its indisputable property. By State property is understood every kind of property and property rights of the State itself as well as of State institutions; property and property rights of appanage, cabinets, palaces, all kinds of property and property rights of the former Russian Empire and of members of the former Imperial family, and all kinds of property and property rights donated by Russian Emperors.

Both contracting parties renounce, reciprocally, all claims arising from the division of State property, in so far as the present treaty does not make a different decision. To the Polish Government pass all rights and claims of the Russian Treasury against all kinds of property within the frontiers of Poland, and all claims against physical and legal holders if these rights and claims are subject to execution on Polish territory, and in this connection only to the amount not offset by the reciprocal claims of the debtors based on Clause 2 of Article 17, to be settled in the clearing of accounts. The documents and acts confirming the rights indicated in this article are transferred by the Russian Government, in so far as they are really in its possession, to the Polish Government. In case of the impossibility of executing this provision within the term of one year from the day of ratification of the present treaty, these documents and acts will be recognized as lost.

GOLD

ARTICLE 13.—In view of the active participation of the territories of the Republic of Poland in the economic life of the former Russian Empire, as recognized by the preliminary peace agreement of Oct. 12, 1920, Russia and the Ukraine pledge themselves to pay to Poland 30,000,000 gold rubles in coin or ingots, not later than within one year from the time of ratification of the present treaty.

THE BLACK LINE RUNNING FROM LATVIA SOUTHWARD TO RUMANIA IS THE NEW BOUNDARY BETWEEN POLAND AND RUSSIA AS DETERMINED BY THE TREATY OF RIGA

ARTICLE 14.—The re-evacuation* of State railway property from Russia and the Ukraine to Poland will be executed according to the following principles:

a. Railway rolling stock of the general European gauge is to be returned to Poland *in natura,* in the quantity and on the conditions indicated in Annex 4 to the present treaty.

b. Broad gauge railway rolling stock, as well as railway rolling stock of the general European gauge, altered to broad gauge in Russia and the Ukraine up to the day of the signing of the peace treaty, remains in Russia and the Ukraine, in the quantity and on the conditions indicated in Annex 4 to the present treaty.

c. Other property besides railway rolling stock will be in part returned to Poland *in natura,* and in part will remain in Russia and in the Ukraine, in the quantity and on the conditions indicated in Annex 4 to the present treaty. The value of the railway property indicated under

*The terms "evacuation" and "re-evacuation" are employed in the original document in the sense of "removal" and "restitution," according to the practice which arose during the war.

the letters a, b and c of the present article, is fixed by the contracting parties at the sum of 29,000,000 rubles in gold.

2. Both contracting parties undertake reciprocally to return to each other, on the general principles laid down in Article 15 of the present treaty, all State river property (boats, mechanisms, technical apparatus, landing facilities and other river transport property); also, the property of road administration, in so far as the property falling under these two classifications is at present, or will be, under the administration of government or socal institutions of the State making the restitution.

The bringing into force of the decisions of the present clause and the decision of all matters connected therewith, is placed in the hands of the Mixed Commission of Re-evacuation provided for in Article 15 of the present treaty.

RE-EVACUATION OF PRIVATE PROPERTY

ARTICLE 15.—1. Russia and the Ukraine bind themselves, at the demand of the Polish Government, and on the basis of the owners' declaration, to re-evacuate to Poland, for the purpose of its restitution to the said owners, the property of self-governing bodies, institutions, and physical and legal persons, which was voluntarily or forcibly removed from the territory of the Republic of Poland to Russia and the Ukraine, after Aug. 1, 1914—that is, from the beginning of the World War—up to Oct. 1 1915.

2. Both contracting parties undertake the obligation reciprocally to re-evacuate, at the desire of the Government of the other party, and on the basis of the declaration of the owners, the property of all self-governing bodies, institutions, and physical and legal persons, on the territory of the other party, voluntarily or forcibly evacuated after Oct. 1, 1915.

3. The property specified in Clauses 1 and 2 of the present article is subject to re-evacuation, in so far as it is at present, or will prove to be, under the administration of governmental or social institutions of the State making the restitution. The obligation of proving that an object has suffered damage or has been lost, is incumbent on the State making the restitution.

In so far as the property specified in Clauses 1 and 2 of the present article represents a means of production, and was formerly under the administration of Government or social institutions of the State making the restitution, but was later destroyed or lost as a result of circumstances beyond control (*vis major*), the Government of the State making the restitution is under the obligation to give a proper equivalent for these objects.

If the property indicated in Clauses 1 and 2 of the present article is in the possession of third persons, whether physical or legal, it shall be taken from them for the purpose of re-evacuation.

Property indicated in Clauses 1 and 2 of the present article and now in the possession of the owner, shall also, at his demand, be formally re-evacuated.

4. Property subject to re-evacuation on the principle of Clauses 1, 2 and 3 of the present article, with the agreement of the parties interested, may be returned not necessarily *in natura*, but in the form of a proper equivalent

5. A complete reciprocal settlement of accounts arising from legal titles connected with evacuated property, shall take place within 18 months from the day of the ratification of the present treaty, between the owners of the re-evacuated property and the Government making the restitution.

This settlement shall comprise, on the one hand, the subsidies, loans and open credits granted for evacuation, with the exception of credits covered by securities, and, on the other hand, the expenditures connected with evacuation, including dues for raw materials, semi-manufactures, goods and capital taken by the State making the restitution; in this settlement will also be included compensation for the partial or complete wearing out by use, in the process of production, of property subject to re-evacuation.

The Governments of the contracting parties guarantee payments based on the above-named settlement. This settlement must not put a stop to re-evacuation.

6. The costs of re-evacuation within the limits of its own territory, up to the frontier, shall be borne by the State making the restitution.

The re-evacuation of property shall be executed without regard to the prohibition or the restriction of export, and shall not be subject to any taxes or payments.

7. For the purpose of bringing into force the decisions of the present article, a mixed commission shall be formed, not later than six weeks from the ratification of the present treaty; this body will be based on the principle of equality, and will be composed of five representatives and the indispensable experts of both parties; its headquarters will be in Moscow. The duty of this commission will be especially the fixing of equivalents in cases foreseen in Clauses 3 and 4 of the present article; the fixing of the principles of the settlement of accounts between owners and the Governments of the other party, and of measures of supervision to insure its proper execution; the elucidation in cases of doubt, of the status of legal and physical persons as regards their relation to the State, as well as of problems arising from the necessity of co-operating with the proper Government organs in the search for property subject to re-evacuation.

As proof of the accomplishment of the evacuation, not only evacuation orders are admitted, but also all other documents and proofs by witnesses.

Both contracting parties undertake the obligation to co-operate fully and in every way with the above mentioned mixed commission in the fulfillment of its duties.

Property belonging to physical and legal persons of the other contracting party shall not be subject to re-evecuation.

Those stock companies in which the majority of the shares represented at the last general assembly of the shareholders preceding the

evacuation from Poland to Russia belonged to Russian, Ukrainian or White-Ruthenian citizens, shall be considered as Russian, Ukrainian and White-Ruthenian.

Those companies (stock companies or otherwise), in which the majority of the shares represented at the last general assembly of shareholders preceding the evacuation from Russia and the Ukraine to Poland belonged to Polish citizens, shall be considered as Polish.

The State appurtenance of shareholders to one of the parties shall be defined on the basis of the present treaty.

Poland undertakes the responsibility for all claims of other States on Russia and the Ukraine, which may be made on account of the re-evacuation to Poland of property belonging to citizens or legal persons of these States, while Russia and the Ukraine on this basis both reserve to themselves, with respect to Poland, the right of recovery.

8. All demands for the re-evacuation of property shall be made to the Mixed Commission within the period of one year from the day of the ratification of the present treaty; after the lapse of this period, no demand will be accepted by the State making the restitution. The decision of the mixed commission is to be given within three months from the day of the reception of the demand. The re-evacuation of property is to be accomplished within six months following the decision of the mixed commission. The lapse of this period does not liberate the State making the restitution from the duty of re-evacuating property which has been demanded within the proper period.

CAPITAL AND FUNDS

ARTICLE 16—1. Russia and the Ukraine undertake to effect with Poland a settlement of those accounts which arose from funds and special capital bequeathed or donated to Polish citizens or legal associations, and which, by virtue of binding regulations, were held in the Russian State Treasury, or in credit institutions of the former Russian Empire, as deposits or accounts.

2. Russia and the Ukraine further undertake to effect a settlement of accounts with Poland on the basis of the capital of Polish public institutions, which, by virtue of binding regulations, was held in the Russian State Treasury, or in credit institutions of the former Russian Empire, as deposits or accounts.

3. Russia and the Ukraine further undertake to effect with Poland a settlement of accounts with reference to property and capital of Polish origin which came under the administration of the Russian Government, and were either liquidated or confounded with Treasury funds, and which belonged to social, cultural, religious and philanthropic institutions and associations, as well as in reference to property and capital which were destined for the maintenance of churches and the clergy.

4. Russia and the Ukraine further undertake to effect with Poland a settlement with reference to special capital and funds, as well as with reference to general State capital destined for purposes of social work, which were under the control of special administrations and were connected, according to their origin and destination, either in whole or in part, with territory or citizens of the Polish Republic.

5. The period for the fixing of the clearing balances foreseen in Clauses 1, 2, 3 and 4 of the present article, is agreed upon by both contracting parties as Jan. 1, 1916.

6. As a basis for proceeding with the settlement of accounts referring to capital connected with the accounts of the State Treasury, a previous liquidation of these accounts shall be effected. The sums assigned from the Treasury for the support of capital will not be considered as a debt of capital toward the Treasury.

Russia and the Ukraine undertake, in effecting the settlement of accounts foreseen in Clauses 1, 2, 3 and 4 of the present article, to assign to Poland the appropriate property, capital, and balance in cash.

7. Russia and the Ukraine undertake to effect the settlement of accounts referring to capital and funds which were in the Treasury as deposits, or in State or private credit institutions of the former Russian Empire, as investments, taking under consideration, to the advantage of Poland, the loss of part of the purchasing power of Russian paper money units in the period from Oct. 1, 1915, to the day when the settlement of accounts is completed.

In effecting, however, the settlement of accounts with reference to special capital and funds which were under the control of separate administrations and confounded with the Treasury accounts of the former Russian Empire, changes in the value of monetary units shall not be taken into consideration.

8. In effecting the final settlement of accounts referring to special capital, funds and property, all movable property will be returned to Poland in so far as it is under the administration of the Governments of Russia and the Ukraine. In cases where property has been liquidated by them, it will be returned in the form of a proper equivalent. This does not apply to Russian securities.

9. The above settlement will be effected by the Mixed Account-Settlement Commission foreseen in Article 18.

LEGAL CONDITION OF INDIVIDUAL CITIZENS

ARTICLE 17—1. Russia and the Ukraine undertake to effect with Poland the settlement of accounts referring to Polish investments, or to deposits and securities belonging to Polish nationals or legal associations, in Russian and Ukrainian State credit institutions, nationalized or liquidated, as well as in State institutions and treasuries.

In paying sums due on the basis of the present clause, Russia and the Ukraine assign to Polish nationals and legal associations, all the rights that were formerly assigned to Russian and Ukrainian nationals and legal associations.

In effecting the above-mentioned settlements, Russia and the Ukraine will take under consideration, to the advantage of Polish nationals, the loss of part of the purchasing power of Russian monetary units from Oct. 1, 1915, to the

day when the settlement of the accounts is completed.

2. The decision on matters concerning the regulation of conditions of private right between nationals and legal associations of the two contracting States, and also the decision on matters concerning the regulation of claims of such nationals and legal associations on the Government and State institutions of the other party. and, reciprocally, which are based on legal titles —in so far as these questions are not decided by the present treaty—is placed in the hands of the Mixed Account-Settlement Commission provided for in Article 18 of the present treaty. The present clause concerns legal conditions which arose up to the day of the signing of the Peace Treaty.

ACCOUNT-SETTLEMENT COMMISSION

ARTICLE 18—1. For the purpose of effecting the settlement of accounts foreseen in Articles 14, 15, 16 and 17 of the present treaty, and fixing the principles of these settlements in cases unforeseen by the present treaty, and also for the purpose of fixing the amount, manner and time of payments due in consequence of neglected accounts, within six weeks from the day of the ratification of the present treaty, a Mixed Account-Settlement Commission will be formed, composed of five representatives of each party and the indispensable number of experts, with headquarters in Warsaw.

2. Oct. 1 (New Style), 1915, is accepted as the date on which all settlements are to be accounted for, in so far as the present treaty does not decide otherwise.

3. All settlements of accounts for material values shall be effected in Russian gold rubles; in other cases, settlement will be made in conformity with the principles foreseen in Articles 14, 16 and 17 of the present treaty.

RUSSIAN DEBTS

ARTICLE 19—Russia and the Ukraine free Poland from responsibility for debts and for all other kinds of obligations of the former Russian Empire, including obligations proceeding from the issue of paper money, treasury-bills, obligations, promissory notes, serial issues, Russian treasury bonds, from guarantees accorded to all institutions and enterprises, as well as from the guarantee debts of the same, &c.

COMPENSATION

ARTICLE 20—Russia and the Ukraine undertake to accord to Poland, her citizens and legal associations, automatically and without any special agreement, on the basis of the principle of the most favored nation, all the rights, privileges and concessions accorded or to be accorded directly or indirectly by them to any other State, its citizens and legal associations, in respect to the restitution of property and compensation for losses during the period of the revolution and civil war in Russia and the Ukraine.

In the cases provided above, Russia and the Ukraine will recognize the binding power not only of original documents confirming the property rights of Polish nationals and legal associations, but also those documents which will be issued by the mixed commission provided for in Articles 15 and 18 of the present treaty.

FURTHER AGREEMENTS

ARTICLE 21—Both contracting parties undertake, not later than within six weeks from the day of the ratification of the present treaty, to begin negotiations on the question of a commercial agreement, and an agreement concerning the exchange of goods on the basis of compensation (i. e., barter); also to begin, as soon as possible, negotiations concerning the conclusion of a consular, post and telegraph, railway, sanitary and veterinary convention, as well as a convention concerning the improvement of navigation conditions on the Dnieper-Vistula and the Dnieper-Dwina waterways.

TRANSIT OF GOODS

ARTICLE 22—1. Up to the time of the conclusion of the commercial agreement and the railway convention, both contracting parties undertake the obligation to permit the transit of goods on the conditions provided for below. The principles of the present article shall form the basis of the future commercial agreement in the parts concerning transit.

2. Both contracting parties accord to each other, reciprocally, the free transit of goods on all railways and waterways open to transit. The transport of transit goods will take place in accordance with the prescriptions determined in each of the contracting States for traffic on railways and waterways, and taking into consideration transport facilities and the needs of interior traffic.

3. By free transit of goods, both contracting parties understand that goods transported from Russia or the Ukraine, or to Russia or the Ukraine through Poland, as well as from Poland or to Poland through Russia or the Ukraine, shall not be subject to any transit duties or any other payments arising from transit, whether these goods pass straight through the territory of one of the contracting parties, or are unloaded on the way, stored for a time in warehouses, and reloaded for further transport, on condition that these operations are carried out in warehouses under the supervision of the customs authorities of the country through which the goods are passing.

4. Poland reserves to herself liberty in the regulation of the conditions of transit for goods of German and Austrian origin, imported from Germany and Austria through Poland to Russia and the Ukraine.

The transit of arms, military equipment and objects, is prohibited. The restriction does not extend to objects which, although military, are not intended for military purposes. For the transit of such objects, the declaration that they will not be used as military material will be demanded of the respective Governments.

Restrictions are also permitted in connection with goods to which, for the protection of the public health, and the prevention of the spreading of epizootic and plan epidemics, may be applied exceptional prohibitive measures.

5. Goods imported from other States in transit through the territory of one of the contracting parties to the territory of the other party, shall not be subject to other or higher payments than those which might be levied on such goods coming straight from their country of origin.

6. Freights, tariffs and other payments for the transport of goods by transit shall not be higher than those which are levied for the transport of such goods in interior communication on the same line and in the same direction.

As long as freights, tariffs and other payments are not levied for the interior transport of goods in Russia and the Ukraine, payments for the transport of goods from Poland and to Poland through Russia and the Ukraine may not be higher than the payments determined for the transport of goods by transit through the most-favored country.

7. In view of the necessity to provide proper equipment for frontier stations at connecting points of the railways of both of the contracting parties, there will be assigned temporarily, for transit traffic from Russia and the Ukraine through Poland, and the reverse, from Poland through Russia and the Ukraine, delivery stations at the sections Baranowicze-Minsk and Rowne-Szepetowka, namely, on the territory of White Ruthenia and the Ukraine; for the reception of goods coming from the west, the Minsk station (until a special station is prepared), and the station of Szepetowka (until the station of Krzywin is prepared), and on the territory of Poland for receiving goods coming from the east, the stations Stolbec and Zdolbunowo.

The manner and conditions of transit traffic will be determined in the railway convention which is to be concluded by both contracting parties immediately after the ratification of the present treaty.

The contracting parties will also take the proper steps for the speediest possible adaptation of other directions to transit traffic, providing the connecting points of the railways are determined by a special agreement.

The delivering points from other States on the frontiers of both parties for transit traffic will be all frontier stations which are, or will be, open for international communication.

For the loading of transit goods arriving or departing by water, there will be opened a transfer depot in the town of Pinsk or on the Prypec siding, and at this point there will be constructed a railway line to the wharf for the purpose of placing the cars for loading.

TERRITORIAL CLAUSE

ARTICLE 23—Russia and the Ukraine declare that all obligations undertaken by them toward Poland, as well as the rights they have acquired by the present treaty, apply to all the territories situated to the east of the State frontier defined in Article 2 of the present treaty, and formerly part of the Russian Empire; these territories, by the conclusion of the present treaty, are represented by Russia and the Ukraine.

In particular, all the rights and obligations above specified extend to White Ruthenia and to its citizens.

DIPLOMATIC RELATIONS

ARTICLE 24—Diplomatic relations between the contracting parties shall be inaugurated immediately after the ratification of the present treaty.

ARTICLE 25—[In all copies of the treaty received in the United States to the time when these pages went to press no Article 25 appeared.]

RATIFICATION

ARTICLE 26—The present treaty is subject to ratification, and shall come into force from the moment of the exchange of the documents of ratification, in so far as the treaty or its annexes do not contain other dispositions. The exchange of the documents of ratification shall take place in Minsk within the period of forty-five days from the day of the signing of the present treaty. In every instance, in the present treaty or its annexes, where the moment of ratification on the Peace Treaty is mentioned as a period of time, the moment of the exchange of the documents of ratification is understood.

IN FAITH WHEREOF the plenipotentiaries of both contracting parties have signed m. p. the present treaty, and affixed thereto their seals.

Done and signed in Riga, March 18, 1921.

WHAT POLAND GAINED FROM RUSSIA

BY the signing of peace with Soviet Russia on March 18, Poland obtained a sorely needed guarantee for her future tranquillity and progress. By the terms of that treaty she secured an increase of territory which delighted the Poles as much as it displeased the Russian factions now exiled from Russia. Under the boundary clauses of the treaty Poland obtains, over and above the Curzon line established by the Peace Conference, fifteen counties of the Provinces of Volhynia, Grodno, Vilna and Minsk in their entirety, and also portions of eleven counties in the Provinces of Volhynia, Minsk, Vilna and Vitebsk. This means, in short words, that Russia loses about 140,000 square kilometers, or 87,000 square miles, of her national territory, which, as Alexander Kerensky, the former Premier of Russia, pointed out in Paris, is enough territory to make a whole country

in Europe. The Russian Nationalist leaders, headed by Kerensky, contend that of the 7,000,000 people who inhabit these regions, not more than 400,000, or about 6 per cent., are Poles, mostly of the land baron class, and that the rest of the population consists of White Russians, Lithuanians and Ukrainians. Kerensky and his faction, recently united in a Constituent Assembly in Paris, foresaw the forcible Polonization by these Polish landlords of all the districts taken over by the Warsaw Government. In contradiction to this M. Dombski, the chief Polish delegate to Riga, declared after the signing of the treaty that it would be Poland's aim to give freedom and the exercise of all civic rights to the people of non-Polish stock to be incorporated with Poland under the Riga Treaty.

Unmoved by the prediction that these boundary terms would be a menace to the future peace of Europe, the Poles continued to exult over the increase of territory, and there were many evidences that the treaty had wrought a revulsion of feeling toward the Soviet Government, the fall of which in future would not be to Poland's advantage. Early after the signing at Riga, however, problems arose relating to the execution of certain provisions. Among other difficulties was that of bringing Poland's relations with Simon Petlura, the Ukrainian nationalistic leader, in line with those clauses of the treaty under which Poland, like Soviet Russia, pledged herself not to tolerate on her territory organizations hostile to the other party.

The Riga peace, it will be noted, was concluded not only between Poland and Soviet Russia, but also with the Soviet Ukrainian Government. Petlura, however, has established his own Ukrainian Government at Tarnov, and still possesses some 15,000 available troops to use against Soviet Russia whenever the time may seem to him propitious. The Polish Government has hitherto acknowledged the existence of Petlura's Government so far as to recognize passports issued by it, and has shown it in other ways a certain degree of unofficial courtesy. A diplomatic mission representing Petlura has for some time been resident at Warsaw. This situation, however, is in no way compatible with the terms of the new treaty, and there is no doubt that the permanent Bolshevist representative who arrived in Warsaw in May will draw it to the attention of the Polish Government.

A decision on the final allocation of the Vilna territory still remained pending, since the new agreement was reached by the Poles and Lithuanians at the behest of the League of Nations to abandon the idea of a plebiscite, to which both parties were opposed, and to reach a settlement by means of direct negotiations. A Polish delegation left Warsaw for Brussels toward the end of April, empowered to negotiate with the representatives of Lithuania under the Presidency of Paul Hymans.

Poland's relations with Germany were somewhat improved, at least officially, by the signing on April 21 in Paris of the Germano-Polish Convention regulating communication between East Prussia and Germany on the one hand, and between Poland and the Free City of Danzig on the other. By this convention, communication by railway, telephone and telegraph was granted to Germany over intervening Polish territory, while Poland received similar facilities with Danzig over intervening German territory on the right bank of the Vistula. The nationals of both parties were furthermore empowered to move about within these areas without passport formalities, and German goods in transit were freed of all customs duties while crossing Polish territory.

The situation between Poland and Germany, however, became greatly strained in the first two weeks of May, owing to the insurrection of Polish residents in Upper Silesia which, under the recent plebiscite, decided in the main to adhere to Germany. This insurgent movement, which was caused by a false report that the Allies would disregard the plebiscite result where it was favorable to Poland, was led by Korfanty, a Polish agitator not recognized by the Polish Government, and proved so formidable that the interallied forces found themselves unable to cope with it. The whole situation in Upper Silesia will be found treated of elsewhere in these pages.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[American Cartoon]

GETTING THE LAST BOY OUT OF THE TRENCHES

—*New York Evening Mail.*

[American Cartoon]

OUR NEW PET

—© *New York Tribune.*

Let's call him Bingo—short for Bing goes our naval holiday!

[German Cartoon]

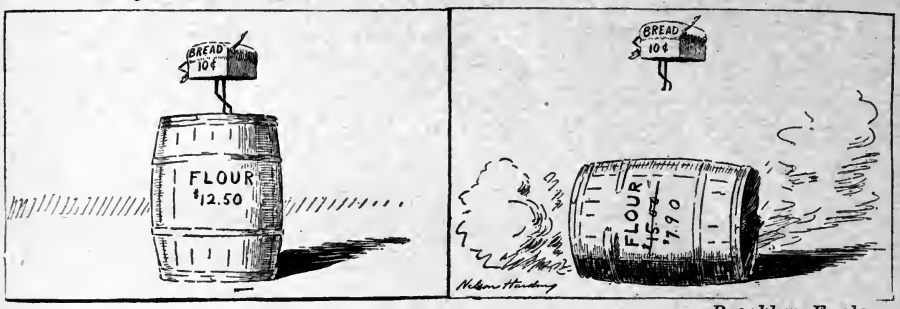
The Peace Governess in Geneva

—*Kladderadatsch, Berlin.*

"Ah, how fine the times are since I began to look after the peace of the world!"

[American Cartoons]

Maybe Professor Einstein Can Understand This



—*Brooklyn Eagle.*

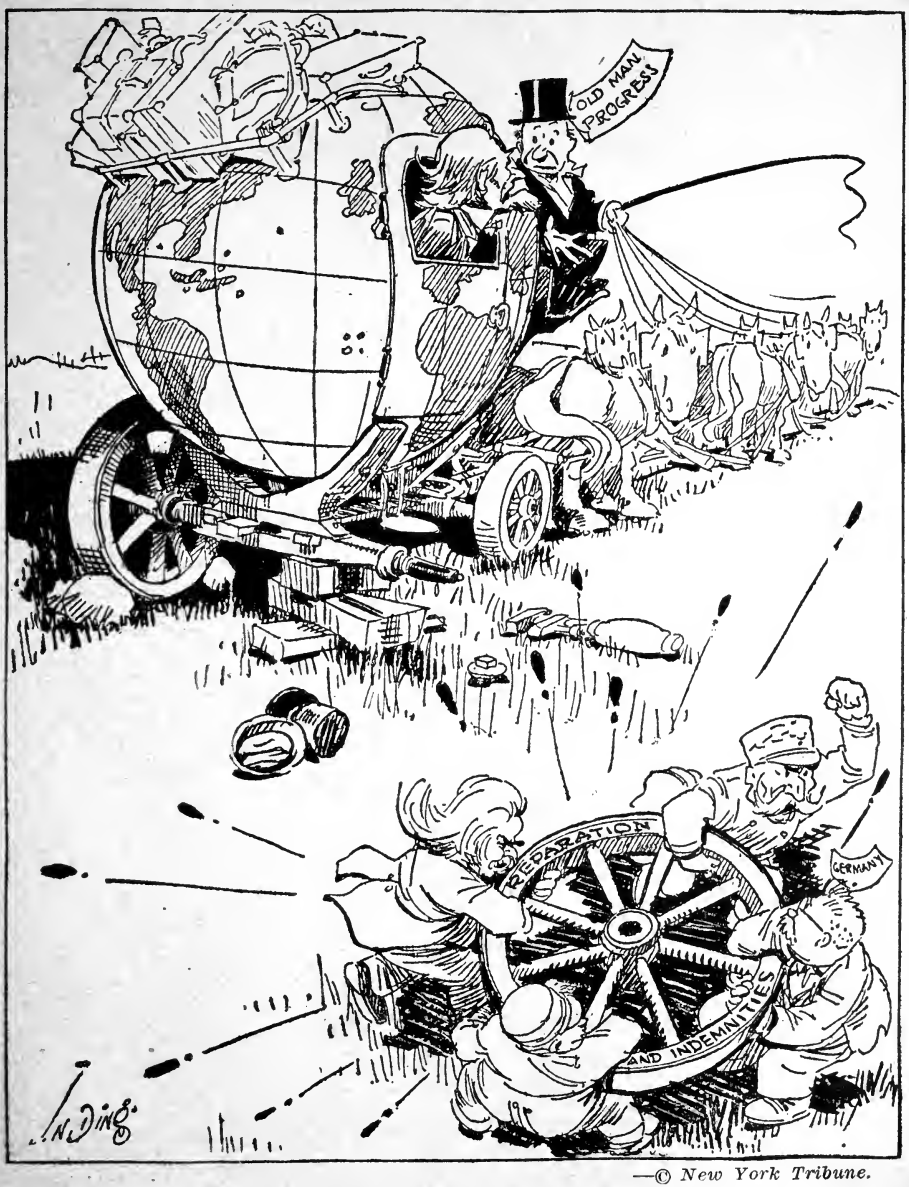
Why Business Doesn't Start

—*Tacoma News-Tribune.*

It will take some good strong cutting to get under way.

[American Cartoon]

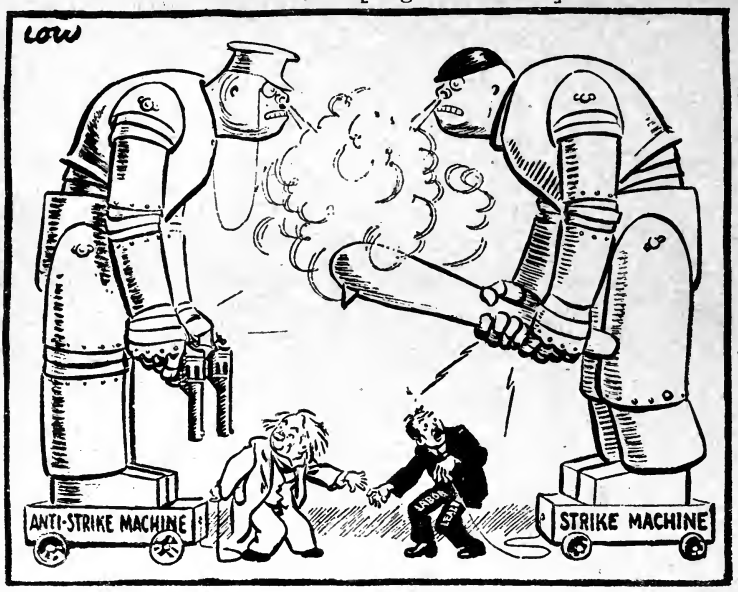
THE CAUSE OF THE DELAY



—© *New York Tribune.*

There's not much use whipping the horses till we get that wheel on.

[English Cartoon]



The Frightened Frankensteins

—*The Star, London.*

[American Cartoon]

A Case for the S. P. C. A.

—*New York Evening Mail.*

Labor in a Hurry

—*London Opinion.*

THE PREMIER: "I dare say you'd like to wear my crown. But—we are not dead yet!"

[The handling of the British coal miners' strike is considered to have strengthened Lloyd George's Coalition Government.]

[American Cartoon]

A Tough Old Bird

—*San Francisco Chronicle.*

Not so easy as it looked at first.

[American Cartoon]

For How Long?

—*Denver News-Times.*

[Italian Cartoon]

Italy's Reds and Fascisti

—*Il 420, Florence.*

ITALIAN BOLSHEVIK: "Help me, Giolitti, to break this egg" (the Fascisti).
GIOLITTI: "You caused it to be laid; now break it if you can."

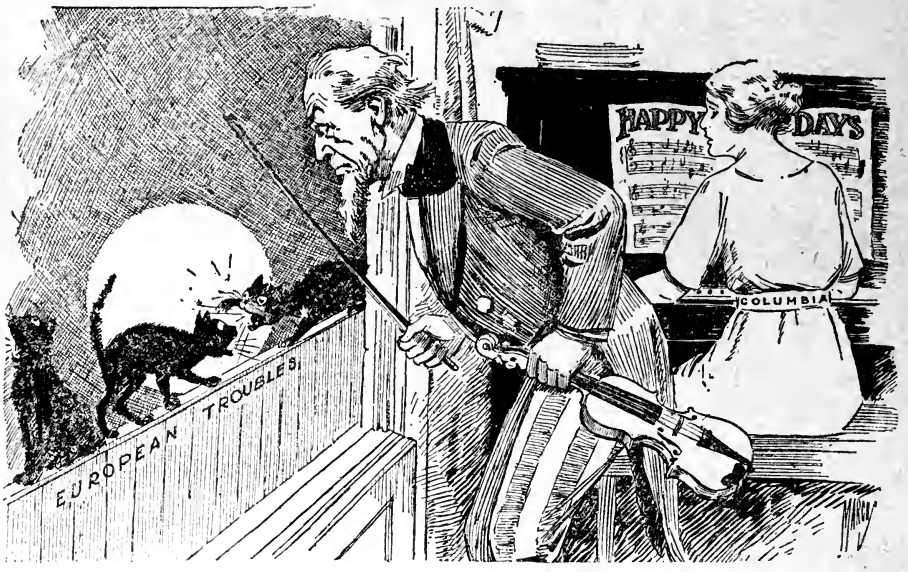
[American Cartoon]

The Old Pre-War Spirit

—*St. Joseph News-Press.*

[American Cartoons]

A Delayed Concert



—*New York Times.*

"No use trying to play until those cats are quieted."

Neither to Be Coaxed Nor Driven

—*San Francisco Chronicle.*

How in the world will they get him in?

As Plain as Daylight

—*New York World.*

Perplexing to any one who believes in signs.

[American Cartoons]

To Have and to Hold

—Central Press Association.

In the controversy between Japan and the United States the position taken by the former is that its possession of Yap is to be regarded as a fait accompli and not subject to revision. America, on the ground that "nothing is settled until it is settled right," does not accept this contention.

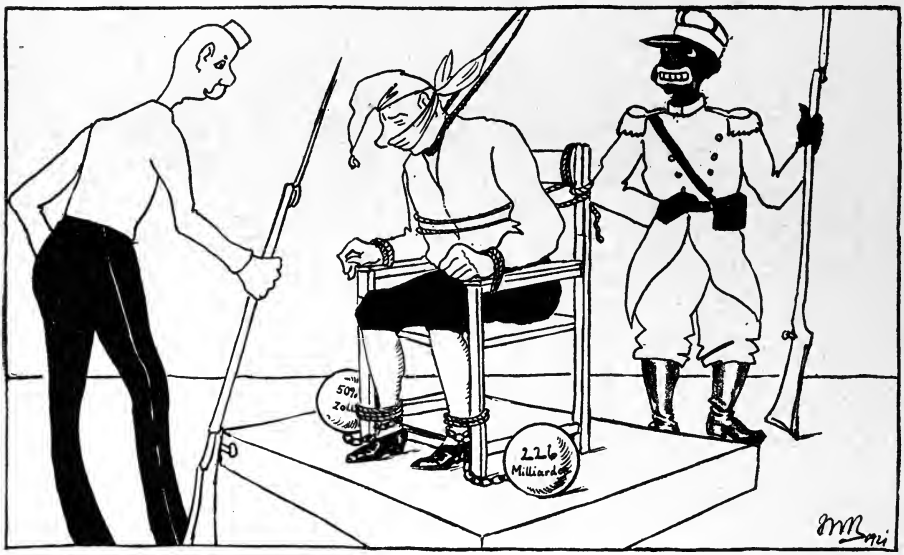
The Pin Point on the Map

Japan has asserted its claim to the primacy of the East, and the ease with which it has controlled China has encouraged the Japanese Government to pursue that policy elsewhere in Eastern Asia. The firm insistence of the United States on our rights in the Island of Yap is the first serious opposition encountered by Japan.

—Los Angeles Times.

[German-Swiss Cartoon]

London and the Sanctions



—*Nebelspalter, Zurich.*

GERMANY: "I would gladly work, pay and reconstruct—but I can't!"

[American Cartoon]

—*Central Press Association.*

"Pay Day!"

May 1 was the date set for Germany to carry out certain provisions of the peace treaty relative to disarmament and reparations. These provisions had been met inadequately, and the Allied Premiers gathered in London to deliberate on measures that would guarantee their fulfillment. Germany was then given till May 12 to accept without debate or reservation the terms finally laid down, in default of which acceptance the Ruhr district would be occupied and other measures taken to compel compliance.

[English Cartoon]

A Hopeless Task

—*Reynolds's Newspaper, London.*

Charles tries—unaided and alone—
To place himself upon the throne,
But though he tries with all his might,
He hasn't yet succeeded quite!

The fiasco of Charles in his attempt to regain the Hungarian throne was complete. Had he succeeded, as did Constantine in Greece, there would have been a marked stimulus to monarchical hopes in Germany and other countries.

[Dutch Cartoon]

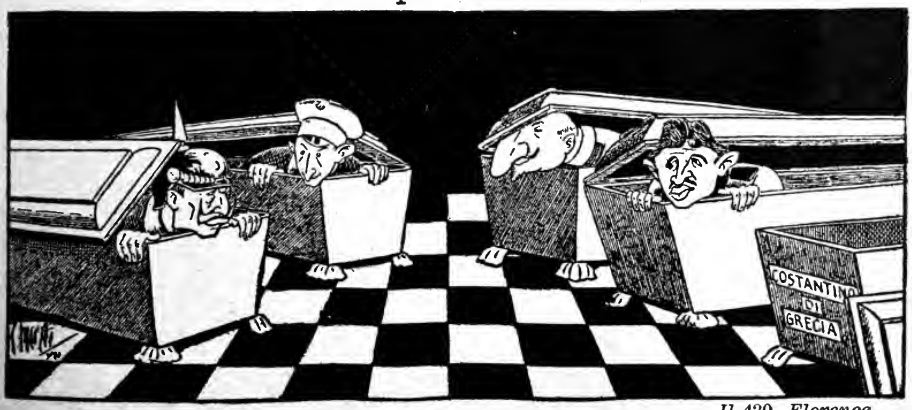
The Charles Fiasco

—*De Notenkraker, Amsterdam.*

REGENT HORTHY: "What does Charles want in Hungary? Aren't we doing well enough here ourselves?"

[Italian Cartoon]

The Hopes of the Dead



—*Il 420, Florence.*

Wilhelm: "Hope on, friends. If the people have called back that animal Constantine, it is possible that they will call back us idiots."

[American Cartoons]

The Wurst Has "Came"

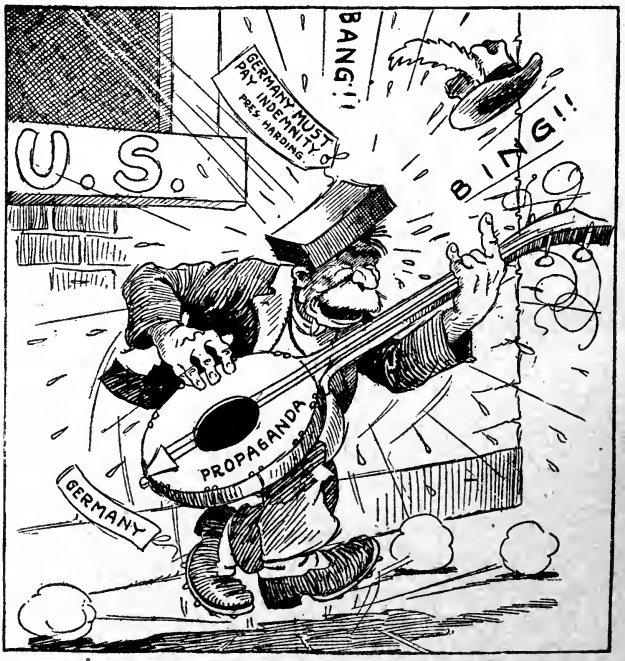
—San Francisco Chronicle.

The fortune of the war she provoked having been a disastrous one for her, Germany is now undergoing the usual penalties visited upon the vanquished. Her colonies are gone, her coal mines in large measure are under allied control, her currency is depreciated, and her resources are mortgaged for a generation.

And He Thought He Was Making Such a Hit!

—Denver News-Times.

The hope of Germany that she might be able to secure the mediation of the United States in the matter of reparations was disappointed. Secretary Hughes informed the German Government that its proposals were not suitable for transmission to the Allies, and suggested that it make clear and adequate proposals directly to the latter.



[American Cartoon]

OIL IS THICKER THAN JUSTICE

—*Dayton News.*

Is it belated conscience or "practical" business that has prompted the $25,000,000 award to Colombia?

[German Cartoon]

Yes, It's Just That Way Here, Too

—*Kladderadatsch, Berlin.*

This is a picture of "Price Reduction" as seen rushing through Germany.

ENGLAND'S STRUGGLE WITH COAL MINERS

The whole nation's industries and activities crippled by lack of fuel—Government's refusal to pool earnings of all mines results in deadlock and new threat of a general strike—Attempt of unions to stop all coal importations

[PERIOD ENDED MAY 15, 1921]

THE coal miners' strike, though for a time overshadowed by the German reparations problem, continued to be a very serious cause of worry for the Government and of discomfort for the public. As the month progressed, it was increasingly apparent that the trouble was far from settlement, and that the danger of a general strike was still imminent. Had it not been that Summer was approaching, the rapid diminishing of the coal supply might have produced a disaster; as it was, the Government felt compelled to order the further curtailment of train service, the rationing of fuel, and the mobilization of food supplies as precautions against the uncertainty of the future.

By April 21 the coal shortage had become so acute that the Great Eastern Railway Company suspended its entire suburban service on Sundays, while the train service on all railways on week days was greatly reduced. In many districts there was no coal left for domestic consumption, and no coal was being delivered to any house where a gas range was installed. In some districts twenty-eight pounds of coal a week was the maximum distributed to each household, and in some of the mining regions physical distress became evident. Importations of coal from foreign countries grew to such an unprecedented extent that actually sending coal to Newcastle became no commercial absurdity. On May 3 The London Gazette announced that the Secretary for Home Affairs had authorized setting the clocks forward two hours, instead of one, as at present, as a measure for coal conservation.

Somewhat singularly, gasoline, which is not generally supposed to be a friend of the horse, came to that animal's assistance by enabling the Government to permit certain race meetings, provided they involved no use of railroad facilities. Thus the Newmarket meetings, thanks to the astonishing success with which they were served by automobile transport, had an attendance that broke all records.

On May 5, after six weeks of the strike, it was pointed out that in the manufacturing districts thousands of hard-working men were learning by bitter experience how interdependent are modern industries. Big works were idle because they could not get castings to go on with. Ships were held up because there were no exports to fill them. Factories were cutting down to two or three days a week, and then stopping altogether, because they were short of essential raw material. In London the slump in industry became evident when customers in the large department stores were informed that no further supplies of well-known everyday goods could be obtained because the factories could not get coal to keep going. For lack of coal the Royal Academy banquet and the first Court of the season were not held. Similarly, many social functions had to be dropped because of the consumption of coal they would have caused and the increasing difficulty of moving about either by rail or by other transport. Following the example of the King at Windsor, those who had a surplus of coal in their cellars shared it with their less fortunate neighbors. The effect of the strike on commerce began to make itself apparent in the large daily falling off in exports.

On April 26 the coal situation was again aggravated by the action of the National Union of Railwaymen in instructing its members not to handle coal from sidings or from overseas. Subsequently the union excluded coal for hospitals and some other public utilities from the embargo. After a conference on May 2 between Edo Fimmen, President of the International Transport Workers, and Robert Williams, general secretary of the transport workers, the latter

said that Mr. Fimmen had given every guarantee that the Dutch, French, Belgian, German and Austrian workers were determined to prevent the export of coal to Britain, and would cause an entire stoppage of work in their ports if attempts were made to ship coal to England.

An appeal to the whole labor movement to support the miners was issued on May 3 by the Joint Committee of the Parliamentary Labor Party, the National Labor Party Executive and the Parliamentary Committee of the Trades Union Congress.

For the Government, Premier Lloyd George, speaking at Maidstone on May 7, went into the economics of the situation to assert that miners' wages must depend on the profits of the industry. He attacked the principle of a national pool on the ground that it would put a premium on inefficiency and imply the employment of an army of inspectors. He declined emphatically to subsidize the industry at the expense of the taxpayers, and declared the miners' leaders were trying to starve the nation into submission. The Premier ended as follows:

> I appeal here and now to the nation to endure with the stubborn courage which has piloted us through much worse troubles. What Britain will be tomorrow depends on its attitude today. If we surrender to threats of starvation, we may irretrievably damage the industries of the country. In this great conflict, where great national issues are involved, we have either got to end or endure. Our duty is to see that the country does not starve. The Government will do that, and in doing so we may want your assistance. The Government means to do its duty. I feel convinced that, when an appeal is made, you will do yours also.

With the decision of the National Transport Workers on May 10 to ban the handling of all foreign coal, the situation again became alarming. It was further aggravated on May 13, when a meeting of the Executive of the National Union of Railwaymen, called to consider the old Triple Alliance project of a general strike, passed a resolution forbidding its members to handle any foreign coal, whether for public utilities or not, and also forbidding them to handle "coal of any description which has been loaded or handled by blackleg labor." Later the Railwaymen's Executive conferred with the Transport Workers' Executive; the result of this was an appeal sent out to trade unions in other countries not to assist in forwarding coal to England.

The Government promptly met the new challenge by announcing that it intended to import coal for carrying on services essential to the life of the country, and that it would take all necessary measures to that end. The degree of public sentiment supporting the Government in this attitude was indicated by the fact that, when these pages went to press, coal was being unloaded by volunteer labor from ships in all the chief ports, and some of it was being hauled by railway workers who dodged trouble by not asking questions as to the origin of the carloads.

In introducing the budget to the House of Commons on April 25, Austen Chamberlain announced a reduction of the national debt from £7,829,000 to £7,573,714, and a cutting of the foreign debt from £1,278,714,000 to £1,161,560,000. The debt to the United States had been reduced by nearly £75,000,000, which included half of the Anglo-French loan liquidation. Great Britain now owed the United States and Canada £826,000,000, but had paid off her debt in Japan, Argentina, Uruguay and Holland. The surplus of revenue over expenditure during the last year totaled £230,500,000. While the heavy income tax of 6 shillings in the pound remained, the excess profits duty was dropped as hampering trade, as were also the duties on imported cigars and sparkling wines as prohibitive, and therefore unremunerative. Mr. Chamberlain further announced a big debt conversion scheme by which holders of £632,000,000 5 per cent. national war bonds would be invited to exchange their holdings for participation in a new 3½ per cent. conversion loan, not redeemable until 1961.

An alarming increase in unemployment was reflected in figures given out by the Ministry of Labor on May 4. Excluding striking miners, the number of registered unemployed men was 1,865,682, and the half-time men and women, 1,074,682. Including an estimated 1,000,000 idle coal miners, the total of unemployed or half-time workers reached nearly 4,000,000. Speaking of disaster looming ahead from these figures, Secretary Cheesman of the National Union of Manufacturers said: "One of the most alarming features of the situation was the stoical calm with which the manufacturers faced the gradual paralysis of their work."

IRELAND AND THE HOME RULE PARLIAMENTS

Sinn Fein Sweeps Southern Ireland in the elections, naming 124 *out of* 128 *members, but they will not take their seats—Ulster nominates* 40 *Unionists,* 20 *Sinn Feiners,* 12 *Nationalists and* 5 *Unionist Laborites—Warfare of reprisals continues*

[Period Ended May 15, 1921]

SOUTHERN Ireland again registered its determination to stand by the Sinn Fein republic on May 13, when the primary elections were held for members of the new Parliaments of Ireland under the Home Rule act. Except for four imperialist candidates who were returned unopposed for Dublin University, not a single opponent was nominated against the Sinn Fein candidates, who, therefore, would be returned unopposed in the southern constituencies. These Sinn Feiners had announced that they would refuse the oath of allegiance to the Crown, and that therefore the new Parliament would never function. Thus it will devolve upon the Viceroy to nominate an executive on the lines of Crown colony administration, unless the Government should decide to recognize all the members elected in the North and South as a constituent assembly. More than half the members selected in the South are in jail and others have at some time been in prison.

The elections were the quietest ever known in Ireland. No polling was necessary, as, according to the British custom, when only one candidate is nominated, the polling is dispensed with. In this way the 128 seats in the Southern Parliament were filled, as the four imperialistic nominees, who were named for Dublin University, also were unopposed. Two of the latter, Thrift and Alton, are fellows of Trinity College, Dublin, while the other two are Sir James Craig of Trinity College and Gerald Fitzgibbon, member of the Irish bar.

Those elected include Eamon de Valera, for Clare; Michael Collins, Commander-in-Chief of the Irish Republican Army, for County Cork; Arthur Griffith, founder of the Sinn Fein; Alderman Cosgrave, and many other men prominently connected with the Sinn Fein movement.

Those elected in Cork city and county include Sean MacSwiney, brother of the late Lord Mayor of Cork, who recently escaped from the Spike Island internment camp, and Mary MacSwiney, his sister, who is now in America. In Monaghan and Cavan, two Ulster counties which are included in the Southern Parliament, the Sinn Feiners won overwhelmingly.

For the Northern Parliament 77 candidates were nominated and the Unionists expected a majority of 12. In County Down, 6 Unionists, including Sir James Craig, Premier Designate of Ulster; 3 Sinn Feiners, including Eamon De Valera; 2 Nationalists, including Joseph Devlin, and one Labor candidate were nominated for the eight seats. De Valera had the remarkable number of 900 nomination papers, many of them signed by Catholic priests. His chief Unionist opponent was Sir James Craig. Devlin was nominated also for Antrim and West Belfast. Altogether there were 77 candidates, the parties being represented as follows: Unionists, 40; Sinn Feiners, 20; Nationalists, 12, and Unionist Laborites, 5.

This degree of co-operation of the warring factions had been made possible by a truce which had aroused new hopes of peace. An unexpected message, coming from Sinn Fein sources on May 5, stated that "President de Valera and Sir James Craig, Ulster Unionist leader, held an informal conference, in which their respective points of view were interchanged and the future of Ireland was discussed." This meeting was characterized as the most important political event in Ireland since Easter, 1916. The chiefs of the opposed parties had talked the Irish question over and made each other's point of view perfectly clear. Immediately after the meeting, both leaders remained uncommunicative, though Sir James Craig said that, whether good came of the meeting or not, the only safe course "was for Ulster to sweep the six counties at the polls, and it

was up to the opponents of the Ulsterites to use the same methods."

After Sir James Craig's return to Belfast it became clear that his interview with de Valera had mainly to do with the situation which would arise after the elections, and not with the existing situation. This implied that the elections for the Irish Parliaments were to proceed, and that the Ulster Parliament would come into existence. On May 6, after a meeting of the Ulster Party, Sir James Craig gave out the following statement:

> My conversation with de Valera having taken place, and Ulster having already by acceptance of the provisions of the Government of Ireland act, and by her undertaking to work them, reached the limit of concession, no further discussion will be entered into. When the Parliaments have been established and the Council of Ireland has been constituted there will be the necessary constitutional link between Northern Ireland and Southern Ireland.

At a public meeting the same evening, however, Sir James Craig reiterated that neither he nor any other Ulster Loyalist would consent to a republic or any weakening of the ties between Ulster and Great Britain. "Nothing had been surrendered or would be surrendered," he declared in reference to his meeting with de Valera, "and the Sinn Fein knew it."

Mr. de Valera's attitude was stated thus in the Irish Independent of May 7:

> We shall never cease to maintain that there is a community of interest between our countrymen of the northeastern corner of Ireland and our people of the south and west for all their misunderstandings and prejudices, artificially created for the most part. We believe that the men of Ulster, reft from us by statute but retained to us by higher laws, look upon Ireland as their country and in their hearts cherish the Irish name. In the eighteenth century Ulster felt profoundly her unity with the rest of Ireland. She will do so again. May that day be soon.

With considerably less of a sensation than might have been anticipated, the retirement of Sir Edward Carson from the leadership of the Ulster Unionist Party was announced on April 26. The reason given was ill health. Subsequently he was appointed a Lord of Appeal in succession to the late Lord Moulton.

In an impassioned address in the House of Commons on April 28 Sir Hamar Greenwood, Chief Secretary for Ireland, denounced the Irish Republican Army as "murderers," and declared that deeds were being perpetrated which it was difficult to believe could be done by human hands. The Chief Secretary went on to instance the recent murder of fifteen Protestants as a deliberate plan "without rhyme or reason and under revolting circumstances," though it was not a case of Roman Catholics against Protestants. Further, documents had been captured showing that an offensive was being opened in Ulster to interfere with the coming elections by various methods of sabotage; and that Sinn Fein threats against newspaper men had become pronounced to the extent of compelling one of them to leave the country under the menace of death. On April 30 the Government made public the captured documents referred to, detailing the formation of military bodies, together with suggestions as to methods and objects of attacks on Ulster.

A proclamation was issued on April 30 by Augustin Stack, Minister for Home Affairs in the Irish Republican Parliament, declaring that while the Home Rule act was illegal as a foreign statute, it would be recognized for the elections in order to enable the people's will to be demonstrated again.

The nomination of Eamon de Valera as successor of the late Archbishop Walsh in the Chancellorship of the National University of Ireland was officially announced by the university on May 1. No opposition to his candidacy was anticipated. Mr. de Valera issued a manifesto to the Irish people on May 3 appealing to them to uphold the standard of the Irish Republic in the approaching elections. In declaring the Irish people were advancing steadily toward a final settlement of the controversy, he made use of a picturesque metaphor by way of a precautionary warning when he said: "Blossoms are not fruit, but the precursors of fruit. Do not pluck them." With regard to purely home affairs, however, Mr. de Valera seemed to tender a blossom to Ulster when he referred to provisions for such devolution in the administration of home affairs as to make for satisfaction and contentment.

Notwithstanding Government statements that a more pacific state of affairs existed, the number of outrages and reprisals continued with little, if any, abatement. On April 14 Dublin recalled a sensational theft

of the Irish Crown jewels several years ago on the news that Sir Arthur Vicars, former Ulster King of Arms, was shot to death at his Listowel residence. On a label pinned to the body was written: "Traitors, beware. We never forget. I. R. A." Sir Arthur Vicars was custodian of the Crown jewels at the time of their disappearance, and the fact that they were never recovered and that no one was found guilty of the theft created a great stir in both London and Dublin.

Another apparently similar incident occurred in the Scotstown district of Monaghan on the 17th, when Sinn Feiners killed Kitty MacCarron, the first woman executed for treachery. About midnight a party took her from her home, in a wild, mountainous part of the country, and in spite of her struggles and pleadings led her forth to death. The body was found with a bullet wound through her cheek, the customary sign of a Sinn Fein execution, and a card attached which bore the inscription: "Spies and informers, beware. Tried, convicted and executed by the Irish Republican Army."

Executions on the other side took place at Dublin on April 25 and at Cork on April 28. Thomas Traynor, who was convicted by courtmartial for participation in a Dublin ambush on March 14, suffered the death penalty while a great crowd offered up prayers outside the Mountjoy Prison gates. A similar scene was witnessed in the roadway fronting the Cork military barracks when Patrick O'Sullivan, Maurice Moore, Patrick Bonayne and Thomas Mulcahy fell before a firing squad for "making war against the British Crown." This made a total of eleven men executed in Cork during the last few months.

As the month of May advanced, the activities of the Sinn Feiners increased, until the deaths on both sides in the two week-end days at the middle of the month numbered at least thirty-three—an evil record mark.

CANADA AND OTHER DOMINIONS

Retaliatory duties against the United States proposed by Canada—Australia is determined to keep American friendship—Egyptian Nationalists seeking a compromise

[PERIOD ENDED MAY 15, 1921]

THERE will be no general revision of the Canadian tariff at this time. Sir Henry Drayton, Minister of Finance, made that clear in presenting the budget in the House of Commons on May 9. Of total imports during the fiscal year of $1,240,125,056, those from the United States, he said, aggregated $856,592,470, or 69 per cent. of the whole. Temporary tariff legislation of the United States would place a barrier against Canadian exports to that country amounting to $168,000,000. Sir Henry said of this:

> Such or similar action made permanent, of necessity would require a careful and thorough revision of the Canadian tariff for the purpose of insuring the proper continuance of Canadian business, of insuring employment and Canadian stability. * * * Under the circumstances, having special regard to the fact that there ought not to be a general revision of the Canadian tariff now, and another after the close of the United States Congress, no action will now be taken.

Sir Henry announced the dropping of the business profits tax, the receipts from which in the last year were $40,000,000. The few remaining luxury taxes are dropped. Confectionery—candies especially—will benefit from this. Duties will, however, be levied on playing cards; cards not exceeding $24 a gross of 8 cents a pack, exceeding $24 a gross 15 cents a pack. The excise duty of $3 and the luxury tax of $2 per gallon on imported spirituous liquors are abandoned and a straight customs duty of $10 per gallon is to be collected. Spirits of Canadian manufacture will be subjected to an excise of $9 a gallon in place of the $4.40 duty and luxury tax previously imposed. On all except sparkling wines an excise tax of 30 cents a gallon will be collected. Champagne and other sparkling wines when taken from Canadian manufacturers but not exported will be subjected to an excise tax of $3 per gallon and dis-

tilled spirits of $9 per gallon. In the latter case provision is made for a rebate of 99 per cent. to hospitals and the like where spirits are actually used for medicinal purposes.

The anti-dumping clauses are strengthened by changes which in effect are designed to still further protect the home market against flooding by foreign-made goods at slaughter prices. In this connection new regulations are also provided relative to valuation for customs purposes of foreign currencies. The present practice is to convert the foreign depreciated currency into Canadian on the basis of existing exchange rates. Hereafter no reduction in excess of 50 per cent. of the standard or proclaimed value will be allowed. Where the rate of exchange is adverse to Canada the value for duty will be computed at the rate of exchange existing at the date of the shipment of the goods.

It is also provided that all goods imported into Canada capable of being "marked, stamped, or branded or labelled without injury, shall have indicated on them legibly in French or English the country of origin". This provision comes into force on September 1st next.

The tax on sales of manufacturers, wholesalers, jobbers and importers, is increased from one and two per cent. rates on domestic transactions to one and a half and three per cent. respectively, and the import rates from one and a half and three per cent. to two and a half and four per cent. The exemptions are foodstuffs in their natural state, initial sales of farm produce by the farmer himself, and the first products of fisheries, mines and forests. A two-dollar license fee will also be imposed on every manufacturer and business man affected by the sales and excise tax, all of which went into effect on May 10th.

The outlay for the current fiscal year is estimated at $591,437,697. Of this, railway investments call for $165,687,633, a large part of it accounted for by maturing capital obligations, which will be refunded. In cash payments for the year, it is estimated that $435,360,971 will be made. For this, the estimated receipts under legislation prior to the budget is $372,600,000, leaving $62,760,971 to be met. The Finance Minister counts on the new taxes to fill this gap. The country's debt amounts to $2,350,236,700.00.

Australia

Premier Hughes was defeated in the Australian Parliament on April 14 by an adverse majority of two, which, however, was purely accidental. In a plea to the members, he stated that the vote made his position impossible, and that he could not attend the coming British imperial conference unless there was a clear indication that the vote did not mean censure or an attempt to take the control of business out of the hands of the Government. He received an emphatic endorsement on April 20, when resolutions reiterating confidence in the Government and declaring in favor of Premier Hughes as Australia's representative at the imperial conference were passed by a vote of 46 to 23.

Debate on the Empire's foreign policy has occupied the attention of Parliament. Premier Hughes emphasized his belief that the British navy was the most powerful influence for the world's peace, and that the whole Empire should contribute to its maintenance. He favored a renewal of the Anglo-Japanese alliance in terms acceptable to America, saying: "We cannot in our efforts to secure the friendship of Japan make an enemy of America."

Mr. Tudor, leader of the Labor Party, preferred to spend money on the League of Nations to keep peace, rather than on a navy to prepare for war. The Labor Party's proposal to withhold approval from the Japanese treaty until it had been sanctioned by a referendum, was decisively rejected. Some members insisted that it should be unequivocally declared at the conference that Australia would not surrender on the question of "White Australia." The commonwealth has been steadily drifting away from any idea of a legislative union of the dominions with the United Kingdom, in this respect differing from both New Zealand and South Africa. In the Australian point of view, if such a proposal were made at the imperial conference it would disclose only the weakness of dominion support for it.

Final figures in the South Australia State elections show a sweeping victory for the Liberals. The result is interpreted as a severe check to the anti-empire tendencies

of the Labor Party, which has only sixteen members in a House of forty-six.

Premier Hughes was asked by a deputation of Anglican and non-conformist churches to try to persuade France to hand over to Great Britain the control of the New Hebrides, where joint rule, they said, was working most unsatisfactorily. Under the Anglo-French convention of 1906 the New Hebrides are administered jointly by British and French officials.

The Australian Government announced on May 9 that it had instituted a civil government in former German New Guinea, thus taking its first official action in connection with mandated territory. Australia's representation in the League of Nations to the end of the present fiscal year will approximately total $340,000.

Anzac Day, the sixth anniversary of the landing of Australian and New Zealand soldiers in Gallipoli, was celebrated in both countries on April 25 by parades and religious services. Lieut. Gen. Aylmer Hunter-Weston telegraphed from Chanak, on the Dardanelles, that he had caused wreaths of wild flowers to be laid on the graves of those who fell on each of the main beaches in Gallipoli.

New Zealand

Mr. W. F. Massey, Premier of New Zealand, who is on his way to the imperial conference, in his farewell speech at Wellington, stated that he did not propose a legislative body for the empire, but one following the model of the War Cabinet, which, he maintains, was an imperial executive. He predicted that there would be another war; possibly it would not come for twenty years, but the time was coming when New Zealand would have to assist the imperial navy.

A decision rendered at Wellington on May 5 by the New Zealand Court of Appeals in a patent case was to the effect that the United States, not having assumed any obligations under the Versailles Treaty, could not claim for itself or its nationals any rights conferred by that treaty.

Co-operation is becoming general on the part of agriculturists in New Zealand. The farmers have their own department stores, from which they are supplied with nearly everything for their domestic needs as well as for their farms. There are sales yards all over the country, which deal with the farmers' surplus live stock.

Egypt and the Nationalists

Both British and Egyptian statesmen are beginning to recognize that the policy of immediate independence of a country of 14,000,000 people, 92 per cent. of whom are illiterate, is, to say the least, dangerous. Even Lord Milner himself said a few years ago: "The withdrawal of Great Britain, if it is not to end in disaster, can only be a gradual process." Zaglul Pasha, the Nationalist leader, is becoming more amenable to the necessity of unity in the demands to be presented at the negotiations in London. He has had almost daily conferences with the Premier, Adly Pasha, with a view to recognizing their differences, which were to some extent a matter of precedence.

At a tea party given by students in Cairo on April 18, Zaglul Pasha made his first public statement, affirming that he was whole-heartedly ready to co-operate with Adly Pasha's Cabinet provided it would declare that negotiations were to be opened for the purpose of abolishing the protectorate and securing the internal and external independence of Egypt, and if the Milner proposal be made to conform to the Nationalist reservations.

These reservations were made to the acceptance of the draft agreement of Aug. 18, 1920, outlining the terms of a treaty between Egypt and Great Britain. The chief reservation is that Great Britain should expressly abolish the protectorate. Others concern the limitations of the functions of the financial adviser and of the British officials in the Ministry of Justice and the abandonment of the provision that the proposed treaty should not come into force until the régime of the capitulations had been modified so as to satisfy the interests of foreign powers.

Adly Pasha hopes to see Egypt free to control her own affairs while remaining the friend of England, with trade open to all nations on an equal footing; a democratic régime, education of the people, improvement of sanitation and carrying out of the Nile irrigation project. He hopes Egyptians will learn foreign methods and form organizations to handle cotton and other exports now chiefly in the hands of Greeks.

A decree was issued extending the activities of the mixed tribunals until Nov. 1. They were established in 1876, and have jurisdiction in civil matters between natives and foreigners and between foreigners in cases where matters in dispute relate to land in Egypt. As the United States failed to reply to the Government circular asking for the agreement of the capitulatory powers to the extension of the tribunals' existence the Sultan signed a decree specifically excepting the United States from the extension, and thus Americans in Egypt now are deprived of their legal rights other than consular. The United States Judgeship in the mixed appeal court has been vacant for several months, and there has been a diplomatic question between Washington and Cairo regarding the new appointment.

There is a general impression in Cairo that the worst of the business depression owing to the decline in cotton has passed and gradual improvement is expected. Another drawback to trade is lack of racial unity, Egypt being a five-language country. Most extended and most popular, of course, is Arabic. Next comes French, which is the commercial tongue. Italian is third, owing to the large Italian colony, which has grown so that the Banca di Roma in April organized the Banca di Levante, with a capital of £1,000,000 and head offices in Alexandria, forming an economic and business link with Egypt. Greek comes next and lastly English, even the British banks carrying on their correspondence and accounts in French.

South Africa

At the forthcoming meeting of the British Imperial Dominions in London in June South Africa will be represented by General Smuts, the Premier; Sir Thomas Smartt, head of the Unionist, or English-speaking, Party; Colonel Mentz, Minister of Defense, and Sir Roland Bourne, Secretary of Defense. They were expected to sail from Cape Town on the new Union Castle Line steamship Arundel Castle on May 28. While in England General Smuts will conduct an inquiry into the Government contract for the conveyance of mails and produce from South Africa. Some of the party will remain over to attend the Assembly of the League of Nations in September.

The centennial of the landing of British settlers in Algoa Bay in 1820 was celebrated at Port Elizabeth and Grahamstown on April 9. In answer to an appeal from Lord Charles Somerset, Governor of the colony, Parliament voted £50,000 to send out emigrants and called for applications. No fewer than 90,000 were received, but only 3,500 were selected and shipped to South Africa. These were the settlers who made the Eastern Province a garden and replaced barbarism with civilization. Their descendants today number 150,000. Prince and Princess Arthur of Connaught attended the centennial celebration at Port Elizabeth, and General Smuts paid a tribute to the settlers and their descendants, who had been fused with the Dutch descendants in the crucible of suffering of the great war and now form the South African nation. Sir Charles Crewe, Chairman of the 1820 Memorial Settlers' Association, also spoke, referring to the need of more settlers. Already 275 farmers had agreed to take settler pupils and seventy-one such pupils had brought £186,450 fresh capital into the country. Sir N. F. De Waal, Administrator of the Cape Province, addressed the gathering at Grahamstown, appealing to South Africans to unite in bringing about the permanent fusion of the Dutch and British races.

That there is still considerable barbarism in settled parts of South Africa is shown by the fact that two native witch doctors were sentenced in April at Johannesburg to eighteen months in prison after pleading guilty to a charge of stealing the body of a European woman from a grave on the Swaziland border to make charms.

DEMOCRACY AND UNION IN THE BALTIC STATES

How the young nations wedged between Soviet Russia and Western Europe are struggling to build for their future prosperity in Democracy, and how the shadow of Red Russia is leading them toward union

[PERIOD ENDED MAY 15, 1921]

CENTRAL EUROPE has its Little Entente, based on the idea of mutual support and protection in case of aggression from without. One consequence of this political rapprochement has been, naturally, the establishment of closer commercial and economic relations. Will a similar association of even smaller and weaker States occur in the Baltic region, where mutual economic support and perhaps mutual protection against aggression seem even greater? Already these new States, but recently recognized de facto by the allied powers, have come together in council on several occasions to formulate a common policy, and there is no doubt that a mutual understanding is developing which may yet prove a solid foundation for the creation of a new Baltic Entente. Such is the belief of Dr. Voyt, the Latvian envoy to Germany, who on April 30 said in Berlin:

> The Baltic States are seeking to form a closer union for mutual protection. The coming conference of Esthonia, Latvia and Lithuania will deal, above all, with the question of an economic union in these States. We hope the conference will lead to an entente cordiale among the Baltic nations.

Asked if this coming union was aimed against Soviet Russia, the Latvian envoy replied that if Russia sought to deal with the Baltic States as she had dealt with Georgia and the other nations of the Transcaucasus, the Baltic States would undoubtedly unite for resistance, as they would undoubtedly unite to aid the cause of Western culture if it should be again endangered by Bolshevist aggression.

ESTHONIA

One of the three Baltic States, Esthonia, has in the past months made considerable progress. Since the signing of peace with Soviet Russia trade has begun and the Esthonian ports of Reval and Narva have assumed an unwonted activity. Three freight trains loaded with machinery and goods daily cross the border into Russia. Other trains coming daily from Russia are bringing back thousands of Esthonians to their homeland. The allurements of life in Bolshevist Russia have not been strong enough to hold them there. In Esthonia, at least, there is order, a semblance of democracy, a hope of existence, despite the difficulties under which this little country still labors. One of the greatest of these difficulties is the interruption of traffic and intercourse with the sister States, Latvia and Lithuania. So jealous of their independence are these new, small States that they have barred themselves off from one another with customs barriers which make free circulation impossible. Dr. John Finley, the American educator, now of the New York Times staff, during a recent visit to the Baltic, was especially struck by this, and referred to it while speaking with the Prime Minister of one of these infant republics. The latter retaliated by recalling that with a like population (all the Baltic States combined have a population no greater than that of New York City), the American colonies had interstate practices quite as absurd and vexatious. He added, however, that all three republics were learning, and much more swiftly than the American colonies, the lesson of experience; had begun to co-operate in economic matters, and were holding conferences of the utmost value in bringing the Baltic group together. The barriers, however, have not yet been permanently lowered, either by Esthonia or by her sister States.

LATVIA

But all these little States are "playing safe." Red Russia is vast and powerful, and friendship and open trade is the best

policy. The example of Esthonia has been followed by both Latvia and Lithuania, and all three have acted as Moscow's entrepot and intermediary in forwarding much needed commodities from abroad, even from far-off America. Politically, the Governments of Latvia and Lithuania have been greatly strengthened by the de facto recognition of the allied powers. The Latvian Government, under the able direction of Karl Ulmanis, the Premier, and of M. Meijerowitz, the Foreign Minister, is now bending all its efforts toward economic reconstruction; one step in this direction was the recent decision to give to all Latvian harbors the status of free ports. An interesting account of Latvia's Premier given by Dr. John Finley is quoted here:

> It will be interesting to Americans, especially to those who have not the vaguest notion of what and where Latvia is, to know that this Prime Minister was a few years ago a student and then a teacher of agriculture in the University of Nebraska. On the walls of his official room in the castle at Riga, instead of the ducal arms, there hang side by side the emblem of the Latvian Republic and the pennant of the University of Nebraska. This man, of massive frame and with a head such as Rodin would have cut out of stone, had acquired a habit from his association with an eminent Nebraskan, for he had just returned with a husky voice from a tour of his country, which is not so difficult as "swinging around the circle" in America, for Latvia is not so large as Nebraska. He had made twenty-six speeches in all, speaking to 40,000 people, not on political, but economic and agricultural, subjects, in an effort to bring greater areas under cultivation and so produce enough rye bread for all, instead of importing wheat flour, which he lamented when I spoke of white loaves and cake in the market. I have seen other Prime Ministers, Ministers of Foreign Affairs, Ministers of Education, university professors, editors and business men in these republics, and they have all something of the spirit and hopefulness of our pioneers of the Middle West, though lacking somewhat of their aggressive enterprise.

Both the Latvian Premier and Foreign Minister, according to the Temps political correspondent in Riga, are in favor of the union of the Baltic States for mutual protection against the danger of Sovietization.

One great satisfaction to the Latvian Government has been the fixing of the republic's hitherto vague and undefined boundaries. The frontiers with Esthonia were fixed by an agreement concluded on July 2, 1920, with Soviet Russia, by the peace treaty signed on Aug. 11, 1920, and with Lithuania, as the result of negotiation, on March 31, 1921. Polangen, a Lettish town on the Baltic, was given to Lithuania, as well as the contested territory of Moscheiki, an important branch of the Libau-Riga railway line. A railway agreement for five years was almost concluded. In exchange for these cessions, Latvia received approximately 28,000 hectars of forest land along the Courland frontier, representing a considerable value.

LITHUANIA

Lithuania was no less pleased by the fixing of her boundaries with Latvia. The cession of Polangen gave her an outlet on the Baltic which she urgently needed, and which it is by no means certain she will receive in the case of Memel, the fate of which port is still uncertain. Memel is at present garrisoned by French troops, pending the decision of the allied powers. The Lithuanian boundaries with Poland will depend on the decision reached by the respective delegations of Poland and Lithuania who opened their first session in Brussels, on April 21, under the Presidency of M. Paul Hymans, the Belgian statesman. A settlement by negotiation was agreed to by both parties at the urging of the Council of the League of Nations when it became apparent that both parties in dispute were averse to the holding of a plebiscite. The irregular Polish forces of General Zeligowski are still in occupation of Vilna by *force majeure*. A curious feature of life in Vilna under present conditions is that it has absolutely free trade with outside nations. The Lithuanian delegation at Brussels is headed by M. Galvandkas, the Polish delegation by Professor Askenasy.

FINLAND

The overshadowing event of the past month for Finland was the decision of the Commission appointed by the League of Nations to decide whether the Aland Islands should belong to Finland or Sweden in favor of Finland (given more in detail under the head of Scandinavia).

Though Finland's relations with the Soviet Government remained strained, the prospects of a renewal of negotiations for

the conclusion of a trade treaty were not unfavorable. (See the article on Russia.) That the general Finnish State policy would be maintained was assured by the reappointment of M. Holsti as Foreign Minister in the new Cabinet. The Ministerial crisis brought about by the efforts of the pro-German Finnish reactionaries to have M. Holsti overthrown was resolved around April 10. After the failure of M. Kallio, of the Agrarian Party, to form a Cabinet, Professor Vennola, a Progressive, was asked to undertake the task, in which he succeeded. The new Government, which contains eight Progressives and four Agrarians, is made up as follows:

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KARL ULMANIS
Premier of the Latvian Government, and one of the republic's most forceful personalities

(© *Keystone View Co.*)

M. MEIJEROWITZ
Minister of Foreign Affairs in the Latvian Republic

Prime Minister—Professor Vennola.
Foreign Affairs—M. Holsti.
Interior—M. Ritavuori.
Justice—M. Helminen.
Commerce—M. Makkonen.
War—Colonel Hamalainen.
Communications—M. Pullinen.
Public Education—M. Liakka.
Finance—M. Ryti.
Social Affairs—M. Joukahainen.
Agriculture—M. Kacio.
Assistant of Agriculture—M. Niukkanen.

THE BALKANS AND EMANCIPATED CENTRAL EUROPE

New steps toward a closer union of Jugoslavia, Czechoslovakia and Rumania in their policy toward Austria and Hungary—Predominance of Italian influence in the Balkans —Rumamia's demands for representation on the Straits Commission—Croatia's attitude

SINCE the ultimatum sent by Jugoslavia, Czechoslovakia and Rumania to the Hungarian Government, on April 2, asking it to get rid of the importunate Charles of the Hapsburgs, the fortunes of the "Little Entente" have moved on apace. Although its chancelleries later realized that there was no real need for the ultimatum after all, as the economic condition of neither Austria nor Hungary would have permitted them to try an experiment in reactionism, and France and Italy would not have permitted it to materialize, nevertheless, the act revealed the cohesion of the emancipated States of the Dual Monarchy with those Balkan States which had profited territorially by the partition of the Dual Monarchy; it also revealed their attitude toward the new Austria and Hungary.

The only two States which, although tentatively included in the great scheme of Take Jenescu and Dr. Benès, did not share in the advancing fortunes were Greece and Bulgaria. These can hardly expect to do so until the first has settled its differences with the Turk and the second has assured its neighbors as well as the Supreme Council that its actions meet its words in executing the Treaty of Neuilly.

There was celebrated at Prague, on April 21, the third anniversary of the Italo-Czechoslovak military convention, which placed a Bohemian and Slovak division on the Piave by the side of the Italian troops. At Belgrade, on the same day, an Italo-Jugoslav commercial pact, in accordance with the Rapallo Treaty, was negotiated. Then there was the conference of plenipotentiaries at Porto Rosega, near Monfalcone, northwest of Trieste, April 30-May 8. There finally was the adjourned conference of the same plenipotentiaries at Rome.

In all these places, save at Belgrade, possibly, Italian influence was paramount. France, the other patron of the "Little Entente," particularly in its anti-Bolshevist phases, was absorbed with Germany, both on the Rhine and in Silesia, and the Consulta made the most of her distraction.

The Prague celebration was an imposing affair. The Italian delegation, headed by Prince Pietro Lanza di Scalea, was warmly welcomed by General Husák, Minister of National Defense, and later by President Masaryk, whose health did not permit him to participate in the opening ceremony. The speeches which were exchanged, while praising the military unity which had defeated Austria-Hungary, also gave promise of mutual economic support for the future. Between the two States lie Austria, Hungary, and the Croatian and Slavonian parts of Jugoslavia; these must be bridged by freight service, which will not be without profit to them in the transit. Two days later the Italian delegation took part in the military burial of the forty-two martyrs of Hapsburg tyranny.

At Porto Rosega the report of the Financial Commission of the League of Nations on the financial and economic condition of Austria, with suggestions for its remedy, was debated; the subject was also discussed in the light of the Vienna Government's reply to the report. The suggestions practically amounted to a receivership for Austria to be held by the finance section of the Provisional Economic and Financial Committee of the League, with the institution of the Ter Meulen scheme as a method for liquidation and rehabilitation. The reply of Austria advised the unification of certain Government monopolies with some of the customs and mortgages as a guarantee for credits, but insisted that the whole banking system be overhauled before the sources of revenue could be pledged. All agreed that the malady from which Austria was suffering required a treatment *sui generis;* but, with the success of this treatment in Austria, the same might be applied with similar results elsewhere.

The conference at Rome was the complement to that at Porto Rosega. In the Eternal City the application of the Treaty of Rapallo was expounded by the Italian and Jugoslav delegates, while suggestions for mutual economic benefits were made by the representatives of the emancipated States.

First of all, Austria, Hungary and Czechoslovakia need prepared and raw food products; the Balkans need and are already receiving from America agricultural machinery—Croatia and Rumania, especially, mining machinery; Italy needs raw material for her great metallurgic plants. When this triangular road for an exchange of these products can be opened the old equilibrium will be restored with augmenting advantages for all concerned.

But, although diplomats and economic experts may propose, execution by the interested Governments is more or less at the disposition of the propagandists. While Bulgaria is accused at Belgrade and Bucharest of not making restitution in accordance with the terms of the Treaty of Neuilly, propagandists in Budapest continue to issue literature against Czechoslovakia and Rumania, and in Jugoslavia agents from Budapest are actively stirring up resentment among the Croats at Agram and against the Serbs at Belgrade. Even Rumania has shown her concern over the projected modification of thte Treaty of Sèvres, and has so informed the Entente powers.

The Dnevnik of Sofia, in answering the demands of Rumania, Jugoslavia and Greece for a settlement under the treaty, says simply that Bulgaria has not got the goods to deliver, so its creditors must be patient until they can be secured. The Bulgarian budget of 1921-22 shows a deficit of 531,979,803 leva, without counting the extraordinary budget, which shows a net deficit of 1,062,085,000 leva. [A leva in normal times would have the value of a franc.] In 1914 the expenditures were about the same, but then the revenues produced a balance of 225,000 leva, and there was no extraordinary budget.

On May 5, when Parliament reconvened, the text of the new Jugoslav Constitution was debated article by article.

The Rumanian Government, through its Legations in London, Paris and Rome, has informed the Supreme Council that in the event of acceptance of the Entente proposals, submitted to Greece and Turkey at the London Near East Conference, it reserves for itself, in the matter of the Straits (Dardanelles, Sea of Marmora and the Bosporus), the right of submitting amendments to the modification, designed to guarantee Rumania's vital interest in and right to an absolutely secure passage from the Black Sea to the Mediterranean. The memorandum was drawn up by Take Jonescu, and the amendments which will also be his work are understood to embrace the following points:

1. A Rumanian representation on the Straits Commission equal to that of Turkey.
2. That, with the raising to 75,000 men of Turkey's armed forces, guarantees be given the Bucharest Government for their good behavior.
3. That there be no passage of Turkish troops between Asia Minor and Europe without the consent of the Straits Commission.
4. That no mobilization of Turkish warships take place without the consent of the Entente powers.

Croatia's Attitude Toward Serbia

The attitude of the Croats toward Serbian domination of the Jugoslav group was clearly defined by M. Raditch, leader of the Croatian Peasant Party, in an interview published in the Prague newspaper, Cas, and republished by the Journal des Débats on April 22. The exact attitude of this leader has long been in doubt, and both the Italian imperialists and the Magyars had hoped to find in Raditch an instrument for breaking up Jugoslav unity. The Croat peasant leader's views, frankly yet firmly expressed, will probably act with the force of a manifesto on Jugoslav political life. M. Raditch said:

> We recognize the union of Jugoslavia, and herein we differ from the Frankovatzi Party. This union is our definite goal, and we do not wish to destroy it. Our dispute with Serbia is an internal affair without international significance. The Serbs and the Croats are indeed a racial unit, but they are not one people. In the future we may become one people, but we are not one at present. We shall not act against Serbia, but we do not wish to be with Serbia; we wish to stand beside Serbia. The question is whether or no Serbia will subjugate Croatia. We do not fear this struggle, for we are the stronger.
>
> The Croats want a republic, and in this matter we wish to come to an understanding

with Serbia. Serbia could continue as a monarchy; the Prince Regent Alexander can remain King of Serbia, but he might at the same time be head of a Jugoslav federation. We have nothing against him, and we shall not settle our dispute with Serbia by means of a revolution. Revolution is war and we are opposed to wars. For this reason I am equally opposed to a peasant revolution. If a revolution broke out in Croatia it would be against my will, and the responsibility would rest with the people and not with me. I am also opposed to revolution because we have no arms. If foreigners were to supply arms it would involve obligations on our part, and in that case we should be fighting for foreign interests. All reports, therefore, about revolution are incorrect.

We shall probably not go to the Constituent Assembly. I propose that the Constitution be voted by a qualified majority composed of separate majorities: Serb, Croatian and Slovene. But it seems that Belgrade does not accept my proposal. If the Constituent Assembly passes M. Pashitch's draft Constitution, we shall not, of course, recognize it, but we shall make use of it and shall submit to it. We shall wait till the next elections, and then it will be seen whether we have on our side a majority, not only of Croats, but also of Slovenes and Serbs. And then we shall alter the Constitution in accordance with our wishes.

Granted that we are carrying on a struggle against Serbia, it is by deliberate intention that we do not pay taxes. I always say to my peasants: "Pay up only when the authorities compel you to by selling your goods; do not give a farthing of your own free will." The result has been that in Croatia only one-twentieth of the taxes has been paid. I am the instrument of the people's will; I do nothing to alienate the sympathies of the people. We have left it to the people to decide for themselves in internal affairs; only the foreign policy of my party has been confided to me. In this connection my program is to advocate the alliance of all Slavs with the Germans in place of the Franco-British alliance.

GREECE IN NEW DIFFICULTIES

End of the military offensive against the Turkish Nationalists leaves King Constantine's Government in a serious predicament—Beginning of a diplomatic campaign to save some remnants of Greece's share in the treaty of Sevres—An important crisis

[Period Ended May 15, 1921]

THE Greek offensive has been adjourned sine die, while the Greek Government is believed to be feverishly importuning England to intercede for it at Constantinople and Italy at Angora, that something may be saved to Hellas from the wreck of her interests in the Treaty of Sèvres. While both the treaties negotiated by France and Italy with the Turkish delegates at the recent Near East conference have been held up by the "Grand Parliament" at Angora, both there and at Constantinople a favorable answer is being prepared to the Entente proposals presented at the conference modifying the Treaty of Sèvres. In a word, Greece is seeking a formula by which she may become a party to the proposals and still save the face of the Constantine Government before the people of Hellas.

But all this is not on the surface. Superficially, we have both the Athens and the Angora Governments actively preparing to renew the war, yet even in these preparations conflicting events may be noted: General Metaxas has been sent to the field to advise or supersede General Papoulas, the Greek Commander in Chief of the Smyrna front. There the entire staff has been replaced. In Athens there is a new General Staff headed by General Dousmanis, whose chief aid is Colonel Stratigos. There is great activity behind the Greek lines, with heavy concentration of troops from Ushak toward Kutai, as though an attempt would be made to recover Eskishehr. Appeals to the Greeks in Asia Minor to volunteer have been met with enthusiasm, and over 15,000 had been enrolled up to April 30. In Greece proper, however, mobilization has been suspended and martial law declared, while in Crete recruiting has been abandoned altogether.

On the Turkish Nationalist side Rafet Pasha has been replaced by Kiazim Karabekir Pasha, formerly commander on the Armenian front, but his army has been returned to the Eastern frontier.

Both Greek and Kemalist proclamations sound as if the armies were preparing to leap at each other's throat. The latter are fierce in their denouncement of the Greeks as being the only obstacle to peace with the Entente. The temper of the former is shown by a statement made by General Dousmanis, the new chief of the Greek General Staff. He said:

> Greece finds herself engaged in a serious war, and it has been necessary therefore to reconstitute and reorganize her Supreme Command to meet the grave situation. The supreme commander is the King, and he is assisted by his General Staff, which now directs the general army organization. General Papoulas, for whom we have the highest esteem, remains Commander in Chief of the army in the field. I may add that we are fully determined to conduct the war with the greatest energy. Both in the northern sector, where we occupy Ismid and Brusa, and in the southern sector our position will be maintained and preparations will be pushed on rapidly for resuming the offensive.

The international aspects offer the same conflicting interpretations. The Greek Navy attempted a blockade of the Straits in order to prevent the Turks in Europe from joining the Angora Army. A Japanese steamship, the Heimei Maru, bound for Constantinople from Siberia with 1,000 ex-Turkish prisoners, including 100 officers, on board, was stopped by a Greek torpedo boat and ordered detained at Mitylene. Later, on May 12, on representations from the Japanese Government, the Interallied High Commissioners proclaimed the neutrality of Constantinople, the Bosporus and the Dardanelles, "while the warfare between Turkey and Greece continues." Aside from practically opening the path to Turks from Europe to Asia, the proclamation legally closes to Greece Constantinople as a supply base for her troops on the Ismid and Brusa fronts and forces her to use only Rodosto on the southern side.

The Turks established a supply base at Eneboli, on the Black Sea, which is connected with Angora by a direct road. A considerable quantity of war material and supplies for the Kemalist army is stored there, having been unloaded from ships carrying on a regular contraband trade. In the Aegean, at Scalanova, the ancient Ephesus, which is under the Italian mandate, there is alleged to be an official delegate of the Kemalists—Manoud Essad—who is receiving large consignments of contraband under the eyes of the Italian authorities. The papers of Athens insist that the Turks are allowed full facilities for both transit and anti-Greek propaganda in Adalia. One incident is said to be typical of all: The Turks at Adalia had asked the permission of the Italian Governor to hold a public meeting, and they assembled in great numbers on the afternoon of April 16 in the vicinity of the mosque. A Turkish hodja delivered a violent speech against the Greeks, inciting the fanaticism of his hearers against them. After his speech the crowd scattered in the streets, smashed the windows of Greek shops, broke into them, stealing or destroying their contents. In the rioting, which lasted three hours, fifty Greeks were killed and 150 injured, among the victims being the Greek parish priest Sermos, his daughter and son-in-law. The Italian Carabinieri finally established order after the Turkish authorities had declared their inability to do so.

Again, according to the Athens press, the Armenians fare no better. Armenians who have escaped from Kutaya and have reached Smyrna declare that at Kutaya there were 2,500 Greek families, 1,200 Armenian families and 300 Catholic families. Out of this Christian population the Turks left only the women and children. The entire male population from the age of 15 to 45 years was transported to Sivrihissar, Beypalar and Angora. Men from the age of 45 to 60 were taken to Eskishehr, where they are compelled to work in the ammunition factories established by the Turks under German direction during the great war. Kutaya, seventy-five miles southeast of Brusa, has railway connections with both Constantinople and Angora.

The papers of Athens also print stories of the most frightful atrocities practiced by the Turks on the Greek population. In the Athenian Boulé, on April 18, there was a debate on the subject. The speakers showed from letters and official reports that the traditional hatred of the Turks was never really extinct, and as little of their doings was known to the Western world at the time they were allied to the Germans it may be proper to recall them.

Deputy Boukalas, speaking, read a number of official reports, corroborated by witnesses, concerning the massacres of Greeks and Armenians during the war. Among

them were the Turkish reports of Halide Edib Hanoum, the Turkish authoress, who is at present a member of the Angora Government, Mustapha Kemal having made her Minister of Public Instruction. Damid Ferid Pasha, the leader of the Old Turk Party, in the Turkish Senate said: "The destruction of the Christian population in various parts of the empire during the war was an unpardonable mistake and a crime." According to statistics gathered by the Oecumenic Patriarch of Constantinople the number of Greeks alone killed during the war and after, up to June of 1920, amounted to 725,000. Damad Ferid Pasha admits that the number was 550,000, but says that the total includes all Christians.

We now come to the diplomatic phases of the subject as they emerged from the London Near East conference, Feb. 2-March 12—the Entente proposals for a modification of the Treaty of Sèvres and the pacts negotiated by France and Italy with the Angora Government—most of which are beneath the surface. On their return to their posts both the Grand Vizier, Tewfik Pasha, the head of the Sultan's delegation, and Bekir Sami Bey, the head of the Angora delegation, issued statements to the press. The first was:

> If the London Conference could not assure peace in the Orient, it has at least given us certain palpable results. Justifying our Nationalist efforts, it has justified the existence of the Nationalist movement in Anatolia. An unaltered execution of the Treaty of Sèvres has been recognized as impossible in its ensemble. The present war is a struggle between Greece and Turkey, in which the fate of all the Greeks and all the Turks is at stake. We are determined to defend our rights to the extremity, and we can look to the future full of confidence.

The statement of the Grand Vizier reads:

> I am personally satisfied with the results of the London Conference, which have yielded results qualified to satisfy Ottoman aspirations on certain points. Thus the sovereign rights of Constantinople are assured, and our economic claims to a large degree have been recognized. The conference, however, was rendered sterile by the attitude of the Greek delegation. We are now preparing our reply, which we shall present whenever we are invited to do so. I am persuaded that the leaders of Angora will realize that the salvation of the empire requires union, which I hope will be achieved as soon as the modifications of the Sèvres treaty have been realized. We demand the evacuation of Thrace and Smyrna unreservedly.

The facts upon which the declaration is based that Greece has asked Italy to intervene at Angora are not so well founded as those upon which British intervention at Constantinople are based; they are, nevertheless, worthy of consideration. They do not concern either the King or the Government of Greece, or even the people, but the person of the new Premier and his conversations with Count Sforza, the Italian Foreign Secretary, while at the London Conference. At the beginning there are the past relations between the Gounarists and Italy. The Gounarists throughout the parlous times of 1915-17 possessed no better friend in the allied camp than the Italian Minister at Athens, Count Bosdari. Before and during the elections last Autumn which restored King Constantine and made Venizelos an exile the Gounarists remained *personae gratae* at the Italian Legation at Athens. The Italian Minister officially observed the same attitude as did his English and French colleagues, but at Rome the Constantinos envoy, M. Metaxas, was treated as a full-fledged and accredited plenipotentiary. Thus the open and resolute opponent of Greek territorial expansion was also the most open and resolute upholder of King Constantine's régime, simply because, in the Consulta's view, that régime connoted, at an early date, the reversion to an anti-Venizelos policy—the policy of the Little Hellenes, with its renunciation of the Dodecanese.

There is no doubt whatever in regard to the British intervention, for this was announced in the Ikdam of Constantinople on May 2, in which the Greek proposals that the British Government had undertaken to transmit to the Turkish Government and to Paris and Rome were given as follows:

1. The evacuation of Asia Minor by the Greek troops.
2. Smyrna and its hinterland, recognized as autonomous, shall be placed under the common control of France, England and Italy.
3. The rights of the unredeemed Greeks resident in Asia Minor shall be guaranteed by these three powers.
4. Greece surrenders to the same three powers the regulation of the question of Constantinople and the Straits.
5. The rights of Greece to Thrace and the Aegean Islands shall be maintained.

It is also reported that the Gounaris Government would consent to the abdication of

King Constantine if such a measure should become necessary in order to secure the acceptance of the foregoing proposals. It will be observed that the proposals even go beyond those made by the Entente at the London Conference. They meet the Turkish objection to the latter by indicating the removal of the Greek garrison from Smyrna, although they fall short of the agreements made by France and Italy with the Angora delegation.

On April 28 Prince Omer Faruk Effendi, son of the Heir Presumptive to the Turkish throne, Abdul Medjid Effendi, left his palace at Stamboul and departed for Angora to join the Nationalists. His departure and the letter he left for his father, saying that he could no longer restrain himself from fighting while the homeland was being invaded, would be very significant were it not for the really unimportant status of Omer and the fact that the rapprochement between Stamboul and Angora is daily growing closer.

[See also "What the Greeks are Fighting For," Page 407.]

SOVIET RUSSIA'S RETURN TO CAPITALISM

How Lenin's speech before the Tenth Communist Congress aroused a storm within the Communist ranks—His attempt to justify his new policy of concessions to the peasants, notably freedom to sell and buy—Moscow's efforts to reopen commerce with Europe

THE speech made by Lenin, the Moscow dictator, before the Tenth Congress of the Communist Party, held in Moscow in March, which, as reported throughout the world press, seemed to amount to a renunciation of Bolshevist principles, had the effect of creating a storm within the ranks of the Russian communists themselves which Lenin had some difficulty in allaying. It may be said, in fact, that Lenin has been explaining ever since. Petrograd papers commented on the confusion that was added to the already confused life of Soviet Russia from the first month's application of the concessions granted to the peasants in respect to free trade. It was stated that new decrees were constantly being issued by Lenin and Kalinin—a member of the Soviet Central Committee—to modify conditions arising from the changes. One decree sent out by Kalinin on April 20, for example, revealed the fact that workmen in the war munitions factories, misunderstanding the concessions, turned from war work to the making of plows, for the purpose of engaging in personal trade. The decree forbids such diversions without the specific consent of the War Commissary.

Vorovsky, Lenin's emissary in Italy, admitted that pure communism had failed in Russia, and that the concessions granted by Lenin could not be avoided. Granting to the peasants the right to sell and buy on their own initiative, he conceded, was a step backward, but circumstances had compelled it. The State, which should nationalize and distribute all the means of production and exchange, had nothing but salt and petrol to dispense. "We have made an experiment on too vast a scale," said Vorovsky, "affecting 150,000,000 people. We are going to return to the limits of the possibilities of the moment. The rest will come by degrees."

Lenin, under fire before the Moscow railwaymen's conference on April 16, answered several bitter attacks based on charges that he had yielded to a compromise with the bourgeois elements, and combined his defence with a vigorous counter-attack against "socialist babblers" and ranting orators of the opposition. Lenin's speech was in part as follows:

> Three and a half years of continuous and unprecedented fighting are now behind us. It is time to balance our accounts, to confess frankly and openly that the International proletariat has practically not supported us at all, and now we are being accused of wishing to return to the old capi-

talist state of affairs. But our accusers forget one thing—the bourgeois class does not exist any more in Russia. We have completely destroyed the Russian bourgeoisie. Only peasantry is in a position today to conduct and continue the struggle against the victorious proletariat, and I ask you: Do you want to fight the peasantry, a new war to the bitter end, or would you not prefer peace by mutual agreement?

As far as I personally am concerned, I know only too well how badly organized are the Russian peasants, how little class consciousness they have. In such circumstances they do not represent a serious menace to the dictatorship of the proletariat. Therefore we must by all means strive to attain union with the peasantry and meet them half way with regard to their justifiable demands.

The peasants have suffered during the last few years from military requisitions, famine, poor crops, epizootic, and now do not forget those new troubles, those new cares that the demobilized soldiers are carrying back with them to their village homes.

The soldiers do not wish to go back to cultivate their land and become peaceful workers. The demobilized soldiers are our greatest enemies. They have been accustomed to rob and pillage and murder. They have been accustomed to satisfy only their own needs and desires. This anarchical characteristic of the demobilized soldiers has found a favorable echo in the dull discontent and dissatisfaction of the peasant masses, and these two combined factors may destroy our republic.

In these circumstances we cannot go too far in our game with the bourgeoisie, which is impatiently awaiting our downfall, but the hopes of world capitalists will not be realized. The Soviets today are powerful and strong enough both to admit their mistakes of the past and to overcome all new difficulties to sane communism by paying the price of renunciation of certain theoretical precepts.

Again, speaking at Moscow on April 24, Lenin said:

The majority of our population now consists of peasants, and we must take them into account if we want to do productive work. Of course, free trade means the introduction of capitalism, but you cannot escape that. Capitalism, however, is no danger to us if most of the factories, transportation and external trade are in our hands. Concessions also will mean a state of capitalism that will help us to improve our economic condition, which we alone cannot do. If the greater number of factories and the general control remain in our hands, concessions, likewise, do not constitute a danger for us.

Further explanations and justifications of his new policy were embodied by Lenin in a long article published by the Moscow Pravda on May 3. In this article Lenin sought to appease the communist workmen, who, having nothing to barter in the open market, are rapidly losing the considerable privileges which they enjoyed three years ago, when the Bolsheviki took power; these workmen are greatly alarmed, and accuse the communist leaders of favoring the peasants, to the detriment of the working class. The rest of Lenin's article is devoted to a defense of his policy to revive capitalism in Soviet Russia. The way to true Socialism, he declares, lies through State capitalism—German State capitalism.

M. Lomov, Chairman of the Committee on Concessions of the Russian Supreme Council, dwelt upon the vast concessions which Russia was willing to make to induce foreign capital to come in:

We have radically changed our policy regarding concessions [said M. Lomov]. At first we were ready to grant concessions only in such domains as we could not hope to work economically with our own resources for some years. Now we are negotiating to grant concessions in the most vital of our industrial centres—like Baku and Merosny for oil, Donetz for coal and Krivoyrog and Kertch for iron ore. We are ready to grant concessions in the Donetz basin of lands hardly touched, and possessing enormous deposits of our best coal. * * * Russia will need foreign capital and technical help for years. As we shall be increasingly dependent upon the good will of concessionaires, they may feel sure that we will be scrupulously careful to respect our obligations toward them. No political guarantees can be more potent than our own self-interest.

Regarding the much-discussed concessions in Kamchatka to be granted to the American financier, Washington B. Vanderlip, M. Lomov stated that all details had been completed by the Soviet Government, which had assured itself that Vanderlip had solid American financial backing, and that the closing of the deal was delayed only pending the resumption of trade relations with the United States. When such a resumption would occur was left veiled in obscurity by the uncompromising reply of Secretary Hughes to the note from Moscow offering to reopen trade relations. Lenin, it appeared, was pleased, more than otherwise, by the charge embodied in this note that the Bolshevist Government had in no way changed its principles, and was still striving for world revolution. This was received with a chuckle by the saturnine dictator, who saw in it a good counter-

active for the remark made by Lloyd George that Lenin had abjured the Bolshevist theories and aims, and that his speech before the Tenth Communist Congress might have been made by Winston Churchill, whose anti-Bolshevist attitude is well known.

The actual text of this speech, received in New York in May, is the best contradiction of Lloyd George's assertion, for it shows plainly, out of Lenin's own mouth, that all modifications are a mere temporary expedient to help the Soviet régime to continue its existence until the world revolution has come to pass. What the Bolshevist leaders are doing to hasten that revolution was reviewed in full detail by Zinoviev, the Bolshevist dictator of Petrograd, in a speech before the executive committee of the Third International, summarized by The London Daily Telegraph on April 14. The status of Bolshevist propaganda in Germany, France, Italy, Austria, Czechoslovakia, Rumania, Bulgaria, Norway, Sweden, England and the United States was reported on by Zinoviev, who defined this propaganda as a turning movement threatening the bourgeois countries surrounding Soviet Russia.

Meanwhile the Moscow dictators continued their plans to reopen trade relations with these bourgeois countries, whose Governments they are seeking to overthrow. Although Secretary Hughes, in a letter to Samuel Gompers, the labor leader, on April 16, called Soviet Russia an economic vacuum, and emphasized the futility of reopening trade relations under present conditions, there were evidences that at least a part of Europe was not of this opinion. Great Britain in March ratified a trade agreement with Moscow, and an important decision of the British Court of Appeals on May 12 held that, since this treaty was an official recognition of the Soviet as the de facto Government of Russia, such Government had a right to confiscate and own the gold which it was sending to England to cover its commercial transactions. This test-case decision apparently opens the way for extensive British trade with the Bolsheviki. Russian newspapers on April 27 had already reported the arrival of the first British trading vessels at Novorossisk, South Russia, bringing cargoes of grain and agricultural machinery. Great Britain, furthermore, appointed Robert McLeon Hodgson, one-time British consul in Vladivostok and subsequently in charge of the British High Commission at Omsk, Siberia, to act as British trade representative at Moscow, charged to watch the developments of Anglo-Russian commerce and to assist Britons to do business with the Soviet Government.

The preliminary trade treaty between Moscow and Berlin, which so long hung fire, was at last concluded by energetic mutual action on May 6. A time limit of three months was set for withdrawal from this provisional arrangement. The compact authorizes Germany and Russia to exchange commercial delegations, which will enjoy full diplomatic privileges, and will be given the full consular powers necessary to legalize contracts and facilitate business. Merchant ships of both countries are to be granted the customary privileges relative to territorial waters, and radio, telegraph and postal communications. Both parties pledge themselves not to conduct propaganda through their respective delegations or otherwise, and assume responsibility for those delegations' acts. The agreement was signed by Aaron Scheinemann for Soviet Russia and by Gustav Behrendt and Baron von Maltzen for Germany.

Official figures of trade transit through Latvia for the first twenty days of April, combined with official Soviet announcements, show that Soviet trade, or at least import trade, had sprung into considerable activity during the first month of open navigation on the Baltic. It is estimated that some 35,000 tons of foreign goods came in by way of Latvian and Esthonian ports. This is the largest amount that has entered Russia in any month since the blockade was lifted. British trade, as noted, has begun through the Black Sea ports, and it was announced on May 8 that Italian lines were organizing for commercial transport to the Black Sea region. All business done was on a cash basis, and covered by the Soviet gold reserve. It was reported from Stockholm that Soviet gold shipped to Sweden for melting and reminting totaled $120,000,000. A trade agreement was being pushed with Norway, although, as in the case of Great Britain, public opinion was not favorable to a resumption of commercial relations.

Trade relations with Finland have not yet been resumed, the Bolshevist trade delegation having left Finland and returned to Russia owing to irreconcilable difference of views. Since the conclusion of peace, relations between the two nations have been strained by disputes over alleged violations of the common frontier. In an aggressive note M. Tchitcherin, the Soviet Foreign Minister, threw the whole onus on the Finnish Government, and defended the Bolshevist invasion of the district of Rapolz and Porajaervi, which had been granted autonomy under the treaty. The Finnish reply, made public on May 3, threw the whole blame back upon the Bolsheviki, and declared that a real peace, including commercial relations, could not begin until the Soviet accepted the responsibility for the attacks upon the Finnish frontier guards, and likewise took effective steps to prevent further incursions of armed gangs into the Finnish Legation in Moscow. Despite this interchange of courtesies, the Finnish Government decided to allow the Soviet trade delegation to return to Helsingfors, in view of the progress made in the repatriation of Finns from Russia, although the Finnish Minister for Trade declared that, before trade relations could actually begin, the question of Finnish claims in Russia must be satisfactorily settled. While thus preparing for the opening of unrestricted commerce with the outside world and for a revival of capitalism in Russia itself, the Soviet Government was taking active measures to rebuild its war fleet and to increase its army. Apart from peasant revolts in Siberia, the Moscow leaders have had to contend for some time with a somewhat widespread anti-Soviet movement in South Russia and the Ukraine. One movement in the Tambov Government, south and southeast of Moscow, reported to be assuming formidable proportions and led by General Antonov, a former Bolshevist commander, was declared by Moscow on May 8 to have been crushed; many of the "bandits" were killed, though Antonov himself managed to escape. Antonov's defeat added one more to the long list of anti-Bolshevist liquidations which the Soviet Government has to its credit. Only the ubiquitous bandit leader Makhno and the tenacious General Petlura still remained to be disposed of. As for the peasant revolts that spring up in all directions and at all times, the Moscow leaders expected that the new concessions granted to the peasants, including the right to dispose of all but 10 per cent. of their crops in trade, would automatically eliminate these uprisings.

FEISAL SEEKS TO RULE MESOPOTAMIA

[PERIOD ENDED MAY 15, 1921]

IN Mesopotamia the people are still wondering who is to reign over Irak as Emir or King. In England they are wondering how much more it will cost the Empire before the Arab Government gets down to business. As to the first, Prince Feisal has attempted to hasten matters by declaring to European correspondents at Cairo that unofficial proposals had been made to his Royal Highness to accept the throne, thus stealing a march on his brother, Prince Abdullah, supposed to be favored by Lord Allenby, who is believed to have the controlling vote in the matter.

In London the cause of Feisal has been espoused by General Haddad Pasha, the representative of the King of Hedjaz in Europe. The Arabs all over the East, he said, believe that the time has come to make a definite settlement of their particular problems, and they look to England to lead the way to the solution. He then offered the following statement to the London press:

> It is well enough known that the inhabitants of Mesopotamia would gladly have a member of the Sherifian royal family as King, and the choice of the Emir Feisal, I think, could not but be acceptable to the British Government, who are aware, also, how loyally his Royal Highness served the Allies during the war. The solution of the Arab question that is sought is one that will give satisfaction to the Arabs themselves and that will safeguard the interests of the allied powers. The enthronement of Emil Feisal, I believe, would give such a solution.

The General adds that his Royal Highness harbors no resentment toward the

French for the way they treated him in Syria, by dethroning him after he had been elected by the Syrian Congress:

> I am certain that the Emir cherishes similar feelings toward the English and the French, that he wishes that the Allies may work in cordial agreement in the East, because he considers that the alliance of the great powers will yield good results to his country, whereas a conflict would be most harmful to the Arab nation. I earnestly hope that a settlement similar to that reported to have been arrived at in Mesopotamia will be attained also in other Arab countries.

Although since Winston Churchill's return to London he has done no more than show a considerable reduction of expenditure in Mesopotamia as well as in Palestine, it is understood that at the Cairo Conference, which he attended, it was decided to find prominent places for all the available sons of King Hussein in the new Arab States to be created out of the British mandates, the only objection being that France would not consent to the use of Syria for that purpose.

The London Daily Sketch, whose Colonial Office news is usually considered authoritative, confirmed, on May 6, the foregoing intelligence in regard to the creation of a number of Arab States, adding:

"This would secure a new overland aerial route to India under British protection. Mesopotamia is to become the great depot and training ground for military aviators in the service of the British Empire."

ARAB RIOTS IN PALESTINE

[Period Ended May 15, 1921]

THE report to Winston Churchill, British Secretary of State for the Colonies, delivered to him in Jerusalem, by the President of the Third Palestinian Arab Congress, mentioned in these columns last month, turns out to be a rather pitiful yet formidable document—pitiful, because the Arabs say that they are now being punished for their loyalty to Englishmen, and formidable, because they demand the abrogation of the British mandate in its present character.

The report emphasizes the resentment of the Arabs that their country "has been sold to the Zionists," while they deplore greatly the appointment by England, in complete disregard of the feelings of the inhabitants, of a Jew as High Commissioner. It condemns the famous Balfour Declaration, and on this condemnation bases the following demands:

> That the principle of a National Home for the Jews be abolished.
>
> That a National Government be established which shall be responsible to a Parliament elected by the Palestinian people who existed in Palestine before the war.
>
> That a stop be put to Jewish immigration until such time as a National Government is formed.
>
> That laws and regulations in force before the war shall be still carried out and all others framed after the British occupation be annulled, and no new laws be made until a National Government comes into being.
>
> That Palestine shall not be separated from her sister States.

As British High Commissioner, Sir Herbert Samuel has authority to grant and to maintain different forms of government in the various districts of Palestine, in accordance with the race, political aspirations and intelligence of the population. Thus east of the Jordan he has created the State of Trans-Jordania, and it was announced by the Jewish Telegraph Agency on April 30 that Prince Zeid, a brother of Prince Feisal, son of the King of Hedjaz, was about to be officially proclaimed as its ruler, under the High Commissioner.

Early in April intelligence was received by Sir Herbert that Bolshevist agents were on their way from Angora to stir up strife in Palestine, either on orders from Moscow or at the instigation of Mustapha Kemal Pasha, the Turkish Nationalist leader. They first attempted to intimidate the farmers on the Plain of Philistia, which runs north and southeast of Jaffa and Gaza. But the people on the Plain would have none of them, although they spoke their language, for here dwell the original Zionists, Russian Jews who had left Russia several years before the war, and had even prospered under the old Turkish régime. Besides, they were too busy with their farming to give ear to the Bolshevist doctrine. So the agents of Lenin

sought the cities and met with better success among the disaffected Arabs.

All this is confirmed by a dispatch dated April 21, sent The London Times by its Jerusalem correspondent. What then happened is told by dispatches received by the Zionist Organization of America, supplemented by the regular news agency dispatches from Jerusalem to Paris and London:

On May 1 the Jewish laborers of the old section of Jaffa, with the full permission of the authorities, were marching in procession. Some communists tried to break up the procession. As the rioting increased an attempt was made to preserve order by the Jewish Defense Corps, which a few days later was to be demobilized at Tel-Aviv, a suburb of Jaffa. Thereupon the rioters freely used knives, pistols and rifles, killing 27 Jews and wounding 150. There were no Arab casualties. It has been evidenced before the investigation conducted by General Deeds and Judge Norman Bentwich that the Arab police participated in the rioting and actually led the rioters into the houses of the Jews, particularly in the attack upon the Immigrant House, where the incoming Jews stay until work is found for them.

On May 7 another disturbance between Jews and Moslems took place near the new agricultural colony of Petah Tikvah. There were some casualties before the military intervened. On the same day at Jaffa the Moslem longshoremen refused to allow Jewish immigrants to disembark until marines were landed from a British man-of-war. On the same day, also, some isolated Jewish farming colonies recently settled beyond the Jordan were attacked by Bedouins, who were ultimately driven off by British troops. Both in London and Paris grave concern is felt in Government circles.

The new budget contains an appropriation of 100,000 Egyptian pounds for national defense. In speaking of this item, Sir Herbert said that the recruiting for Jewish and Arab defense units would be begun at an early date. The budget estimates revenues for the year at E. £2,214,000 and expenditures at E. £2,185,133. Today an Egyptian pound is worth about $3.85.

PERSIA'S NEW ALIGNMENT

[Period Ended May 15, 1921]

To abrogate the treaty with Great Britain was the first act of the new Government installed at Teheran by the coup d'état of General Reza Khan, leader of the Persian Cossacks. On Feb. 26, six days after the installation, the Persian Envoy at Moscow, Ali-Guli-Kahn Moshaverol Memalek, and two representatives of the Government of the Russian Socialist Federated Soviet Republic, Georgii Vasilievich Chicherin and Lev Mikhailovich Karakhan, signed a treaty between their respective States which must be ratified by both within three months.

The text of this treaty was immediately sent abroad by the head of the Soviet propaganda bureau, not through the usual diplomatic channels, nor yet to foreign agents of the bureau, but directly to persons and publications supposed to be in sympathy with the spread of Bolshevism of the academic or parlor variety.

The document is based on the declarations of the Moscow Government, made Jan. 14, 1918, and June 26, 1919, which renounced any attempt to pursue the invading and denationalizing practices by the late Czarist Government.

In striking contrast to the coercive treaties made by Moscow with other Transcaucasian States, it pretends to be constructive and helpful instead of destructive and dominating. This probably accounts for the manner in which it was dispatched abroad. The former arrangements between the late Imperial Government and Persia are thus abrogated in the first clause:

> Accordingly, wishing to see the Persian people independent, flourishing and freely controlling the whole of its own possessions, the Government of the R. S. F. S. R. declares all tractates, treaties, conventions and agreements concluded by the late Czarist Government with Persia and tending to the diminution of the rights of the Persian people completely null and void.

Then there are clauses for mutual de-

fense, which guarantee to both immunity from use of their territory by a third power aiming to attack either; others surrendering to the Persians "the financial sums, valuables, and in general the assets and liabilities of the Discount Credit Banks," in order to repair the losses sustained through the Czarist régime. Further clauses abolish the religious and political missions established for the Russification of Persia and now alleged to be used for reactionary propaganda, and turn the buildings of these missions, lands and other property "to the establishment of schools and other cultural educational institutions." Others condemn the policy of imperialism and capitalism, which causes the exploitation of undeveloped countries by the rich, and, wishing Persia to stand upon her own feet, the high contracting power at Moscow hands over to Persia all the foreign-owned railways, docks, ships and lines of transportation and of communication, whether the Czarist share was a controlling share or not.

The persons who received copies of the document abroad are expected by the Moscow Government to contrast it not with other treaties made by the same Government but with the "capitalistic" treaty made by Great Britain with Persia.

On April 9, Zia-ed-Din, the new Premier, entertained foreign officials at a dinner in Teheran and explained the foreign policy of his Government, as some of his guests had taken offense at the abrupt language employed in the published programme. (See CURRENT HISTORY for May).

He declared that the relations with Great Britain were now completely cordial, owing to the "disappearance" of the Anglo-Persian agreement, which "had bred clouds of misunderstanding." Persia, he continued, depended on sincerely good relations with Russia and England. In addition she turned to America, who had ever opposed the Anglo-Persian pact, for agricultural and to France for legal advisers, and she also contemplated employing Belgians and Swedes.

On May 1 the British troops left Teheran just as a Russian diplomatic mission entered it.

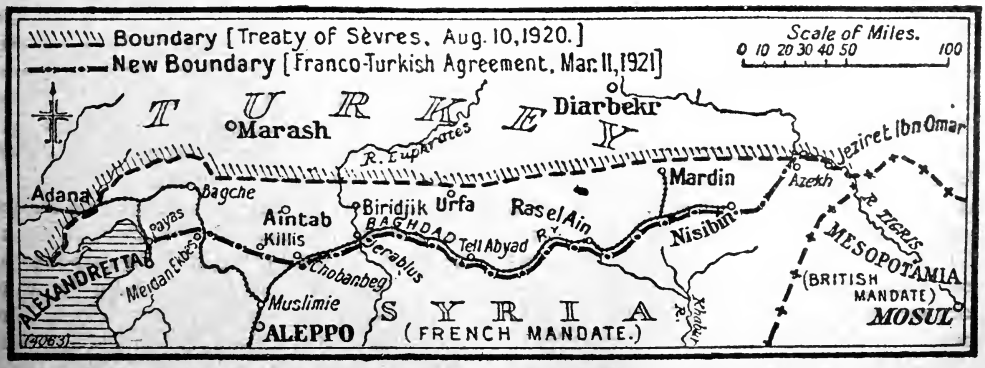
THE NEW SYRIAN BOUNDARY

To the Editor of Current History:

In the article entitled "Secret Pacts of France and Italy With Turkey," in your May issue, it is stated: "The frontier between Turkey and Syria will start from a point to be chosen on the Gulf of Alexandretta, immediately south of Payas, and will extend on a straight line toward Meidan-Ekbese, the railroad station and the town being assigned to Syria."

Now, there is no such town as Meidan-Ekbese, although there is such a town as Meidan, and there is another, on a line almost due west, called Ekbese. These two towns are about four hours' horse ride from each other, and are supplied by the one railroad station, about half way between them. This station is called Meidan-Ekbese, and I had the misfortune to be stationed there for three months.

The towns are situated on the foothills of the Amanus Mountains and on the old boundary between Cilicia and Syria that the Turks acknowledged before the war. In conceding this terri-



THE NEW NORTHERN FRONTIER OF SYRIA, ESTABLISHED BY THE FRANCO-TURKISH AGREEMENT, GIVES TURKEY A NEW SLICE OF TERRITORY EXTENDING SOUTHWARD TO THE BAGDAD RAILWAY

tory to the Turks the French must have been entirely governed by the strategic military advantages to be gained therefrom.

This treaty apparently leaves them the railroad junction of Mouslimie, situated to the north of Aleppo; without this the Turk cannot cause any trouble to the French project of extending the Bagdad Railway to Bagdad, one of the pet dreams of Georges Picot. It was the capture of this junction by the British troops that brought about the capitulation of the Turkish armies in Mesopotamia. While it would be possible for the Turks to build a new line from Islahe to Chobenbeg, the expense would be enormous and the return infinitesimal, although the military expediencies of the future might make it necessary for such an excursion.

As will be seen, the French really control the famous Berlin to Bagdad Railroad, a dream that has been theirs for many years. During the period that the ultimate mandating of these territories was in doubt to the general public our ally used every means of secret diplomacy at her command to persuade the other nations that it was she alone who could control these areas. Agents sent out seemed to suffer from a severe attack of Anglophobia, and would not take advice from men who had been in intimate touch with the Turks and Arabs for many years. I venture to say, had the French been willing to accept advice then, the massacres in Adana and Aintab would never have taken place; they would still retain Cilicia, and Mustapha Kemal would not now be the power he is.

I have called your attention to this little matter as a point of information, thinking it may be useful to you, perhaps, at some future date.

H. SHAW.

354 Seventy-fourth Street, Brooklyn, N. Y., May 1, 1921.

INDIA'S WELCOME TO HER NEW VICEROY

Lord Reading's arrival in Bombay and the spirit in which he assumed the vast responsibilities of his new office—Views of the retiring Viceroy on the present situation—The attitude of Afghanistan

INDIA, early in April, was the scene of an event of national and international importance. Lord Reading, former Chief Justice of Great Britain and now the new Viceroy of England's Indian dominions, arrived in Bombay on April 2. He took over formal possession of all official functions from Lord Chelmsford, the retiring Viceroy, and auspiciously began his administration with addresses in which he expressed his deep desire to get close to the heart of India during his coming term of office. He further made an appeal to all classes and parties for co-operation in the gigantic task of solving India's momentous problems.

The new Viceroy, on landing at Bombay, received a cordial welcome from a brilliant throng of high officials, including Sir George Lloyd, the Governor of Bombay; General Lord Rawlinson, the Commander-in-Chief of the Indian Army; the members of the Viceroy's executive council, high naval, military and civil officials, and a number of Indian Princes. The Municipal Corporation presented an address, to which Lord Reading replied. He then inspected the guard of honor and proceeded forthwith to the Government House with an escort of cavalry. The route was lined by troops and by crowds of spectators, who heartily cheered the new Viceroy as he passed.

In his reply to the Municipal Corporation's address of welcome Lord Reading declared that he fully recognized the seriousness of his undertaking and the vast responsibilities which would devolve upon him. He referred to the allusion made by the Corporation to the ancient race from which he was descended (Lord Reading is of Hebrew origin) and expressed the hope that this Eastern blood might quicken his appreciation of the aims and aspirations of the Indian people and enable him "to catch the almost inaudible cries, the inarticulate whispers of the multitudes." He concluded by stressing his belief in justice administered with rigorous impartiality. These words created a strong and favorable impression, which was enhanced by the new Viceroy's subsequent utterances.

In an extemporaneous speech made before the Indian Merchants' Chamber of Commerce of Bombay on April 3, in response to an address of farewell presented by that body, the Viceroy referred to the fact that members of this body had called on him and presented a detailed list of what they considered their legitimate political and

economic grievances, from which they asked relief. Lord Reading's comment on these grievances was cautious in the extreme, and in the course of his address he emphasized again and again his view that he should not yield to the temptation to discuss any of these or other problems before he was able to give to them the fullest and most thorough study. He also pointed out to the association that many of India's present economic and financial difficulties were but a common heritage with the nations of Europe of the consequences of the European war. Speaking of the welcome which the people of Bombay, as well as the high officials had given him, he declared that this had been to him an encouragement, as tending to show that "the people have not set their hearts against the new Viceroy, but rather that they gladly welcomed a Viceroy who wished to be in sympathy with them." He added:

> It is from this that I take some comfort to myself. It leads me to study the situation with hopefulness, which I trust I shall carry to the end of my responsibilities. If only Indians throughout India and the British, with myself, all work in union for the closest co-operation in the development of India's resources, for India's prosperity, there can be no doubt that India will become prosperous and happy.

The general tone of Indian press comment was reflected by the Pioneer of Allabahad, which said:

> Every thoughtful person will appreciate Lord Reading's determination to study conditions before committing himself to a definite line of action. He comes to India at a singularly difficult time. It will tax all his statesmanship to set the new Constitution firmly on its feet and to guide India's destinies safely through the period of transition, but he may rest assured of the cordial sympathy and co-operation of every loyal subject and well-wisher of India in the great task lying before him.

After a short visit at Delhi the Viceroy went to Lahore in the Punjab, still smarting with the sting of the Amritsar "massacres." Replying at a garden party to an address of welcome, Lord Reading, after speaking in terms of high appreciation of the part played by the Punjab in the war and voicing the great interest felt by the King-Emperor in the welfare of the province, passed to a frank reference to the Amritsar controversy. Repeating the view of the Duke of Connaught he urged that bygones be bygones, and announced that the Governor had appointed a committee to recommend adequate compensation for the victims of the Amritsar troubles, as well as for their families. Again the Viceroy urged co-operation in order to give the fullest effect to the King-Emperor's promises to India, of which the reform laws and the new Legislature were the first earnest. In the course of the next day or so the Viceroy paid a flying visit to Amritsar, where he inspected the Jallinwallabagh (Sunken Gardens), scene of the shooting of 1919.

The situation that confronted Lord Reading, difficult as it was, with Mr. Gandhi's formidable movement for non-co-operation still very much alive, and a large body of popular discontent to cope with, had some compensating features. One ray of hope was the excellent record which the new Legislature at Delhi had made in the few short weeks since its opening. Lord Chelmsford, the retiring Viceroy, referred to this hopefully on his arrival in England. The movement of Mr. Gandhi, he said, whatever its influence among the lower classes, was losing ground with the educated element, who had already given signs of being much impressed by the new advisory council at Delhi and the other reforms being instituted, according to the Montagu-Chelmsford legislation.

One source of anxiety was the outcome of the political mission of Sir Henry Dobbs to Kabul, the capital of Afghanistan. The Amir Amanullah had made the following demands as conditions for the making of a new treaty: Payment of subsidy arrears due to his late father, Amir Habibullah; permission to import arms free of duty; the cession of the territory of Waziristan; the right to admit Soviet representatives into Kandahar, Ghazni and Jalalabad, and the grant of a seaport. Of these demands, that regarding the admission of the Bolshevist consulates presented most difficulties, in view of the intensity of Bolshevist propaganda in Afghanistan. Simultaneously with the publication of the Anglo-Russian trade agreement on March 17 there was made public in The London Times a sharp letter sent by Sir Robert Horne for the British Government to the Soviet emissaries, calling their attention to the Bolshevist activities in Afghanistan, declaring them in flagrant contradiction to the terms of the trade agreement, and insisting that the

agreement could not become effective unless such propaganda ceased immediately. Whatever may be the Amir's desires, affected by the ties which he has made with Moscow, it was considered scarcely probable that Great Britain would consent to the establishment of official nests of Bolshevist intrigue on the very border of India. It seemed likely toward the middle and end of April that the negotiations would be considerably protracted. Severe fighting with hostile Afghan guerrilla leaders went on sporadically throughout this period.

Sweeping demands were made by Mr. Chotani, the head of the Indian Moslem delegation to London, and Sheik M. H. Kidwai, in a joint letter sent by them to Mr. Montagu, the British Secretary of State for India, on April 16. They asked no less than that the whole mandate for Jerusalem should be changed to conform to the Moslem view, that the British army should be withdrawn from the Ismid Peninsula on the ground that it hindered the union of the Turkish Nationalists with their kinsmen at Constantinople and also because "Indians of all schools of thought and creed strongly disapprove of Indian soldiers being now employed beyond the frontiers of their country when no colonial soldiers are so employed and when no Indian interests are threatened." Other representations blamed England for the Greek occupation of Smyrna and for the bloodshed which it occasioned, and demanded that the Dardanelles and the Bosporus should be closed to all States but Turkey. This letter was a noted example of the spirit of solidarity which now unites the Indian Moslems with their Turkish brethren against Great Britain, a feeling which Mr. Gandhi has turned to great advantage in enlisting the co-operation of the Moslem brothers Ali in his anti-English campaign.

JAPAN'S CROWN PRINCE IN ENGLAND

How Prince Hirohito was received by King George and all the great dignitaries of the British realm—The troubles of the Japanese Government at home

FROM the English port of Spithead on the morning of May 7 watchers glimpsed through leveled telescopes the glint of steel far off on the horizon; then, as they continued watching, they distinguished the flutter of a flag showing a red orb against a white background. "That is the Katori!" they exclaimed. Soon afterward the Japanese battleship Katori, bearing Prince Hirohito, the Japanese Crown Prince, with an official party of eighteen prominent Japanese, entered the port and the British battleships drawn up to welcome the heir to Japan's throne boomed forth a thunderous welcome from their biggest guns, which the Katori answered.

So Prince Hirohito, representing the throne of one of the five great powers of the world and of the greatest military power of Asia, began his historic visit to Europe. This was the first time in history that a Japanese Crown Prince had left the shores of Japan to visit the nations of the West.

Political wiseacres declared that Prince Hirohito's visit was timed to predispose the British favorably to the permanent renewal of the Anglo-Japanese alliance. An official explanation was offered by Premier Hara in presenting to the Diet on March 18 last an estimate of the expenses required for the projected tour. "The imperial visit," he said, "has for its aim an inspection of the general condition of the Western powers, and the opportunity will, of course, be utilized of visiting different European monarchs. The trip will be of great benefit, not only to his Highness, but also to the Japanese Nation in various respects."

Most of the British press comments on the Prince's visit were complimentary in the extreme. The London Daily Telegraph, in referring to the danger of war between Japan and the United States and the possibility that the Anglo-Japanese treaty might be invoked to gain British support for Japan in such a war, expressed the conviction that Great Britain would never join the Japanese against America, and declared that the danger of war between the two great rival powers of the Pacific could be

averted "by a full and complete understanding between America and Japan," adding: "Such an agreement could nowhere arouse deeper satisfaction than in Great Britain, the sincere admirer and friend of both."

London on May 9 accorded to Prince Hirohito a tumultuous welcome. This was the first visit of a foreign dignitary to the English capital since 1914. Full honors of State were extended to the Japanese heir-apparent. Accompanied by the Prince of Wales, Prince Hirohito arrived at Victoria Station on a special train from Portsmouth and was greeted cordially by King George, the Duke of Connaught and the Duke of York. The King wore the uniform of a Field Marshal and the sash of the Japanese Order of the Rising Sun; the two Dukes were in naval uniform. The brilliant suite of British officialdom, which included Earl Curzon, Secretary for Foreign Affairs; Admiral Beatty, commander of the Grand Fleet; Sir Henry Wilson, Chief of the British Imperial Staff, and the Lord Mayor of London, and the personnel of the Japanese Embassy in London stood at salute while the bands intoned the solemn strain of the Japanese national anthem. Through streets lined with cheering multitudes and cordoned with troops the Prince was finally driven off in a State carriage, where he sat side by side with the British King. The military escort and Household Cavalry rode into position at the rear of the royal coach, while the bands at the station played again the Japanese anthem. The dense throng of sightseers standing behind the cordon of troops sent forth stormy greetings, waving hundreds of handkerchiefs as the Prince rolled by. To all this welcome the Prince responded with salutes.

HIROHITO SHINNO

Crown Prince of Japan, whose visit to England is unprecedented in Japanese annals
(Times Wide World Photos)

All the pre-war brilliance of great state functions was invoked at the state banquet at Buckingham Palace the same afternoon. One hundred and thirty distinguished guests sat at the banquet, which was held in the state ballroom. Besides many members of the royal family, Mr. Lloyd George, Earl Curzon, Mr. Balfour and Mr. Asquith were present. The German Ambassador also attended.

In toasting the royal guest, for whom Viscount Chinda, the former Japanese Ambassador to England, acted as interpreter, King George said that the visit was symbolic of the friendship which had so long united the two island empires. The King referred to England's economic, industrial and political difficulties quite frankly, saying: "Because Prince Hirohito is our friend we are not afraid for him to see our troubles. We know his sympathy with us and he will understand." Through Viscount Chinda, Prince Hirohito expressed his profound gratification at the warm welcome he had received and for the harmonious relations that united his country with England.

The Japanese Crown Prince might very well have replied to King George's frank confessions of domestic trouble by a similar confession on behalf of Japan. The present Ministry, headed by Premier Hara, still bears the brunt of the attacks of the Kenseikai, or Opposition Party, which have rained upon the Cabinet for months. The Kenseikai on April 8 passed a resolution declaring that the Hara Ministry had precipitated the empire into a political crisis "that has never been more dangerous" and had pursued a

"retrogressive and disgraceful diplomatic policy, which has caused a complete loss of national prestige abroad, and a loose and injudicious internal policy, which has brought about popular unrest at home." Many cases of official corruption and irregularities were charged, and the Government was subjected to a new attack for its Siberian policy.

With regard to the difficulties with America, the Japanese Government has adopted a waiting policy. The whole matter of Japanese immigration and civic rights will come again to the fore when the new immigration treaty with the United States is completed and published. As for the dispute over the Island of Yap, the Diplomatic Advisory Council on April 22 approved the attitude of the Cabinet on the whole mandate question. According to the Nichi-Nichi, the Cabinet had decided to stand firm on its policy that as the Allies themselves had allocated Yap to Japan her rights were beyond question. Discussions were still continuing between the United States and the Allies on America's objections to this mandate. Meanwhile the Cabinet decided on April 27 to place Yap—as well as the other former German islands given to Japan—under a civil administration, subject, however, to the control of the Ministry of Marine. Through April and May many official and semi-official personages took occasion to disclaim the charge that Japan entertained any warlike intentions. The navy increase was attributed merely to Japan's need of adequate defense, in view of Japan's new position as an island power in the Pacific. Official information was received in Washington toward the end of April that the Japanese conscription laws had been made more rigid and had been extended to Japanese residents in the Philippines, the East Indies and the South Sea.

MEXICO'S PROSPECTS OF RECOGNITION

President Obregon's policy opposed by the Mexican Congress and Supreme Court, the hitch being over the constitutional article limiting subsoil rights of foreigners—Overwhelming predominance of trade with United States

[Period Ended May 15, 1921]

IT was announced in Washington on May 10 that the Administration's Mexican policy had been determined, but that the President and Secretary Hughes were not ready to make it public. The indications were that there would be an exchange of notes, serving as a basis for recognition, in which Mexico would acknowledge its intention to satisfy international obligations and protect American rights and interests. There will be no demand for a treaty containing guarantees to alter Article XXVII. of the Mexican Constitution, such as Secretary Fall desired.

George T. Summerlin, American Chargé d'Affaires in Mexico City, was summoned to Washington by the State Department, and arrived there on April 18, to confer regarding the situation. President Obregon has shown a disposition to reconcile differences, but the Mexican Congress apparently is in no hurry to follow his lead. It is considering the amendment or interpretation of Article XXVII. of the Constitution, relating to subsoil rights of aliens, under which American oil companies fear confiscation, and there is an appeal before the Mexican Supreme Court by American interests growing out of Carranza's virtual seizure of certain oil properties under the authority of Article XXVII. But President Obregon cannot coerce either Congress or the Supreme Court unless he sets up as a dictator.

Great Britain's position was explained in the House of Commons on May 5 by Cecil Harmsworth, in reply to Major Christopher Lowther, who urged recognition on the ground that Mexico would never become stable until it was granted. Mr. Harmsworth admitted that recognition would be an advantage both to Mexico and to Great Britain, but regretted to say that reports reaching the Government of the lack of security and stability still existing in Mexico rendered it impossible. The Foreign Office, he added, fully realized the disadvantage

of the present position, and would gladly accord recognition to Mexico whenever that became possible. It was officially announced at Mexico City on May 11 that Austria had formally recognized the Obregon Government.

Señor Urquidi, in charge of the Mexican Legation in London, on April 19 gave out a statement on the authority of President Obregon concerning Mexico's foreign policy. Its principal points were: A hearty welcome to all business men, restitution of property commandeered by previous Governments, guarantees for the protection of Mexicans and foreigners against attacks on their lives and property, and a series of extra sessions of Congress to inaugurate legal reforms. With reference to oil, it was stated to be the intention of the Government that the new regulations should not embody anything of a confiscatory nature, and that they should not receive a retroactive interpretation.

One of the consequences of delayed recognition is a revival of revolutionary talk, and of incipient uprisings which had been quickly suppressed. General Murguia succeeded in crossing the border with twenty-two men, and was completely routed. Benjamin Garza, his second in command, surrendered after being wounded in a fight. Esteban Cantu, who was removed a few months ago from his position as Governor of Lower California, invaded Tia Juana with a small band of followers early on the morning of May 3, firing volleys at the jail and several buildings, but no one was wounded.

President Obregon's orders to show no mercy to rebels are being carried out. Sanchez de Castillo faced a firing squad on April 28 at Monterey, after conviction by court-martial, and José Moreno and Antonio Alderete were shot on April 29, following their capture near Nuevo Loredo by Federal forces operating in the State of Tamaulipas. Troops were pursuing a small rebel band headed by Daniel Ruiz, which raided the village of Villapuato, in the State of Michoacan, on April 24.

Fifteen Mexican bandits held up officials of the Atlantic Gulf and West Indies Oil Company and obtained about 130,000 pesos in Mexican gold near Tampico on April 21, according to advices from that city. Ten persons were killed, including two of the bandits. The money, intended for payment of employes, was being taken in an automobile for transport to the southern fields in charge of the assistant paymaster, Salvador Davalos, and his brother, Trinidad, guarded by six Mexican soldiers. Two miles from Tampico the party was stopped by a wagon blocking the road, and the bandits opened fire from ambush. Trinidad Davalos, five soldiers, two chauffeurs and two bandits were killed. The paymaster, the remaining soldier and two bandits were wounded. Federal troops were sent in pursuit of the dozen robbers, who fled.

Linn Gale, the American agitator and draft evader, who was deported to Guatemala on account of his Bolshevist activities, is in the hands of the United States authorities. Guatemala had refused to receive him, so the Mexican officials sent him back to Laredo, Texas, where he arrived on April 22, and was turned over by immigration officials to the military authorities at Fort McIntosh. Another agitator, James Clopton, said to be an American, was expelled from Mexico on April 29 as a "pernicious foreigner."

Despite political uprisings and predatory crimes, President Obregon is making honest efforts to rehabilitate Mexico in the eyes of the world by arranging to pay the interest on Mexico's foreign debt, preparatory to refunding the principal. To that end representatives of foreign banking houses were invited, on April 16, to go to Mexico and offer advice and suggestions how this is to be done. President Obregon is said to have assumed personal charge of this phase of the financial situation, but his efforts, according to Wall Street reports, were coldly received by New York financiers.

Mexico's external debts aggregate some $125,000,000, divided as follows: Five per cents. of 1899, outstanding, $46,448,000, defaulted July 1, 1914, accumulated interest, 31¼ per cent.; 4 per cents. of 1904, outstanding, $37,037,500, defaulted June 1, 1914, accumulated interest 26 per cent., and the consolidated 3 per cent. silver bonds of 1886, outstanding, $42,915,825, defaulted June 30, 1914, accumulated interest 19½ per cent. Besides these there are $96,615,100 outstanding in 5 per cent. internal redeemable bonds and the following bonds of the National Railways of Mexico: Prior lien, 4½ per cents., $84,804,115; sinking fund gold 5s,

$50,748,575; prior lien gold 4½ per cents., $23,000,000, and consolidated gold 4 per cents, $27,740,000. All the latter also defaulted in 1914.

The total direct indebtedness of the Mexican Government is thus about $500,000,000, including defaulted interest of about $100,000,000. In addition to the report that payment of this interest would begin very soon, it was also stated that the Mexican Government was about to start purchases of railroad equipment for the use of its State line, the National Railways of Mexico. An order for ninety-one locomotives for immediate delivery was placed in the United States.

Another evidence of President Obregon's good-will is his executive order, made public on April 28, for the return of all properties seized by former Governments in the States of Coahuila, Chihuahua, Nuevo Leon and Tamaulipas. His only conditions were that irrigation and land development projects under way when the properties were abandoned be resumed, and that Mexican labor be employed. The properties owned by the Mormons in the State of Chihuahua were to be returned at once. Other Americans will receive their land on proof of ownership. The Mexican Investment Company announced that it would begin immediately the development of its property. The company previously had derived its sole income from royalties from land which it had leased. Simultaneously with this order, President Obregon directed final payment of 500,000 pesos to the former owners of the ranch, in the State of Durango, presented to Francisco Villa on his retirement from a career of banditry.

Mexico's reconstructive measures have naturally had a great effect on her foreign trade. With the country quiet, except the minor disturbances in the north already mentioned, Mexicans have been able to buy more from abroad, and it is estimated that during the present fiscal year exports from the United States will have more than doubled, reaching a probable total of $280,000,000. Imports into the United States from Mexico have also gained, rising from about $75,000,000 a year before 1918 to about $170,000,000 at present. Petroleum is the biggest factor of Mexico's exports, and the advantage to the United States is seen in her enormous purchases of machinery and materials for that industry. The United States now supplies 85 per cent. of Mexico's imports and takes 95 per cent. of her exports. Every effort is being made to hold and extend this large trade.

PANAMA STILL HOSTILE TO COSTA RICA

United States insists on settlement of the boundary dispute on the basis of the White award—Nicaragua withdraws from the League of Nations

[Period Ended May 15, 1921]

WAR between Panama and Costa Rica would not be tolerated by the United States, it was authoritatively asserted in Washington on April 18; both Governments had been informed that Panama's refusal to accept the White award must not be made the basis for a renewal of hostilities. This was followed on May 2 by the presentation of a note from Secretary Hughes to the Government of Panama, stating that unless Panama took steps promptly to settle the Costa Rican boundary dispute in strict accordance with the White and Loubat awards, the United States would take such steps as were necessary to give effect to the physical establishment of the boundary line. The note was a virtual ultimatum, but set no time limit.

The theory of the State Department is that, as the United States is bound by treaty to protect the independence and territorial integrity of Panama, it must not permit Panama to stir up trouble by arbitrarily extending sovereignty over territory in the possession of which the United States would by no means be bound to protect her. The protecting Government cannot guarantee the integrity of a country with a shifting boundary line depending upon the caprice of the Government protected.

President Porras, on May 3, stated that Secretary Hughes's note had not changed

the attitude of Panama, which still refused to accede to the American ultimatum demanding acceptance of the White award within a reasonable time. A reply was received in Washington on May 7, but not of a nature to change the situation. It was indicated on May 9 that the United States might be compelled to use force to restore to Costa Rica the territory occupied by Panama in defiance of the White award.

It was authoritatively indicated at Washington on May 12, however, that Panama would be given a reasonable time in which to act voluntarily in accordance with her treaty agreements, and that no action would be taken by the United States Government on May 16, the day marking the expiration of two weeks after Secretary Hughes's formal warning.

Tomas A. Le Breton, Argentine Ambassador to the United States, has been authorized to accept appointment as arbitrator of financial claims pending between American citizens and the Government of Panama, according to a dispatch from Buenos Aires, of April 27.

Costa Rica

The United States, on April 19, sent a note to Great Britain denying that it had directed the American Consul at San José to have Costa Rica cancel the Amory oil concession several months before it was annulled. The State Department, it was asserted, had never recognized any concession granted by the usurping Tinoco régime. The note sent to London is reported to have added this declaration:

> Nevertheless, it is difficult to perceive how any such action during the period prior to annulment of the concession would furnish necessarily an occasion for justifiable criticism on the part of his Majesty's Government.

The fact that British capital was invested in the concession, though it was reputed to be American, was not known until just before it was annulled.

The first discovery of natural gas in Central America was reported on May 10 from territory near Puerto Limon, on the east coast. Natural gas was said to be escaping from the earth in large quantities at Cahuita, where drilling for oil was in progress.

Nicaragua

A dispatch from Managua, April 23, stated that Nicaragua had given up its membership in the League of Nations, owing to the expense involved. The Nicaraguan Government was indebted $47,000 for a year's membership.

A new Atlantic port was opened on May 1 for the export of cattle to Cuba. There has recently been a large increase in Nicaragua in the breeding of cattle for export.

Guatemala

Guadalupe Cabrera, the 18-year-old daughter of former President Cabrera, was reported on May 9 to have killed herself by shooting, in order to call the world's attention to the fact that the Guatemalan Government had not fulfilled its pledge, signed at the American Legation, guaranteeing Cabrera's life, liberty and property. The facts were cabled to Washington, where it was stated on May 9 that the Harding Administration was taking steps to obtain the release of the former Guatemalan dictator.

BELGIUM'S QUEEN AS A VOTER

QUEEN ELIZABETH stood in line and voted at the municipal election in Brussels on April 24, and women voted for the first time generally throughout Belgium. The Clericals made considerable progress in the big cities, such as Brussels, Antwerp and Ghent, at the expense of the Socialists.

The latter held their own in the industrial districts ,and the Liberals remained stationary. The number of women who registered exceeded the men by 700,000, but there were only a few women candidates. Burgomaster Max was re-elected in Brussels. He was designated by the Council of Ministers to head a Belgian delegation to Washington to congratulate the President upon his election.

SOUTH AMERICA TURNING AGAIN TO EUROPE

Great Britain taking over the South American passenger trade which the United States had held through the war years—Heavy German migration to Brazil—Vast project of the Krupps in Chile—Argentina compels port workers to unload an American vessel

[Period Ended May 15, 1921]

SOUTH AMERICAN passenger trade, which during the war fell into American hands through acquiring German vessels, has been recovered in large part by Great Britain, according to Sir Owen Philipps, head of the British shipping trust. This, he says, is because the German ships taken over, though fast, were constructed for North Atlantic trade and were unfit for service in hot climates. Another reason was the severity of the American prohibition laws, which cause Latin Americans to prefer British lines. As long as such conditions exist, he declares, there is no prospect that the United States will recover supremacy in the South American passenger trade.

Great Britain is also reaffirming her hold on a land where British interests control more than 15,000 miles of railroads. On the eight systems concerned net profits during 1920 exceeded those of 1919, despite large increases in wages.

Argentina

For forty days an American vessel, the Shipping Board steamer Martha Washington, chartered by the Munson Line, was held up in the port of Buenos Aires by a boycott of union port workers, who refused to allow the ship to be unloaded. The union had demanded the discharge of fourteen firemen on the ground of illness, but the company declined, refusing to recognize the union's right to interfere. Then the boycott began, which involved the Argentine Foreign Office, the American Consul and Ambassador, and finally the State Department at Washington. The United States held the Argentine Government responsible. The Ambassador demanded that Argentina either require the union to unload the vessel or afford protection to free labor to do it. He said the Martha Washington would remain ten, twenty or thirty years in port before the United States would yield to the demand of a labor union which had no right to intervene in a controversy between the Captain of an American ship and its crew. Meanwhile European lines protested against the exactions of the port workers, and threats were made to drop Buenos Aires as a port of call. The United States refused to join in such a move or to accept the offer of an organization of employers to furnish non-union labor which, under armed protection, would unload the vessel. Washington refused to join private interests, throwing the entire settlement on Argentina.

On May 9 the port workers struck and said they would not return until assurances had been given that the Labor Protective Association of Employers would not be permited to work. The police and Argentine marines took charge of the docks and maintained a lockout of both union and non-union men. After three days the unions yielded and agreed to lift the boycott on the Martha Washington, thus ending the international incident.

Two bombs were thrown in Buenos Aires on May Day in an attempt to blow up a railway bridge. Anarchists charged a patriotic parade in the province of Entre Rios, which caused a riot, five persons being killed and twenty wounded.

Argentina on May 12 sent an official communication to the Secretariat of the League of Nations on amendments offered last November by Honorio Pueyrredon, the Argentine Foreign Minister, showing that Argentina continues to consider herself a member of the League.

Bolivia

A contract has been signed with an American firm for the construction of a railway from La Quiaca, on the Argentine border, to Otocha, completing the link

needed to give La Paz an all-rail route to Buenos Aires.

A new Bolivian Cabinet took office on May 13, with the following personnel:

Foreign Minister.....Alberto Gutierrez
Minister of Interior.....Abdon Saavedra
Minister of Finance.....Jose Estensoro
Minister of Public Instruction..Jaime Freyre
Minister of Public Works.....Roman Pan
Minister of War.....Pastorbal Divieso

Dr. Gutierrez is a diplomat of long experience. In 1903 he was Secretary of the Bolivian Legation in Washington for a short time. He has been twice Minister from his Government to Chile. He has also been Minister of Bolivia to Brazil, Equador, Colombia and Venezuela. In 1915-1916 he was the official delegate from Bolivia to the second Pan-American Scientific Congress at Washington, and became Minister of Foreign Relations of Bolivia Dec. 17, 1918, resigning from that post on March 15, 1919. He has traveled extensively in Europe.

Brazil

The centenary of Brazilian independence will be celebrated on Sept. 7, 1922, and preparations are being made for it. Americans resident in Brazil propose to construct a memorial building as the gift of the United States. The Brazilian Automobile Association proposes to hold an automobile exhibition at the same time.

A Brazilian-American Chamber of Commerce has been formed in New York to include business men and diplomatists interested in Brazilian trades. Brazil's Congress opened on May 3 with a downward revision of the tariff as the chief subject to be considered. A loan for $25,000,000 floated in the United States is intended to be used to electrify about 225 kilometers of the state railway in the direction of Sao Paulo. In a tiny glass cylinder inserted in one of lead 357 milligrams of radium were shipped to Brazil by the Radio Chemical Corporation early in May as part of an order for 557 milligrams, or slightly more than half a gram. The shipment was valued at $65,000.

Brazil is anticipating a great influx of immigrants this year, among them 30,000 Italians. Germans also are arriving in large numbers. Recently the steamship Pocone arrived from Hamburg with 1,149 passengers, practically all immigrants.

Chile

Profiteering by owners of nitrate fields in Chile was so extensive during the war and their desire to maintain prices was so tenacious that the natural result of a falling off in orders has followed. As a consequence there has been stagnation in trade in the northern district, unemployment among the nitrate workers, strikes among the longshoremen and heavy losses to steamship companies. It is even feared that Antofagasta may lose most of its shipping business. President Alessandri in a message to Congress urged the nationalization of sales of nitrate, which the State intends to sell abroad, paying the cost of freights and dividing the profits with the producers, suppressing the export duty. He also suggested a progressive tax on rents, increased taxes on luxuries and the introduction of new labor legislation.

Details of the Krupps concession in Chile show that it is much more extensive than supposed, consisting of nearly 500,000 acres of virgin forest land in the Province of Llanquihue, covered with gigantic trees. In addition the Krupps purchased from Enrique Gonzalez his great Pleito and Zapallo mines in the Provinces of Coquimbo and Atacama for the sum of $10,000,000, according to Santiago newspapers. The Krupps propose to establish at the foot of the Calbuco Volcano their principal works, which will dwarf those at Essen. Here they may evade the provision in the Versailles Treaty against the manufacture of arms in Germany by carrying it on abroad. Many Chileans have already protested against the alienation of much territory and against the purposes for which it will be used by a concern so closely affiliated with the German Government.

President Alessandri of Chile has accepted the resignations of Señor Carlos Silva Cruz, Minister of War, and Señor Daniel Martner, Minister of Finance, and has appointed to succeed them Señor Enrique Balmaceda and Señor Enrique Oyarzun, Chairman of the Committee on War and Finance of the Chamber of Deputies. Señor Silva Cruz resigned from the post of Minister of War because of his poor health.

Colombia

By a vote of 69 to 19 the United States Senate on April 20 ratified the Colombian

treaty, agreeing to pay $25,000,000 for the loss of Panama and giving Colombia free passage through the Panama Canal. The debate, which lasted several days, was very bitter. President Harding himself and many Republicans who supported his request for ratification had opposed it when President Wilson asked for it, and some ingenuity was needed by the Administration to give an explanation of the altered policy. In 1917 Senators Lodge, McCumber, Brandegee, Fall and Borah called the treaty a "blackmail document." It was charged during the debate that oil interests, expecting concessions in Colombia, were back of the ratification. It was stated that the fight would be renewed when Congress is asked to appropriate the $25,000,000 authorized. [The text of the treaty, with further details, will be found on Pages 541-3.]

The Swiss Federal Council, on May 10, agreed to arbitrate the long-standing boundary dispute between Colombia and Venezuela. Swiss engineers are to visit South America and make surveys in both countries.

Paraguay

Protests have been made to La Paz by the Government of Paraguay against the recent erection of forts by Bolivia and the garrisoning of troops near the territory known as the Paraguayan Grand Chaco, the boundaries of which have long been a subject of dispute between the two countries. The disputed territory is nearly as large as California, and oil is said to have been recently discovered there. The Bolivian Chargé d'Affaires in Buenos Aires denies any threat is intended. He says the forts are 150 miles from the disputed zone and the garrisons are for police duty.

Peru

President Leguia of Peru is reported to have set up a dictatorship and deported many political opponents of his policy since his seizure of the Presidency in July, 1919. He is said to have insisted on "revising" decisions of the Supreme Court and to have imprisoned Senators, Deputies, newspaper men, army officers and others on San Lorenzo Island. The San Marcos University was closed in March and many students were wounded in a pitched battle with the police in the streets of Lima. The Prensa, which reported the trouble, was seized and turned into a Government organ, strict censorship on telegraph and mail prevented the news from getting out. On May 11 several prominent Peruvians, who had been detained for political reasons, were placed aboard the Peruvian line steamship Paita at Callao for deportation. Among them were General Oscar Benavides, former President of the republic; Senator Miguel Grau, two former Cabinet members and several former Deputies.

The Marconi Wireless Telegraph Company, Ltd., of London, on May 1, took over the Peruvian wireless, postal and telegraphic services. The concession was for twenty-five years. The Marconi Company agrees to advance the funds for the reorganization of the services, which had been operated at a loss. The State Department made the award the basis for representations, according to a Washington dispatch of May 14, but their nature was not disclosed.

Uruguay

A decree was published on April 6, prohibiting the landing of animals in Uruguay that have been exported from the United States and brought by steamers that have called at Brazilian ports, owing to reported cases of cattle plague in Brazil. This was extended to cattle coming from Europe, particularly France, Belgium and Holland. The quarantine is very strict, as one instance shows: Miss Muriel Corneille of New York arrived at Montevideo on April 26 with a pet dog, which the authorities ordered killed; she saved its life by returning without leaving the vessel.

Venezuela

Esteban Gil Borges, Foreign Minister of Venezuela, arrived in New York on April 11 at the head of a mission to present a statue of Simon Bolivar, South American liberator, to the City of New York, which was unveiled in Central Park on April 18. President Harding made an address favoring closer relations between the United States and Latin America, the evident sincerity of which was commented upon favorably by the South American newspapers. The delegates gave a reception to Secretary and Mrs. Hughes in Washington on April 22. Georgetown University conferred the degree of Doctor of Laws on Dr. Gil Borges.

Petroleum possibilities of Venezuela are described in the South American Journal, of London, which says that the Caribbean coast from the mouth of the Magdalena to the great lagoon of Maracaibo is an undoubtedly promising oil field, practically a virgin territory. Two American companies have acquired large concessions there. The Maracaibo Oil Exploration Corporation has approximately 1,000,000 acres of leaseholds and has entered into a working agreement with the Standard Oil Company of New Jersey to finance and superintend the development of its properties for one-half interest.

Caracas, the Venezuelan capital, has a population of 92,212 according to the census of 1920.

EVENTS IN THE WEST INDIES

The Cuban Presidency dispute settled—Personnel of the new Cabinet—Protest from Haitians—Santo Domingo's New Governor—Spanish protests against American occupation—In the British West Indies

[Period Ended May 15, 1921]

GENERAL JOSE MIGUEL having abandoned his ambition to be President of Cuba after a talk with Secretary Hughes in Washington on April 14, there remained little doubt that Dr. Alfredo Zayas would be inaugurated on the day set, May 20. The followers of Gomez in Congress ceased their opposition, and President Menocal, who was supposed to favor Gomez, made arrangements for an extended tour in Europe, accompanied by his wife and daughter, immediately after his term ends.

Dr. Zayas on May 10 announced his selections for the new Cabinet as follows: Secretary of the Presidency, Dr. José Manuel Cortina; Secretary of State, Dr. Rafael Montoro; Government, Dr. Francisco Martinez Lufriu; Treasury, Sebastien Gelabert; Sanitation, Dr. Juan Guiteras; Public Works, Orlando Freyre; Justice, Dr. Erasmo Regueiferos; Public Instruction, Dr. Francisco Zayas y Alfonso, a brother of the President-elect, and War and Navy, Dr. Demetrio Castillo Duany. The post of Secretary of Agriculture had not at that time been filled. Dr. Guiteras, head of the Health Department, is well known in the United States for his medical research work. Señor Gelabert is a financier and banker who has not been active in politics.

It was stated that Dr. Zayas was intending on taking office to begin negotiations for the modification of the commercial treaty with the United States.

Antonio C. Gonzalez, one of the early Cuban patriots, died in New York on April 25. He was born in 1844 and when 21 years old gave liberty to the slaves which his father had left him. As a result, the Spanish Government confiscated his property and sentenced him to death. He was smuggled into the United States, studied law and was admitted to the bar in 1880.

Cuban conditions have been rapidly improving and there is a gradual restoration of confidence. A clearing house was organized and began business on April 25. All the solvent Cuban banks joined as well as various foreign branches. Arrangements for assisting in financing the Cuban sugar crop have been completed by two New York banks and one Canadian, and acceptances for more than $500,000 have been drawn, secured by sugar in Cuban warehouses. Exports to the United States in April and May were largely increased in anticipation of the proposed American tariff. Government mediators succeeded in settling a serious strike on the Cuban railway companies' lines in the eastern part of the island by a compromise, and traffic was resumed on May 8.

Chess players the world over have been watching with interest the series of games played in Havana between José Capablanca, the youthful Cuban, and Emanuel Lasker, the aged German master, which ended on April 26 in four games won by Capablanca and ten drawn, out of the proposed series of 24, Lasker declining to finish and conced-

ing to his oppent the title of chess champion of the world. Lasker sailed for Spain on April 30.

Haiti

Three Haitian delegates in Washington on May 8 made public a memorial to be presented to President Harding, the State Department and Congress, demanding the withdrawal of the United States military forces. They charge a long series of atrocities by American marines and the native gendarmerie, including administration of the "water cure" and other tortures by Americans and the commission of numberless abominable crimes, of which 25 cases with names and dates are given in the memorial. It is charged that $500,000 of Haitian Government funds were carried off to New York, to cripple the Treasury; that the Legislature was dispersed by a body of marines; that ratification of the Constitution of 1918 was obtained by duress and that 9,475 Haitians died in American prison camps in three years. The accusations are practically a repetition of the charges made by General Barnett and other officials and made public by the National Association for the Advancement of Colored People. They were investigated last year by a naval court, which found that they were "ill-considered and regrettable." The controversy was published in detail in Current History for November, December, January and February. The Haitian delegates characterize the naval inquiry as a joke. Secretary of the Navy Denby, who visited Haiti to see for himself, characterized the Haitians' complaints as "the same old rot."

Santo Domingo

From Spain on April 15 came a protest against continued occupation of Santo Domingo by United States troops. It was addressed to President Harding and was signed by the former Premier, Count Romanones; the former Minister of Public Works, Francisco Cambon; Professor Miguel Unanurno of Salamanca University, and others. Argentina and most of the Latin-American republics also were understood to be preparing protests.

Announcement was made in Washington on April 15 that the United States was seeking an orderly and careful method of withdrawing its marines from Santo Domingo which would satisfy the nationalists and at the same time protect the interests of the United States and other foreign Governments.

Read Admiral S. S. Robison, commanding the Boston Navy Yard and Station, was detailed May 13 to be Military Governor of Santo Domingo. He will relieve Rear Admiral Thomas Snowden, who reaches retirement age this Summer. Captain George Brown Jr., Supply Corps, Navy Department, was ordered on duty as fleet paymaster, Atlantic fleet.

Porto Rico

E. Mont Reily, a Kansas City business man, was nominated by President Harding May 6 and confirmed May 11 by the Senate to be Governor of Porto Rico. Mr. Reily has been active in Missouri politics during several campaigns. In 1912 he was a supporter of the Roosevelt Progressive Party and during the pre-convention campaign last year was an active worker for the nomination of Mr. Harding.

British West Indies

A dispatch from Kingston, dated May 4, said that discussion was continuing there on the suggestion of the annexation of the British West Indies to the United States in settlement of the war debt of Great Britain. It is stated that the British islands have not made as much industrial progress as those under care of the United States. West Indian federation was being suggested as an alternative to American annexation. The latter has very little support either in the West Indies or in Great Britain. One of its most vigorous opponents is the Prince of Wales, who is expected to express himself at the annual banquet in June of the West India Committee, an association of persons interested in West Indian trade which is 200 years old but was only incorporated in 1904.

Bahamas

Development of the harbor of Nassau has been authorized by the Bahamas Legislature at an estimated cost of $1,250,000, half of which will be raised by a loan. The project calls for a depth of 35 feet and a channel 300 feet wide to the inner harbor.

Barbados

The trade of Barbados with the United States more than tripled in 1920, amounting to $2,107,513, as compared with $681,263 in the previous year, owing to the shipment of 8,488,000 pounds of sugar.

Bermuda

Renewed efforts have been made in the Bermuda Assembly to permit the use of automobiles in the islands. One was imported in the early days of motoring, but the Legislature declared it to be dangerous, passed a law forbidding the importation of any more, bought the offending machine from its owner and deported it. As the islands have little more than nineteen square miles of area, visitors do not regard automobiles as necessary.

THE COLOMBIAN TREATY RATIFIED

THE treaty by which the United States granted to Colombia $25,000,000 damages for the Panama Canal episode was ratified by the Senate on April 20, 1921, by a vote of 69 to 19. Only fifty-seven votes were required to cover the prescribed two-thirds of all votes cast. The opposition vote was recorded by fifteen Republican Senators and four Democrats. The treaty as ratified was practically the same as the draft submitted to the Senate by President Wilson in 1914, except for the elimination of the article expressing regret that anything should have occurred to mar the cordial relations between the United States and Colombia, and a few minor amendments. The main differences brought by the latter are as follows:

> When submitted by President Wilson the treaty called for the payment of the entire $25,000,000 agreed to by the United States as compensation for the loss of Panama within six months following the exchange of ratifications. As amended, $5,000,000 will be paid in six months, and the remaining $20,000,000 in four annual instalments of $5,000,000 each.
>
> The same rights are accorded to Colombia in respect to the interoceanic canal and the Panama Railway as in the original treaty, with the exception that an amendment was incorporated in the treaty as passed proclaiming that the title of the Panama Railway and of the Canal is now "vested entirely in the United States of America without any encumbrances or indemnities whatsoever."

All Colombian products and mails passing through the canal are to be exempt from duties other than those to which the products and mills of the United States are subject. Colombian cattle, provisions and salt are to be admitted to the Canal Zone on an equality basis with those of American ownership. Colombian citizens are exempted from all tolls, taxes and duties on an equality basis with citizens of the United States. Colombia receives the same right to transport troops, war materials, products of the soil and mails over the lines of the Panama Railway as that now enjoyed by the United States. The clause added in the original treaty, "even in case of war between Colombia and another country," was eliminated from the treaty as ratified. Colombia recognizes formally for the first time the complete independence of the Republic of Panama.

Some idea of the efforts required to achieve this treaty's ultimate passage may be derived from the following record:

> April 6, 1914—Signed at Bogota.
>
> June 16, 1914—Transmitted to the Senate for ratification by President Wilson. Referred to the Committee on Foreign Relations.
>
> June 18, 1914—Injunction of secrecy removed.
>
> July 15, 1914—Resolution for public hearings introduced by Senator Borah.
>
> Dec. 16, 1915—Again referred to Committee on Foreign Relations.
>
> Feb. 3, 1916—Again reported to the Senate.
>
> March 8, 1917—Again referred to Committee on Foreign Relations.
>
> March 14, 1917—Reported by Senator Stone with amendments.
>
> March 15, 1917—Motion to consider in open session defeated.
>
> March 16, 1917—Further consideration postponed.
>
> April 16, 1917—Called for consideration and again postponed.
>
> May 29, 1919—Again referred to the Committee on Foreign Relations.
>
> July 2, 1919—Reported with amendments.
>
> Aug. 7, 1919—Motion of Senator Lodge referred back to the Committee on Foreign Relations.
>
> Aug. 8, 1919—Referred to subcommittee.
>
> June 3, 1920—Reported to the Senate and ordered printed.
>
> March 9, 1921—President Harding, in a message, urged ratification.

April 20, 1921—Ratified by the Senate by vote of 69 to 19.

The most active opponent was Senator Borah, who declared that ratification of the treaty, in its present form, would be notice to the world that the Senate admitted and confirmed the charge "that Theodore Roosevelt stole Panama." The payment of this $25,000,000, declared Senator Borah, meant that Roosevelt and John Hay, in consummating this "brilliant achievement," had "acted iniquitously." On this basis the Senator from Idaho refused to vote for ratification, and insisted on the inclusion of an amendment explicitly stating as follows:

> That neither said payment nor anything contained in this treaty shall be taken or regarded as an admission that the secession of Panama in November, 1903, was in any way aided or abetted by the United States of America, its agents or representatives, or that said Government in any way violated its obligations to Colombia.

After a bitter fight, this amendment, like several urged by Senator Ransdell, was rejected.

The text of the treaty as passed is given herewith:

The United States of America and the Republic of Colombia, being desirous to remove all the misunderstandings growing out of the political events in Panama in November, 1903; to restore the cordial friendship that formerly characterized the relations between the two countries, and also to define and regulate their rights and interests in respect of the interoceanic canal, which the Government of the United States has constructed across the Isthmus of Panama, have resolved for this purpose to conclude a treaty, and have accordingly appointed as their plenipotentiaries:

* * * * * * *

Who, after communicating to each other their respective full powers, which were found to be in due and proper form, have agreed upon the following:

ARTICLE I.—The Republic of Colombia shall enjoy the following rights in respect to the interoceanic canal and the Panama Railway, the title to which is now vested entirely and absolutely in the United States of America, without any encumbrances or indemnities whatever:

1. The Republic of Colombia shall be at liberty at all times to transport through the interoceanic canal its troops, materials of war and ships of war, without paying any charges to the United States.

2. The products of the soil and industry of Colombia passing through the canal, as well as the Colombian mails, shall be exempt from any charge or duty other than those in which the products and mails of the United States may be subject. The products of the soil and industry of Colombia, such as cattle, salt and provisions, shall be admitted to entry in the Canal Zone, and likewise in the islands and mainland occupied by the United States as auxiliary and accessory thereto, without paying other duties or charges than those payable by similar products of the United States.

3. Colombian citizens crossing the Canal Zone shall, upon production of paper proof of their nationality, be exempt from every toll, tax or duty to which citizens of the United States are not subject.

4. Whenever traffic by the Canal is interrupted or whenever it shall be necessary for any other reason to use the railway, the troops, materials of war, products and mails of the Republic of Colombia, as above mentioned, shall be transported on the railway between Ancon and Cristobal or on any other railway substituted therefor, paying only the same charges and duties as are imposed upon the troops, materials of war, products and mails of the United States. The officers, agents and employes of the Government of Colombia shall, upon production of proper proof of their official character or their employment, also be entitled to passage on the said railway on the same terms as officers, agents and employes of the Government of the United States.

5. Coal, petroleum and sea salt, being the products of Colombia, for Colombian consumption, passing from the Atlantic Coast of Colombia to any Colombian port on the Pacific Coast, and vice versa, shall, whenever traffic by the canal is interrupted, be transported over the aforesaid railway free of any charge except the actual cost of handling and transportation, which shall not in any case exceed one-half of the ordinary freight charges levied upon similar products of the United States passing over the railway and in transit from one port to another of the United States.

ARTICLE II.—The Government of the United States of America agrees to pay at the City of Washington to the Republic of Colombia the sum of twenty-five million dollars, gold, United States money, as follows: The sum of five million dollars shall be paid within six months after the exchange of ratifications of the present treaty, and reckoning from the date of that payment, the remaining twenty million dollars shall be paid in four annual instalments of five million dollars each.

ARTICLE III.—The Republic of Colombia recognizes Panama as an independent nation and taking as a basis the Colombian law of June 9, 1855, agrees that the boundary shall be the following: From Cape Tiburon to the headwaters of the Rio de la Miel and following the mountain chain by the ridge of Gandi to the Sierra de Chugargun and that of Mali going down by the ridges of Nigue to the heights of Aspave and from thence to a

point on the Pacific half way between Cocalito and La Arvita.

In consideration of this recognition, the Government of the United States will, immediately after the exchange of the ratifications of the present treaty, take the necessary steps in order to obtain from the Government of Panama the dispatch of a duly accredited agent to negotiate and conclude with the Government of Colombia a Treaty of Peace and Friendship with a view to bring about both the establishment of regular diplomatic relations between Colombia and Panama and the adjustment of all questions of pecuniary liability as between the two countries, in accordance with recognized principles of law and precedents.

ARTICLE IV.—The present treaty shall be approved and ratified by the high contracting parties in conformity with their respective laws, and the ratifications thereof shall be exchanged in the City of Bogota as soon as may be possible.

In faith whereof, the said plenipotentiaries have signed the present treaty in duplicate and have hereunto affixed their respective seals.

SWEDEN AND THE ALAND AWARD

The Aland Islands to have home rule under Finnish suzerainty, with guarantees for Swedish interests, according to a recommendation of the Aland Commission of the League of Nations—Sweden refuses to consider the judgment as final

[PERIOD ENDED MAY 15, 1921]

GREAT excitement was manifested in all the Swedish press over the announcement from Geneva, on May 10, that the commission appointed by the League of Nations to examine the question whether the Aland Islands in the Baltic should belong to Sweden or Finland had found for the latter country. Keen disappointment and indignation greeted the report everywhere, with expression of the hope that the League would refuse to adopt the recommendation. Should it sanction the report, according to Tidningen (Stockholm), it would deal the deathblow to Sweden's confidence in the will of the League and its power to uphold justice in the world. The Swedish Government was said not to consider the commission's report as of decisive importance in the ultimate solution of the Aland question, and would energetically urge the League Council to let the Alanders decide their nationality by a plebiscite.

In the course of its 36,000-word report the commission stated that the Aland Islands form a part of the self-governing State of Finland, and that, though a plebiscite there would undoubtedly favor Sweden, it is questionable whether any one had the right to take them away from Finland. The desire of the Alanders to join Sweden was found to be mainly due to their anxiety to maintain their Swedish language and culture. As Finland is ready to grant satisfactory guarantees to the Alanders, the commission urged that it would be unjust to deprive Finland of the islands. Furthermore, the Aland population is too small to stand alone, and the islands are in other ways hardly capable of surviving as an independent State.

Therefore, the commission recommends that the Alands remain under Finland, but that Finland grant certain linguistic, cultural and trade guarantees to the Swedish population of the archipelago. Instruction is to be given only in Swedish in the primary and technical schools. The Alanders must have the right of redemption in case lands are purchased by any foreign person or company. Owing to the value of the shipping and harbor advantages, Finnish companies will surely wish to establish shipbuilding yards in the islands. In the unlikely case that Finland should refuse to grant these guarantees, and to protect the Alanders against the Fennoman movement, the commission thinks the only possible solution would be a separation of the islands from Finland by means of a plebiscite. This solution, however, the commission desires to avoid.

The commission recommends that the Alanders should have the right to present to the Finnish Government a list of three

candidates for Governor of the islands, and that the Governor be chosen from this list.

The report ends the procedure begun in July, 1920, when Swedo-Finnish relations over the Aland question became acute, and Earl Curzon referred the question to the League of Nations. On Sept. 18, 1920, it was announced that both Sweden and Finland had accepted the intervention of the League to settle the dispute. The League Council referred the question to three international judges, and the present report of the Aland Islands Commission is based on investigations by Mr. Elkus, former United States Ambassador to Constantinople; M. Calonder, former President of the Swiss Confederation, and Baron Beyens of Belgium.

The report states that of the 25,000 population of the islands, 96 per cent. are Swedish speaking, while 320,000, or 11 per cent., of the population of Finland are Swedes. Eighty of the islands are inhabited, and there are many uninhabited islets in the group, which form the "Skerry Garth" between the larger islands and the Finnish mainland. Impartial people are quoted as holding that it would be an exceedingly difficult matter to draw a frontier line through the Skerries, even if Sweden had a stronger case.

Guarding the entrance to the Gulf of Bothnia, it was the strategic importance of these islands that made the question of their possession a matter of European concern. Until 1808 Finland formed a part of Sweden. Then Russia acquired the Alands, along with the Finnish provinces of Sweden. The Swedes base their claim to the Alands on the fact that in 1917, about four months before Finland declared her complete independence of Russia, the Alanders met and expressed a wish to be reunited with Sweden, with virtual unanimity.

The League acts on the question under Articles III. and XI. of the Covenant, which the three international judges decided authorized the League to intervene. When the general import of the commission's report became known on April 20, M. Kersjentseff, the head of the Soviet Trade Delegation at Stockholm, declared in a newspaper article that the Soviet Government would acknowledge no settlement to which it was not a party. He stated that, although the Soviet Government claimed jurisdiction over both the Alands and the rest of Finland as parts of Imperial Russia, it was disposed to surrender the islands to Sweden provided a suitable arrangement could be made with Stockholm.

Danish Colony in Greenland

An event of romantic interest is the coming visit of the King Christian and Queen Alexandrine to Godhaab, Greenland, for the bicentenary celebration of the Danish Colony in Greenland by the missionary, Hans Egede. Never has a European sovereign visited this part of Danish America. Descendants of the Norse Viking colonists settled there in the eleventh century under Eric the Red—whose son, Leif the Lucky, discovered the North American Continent—and were exterminated by Eskimos in the sixteenth century. But in 1721 Hans Egede, with his wife, children, and forty followers, founded the Danish mission settlement at Godhaab, which has continued in being to this day. In 1774, by statute, the Greenland trade became a monopoly of the Danish crown, which took the mission under its protection, and the same system remains in force. The trade consists mostly of produce gathered by the natives at their hunting and fishing stations: blubber, whalebone, narwhal horns, walrus tusks, sealskins, bearskins, feathers, eiderdown, and dried cod. An Eskimo grand opera has recently been produced on the Copenhagen stage. Godhaab was visited in October, 1888, by Dr. Nansen and Otto Sveddrup when they completed the first crossing of Greenland after an adventurous journey by sledge and a tiny willow canoe.

Norwegian Ships

The Legation of Norway at Washington has pointed out an inaccuracy in a statement in Current History for May regarding the Norwegian claim against the United States Shipping Board. The amount offered by the board as compensation to the owners of the fifteen Norwegian vessels, which were under construction in American shipyards in 1917 and were requisitioned by the United States Government, was not $14,000,000, but approximately $2,600,000. The first named amount is the sum claimed by the Norwegian owners. The Legation states also that the Shipping Board has never placed a valuation of $100 a ton on the ships.

EUROPE'S FINANCIAL SITUATION IN VIEW OF GERMANY'S INDEMNITY CAPITULATION

GERMANY'S complete compliance with the reparation demand of the allied Governments is, by long odds, the event of most vital importance, economically and financially, since the signing of the Armistice. It detracts from its significance no whit that the world had come to a firm determination that Germany must pay, sooner or later. Acceptance by her of the Allies' terms was received by the other nations with a metaphorical sigh of relief and the world's judgment of the value of her submission was recorded by rising exchanges, here and in London.

It is significant that there was no overwhelming enthusiasm at the news, either in London or in Paris. Each received it with a quiet satisfaction but, too, with a degree of reservation which disclosed each nation as wholly cognizant of the difficulties still ahead. As yet the German surrender has had a psychological value, but only a psychological one. It was like a legacy to a spendthrift, not unexpected to be sure, but arriving when he was at the end of his resources and nearly hopeless of the future.

It may be conceded unfair to reckon either France or England as at the end of its resources. They were most certainly not at that point, but it is a fact, nevertheless, that France, practically since the Armistice, has computed two budgets each year: one her regular budget offset by taxation, and the other an extraordinary budget against which was balanced nothing more tangible than the payments she meant some day to obtain from Germany. Now these payments are actually in sight and the sense of relief is accordingly great, although, at the moment, no plans have been devised for transforming Germany's acknowledgment of her debt and her promise to pay it into the actual gold coin which is all that can really help France, or England, for that matter.

Assumption that Germany will enter upon the series of payments laid down for her by her conquerors is, probably, justified, although there is nothing like assurance felt that some alteration will not be effected before Germany shall have paid the last of the 132,000,000,000 gold marks now set as the total payment. The London newspaper comments reflected this the morning after news was received of Germany's acceptance of the terms. Thus the Daily Telegraph commented:

"We see no reason to doubt that Wirth and his colleagues are speaking and are willing to act in good faith, but we cannot allow ourselves to forget that a German signature is not always final. Germany has signed agreements before and then has tranquilly proceeded to violate their vital clauses. There must be no opening this time for exhibition of the same complaisant morality. We do not wish to suggest that Wirth and his colleagues have any desire to deceive us, but, in their own interests and those of their successors, it is as well that all possibility of deception should be eliminated."

The Daily Chronicle declared: "We shall next have to see that the new German Government performs what it has undertaken," and notes that the Reichstag carried the decision to accept the ultimatum by a majority of only 40 and that the whole of the Nationalist, or Military Party, and the Stinnes, or Big Business Group, voted against acceptance. It adds:

"With these uncompromising opponents representing forces normally dominant in Germany, and with many lukewarm elements among its temporary supporters, the Wirth Government will have great difficulty in performing its promises to us, and the only way for us to help it is to keep a firm attitude and leave the recalcitrants in no doubt that attempts to break the conditions will annul the effect of their acceptance. The same pressure which has tardily brought Germany back to the path of loyalty will be needed to keep her from straying out of it back to the Abdul Hamid diplomacy of the past eighteen months."

But with the threat of French occupation of the Ruhr still present—it will be recalled that General Degoutte, in transmitting the order to his troops, did not say the invasion had been abandoned but "postponed"—Germany may be counted on at least to begin carrying out the terms of the ultimatum. These include payment within twenty-five days after acceptance of the ultimatum of 1,000,000,000 marks in gold, or paper redeemable in gold, and the subsequent issue, on July 1 and Nov. 1, respectively, of bonds in the amount of 12,000,000,000 and 38,000,000,000 gold marks, which shall be bearer bonds secured by the whole assets of the German Empire and the German States, the interest on and the redemption of which are provided for by annual payments of 2,000,000,000 marks gold by Germany and 26 per cent. of the value of her exports as from last May 1, or, alternatively, an equivalent amount as fixed in accordance with any other index proposed by Germany and accepted by the Reparation Commission. In addition, bonds for 82,000,000,000 marks gold are to be handed to the Reparation Commission on Nov. 1 to be issued by the commission when it is deemed the interest and redemption can be provided for by the payments Germany is to make annually.

France's share of the indemnity is to be 52 per cent. So that, on the proposed basis, the most France can look for this year is 52 per cent. of 50,000,000,000 marks gold; in bonds, however, and not in cash. These 26,000,000,000 gold mark bonds would yield her, at 5 per cent., the coupon value of the bonds, an income of 1,300,000,000 marks gold, roughly equal, at present exchange rates, to 3,900,000,000 francs paper. This is a tremendous addition to France's income, certainly, but is it enough to accomplish the reconstruction plans which France has in contemplation and which she must effect if the country is to be brought back to the state of economic efficiency which existed before the German invasion? Recent official estimates fix the annual sum to be expended on reconstruction for the next ten years at 8,000,000,000 francs, pensions at 4,000,000,000 and the interest on loans already incurred for reconstruction, 2,000,000,000, a total of 14,000,000,000 francs absolutely necessary for the next ten years at least. The pensions continue, of course, after that period. Now 3,900,000,000 francs is a long way from 14,000,000,000 francs, and the supposition is justified that France must seek to capitalize her share of the indemnity at once. And to capitalize it she must offer her bonds for sale in this market.

Three methods are open to her and none holds promise of more than moderate success. She may offer the bonds as she receives them for what they will bring; she may add the guarantee of the French Government, or she may issue a French Government bond with the German bonds as collateral security. In any of these events it is hard to see where she could offer them outside of the United States, and it is problematical in the extreme as to how any of these issues would fare here.

France, Belgium and Switzerland have lately been borrowing here on an 8 per cent. basis, so it may be put down as fact at once that no German bonds can hope to obtain better terms. Their coupons, however, are for 5 per cent., so an assumption that seems warranted is that the bonds could not sell here at that rate in any quantity at a better price than 60. Assuming that the whole block could be so disposed of, a thing which bankers here scarcely conceive imaginable, France would obtain for her 26,000,000,000 gold mark bonds this year only about 47,000,000,000 francs paper, a sum large enough in itself, to be sure, but not quite so large when measured in the light of France's needs and expectations. Certainly it is hard to see how France is to be relieved entirely of the financial embarrassment into which the war forced her.

But that is not to say that France will not regain her old place in the world, with her income once more adequate to meet her expenses and her money exchangeable for the moneys of other countries at a rate closely approaching the old par of exchange. France has banked heavily on the payments which Germany must make to her and now it seems that these payments are to be inadequate to defray the expenses which France has contemplated and must make, yet France's regeneration must be regarded as assured.

The assertion is heard often, in discussion of the financial relations between the Allies and the United States, that France

and England are nearly bankrupt, that there is little hope of their ever paying the interest on their debts to us, let alone the principal, and that the loans must ultimately be marked off the books as worthless. It is a commentary upon the economic knowledge of such critics that they nearly always denounce as subterfuge any statement on the part of Germany that she cannot pay the Allies the sums demanded.

It is a source of constant wonder how assurance can be felt of Germany's ability not only to recover from the effects of the war but also to make huge payments to the victors while doubt remains as to the capacity of England and France to regain their financial equilibrium. If Germany can pay off 132,000,000,000 marks gold, as she has now contracted to do, and at the same time regain a place among the commercial nations of the world, can it be doubted that England and France, who are to receive this reimbursement for damage done, are not equally capable of recovering from the ravages of the war?

Neither England nor France feels the slightest doubt of its ability so to do nor yet of the ability of Germany to fulfill the contract she has now entered into. In fact, to the faith that Germany will recover, and will recover quickly, may be attributed the disinclination of the French to see Upper Silesia return to German hands. The French dread the recrudescence of power in Germany, and they foresee a quick return with both the Ruhr and Upper Silesia in German hands. The mineral resources of these sections are sufficient to make Germany again powerful, and power in Germany is always a threat to France.

The figures on trade recently at hand support the French view. There is given below a summary of the foreign trade of France for the first two months of this year, which shows that Germany is sending more and more of her products into French territory. See accompanying table.

It will be seen that Germany is supplying an increasing part of the materials which France buys abroad. In the last twelve months imports from Germany more than doubled while imports from other countries except the French colonies were dropping to half their 1920 value. Germany is very clearly getting upon her feet commercially and the cry has already been raised in France that her ancient enemy is dumping her products on French soil. Figures for the first three months of the year, not yet available by places of origin and destination, show that French trade has fallen 23 per cent. from the same period of last year, imports having amounted to 5,359 million francs, as against more than 9 million in 1920, and exports having risen from 4½ million in 1920 to 5,458 million this year. Imports have fallen below exports, giving France the balance of trade which it is necessary for her to attain if her foreign debts are ever to be paid, but it is to be noted that importation of raw materials has fallen off tremendously due to the inertia in manufacturing, so that the true balance would probably be against France if her factories were in fuller operation.

The latest available figures for British trade show a similar reduction in value, but since imports have been reduced more than exports, the position of the country is slightly improved. Here are the figures for

IMPORTS

From—	First two months 1921.	First two months 1920.
United States	771,056	1,289,640
Germany	573,043	257,731
Britain	484,208	1,218,832
Belgium	253,032	268,957
Argentina	123,913	297,150
Algeria	93,879	194,298
Italy	75,666	174,661
Brazil	74,782	144,123
Switzerland	63,341	115,915
Spain	58,204	161,392
Tunis	39,120	35,709
Morocco	17,508	25,950
Other foreign countries	740,110	1,217,294
Other colonies, &c.	228,537	244,714
Total, francs	3,596,399	5,646,355

EXPORTS

To—	First two months 1921.	First two months 1920.
Belgium	792,617	427,140
Germany	442,280	186,070
Britain	437,602	477,648
United States	266,544	227,909
Switzerland	244,474	233,810
Algeria	205,266	79,494
Italy	200,183	165,615
Spain	131,637	100,605
Morocco	82,595	69,274
Argentina	63,322	34,570
Brazil	39,850	37,436
Tunis	36,482	54,576
Other foreign countries	716,853	602,808
Other colonies, &c.	122,357	61,022
Total, francs	3,782,062	2,757,777

the first four months of this year compared with similar periods in 1920 and 1919:

	1921.	1920.	1919.
Exports of British products.	£287,646,786	£401,795,112	£205,849,035
Re-exports of foreign goods	35,367,427	95,507,042	31,974,983
Total exp'ts.	£323,014,213	£497,302,154	£237,824,018
Imports	397,621,757	697,167,383	485,662,144
Excess of imports	£74,607,544	£199,865,129	£247,838,126

Exports of British products during the last twelve months compare as follows:

	1921.	1920.	1919.
April	£59,860,000	£106,251,692	£58,482,412
March	66,808,961	103,699,381	53,108,521
Feb.	68,221,731	85,964,130	46,914,921
Jan.	92,756,094	105,879,009	47,343,281
	1920.	1919.	1918.
Dec.	96,630,523	90,858,233	38,282,035
Nov.	119,364,994	87,110,531	43,218,879
Oct.	112,295,474	79,061,145	42,820,724
Sept.	117,455,913	66,500,628	40,152,143
Aug.	114,903,335	74,773,597	43,522,237
July	137,451,904	65,315,691	43,644,398
June	110,352,350	64,562,465	45,026,281
May	119,319,422	64,344,632	44,967,221

Imports during the same period compare as follows:

	1921.	1920.	1919.
April	£89,990,000	£167,154,309	£112,065,823
March	93,741,654	176,647,515	105,752,979
Feb	96,973,711	170,434,526	106,689,341
Jan.	117,050,783	183,342,988	134,546,436
	1920.	1919.	1918.
Dec.	142,785,245	169,602,637	116,243,378
Nov.	144,260,183	143,545,201	116,770,580
Oct.	149,889,227	153,500,587	117,629,803
Sept.	152,992,339	148,588,572	97,995,688
Aug.	152,169,259	148,217,624	110,179,501
July	163,342,351	153,065,760	109,139,238
June	170,491,230	122,874,390	101,544,719
May	166,338,816	135,612,488	125,907,284

For the twelve past months the monthly excess of imports, after allowing for imported merchandise re-exported, compares as follows:

	1921.	1920.	1919.
April	£21,610,000	£40,495,198	£40,236,953
March	18,044,688	56,916,777	43,695,209
Feb.	20,747,677	61,866,607	54,655,263
Jan.	14,339,568	51,998,602	82,643,136
	1920.	1919.	1918.
Dec.	33,455,666	52,584,473	74,848,636
Nov.	11,780,330	38,168,261	70,634,051
Oct.	21,460,193	54,797,840	72,690,437
Sept.	21,885,818	66,339,266	56,114,317
Aug.	23,897,577	58,133,102	64,397,929
July	8,041,968	75,992,955	63,472,534
June	34,014,952	46,347,975	54,403,711
May	26,754,316	59,772,504	77,539,855

The British foreign trade in April makes the following comparison with April of 1914:

	April, 1921.	April, 1914.
Exports of British prod'ts.	£59,860,000	£39,946,822
Re-exports of foreign goods	8,520,000	10,789,244
Total exports.....	£68,380,000	£50,736,066
Imports	89,990,000	61,626,830
Excess of imports.....	£21,610,000	£10,890,764

The last figures show that England is still far from the position she occupied before the outbreak of the war. It is not so much that her excess of imports is now twice what it was in 1914 as that the relation of imports to exports has altered. In 1914 imports were only about 22 per cent. in excess of exports. Now they are nearly 32 per cent. greater.

Detailed figures for Germany are not available now, but a German view of the Teutonic trade and economic situation is contained in a pamphlet recently issued by the Bank fur Handel Und Industrie of Berlin, which has a curious interest in the light of Germany's recent acquiescence to the demands of the Allies. In part it says:

"The outstanding features of Germany's political economy in 1920 were the incessant grave shortage of food and other necessities of life, as well as of important industrial raw materials, a lasting depreciation of currency, powerful rise in prices, continuous strikes and unrest among the working classes and, above all, the almost unbearable pressure exerted by the Peace of Versailles, which renders economic convalescence impossible, and the manner in which it is interpreted by the signatory powers.

"Every impartial political economist throughout the world is aware that the Peace Treaty in its present shape and interpretation is to serve two wholly contradictory ends. The indemnities demanded from Germany by far surpass, and this is even realized in various places in France today, the limit of Germany's economic ability. Even were the reparation claims greatly reduced, fulfillment would only be possible if Germany were enabled to attain her very highest standard of economic production by careful husbanding of her economic resources and their widest rational exploitation. For alone by the fruits of such application can the demands of the allied powers be regularly satisfied, whilst catering to the most moderate demands of the German people and presupposing a marked revival to set in for agriculture, cattle-breeding, the speeding-up of industrial productiveness, trade and commerce and, last but by no means least, saner conditions for the nation's finances. The throttling and crossing of the only proper

policy to be followed, viz., Germany's economic reconstruction, by our opponents, which would seem to be so opposed to their own interests, must certainly lead to the utter ruin of the economic foundations of the nation and the entire impoverishment of the people, traces of which are already noticeable. This would, however, not only strip the Entente of all chances of collecting the indemnity, but also would seriously affect the whole world, as has so often been pointed out by experts both here and abroad. The indemnities Germany has been forced to pay hitherto according to the peace provisos amid general disregard of her capabilities only too plainly prove where an adherence to these methods will lead to. Germany's trade balance has deteriorated, owing to these payments, which were only possible under huge financial losses, in a truly alarming manner, and this deterioration has resulted in gigantic inflation, huge depreciation in currency, rise in prices, which in turn have led to a disastrous increase of the indebtedness of the country, in other words of the people. If, on the other hand, the indemnifications were brought into line with the economic possibilities on a basis of a thorough reorganization of German economics from the very foundations upward, as has been impossible up to the present, that is, from the viewpoint of sufficient food and clothing for the general public down to a straightening of the State finances, then a steady improvement may set in for the rate of exchange, accompanied by a sinking tendency of prices and wages, as well as an increase in Germany's buying powers of foreign products, such as cotton, wool, coffee, and of all industrial and agricultural raw materials, products and food supplies.

"The determining factor consists in Germany's inability to at present and in future produce even a tithe of what is needed to render existence on a modest scale possible for her population and at the same time to satisfy the claims of the Peace Treaty and the supplementary agreements.

"The increase in capital that took place so extensively in industrial, commercial and traffic concerns during the preceeding year, principally towards its end, must not be regarded as a sign of economic affluence. It is not a question of increasing financial means resultant on a rise in production and turn-over, as these are far smaller than those of the pre-war period, but only of an enforced adaptation to the depreciation of money, which strikingly exemplifies a trade and financial balance of unparalleled unfavorableness for Germany and a gigantic rise in prices and values. Naturally, only countries whose currency has suffered powerful devaluation need counteract this feature by a proportionate increase of working capital, and it suffices to point to Italy, whose rate of exchange is incomparably better than the German, and to Austria to witness a similar state of affairs, there in a lesser, here in an equal if not even heightened degree. We repeat, it is not a sign of growing wealth, but of increasing impoverishment, if Germany, with her depreciated values, has to resort to enormous new investments of capital. The money forthcoming for this purpose is not the result of a proportionate growth of national wealth, but is proof of a steadily increasing indebtedness of the people, which is revealed by the uninterrupted swelling of the floating Federal debts and the unceasing activity of the paper-money printing press, the creation of sham values."

Whatever else may be thought of this expression of the familiar German viewpoint, it must be acknowledged that in the last sentences the nail has been struck on the head. Paper-money printing presses are at the bottom of most of Europe's difficulties. The Germans deliberately elected to fight the war with the support of a paper-money printing press, planning to exact from the defeated Allies such an indemnity as would care for all the paper money which their presses had brought into existence. This plan, fortunately, failed, and now Germany must do the best she can to digest a circulation which bears only a fictitious relation to gold. France and England did not go to the lengths by far that Germany did, but their currencies were tremendously inflated, until today they are upon a gold basis only by courtesy of the fact that they still recognize the value and necessity of a gold standard and compute their money in terms of it. Actual exchange for gold of the paper tokens which circulate in England and France is almost as impracticable as it is in Germany.

Present-day bank statements of the three countries compared with similar statements in 1914 before the world had gone to war to illustrate the fearful dilution of the currency clearly:

BANK OF ENGLAND

	May 12, 1921.	May 13, 1914.
Circulation	£128,768,000	£28,702,655
Public deposits	14,860,000	18,610,699
Other deposits	113,560,000	38,774,384
Govt. securities	49,186,000	11,046,570
Other securities	78,903,000	38,456,772
Reserve	18,044,000	25,553,697
Proportion of reserve to liabilities	14.05%	44.50%
Bullion	128,363,000	35,806,352

BANK OF FRANCE

	May 12, 1921. Francs.	May 28, 1914. Francs.
Gold	5,515,000,000	3,730,625,000
Silver	217,700,000	632,650,000
Loans and discounts	4,944,700,000	2,327,775,000
Circulation	38,741,600,000	5,811,875,000
Treasury deposits	46,200,000	183,700,000
Other deposits	2,964,500,000	845,950,000

BANK OF GERMANY

	April 7, 1921. Marks.	May 30, 1914. Marks.
Gold	1,091,529,000	1,313,240,000
Silver	8,644,000	321,920,000
Treasury notes	22,941,114,000	60,780,000
Bills discounted	57,159,128,000	943,640,000
Notes in circulation	69,235,239,000	2,013,860,000
Deposits	17,450,580,000	842,340,000

Great Britain's circulation is four and a half times what it was in pre-war days, France's is nearly seven times as great and Germany's is almost thirty-five times the volume of pre-war circulation.

The foreign exchange rates accurately reflect this degeneration of the circulating medium in the various countries. It is customary to regard the foreign exchange rates as a measure of the balance of trade between nations and certainly an adverse trade balance will draw gold from a country and affect the value of its money in the creditor nation. But, in the days before the war, fluctuations in exchange were within a narrow range marked by the so-called gold points which were really the points at which it became cheaper actually to transport gold from one country to another than to pay the premium on exchange. In practice little gold had to be transferred for the rates automatically adjusted themselves as these points were approached.

The war brought new influences to bear on exchange, or rather, called attention pointedly to the reactions which exchange had always prepared to undergo but to which it had never been submitted. This was the dilution of currency and the influx of paper money. As a nation's currency lost its relation to gold, the degree of its removal from the gold basis was accurately recorded in the exchange rates between that country and a country whose currency was still readily exchangeable for gold on demand. Thus the dollar has gone to a premium in practically every country of the globe and the pound sterling, which was arbitrarily fixed close to par throughout the war, dropped heavily to a little above $3 when support was withdrawn and the pound was enabled to seek its own level.

As long ago as March of 1920 an examination of the gold position of the leading former belligerents and the state of their exchange with the United States disclosed the interesting facts that England, with a gold cover for its circulation of about 27 per cent., found its money at a discount of 25 per cent. in New York, or exactly the proportion by which the English gold cover fell short of the gold cover here, the United States then having in gold money about 36 per cent. of its paper circulation. France, computed on the same basis, had about 60 per cent. Italy, with 7½ per cent. of our gold, found her exchange at a discount of 94 per cent.

The rule did not hold true universally, notably in some of the noncombatant countries, but its failure could be laid to the fact that these nations did not maintain a real gold market—in fact none did except the United States.

In view of this the recent rise in the exchange of London and Paris on New York must be attributed, partly to sentiment and partly to the supposition that payment by Germany will increase the gold holdings of these countries and thus strengthen their circulation, bringing their paper money in closer relation to gold. Inasmuch as this is something that cannot be brought about in a day it would not be surprising to see some softening of the exchanges which have now registered the satisfaction of the world that Germany is to make good, at least a part of the damage she wrought in the war. But if they soften they will harden again; there can be no doubt of that.

CURRENT HISTORY

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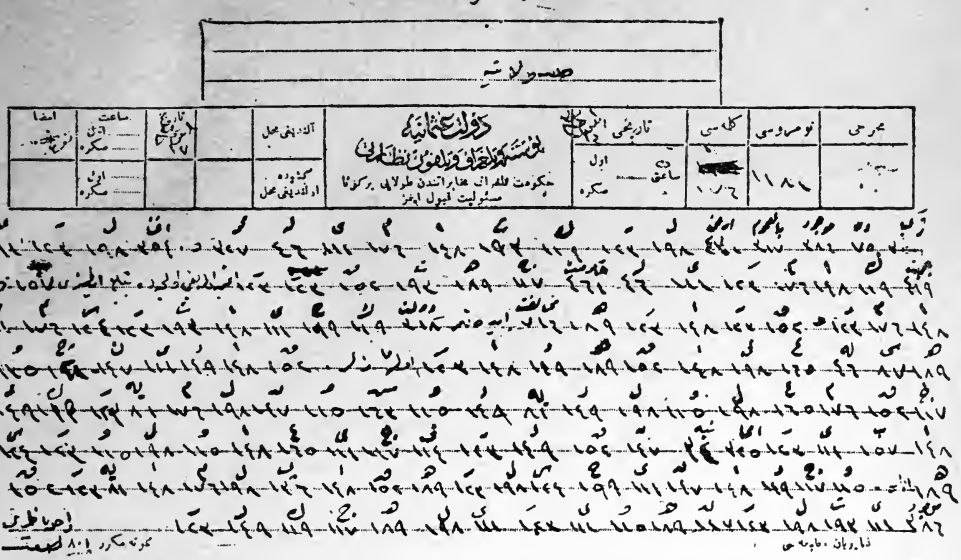


FACSIMILE OF A CIPHER DISPATCH FROM TALAAT PASHA, GIVING DIRECT INSTRUCTIONS FOR THE MASSACRE OF ALL ARMENIANS, REGARDLESS OF AGE OR SEX. THE TRANSLATION WILL BE FOUND ON PAGE 553, UNDER DATE OF SEPT. 16

WHY TALAAT'S ASSASSIN WAS ACQUITTED

BY GEORGE R. MONTGOMERY

Director, Armenia-America Society

Official Turkish documents produced in Berlin at the trial of the young Armenian, Teilirian, proved beyond question that Talaat Pasha and other officials had ordered the wholesale extermination of the Armenians, including even little orphan children—Facsimiles of the orders

AN Armenian named Teilirian was tried at Berlin on June 2-3 for the murder of Talaat Pasha, who was chief of the Young Turk Party, and who was, during the latter part of the war, Grand Vizier of the Ottoman Empire. The murder of Talaat on March 15, 1921, drew general attention to the fact that the German Government was allowing Talaat to use Berlin as a centre of Turkish Nationalist intrigue. It was expected that the known sympathy of the German Government for the Young Turks would result in the prompt conviction and execution of the Armenian. To the surprise of the world, he was acquitted.

Teilirian and the Armenian Nation, it appeared, had found a champion in the person of Professor Lepsius, who was not only bold in bringing out unpleasant truths, but who had the evidence to make the truths irrefutable. The trial of the Armenian developed into the trial of the murdered Talaat Pasha as the greatest of the war criminals. It developed into a case against the German military authorities, who had at least allowed the massacres to continue without protest. Even

General Liman von Sanders, who had had charge of the German military forces in Turkey, was called as a witness. His testimony opened the eyes of the German people, as nothing else had yet done, to the fact of the terrible massacres and to the callousness of the German military authorities to the horrors that were going on under their eyes. Professor Lepsius produced German official reports to show that the total number of Armenians who perished as a result of the so-called deportations was over a million.

Although the technical defense of Teilirian was temporary insanity brought on by a vision of his murdered mother, the real defense was the terrible record of Talaat Pasha; so that in the eyes of Germany the acquittal of the Armenian of the charge of murder became the condemnation to death of the Turk. That such a trial and such a result occurred in Germany with Germans as jurors is particularly significant.

With respect to the present situation in the Near East, the most important phase of this dramatic trial was the ability of Professor Lepsius to produce Turkish official documents which proved the heads of the Turkish Government at Constantinople—and particularly Talaat himself—to be directly responsible for converting the deportations into shambles. Heretofore there have been defenders of the Ottomans who held that the massacres were not a plan of the Government, but were due to the brutality of those who carried out the deportation instructions. At the trial of Teilirian there were placed in evidence facsimiles and translations of signed orders from Talaat—letters and cipher telegrams which prove that the instructions to massacre originated in Constantinople. As Aleppo was the headquarters of the "Deportations Committee," the capture of Aleppo by the British made possible the securing of these official documents from the archives. This evidence directly linking the murdered Talaat with the inhuman deeds that were covered by the general term "deportation" was irrefutable and overwhelming. The documents established once and for all the fact that the purpose of the Turkish authorities was not deportation but annihilation.

The object of the present article is to present translations—with facsimiles—of some of the Turkish official documents that created such a sensation when read into the evidence during the trial at Berlin. The first document, although not signed by Talaat, is from the committee of Young Turks of which he was the head, and, inasmuch as its contents are referred to in dispatches signed by him, was valid as evidence. It was written in the Spring of 1915, before the massacres had begun, and shows the extermination of the Armenians to have been the determined policy of the Government. Jemal, to whom the document is addressed, was the third in the triumvirate of Young Turks—Talaat, Enver and Jemal. At that time he was Governor of Adana and soon afterward became Governor of Aleppo:

March 25, 1915.

To Jemal Bey, Delegate at Adana:

It is the duty of all of us to effect on the broadest lines the realization of the noble project of wiping out of existence the well-known elements who have for centuries been constituting a barrier to the empire's progress in civilization. For this reason we must take upon ourselves the whole responsibility, saying, "come what may," and appreciating how great is the sacrifice which has enabled the Government to enter the World War, we must work so that the means adopted may lead to the desired end.

As announced in our dispatch dated Feb. 18, the Jemiet [Young Turk Committee] has decided to uproot and annihilate the various forces which have for centuries been an obstacle in its way, and to this end it is obliged to resort to very bloody methods. Be assured that we ourselves were horrified at the contemplation of these methods, but the Jemiet sees no other way of insuring the stability of its work.

Ali Riza [the committee delegate at Aleppo] criticised us and called upon us to be merciful; such simplicity is nothing short of stupidity. For those who will not co-operate with us we will find a place that will wring their delicate heartstrings.

I again recall to your memory the question of the property left. It is very important. Do not let its distribution escape your vigilance; always examine the accounts and the use made of the proceeds.

Reference to this document is contained in the following order, signed by Talaat and sent to the same Jemal. This order shows that women and children were to be included in the holocaust:

Sept. 3, 1915.

To the Prefecture of Aleppo:

We recommend that you submit the women and children also to the orders which have

FACSIMILE OF TALAAT PASHA'S TELEGRAM, NO. 830, ORDERING THE MASSACRE OF ARMENIAN ORPHANS.
(See translation on Page 555)

FACSIMILE OF THE DOCUMENT RELATING TO THE AMERICAN CONSULATES
(See translation beginning on this page)

been previously prescribed as to be applied to the males of the intended persons, and to designate for these functions employes of confidence.

The Minister of the Interior, TALAAT.

Apparently the instructions regarding the women and children called for some reiteration, for on Sept. 16 the following cipher telegram, which showed the instructions as going back to the decision of the Jemiet, or Young Turk Committee, was sent:

[TRANSLATION]

Sept. 16.

To the Prefecture of Aleppo:

It has been previously communicated to you that the Government, by order of the Jemiet [the Young Turk Committee] has decided to destroy completely all the indicated persons living in Turkey. Those who oppose this order and decision cannot remain on the official staff of the empire. An end must be put to their existence, however tragic the measures taken may be, and no regard must be paid to either age or sex, or to conscientious scruples.

Minister of the Interior, TALAAT.

Mr. Morgenthau, the American Ambassador at Constantinople, began to exert himself in behalf of the Armenians, and the result was an official order suggesting caution:

Nov. 18, 1915.

To the Prefecture of Aleppo:

From interventions which have recently been made by the American Ambassador at Constantinople on behalf of his Government, it appears that the American Consuls are obtaining infor-

mation by secret means. In spite of our assurance that the [Armenian] deportations will be accomplished in safety and comfort, they remain unconvinced. Be careful that events attracting attention shall not take place in connection with those [Armenians] who are near the cities and other centres. From the point of view of the present policy, it is most important that foreigners who are in those parts shall be persuaded that the expulsion of the Armenians is in truth only deportation. For this reason it is important that, to save appearances, a show of gentle dealing shall be made for a time, and the usual measures be taken in suitable places. It is recommended as very important that the people who have given such information shall be arrested and handed over to the military authorities for trial by court-martial.

The Minister of the Interior,
TALAAT.

(Photo Paul Thompson)

TALAAT PASHA

Turkish official who ordered the massacre of Armenians, and who was assassinated by an American youth at Berlin

Reference to the effort of the American Consul at Aleppo, Mr. Jackson, to send information to Mr. Morgenthau is contained in the following cipher dispatch:

Dec. 11, 1915.

To the Prefecture of Aleppo:

We learn that some correspondents of Armenian journals are obtaining photographs and letters which represent tragic events, and are giving them to the American Consul at Aleppo. Have dangerous persons of this kind arrested and suppressed.

Minister of the Interior,
TALAAT.

The need for caution is further indicated in the following telegram:

Dec. 29, 1915.

To the Prefecture of Aleppo:

We learn that foreign officers are encountering along the roads the corpses of the intended persons and are photographing them. I recommend you the importance of having these corpses buried at once and of not allowing them to be left near the roads.

Minister of the Interior,
TALAAT.

SOLOMON TEILIRIAN

Young Armenian who killed Talaat Pasha, and was acquitted

The heartlessness of the Turks in regard to the doomed children made a deep impression on the Berlin jury. The following are some of the documents presented on this point:

Nov. 5, 1915.

To the Government of Aleppo:

We are informed that the little ones belonging to the indicated persons [Armenians] from Sivas, Mamuret-ul-Aziz, Diarbekir and Erzeroum are adopted by certain Moslem families and received as servants when they are left alone through the death of their parents. We inform you that you are to collect all such children in your province and send them to the places of deportation, and

also to give the necessary orders regarding this to the people.

Minister of the Interior,
TALAAT.
Jan. 15, 1916.

To the Government of Aleppo:

We hear that certain orphanages which have been opened received also the children of the Armenians. Whether this is done through ignorance of our real purpose, or through contempt of it, the Government will regard the feeding of such children or any attempt to prolong their lives as an act entirely opposed to its purpose, since it considers the survival of these children as detrimental. I recommend that such children shall not be received into the orphanages, and no attempts are to be made to establish special orphanages for them.

Minister of the Interior,
TALAAT.

The production of the following cipher telegram (No. 830) was particularly telling in its effect on the jury:

From the Ministry of the Interior to the Government of Aleppo:

Collect and keep only those orphans who cannot remember the terrors to which their parents have been subjected. Send the rest away with the caravans.

Minister of the Interior,
TALAAT.

That the Moslem population was not to be held accountable for its share in the massacres was ordered in a telegram dated Oct. 8, 1915:

The reason why the sanjak of Zor was chosen as a place of deportation is explained in a secret order dated Sept. 2, 1915, No. 1,843. As all the crimes to be committed by the population along the way against the Armenians will serve to effect the ultimate purpose of the Government, there is no need for legal proceedings with regard to these. The necessary instructions have also been sent to the Governments of Zor and Ourfa.

Minister of the Interior,
TALAAT.

All the evidence tends to show, with cumulative effect, that it was the pity awakened in the hearts of some of the local Turkish officials by the miseries of the Armenians which produced a certain mitigation of the heartless orders that emanated from Constantinople. A small remnant of the race survived. Talaat and his group in the Government were obliged continually to spur some of their tools on to greater severity.

CAUSES OF THE PALESTINE RIOTS

THE investigation conducted by Sir Herbert Samuel, the British High Commissioner in Palestine, into the causes which led to the Jaffa conflict between Jews and Arabs in the first week in May caused him temporarily to curtail immigration and to subject the immigrants allowed to enter to more strict supervision.

Investigation of the Jaffa affair disclosed the fact that although certain Bolshevist agents had made their way into Palestine via Angora, the principal instigators of the trouble were among the newly arrived Russian immigrants at Jaffa. These instigators, it is alleged, found ready hearers among their fellow-immigrants, who were disappointed at the measures taken by the Zionist organizations to provide for them.

The Palestine administration debated the following alternative of action: On the one hand it was pointed out that without security for life and property there could be no development of the country, and that since the misconduct of the Arab police in the Jaffa riots showed that Arabs were not fit to be trusted to maintain order and that the rioting was an organized attack upon the policy of the Jewish national home, the Government should organize those who could be depended on—namely, the Jews—to defend themselves and maintain order in the country. On the other hand, admitting that faults had been committed on both sides, the part played by both the Angora agents and the communist agitators was equally obscure, while the combined effect was to arouse the immigrants against the Zionist organizations and the Arabs against the immigrants, who, it was alleged, were seeking to take the place of the Arabs. This being so, it was urged that instead of the authority and responsibility of the Jews being increased both Jew and Arab should be organized to contend against the common enemy of both, namely, Russian Bolshevism as introduced by agitators among the Jewish immigrants or its Turkish phase as introduced by agents from Angora among the Arabs.

AN INSIDE VIEW OF THE SILESIAN PERIL

By Burnet Hershey
An American newspaper correspondent who has spent many months in Upper Silesia

Causes of the strife and bloodshed that have torn asunder the peaceful communities of Upper Silesia and created a menace of another European war—Interviews with Korfanty and General LeRond—Conclusions of the author after hearing both sides

UPPER Silesia today presents the picture of a people blindly seeking a way out of a political wilderness planted there by a peace treaty. An excitable mixed population of Germans and Poles, trembling under the threats of a mob, terrorized by guerrilla warfare and misled by unscrupulous propaganda, has converted the once peaceful, industrious province into such a Babel of dissension and strife that the world has been aroused to the grave menace of another war. Upper Silesia is a victim of the same illusory doctrine that has thrown all Europe into convulsion—"self-determination." The inhabitants feel that they would rather have been left alone to work out their destiny and carry on their existence without the trouble-breeding solicitude professed by both Berlin and Warsaw.

It seems strange that in the heart of Europe there should exist a region in many respects analogous to a colonial domain and that, like a colonial prize, it should form the basis of contention between two powers. Upper Silesia can be viewed as such a colony, prodigiously rich in natural resources and highly developed as an industrial machine.

Poland possessed it once when she was a chivalrous nation of cavaliers and crusaders. That was eight centuries ago. After centuries of strife, Germany acquired it, and established her authority by exploiting its resources and creating its present wealth. As a pretext for recovery, Poland is now invoking ancient historical titles, while Germany demands the rights of existing ownership and economic necessity.

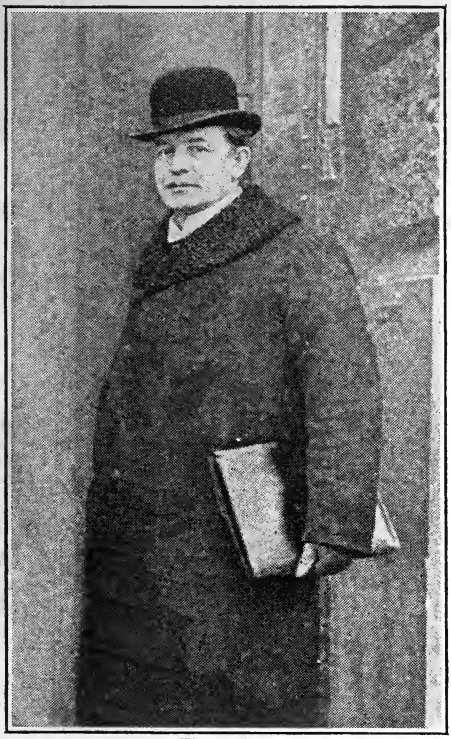
Germany points to proof—only two miles away across the Polish frontier—that Poland is incapable of developing the resources of Upper Silesia. The evidence is there. From a roof in Myslowitz, a border town, an observer is struck by the contrasts in landscape. In Upper Silesia, the eye greets an orderly countryside, in the distance looming the smoking stacks and rugged shafts of modern industry; in Poland, disheveled acres with clusters of squatting, rude, wood-and-mud thatched huts—a primitive colony. Yet it is virtually only a stone's throw over the boundary, which is not a natural geographical demarcation, but merely an imaginary political line. The same soil, but no mines, no factories, no mills. The wealth still is untapped.

The disputed province of Upper Silesia, designated by the Peace Convention to settle its own destiny, consists of a territory in area slightly smaller than Belgium. On March 21, 1921, the history-making plebiscite, as stipulated by the Versailles Treaty, was conducted. It failed utterly to register the true aspirations of the population, which was its object. The plebiscite proved merely a taking of the census, for the balloting broke along the lines of nationality. Although the Germans got 716,000 votes and the Poles 471,000, giving the Teutons a plurality of 57 per cent., the results of the plebiscite, considering the circumstances under which it was taken, are confusing. If anything, the returns left the situation in worse chaos than before.

Despite the fact that the Poles lost out in the majority vote, they carried seven districts, against fourteen for Germany. This result, too, is practically meaningless, for in some districts where the Poles scored victory in the rural districts they lost neighboring urban districts. The districts were the old German kreise, or voting districts,

and, because of the use of this system of districting, the areas won by the opposing factions in many instances are disconnected. Broken along the lines indicated by the plebiscite returns, the territory would represent a veritable patch quilt.

It is important to recall that the clause in the treaty relating to the Upper Silesian



(Times Wide World Photos)

ADALBERT KORFANTY
Leader of the Polish Insurgents in the disputed area of Upper Silesia

plebiscite specifically states that in the final adjudication the Allies must take into consideration the conditions under which the vote was recorded. Consequently the plebiscite returns are not final. The ultimate disposition of this heterogeneous territory depends upon the decision of the Allied Council and will be influenced largely by reports of how balloting was effected. Impartial observers who visited the province are convinced that the vote, taken under the unscrupulous menace of the Prussians on the one hand and the ferocious terrorism of the Poles on the other, is not a fair expression of the desires of the inhabitants. Taken amid scenes of violence and disorder, of tense excitement and intimidation, the fateful plebiscite was far from being the appeal to the people originally intended.

In some places the conditions were particularly turbulent. The crack of the rifle and the bark of the machine gun punctuated the balloting. The once peace-loving population, divided into two bitter camps, went to the polling booths as if to battle. The situation was fraught with the fierce animosity of a feud. Every one was keyed up and the whole business was like an immense powder magazine awaiting a spark.

Creating an Unnatural Enmity

I have watched and studied the simple, hardworking folk of Upper Silesia and have inquired into their aspirations—not those of their political chiefs or military leaders, nor even of their religious heads. It would be incorrect to say that the Germans in the province have no sympathies toward their Fatherland. It would be misleading to assert that the Poles are unfriendly to their compatriots across the frontier. Yet, when one penetrates the surface he finds not a German, nor a Pole, but an Upper Silesian, with distinct regional characteristics and customs, although ethnically there is no such thing as an Upper Silesian.

There are nearly 3,000,000 Upper Silesians, of whom more than 1,500,000 are of Polish origin. Both nationalities are so hopelessly intermingled that observers have long despaired of a solution. Were it not for the propagandist tactics of Berlin and Warsaw, appealing to a race hatred long forgotten and to a class distinction recently intensified, it is doubtful whether the phlegmatic German or the apathetic Pole would ever have responded to the national consciousness which has caused the present turmoil.

Political, religious and economic differences divide the Germans and the Poles. Having lived in amity and comfort for hundreds of years, the Polish and German population has only recently been inculcated with a sense of nationality. Up to a short time prior to the plebiscite, the Germans were regarded by the great mass of the un-Teutonic element as the best fitted and most logical administrators of the district.

Upper Silesians knew no other allegiance

than that of the existing Government. Now they are suddenly confronted with the choice of a new destiny. Caught in the whirlwind of propaganda, the inhabitants have awakened to a sense of racial antipathy. A territory satisfied and prosperous has been rudely transformed into a hotbed of open hostility.

The Upper Silesians differ on religious grounds. For the most part the Poles are Roman Catholics, and cherish intense antagonism for the Protestant Germans. The Catholic Church plays a big part in uniting the Polish element, and has contributed largely to welding the Poles into a solid force. Economic considerations have also contributed to dissension. Germans are the mine owners, the coal operators and the industrial chiefs. The Poles are the laborers, the workingmen, the tillers of the soil, so that the old socialistic arguments of capital and labor have been injected into the controversy.

The German of Upper Silesia is interested mainly in the exploitation of the mines and industries constructed by German effort and non-existent in that distant past when the province was seized as a share of territorial booty. When not a capitalist or a public functionary sent by Berlin, the German is intent only upon carrying on his business and earning his daily bread. He is usually the shopkeeper, school teacher or professional man. On the other hand, the Pole is in the mines and the field, at the forges or lathes, in the lumber mills or factories. When not harnessed by a Korfanty and subjugated to the will of Warsaw, the Pole of Upper Silesia is the most simple and unassuming individual in the world. Few arguments of politics or economics have any weight with him. What then does he desire? He wants to be left alone. He wants to be free to worship in his own way. He wants to eat his white bread and have his bowl of soup. He wants to live in the hope that his sons will rise to a higher level. He wants a share of the soil and a better wage. All the rest in his eyes is rhetoric.

Since the Treaty of Versailles, Upper Silesia has had an international Government, France, Britain and Italy jointly taking part in the administration of the province. Oppeln is the headquarters of this Government, and General Le Rond, the Frenchman, is the real head. He is the man who wrote most of the clauses relating to Upper Silesia into the treaty. A complete Government has been established, which has been in operation for more than two years, and which has ministries and bureaus having equal representation of both Germans and Poles, but supervised by the Allied Commission.

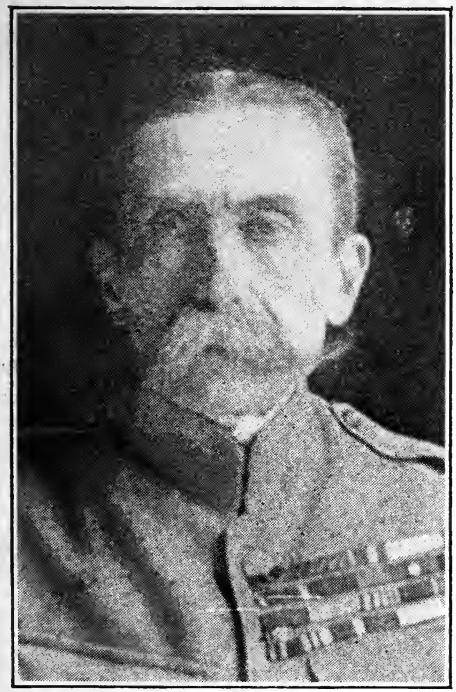
Le Rond and Korfanty

General Le Rond, French military dictator of the district, has his headquarters at the Stadthaus in Oppeln. He is of small stature, a frail body supporting a massive head. He is distinguishable from afar by a huge mustache. He is about 60 years old, and for all his five feet one, when clothed in his horizon blue and wearing nearly every allied decoration, he presents an imposing figure. General Le Rond is a principal assistant of Marshal Foch, who considers him one of his most able collaborators. This Frenchman, who bears the burden of the ungrateful task of managing Upper Silesia, is considered one of the ablest diplomats in Europe. The General is an enthusiast concerning things American. He acted as Marshal Foch's representative at A. E. F. Headquarters, and knows American methods.

"We have done our utmost to preserve order in Upper Silesia," Le Rond told me, speaking in perfect English, "but our forces are insufficient for such a stupendous job. We have been accused of being partial to the Poles. It is always easy to accuse. This job is not only thankless, but difficult, and nobody seems to have wanted it. Therefore we French had to do it. There are only 3,000 Italian troops here, practically no British soldiers—only a handful of officers—and so the greater part of the task has fallen to us French. I have only 10,000 French troops to police this vast territory."

General Le Rond felt that some American troops from the Rhine would have prevented much friction in Upper Silesia. He explained that their presence would not only have lessened the burden, but would have left less room for criticism. "I have always kept a vacant chair in my council room," he explained, "ready for its American occupant." Then the French General added: "I have been accused of maintain-

ing an attitude of open solicitude for the Polish cause, and of permitting the wholesale smuggling of arms across the frontiers from Poland. My accusers know that as many German arms have been imported as Polish arms. Heaven knows, with the small force at my disposal, I have been unable to cover every foot of territory along the miles of frontiers. If smuggling has been going on, it was certainly not at the points where my troops were stationed."



(Photo International)

GENERAL LE ROND
Commander of French forces in Upper Silesia

General Le Rond furnished me with passes and the necessary facilities for exploring the frontiers myself. I traversed the greater length of the Polish-German border, discovering for myself that the frontier did not permit efficient patrolling any more than the Canadian-American border does.

The Polish leader of the insurrectionists, Wojciech (Adalbert) Korfanty, who has led his insurgents to an invasion of more than one-half of the Upper Silesian territory and caused the problem that threatens to divide the Allies, is the prototype of the Russian hetman. For twenty-five years he was the representative of the Poles of Upper Silesia in the Reichstag and the leader of the Polish bloc. Though not endowed with real qualities of leadership, and, curiously enough, possessed of an unattractive and even repulsive personality, Korfanty has nevertheless succeeded in enthroning himself as the "czar" of the 1,500,000 Poles from whom he has drawn his rabble of an army. Except for slight skirmishes, Korfanty's advance with his mob of adherents was undisputed. The French troops refused to offer resistance, and the only troops that did resist were the Italians. Korfanty timed his coup at the psychological moment, when General Le Rond was off to Paris and when the Allies and Germans were busy trying to settle the important question of indemnities.

The rebel force of Korfanty has been compared to Zeligowsky's Vilna insurgents, who, like Korfanty's gang, invaded territory which they believed should go to Poland. The comparison is flattering. Zeligowsky's troops are really a corps d'élite compared with Korfanty's hooligan bands. Korfanty knows little of generalship, and his gang of nondescripts care less about fighting than did their compatriots before the siege of Warsaw last year.

In a conversation I had with Korfanty in the little hotel in Beuthen which served as the Polish plebiscite headquarters, he explained to me how from a mass of scattered, disinterested Poles, he has molded an enthusiastic bloc, all working in the interests of Polish freedom:

> My campaign [Korfanty said] called for an effective counter-propaganda against the powerful publicity methods of Wilhelmstrass. My fellow-countrymen needed much education concerning the movement for a plebiscite. I enlisted the help of the Church, religion being the most powerful factor in the lives of the average Polish worker and peasant. It has been my most potent auxiliary. Next I organized the labor forces. Remember that the Poles here make up the toiling class, and that an appeal to class consciousness could not help but yield results.

I asked Korfanty whether he expected to remain the supreme leader of the Poles of Upper Silesia in case the Warsaw Government took possession of the greater part of the province. His response at once betrayed his insincerity. It was not difficult to see

that the insurgent dictator was nourishing a secret ambition to retain for himself the power of ruling a possible autonomous Upper Silesia and using the vast resources of the territory for his own enrichment. This Korfanty is no Kosciusko fighting for Polish freedom. He has fooled his ignorant followers into a campaign which has for its basis his personal ambition.

When I spoke to him, Korfanty failed to mention that he had organized his compatriots militarily. But he showed me how well his hotel was fortified, explaining that the measures were purely defensive. Machine gun nests with steel turrets were ranged along the cornice of the roof. Steel doors swung at every floor landing, shutting off one floor from another to repel a raid of a "Stosstruppe," or civilian band. The precautions showed that Korfanty had definitely planned for an armed struggle. He frankly admitted to me that arms were reaching the Polish inhabitants.

"Poland will fight to the last man for Upper Silesia," Korfanty told me. "The province is and always has been predominantly Polish. France is our ally and will always be ready to back our efforts against the Germans. We have no fear of the outcome."

View of a British Officer

I also had an interview with Major Ottley, who is a nephew of Lloyd George. Major Ottley said:

> No matter how propaganda, whether Polish or French, tries to endow the Upper Silesian with a preponderance of pro-Polish sentiment, the facts as we British have found them—and surely we cannot be accused of partiality—are decidedly contrary to what Korfanty and General Le Rond have been continually disseminating. Upper Silesia is an industrial community first of all. Without the stimulus of capital and technical brains, the laboring community of this province might as well decide to emigrate elsewhere. Germany has supplied these requisites. Neither Poland nor her allies can furnish this needed propulsion. Besides, the Poles have proved themselves incapable of governing even their own population, to say nothing of a mixed population. Poland, least of all, can be considered qualified to govern an alien population such as are the Poles and Germans of Upper Silesia."

Major Ottley is a young officer, about 32 years old. I interviewed him in his apartment in Beuthen. More than once he has threatened to resign, but he has been kept on by his superiors in London, who recognize in him an invaluable observer. The Major has written a comprehensive book on the subject of Upper Silesia. It is most likely that he greatly influenced his uncle, Lloyd George, and it is also largely probable that it was upon his information that the British Premier made his startling speech declaring England's stand against the Poles, which has strained relations between England and France.

An observer traveling from one town to another in Upper Silesia could not but be impressed with one of the outstanding features of the whole situation, namely, the friction that existed between members of the Interallied Commission. The feud between French and Poles, on the one hand, and British and Italians on the other, is not new. It has lasted for more than a year. British representatives in the district appeared to be the most disliked by the Poles. I remember on one occasion, at Beuthen, witnessing an attack by a mob of Polish miners on the automobile in which Major Ottley was riding. Major Ottley has been most outspoken against Polish violence, and has gone so far as to charge French toleration of some of the outbreaks against the German inhabitants. Both the Polish and French press accused him of being the tool of Germany, while the Germans never ceased to sing his praises. Shortly after the attack on the Major's car, which was rescued from the Polish mob by a detachment of German civilians, Ottley was carried through the streets of Beuthen on the shoulders of a frenzied mob of Germans. That incident was the prelude to a series of the most brutal murders ever recorded in the history of Upper Silesia.

As the observer goes over into the camp of the enemy—the Germans—the picture changes. I was prepared by the opposing side to meet a band of pirates, cutthroats and guerrillas. Instead, I met a committee of elderly professors, local physicians and bespectacled journalists. They all spoke English. One, formerly a pupil of Münsterberg at Harvard, was a member of the Psychological Department of Publicity for Upper Silesia. Another, a noted Berlin Socialist, was thrown in to carry weight with labor. At the head of the German organization was the aged Prince Hatzfeld, who resides at Oppeln. The real headquarters of the Germans, however, was

at Kattowitz. Prince Hatzfeld's seventy-one years, coupled with his indecisive manner, prevented him from being very active in the propaganda campaign, and it was his subordinates who did the work.

There was quite a contrast between the German and Polish headquarters. The Germans, in characteristic fashion, occupied the central hotel in Kattowitz, and all the work of their bureau was systematized. The whole thing was an up-to-date press agent affair, with even a photographic outfit included. Numerous colored posters were issued and distributed widely, some finding their way into Germany and even into the Ruhr Valley, where many German and Polish residents of Upper Silesia were temporarily employed.

The Poles at Beuthen occupied a rickety hotel, and one of the principal arguments was a soup kitchen. Korfanty would receive hundreds of laborers and treat them. It was a simple method, the same old political device. The Korfanty campaign made no pretense of elaborate display. Its posters were crude. But the Polish leader aimed to reach the workingman, and he did.

Three Possible Solutions

There are three courses open for the disposition of Upper Silesia. The Allies must decide whether to turn it over to Poland or Germany, to divide it between the two countries, or to make it an autonomous State. General Le Rond, on a recent visit to the French Premier, Briand, gave him to understand that the Interallied Commission had practically agreed on the principle of dividing the region.

Germany has all along insisted that Upper Silesia is necessary for her economic existence. The Poles under Korfanty have invaded the rich coal and mining towns, and have carried into operation their scheme of expropriation of the industries which Germany created. It is futile effort. Korfanty's undisciplined mob has already struck serious German resistance, and the British forces, strengthened by contingents from the Rhine, are preparing to take the field and sweep the Polish insurgents over the border.

The Upper Silesian problem appears unsolvable to any one who knows this territory. Rural districts and industrial centres are haplessly thrown together. At first glance the region seems a dense mass of smokestacks. Entering the mining district, one is thrust into the midst of a roaring basin, with its smoke, its blast furnaces, its steel and molten iron. Almost, it seems, in the backyard of this twentieth century indutrial centre are the farm lands with their Poles and agriculture. One steps, as it were, from a steel mill to a pasture; from a bank to a barnyard. The whole district is a patchwork of modern industry and medieval ruralism.

Rich in coal deposits, having an estimated value of over 300,000,000,000 gold marks; in mineral resources, possessing iron, copper, lead and zinc mines; in industries, boasting of steel mills, metallurgical laboratories, tool shops, paper mills, cement works; in railroads, enjoying an elaborate network of railways, huge terminals and abundance of rolling stock; in agriculture, holding some of the best arable land in Europe; in lumber, being stocked with immense forests and having lumber mills—Upper Silesia would make fine picking for Poland.

This rich province, ready made by the efficient and thorough Germans, the Poles think they can seize by force of arms. But German enterprise has made Upper Silesia the wealthy industrial State it is today. Minus it, Germany would be deprived of a vast estate she practically created, and economically it might spell Germany's ruin. The Germans will not relinquish it without a struggle. A clash of Germans and Poles, involving, at it does, differences between France and Britain, may bring on another war.

THE POLISH REBELLION IN UPPER SILESIA

The alarming situation created by Korfanty, and Lloyd George's plain words regarding it—How the reinforced British began to clear a neutral zone, while Hoefer's Germans remained inactive—Dangerous possibilities

THE outbreak of the Polish inhabitants of the rich mining districts of Upper Silesia shortly after the taking of the plebiscite caused a dangerous complication in May and June. The insurgent Poles, at whose head Adalbert Korfanty, the Polish High Commissioner, hastened to place himself, were fully armed and quickly took possession of the main towns of the mining area, which had cast a majority vote for union with Poland. The ostensible cause of the revolt was an article published in a German newspaper, declaring that the Interallied Commission and the Supreme Council had decided to give Germany all the mining area, with the exception of Rybnik and Pless.

The small interallied force was helpless to drive back the victorious Poles. The Italian and British contingents found themselves in a painful position, as their ally, France, had supported the Polish claims in Upper Silesia and had openly assumed the position of protector of Poland. British and Italian officers were especially wroth with the French, who did but little fighting and who seemed inclined to let the insurgents have their way. Meanwhile the German elements in the affected districts were organizing for defense.

This was the situation when Lloyd George, before the House of Commons on May 13, made a sensational speech attacking not only Korfanty and his Polish insurgents, but also the Warsaw Government, for what had occurred. He spoke his mind in the plainest way and declared downright that if the interallied forces proved insufficient to put down the revolt it would only be fair to allow the Germans themselves to do so. Though he did not say so explicitly, his view that the French policy of favoring Poland was responsible in large measure for the Silesian situation was clearly apparent.

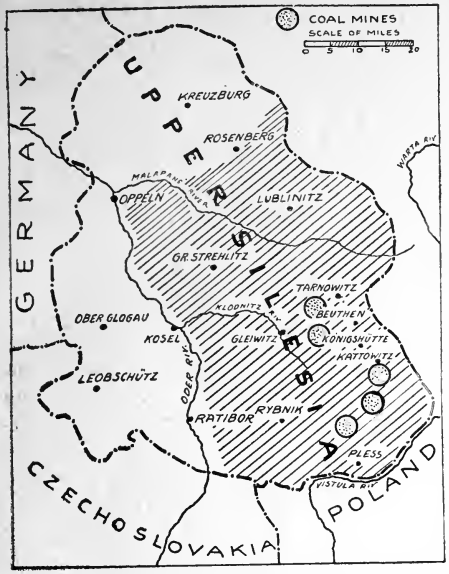
First of all he declared that Poland's claim to Silesia on historical grounds was untenable, as Silesia had not been Polish for 600 years; the population argument he also dismissed on the ground that the Polish population had come to the territory only in recent times to work the mines owned by German capital. He reviewed the result of the plebiscite, which resulted in such a tangle of mingled Polish and German communes that it seemed almost impossible to decide on a solution, stating that the British and French Commissioners favored giving the regions which were overwhelmingly Polish to the Poles, those which were predominantly German to the Germans. "That was the finding of the officers representing Britain and Italy. The French took a different view." The British authorities in London, he continued, were on the point of considering this report when "the Polish population, under the leadership of Mr. Korfanty, raised an insurrection, tried to rush the position and to put us in the position of having to deal with a fait accompli."

Lloyd George's Hot Words

The British Premier then expressed his view of this action and his fears of its consequences in the following uncompromising fashion:

> That is the state of the case. It is a complete defiance of the Treaty of Versailles. I think it right to speak quite plainly, because if these things are to happen and no notice is taken of them, and we do not deal with them with that stern justice which I think has generally characterized the attitude of this country in all its dealings abroad, it is going to be fatal to the peace of Europe. And if the peace of Europe is disturbed, I cannot see what is going to happen to the world, and I am alarmed—I use the word deliberately—I am frightened. Therefore I think it is essential, in the interest of the nations, that whatever our prejudices, our predilections, may be, whether we dislike this man, or dislike this other—justice has nothing to do with dislikes—we must decide fairly, sternly, according to the pact which we ourselves have signed.

Lloyd George then pointed out that it was under that treaty that Poland had regained her freedom, and declared that Poland was the last nation in the world to question or to violate its provisions, especially in view of the fact that its every phrase meant the loss of a young British life, and also of the fact that many Poles had fought to the end under Austria against Great Britain and her allies. He further made it clear



PLEBISCITE AREA OF UPPER SILESIA, WITH SHADED PORTION SHOWING REGION CLAIMED AND SEIZED BY KORFANTY'S POLISH INSURRECTIONISTS

that he believed that Korfanty's coup was not only tolerated, but encouraged by the Polish Government.

> The Polish Government [Lloyd George said] repudiates responsibility. One is bound to accept the statement as representing their view, but it has happened once too often. Lithuania, by a settlement to which America was a party, as well as France and Italy and Britain, was given Vilna. Vilna was occupied by regular Polish troops in defiance of the Allies. They were asked to retire. The Polish Government said: "We have no responsibility. They went there without our wish." They are still there. The same thing is happening now, and there is the same disclaimer or responsibility, but there are arms passing from Poland, Polish officers are crossing the frontier. All this makes it very difficult to feel that these repudiations of responsibility are anything but purely verbal. Signor d'Annunzio seized Fiume in defiance of the Italian Government. The Italian nation felt that its honor was involved. Signor d'Annunzio and his men are out of Fiume. The Government took steps even to the point of forcible action, for they felt that the honor of a great nation was involved. I commend that fine example to Poland.

It was both a matter of honor and a matter of safety, declared the Premier, to oust the insurgent Poles. Justice must be done, whether the terms of the treaty were in favor of the Allies, or against them: Germany, in the final reckoning, must not be given the right to say that the Allies enforced those terms only when the terms were favorable to themselves. There were only two alternatives, either to restore order by force, or to allow the Germans themselves to restore order. Great Britain stood pre-eminently for fair play. To allow the Poles to take Silesia when Germany was disarming, to forbid the Germans to protect themselves, was unthinkable:

> That is discreditable. It is cowardly. It is not worthy of the honor of any land, and I am perfectly certain that would not be the attitude that the Allies would take up. * * * Whatever happens, we cannot accept a fait accompli. That would be to permit a defiance which might lead to consequences of the most disastrous kind, and we do not accept it.

Replies of Polish Leaders

These energetic words of the British Premier aroused a storm of hostile criticism in the French press, which charged that Lloyd George was bent on favoring the Germans at the expense of Poland and Great Britain's own ally, France. The speech was received in Warsaw with similar emotions, and M. Witos, the Polish Premier, replied to it formally before the Diet. It was the Poles, he said, who were the original settlers, and for 600 years they had suffered under the domination of the invading Germans; that, and the right of self-determination, were the basis of the Polish claim to receive back what was rightly theirs. M. Witos protested in the most emphatic way against Lloyd George's suggestion that the Germans be allowed to intervene militarily in the Silesian situation, declaring this would be a violation of the Versailles Treaty, and insisting that the only proper solution was a settlement strictly under the terms of the treaty. Having received assurance from the French Government that it would not permit Germany to send either men or ammunition

across the border, the Polish Government, on its part, once more summoned the insurgents, as well as the whole population of Silesia, to discontinue the insurrection and to allow the problem to be solved equitably by the allied powers.

The British Premier's speech also drew the fire of Korfanty himself, who on May 16 sent to Lloyd George from Sosnowiec, Poland, an impassioned defense of the motives of the insurgents, combined with an appeal to the British sense of fair play. To this communication Lloyd George made no reply. The storm of abuse in the French press, however, aroused him anew, and on May 18 he exploded a new bombshell, in which he repeated the statements which he had previously made, declared that they had received the complete support of the British, Italian and American press, and warned France that "the habit of treating every expression of allied opinion which does not coincide with her own as an impertinence, is fraught with mischief," adding that "such an attitude of mind, if persisted in, will be fatal to any entente."

Briand's Private Crisis

Immediately after his speech in Parliament, Lloyd George sent Premier Briand of France an invitation to meet him at a week-end conference in London, in order to reach an agreement on what should be done to cope with the situation. The conference, however, was postponed, as the French Premier could not take part in such a conference until he had received a vote of confidence from the French Parliament. At a session of the French Chamber, May 24, Premier Briand pleaded for two hours for moderation, declaring that the alliance with Great Britain must not be endangered, and that the German Government had pledged itself to close its Silesian frontier, to prevent the passing of German troops to reinforce the excited Germans of the invaded districts, and to disband the voluntary forces which had been forming in East Germany for the last three weeks.

The Premier won his vote of confidence at this session by 403 votes to 163; this result came after a nine-hour debate closing five days of argument, marked by the violent onslaughts of the Nationalist and Militarist factions. In frank, uncompromising fashion, M. Briand placed the issue squarely before the House, declaring that there was no middle course, and that his policy of moderation toward Germany must be either accepted or rejected. In the fiery debates that preceded the final vote, the issues of reparations and Upper Silesia became hopelessly entangled. The vote of confidence was cast in the form of two separate resolutions, that on Upper Silesia approving the Government's policy in this problem, and declaring for the strict and loyal execution of the terms of the treaty, as affecting Upper Silesia, both in letter and in spirit.

Strong in this approval, the French Premier proceeded to reach an understanding with Great Britain before taking further action. On May 28 he sent a note to Lloyd George pointing out that the Germans were continuing their operations in Upper Silesia, and urging that the interallied decision on the plebiscite should await the restoration of order with the arrival of the British troops then on their way. He further advocated, in view of the fact that the reports of the allied High Commissioners were not unanimous, that the whole question be submitted to a special commission made up of civilians, lawyers and diplomats, who would communicate their findings to the Supreme Council.

Under the British and Italian plan to give to Germany the regions which had gone German by a large majority, and to Poland the regions which voted mainly Polish, Germany would be given outright the following districts: Nesewitz, Kreutzburg, Rosenburg, Oppeln City, Oppeln country, Lublinitz, Oberplogau, Kosel, Leibschutz, Ratibor City and Ratibor country. Poland would receive under this solution only the large communes of Rybnik and Pless. The International Commission would take over the remaining ten communes: Beuthen City, Beuthen country, Kattowitz City, Kattowitz country, Königshütte, Gleiwitz, Hindenburg, Gross Strehlitz, Tost and Tarnowitz. The French Government was opposed to this scheme, and also to the desire of Lloyd George for a majority decision, but the main purpose of the French Premier was apparently to play for time. To show its good faith, the French Government joined in a severe note to Poland to close its own frontier pending a solution. Meanwhile the French leaders set to work, through a specially created commission at the Foreign

Office, to receive and tabulate all information in the case, as a basis for drawing up the complete case for Poland at the coming meeting of the Premiers.

Situation in Silesia

While these diplomatic exchanges were taking place the situation in the Upper Silesian territory was becoming more and more threatening. The Polish forces had given no signs of retirement and Korfanty had addressed (May 25) a proclamation to Germans in towns in the plebiscite area declaring that these towns were being more closely encircled by his troops every day and that only immediate surrender would avert disaster; he called upon them, therefore, to demand that the Interallied Commission should consent to this surrender. Attacks by the Poles were occurring in several places, accompanied by plundering. Important news came at about this time. Lieut. Gen. Hoefer, formerly a member of the German General Staff, had been made military dictator of the German part of Upper Silesia and the German population had extended to him their formal vote of confidence. All parties were represented in this vote, taken at Oberglogau, twenty-five miles northwest of Ratibor, on May 24, which delegated to General Hoefer the power "to prevent any further spread of the Polish uprising and to restore order."

Rejecting all suggestions that he negotiate with Korfanty for an armistice, General Hoefer at once developed his military operations, taking Landsberg and repulsing Polish counterattacks in the Rosenberg region. One town captured by him—Leschnitz—had been bombarded vainly by the Poles in an attempt to regain possession. The small German army under him, estimated at about 16,000, had taken the name of Selbstschütz (Self-Defense). Its offensive was developing slowly. It was led in some instances by British officers. East of the Oder, at Gogolin, and at Kreuzburg the Germans were steadily advancing. The Poles were yielding ground.

The danger of the situation was increased by the arrival of four battalions of British troops transferred from the Rhine. Two more battalions were on their way from England. The first battalion of Black Watch (Scotch) soldiers reached Oppeln on May 30. It received an almost delirious welcome. Hundreds of school children met the soldiers at the station, deluging them with flowers and shouting gleefully as the bagpipes screeched the music of the march. Cavalry led and cleared the way, and the progress of the marching columns was a continuous and friendly ovation.

The sentiment of the British soldiers, like that of the Italians who were preparing to co-operate with them, was that the troops of Korfanty must be driven out at every cost. They were even ready to co-operate with the German irregulars should this prove necessary. One correspondent declared that both Germany and Poland were secretly violating the frontier promises, and that the newly arrived British soldiers had a difficult task before them. The entire industrial district at this time was in the hands of the Poles, the French troops having yielded control of Myslowitz to Korfanty and having restricted their policing of Kattowitz to the centre of the town.

Danger of Another War

The danger of this complicated situation was that some unexpected happening would precipitate a crisis in which the French and the Poles would be driven to make common cause against the British and German forces. The British feeling was that the Germans were hoping for this, and that it must be avoided at any cost. British action was suspended, pending the arrival of Sir Harold Stuart, the new head of the British Mission, in Silesia. So tense and delicate was the crisis that the Interallied Commission on May 30 sent an appeal to the allied Premiers to avoid all public discussions of the Silesian problem, as the least misinterpretation would suffice to bring on new conflicts.

Both General Hoefer and his military commander, Major von Moltke, as well as Korfanty, had given an oral engagement not to resume fighting for the time being. It was expected that when the time was ripe the English would take the field, and that the Italians and French would garrison the towns. The Polish irregular forces were busily preparing for defense, bringing up supplies of ammunition and machine guns, and had sworn, with Korfanty, that they would never yield. Interviewed in Oberglogau on May 28, General Hoefer declared that he was prepared to act only

with allied sanction, that his own forces were inadequate to push the Poles across the frontier, and that if he went a step too far, his advance would be met by an immediate French occupation of the Ruhr.

Though the " One-armed " General claimed that he had his forces under complete control, the German troops in the outskirts of Beuthen began an attack on the Poles the very same day, precipitating a fierce conflict, in which hundreds were killed and wounded. It was stated that the whole city was in revolt against the French garrison; the German population, clamoring for food, had attacted the railway station, and the French had opened fire upon them both here and elsewhere. The Poles and the Germans fought desperately for virtually three days. Fighting also was going on at other points, and the Poles had been forced to give way at Gross Strehlitz, where they left 130 dead upon the field. The German casualties were twelve dead and thirty-one wounded.

British Take Control

This was the ominous situation up to the end of May. The turn of events from the first of June to about the middle of the month showed a sudden change for the better, owing to the strong attitude of the British, who took hold of the situation again with a firm hand, the apparently moderate attitude of General Hoefer, head of the German forces in the region, and the obvious fear shown by the Polish rebels of the advancing British, the determination of whose leaders to clear a neutral zone between the Germans, on the one hand, and the Poles, on the other, even at the cost of bloodshed, was unmistakable.

The British campaign began on June 3, with the arrival at Oppeln of General Henniker, who, as General Le Rond's superior in ranking, was able to take the initiative at once. He called a conference of all the high British commanders to discuss military plans, which, it was understood, had the approval of the British Government. One main consideration was to dispose the interallied troops in such a way that all possibility of clashes between the Germans and the Poles, the Germans and the French, and even the British and the French, would be avoided. The British push forward, however, did not begin until June 7.

Meantime (June 4), the Interallied Commission sent to General Hoefer an ultimatum, threatening to withdraw the allied troops from the towns in the industrial region of Upper Silesia unless Hoefer withdrew his forces at once. The dangerous possibilities of such a withdrawal so impressed the German Government that it sent the British Government, through Dr. Sthamer, German Ambassador to Great Britain, a note complaining that this threat was tantamount to placing the German population of Upper Silesia at the mercy of the Polish insurgents, and made the unchaining of civil war inevitable, as the German defense forces would resist to the last, and the German Government would be unable to restrain them under the circumstances. The exposure of the German population to the brutal horror of a new Polish advance, the note declared, would be intolerable to the whole German people. A similar protest was handed to the French Foreign Office by Dr. Mayer, the Ambassador to France.

The French Government replied that the Interallied Commission had the situation well in hand, and would act according to the necessities of the situation. The French officials, however, expressed surprise that the German Government should come forward officially as the supporter of General Hoefer, and should take offense at an action necessary to restore calm and order in Upper Silesia, after assurances had been given by the German Chancellor, Dr. Wirth, that his Government was straining every effort to prevent action by German irregular forces in the disturbed territory. Dr. Mayer was asked if he desired it to be understood that his Government approved the activities of General Hoefer. Great Britain, on her part, sent word to the German Government that the British forces were now sufficient to restore order, and that it would not need any German aid to attain this end. At Earl Curzon's request, the Berlin Government sent a note to General Hoefer asking him to withdraw. This he declined to do, but promised to cease all attacks on the Poles pending British operations.

This was the status of affairs on June 7, when the British Commander, General Henniker, sent thirty-two lorry loads of the Black Watch Highlanders—more than 700 seasoned fighting men—by a surprise night

movement, to Rosenberg, twenty miles northeast of Oppeln. The Poles withdrew. Thus began a wide flanking and frontal push, devised to clear a neutral zone, and ultimately to restore the whole territory to its lawful administrators under the treaty—namely, the Interallied Plebiscite Commission. As late as June 8, however, foreign correspondents on the ground reported that the whole German male population of all ages, and even part of the female population, were streaming toward the Polish fighting front, in every kind of vehicle, garbed in every kind of uniform, armed with all descriptions of weapons. The occupation of Gleiwitz by Irish troops was announced at the same time. Before Gleiwitz, as in the case of Rosenberg, it sufficed the British forces to advance, and to deliver an ultimatum ordering the Poles to evacuate at short notice. The insurgents vanished within an hour, bag and baggage, with all arms, big and small. Fighting between the Poles and the Germans was still continuing at various points; neither side was taking any prisoners.

General Hoefer issued statements throwing the onus of small clashes between his forces and French contingents upon the French. Dr. Mayer, however, on June 9, presented a formal apology to the Paris Government for the arrest of fifteen French soldiers and the wounding of three of them, at Kalinow, near Gross-Strehlitz. M. Briand used severe language in replying, and emphasized the necessity of recalling the German forces. On June 8 Hoefer gave the British commander full assurance that he would refrain from any forward movement. The German leader was placed in a most difficult position by the actions of the Poles; this was especially the case at Ratibor, where the Poles were indulging in a fierce bombardment. The French Government, however, had only one wish—to see Hoefer withdraw, and, after due consideration of his refusal to do so, instructed its Ambassador at Berlin to notify the German Government that it must obtain this withdrawal immediately. Germany, the French protest declared, had accepted responsibility for Hoefer's acts by its formal apology in the case of the French clash, and now it must compel his withdrawal.

Korfanty's Withdrawal

On June 10, Korfanty agreed with the Inter-Allied Commission to withdraw his forces and to liquidate the insurrection on condition that the Germans also withdraw. The Poles immediately proceeded to withdraw, but complaints at once followed that the Germans were not withdrawing.

Korfanty and his Executive Committee stated in a proclamation to the German Upper Silesians that the only wish of the insurgents was properly to mobilize the economic life of the country, and that but for the presence of German provocative agents normal conditions would not have been disturbed. The proclamation added that only uniformed and organized police, composed exclusively of Upper Silesians, including German Upper Silesians, would be sent to the cities in the insurgent area, but that such Germans must promise not to be hostile toward the Polish population.

General Henniker himself was working under extreme difficulties, but was striving to limit the operations of his forces to the belligerent area, leaving the districts which would normally go under the plebiscite to either party to be policed by the Germans and the Poles respectively. All his efforts to prevent further fighting between the German and Polish populations had not succeeded up to June 12. Rosenberg was being turned over to German plebiscite police.

The British, according to preconceived plans, were very slowly pushing their advance further, but at various points were hindered by the diametrically different view held by the French. The hardest part of their work was before them when these pages went to press. Sir Harold Stuart, the new British member of the Interallied Commission, had arrived by May 9. Meanwhile the French Premier still declined to meet the British Premier for a conference on Silesia, and the British view of the seriousness of the situation remained pessimistic. It was believed that if a disaster to the peace of Europe was to be avoided, the Supreme Council must act quickly and prove that it meant to be supreme.

GERMANY BEGINS PAYING THE PIPER

Delivery of 1,000,000,000 *gold marks to the Reparation Commission constitutes the first step toward payment of the total war indemnity of* 135,000,000,000 *marks—Other proofs of sincerity of Dr. Wirth's Government—Sentences of criminals and communists*

[PERIOD ENDED JUNE 10, 1921]

WITH the handing over by Dr. Mayer, the German Ambassador in Paris, of twenty three-month German Treasury notes, endorsed by German banks and equaling 840,000,000 gold marks, to the Reparation Commission on May 30, the German Government completed the first big step toward complying with the final reparation terms of the Allied Premiers accepted by the Cabinet and Reichstag on May 10.

Article 5 of the Reparation Terms [printed in full in CURRENT HISTORY for June] provided that Germany must pay 1,000,000,000 marks—in gold, approved foreign currency, foreign bills or approved German Treasury three-month notes—within twenty-five days from the date of the ultimatum (May 6), this payment to be treated as the first two quarterly instalments of the sum provided for in Article 4. Germany had placed 150,000,000 gold marks at the disposition of the Reparation Commission on May 17. This sum was transferred through the Federal Reserve Bank in New York, and the final deposits were credited to the Bank of England and the Bank of France on May 31. Dr. Mayer told the commission that he had 15,000,000 gold marks additional ready for it, and the initial big payment was completed a day ahead of time. On June 7 the Reparation Commission announced that Germany's payments so far had totaled about 1,040,000,000 gold marks, and that the surplus 40,000,000 would be applied to the amortization of the bonds. The previous day the commission had reported that Germany had taken up the first of the twenty $10,000,000 Treasury notes by turning over its value in dollars, leaving nineteen notes to be paid by Aug. 31.

A Paris dispatch of June 8, in reporting the impending first accounting among the Allies on reparations, estimated the German payments in money and kind, exclusive of the 1,000,000,000 gold marks mentioned above, as 8,000,000,000 gold marks since the signing of the Treaty of Versailles; from this was to be deducted about 7,000,000,000 gold marks to cover the cost of the allied occupation of Germany, leaving 1,000,000,000 to be credited to the general reparation fund. The Reichsbank announced on June 1 that it was in the market for gold coins and bars and would pay 260 paper marks for each twenty-mark gold piece and 36,000 paper marks for a kilogram (2.2 pounds) of fine gold.

In further compliance with the Entente's demands, the German Supreme Court at Leipsic began on May 23 the trial of several of the German officers and soldiers accused of atrocities during the World War, with a number of former British soldiers as witnesses for the prosecution and Sir Ernest Pollock, British Solicitor General, representing the Allies. Up to June 15, the trial had resulted in the conviction of Corporal Karl Heynen, the first man to be tried; Sergeant Robert Neumann and Captain Emil Müller—all accused of having brutally mistreated British prisoners of war—and the acquittal of Lieutenant Karl Neumann, the commander of the submarine that torpedoed the British hospital ship Dover Castle, and Max Randohr, a Leipsic student accused of having ill-treated and imprisoned Belgian children. Corporal Heynen was sentenced to ten months' imprisonment, and Sergeant Neumann and Captain Müller to six months each.

The acquittal of Lieutenant Neumann aroused unfavorable comment in England and in German Socialist and Liberal circles, but Dr. Ebermayer, the German Public Prosecutor, insisted that no other verdict could have been justly arrived at, be-

cause the submarine commander had taken no personal initiative in the matter of sinking the hospital ship, but was bound to obey the orders of his superiors. The reactionary press, headed by the Deutsche

DR. FRIEDRICH ROSEN
New German Foreign Minister, succeeding Dr. Walter Simons

Tageszeitung, hurled insults at Chief Justice Schmidt and his six fellow-judges for allowing themselves to be used as "Entente tools" for the punishment of "German soldiers who had merely done their duty," but Vorwärts and other Socialist papers were inclined to regard the entire proceeding as a farce, and demanded that not "miserable subordinates," but the men higher up, who conceived and issued the orders for wholesale destruction and deportations, be placed in the defendants' box.

Repeated declarations were made by Dr. von Kahr, Premier of Bavaria, to the effect that he did not regard the Home Guards of his State as included in the general disarmament that must be completed by June 30, in accordance with a note sent by the Allies to Berlin on May 17; he said, furthermore, that he doubted his ability to make the 300,000 members of the "Orgesch" (Organization Escherich, the colloquial name of the Home Guards) give up their weapons. Dr. Mayer called upon Premier Briand on June 2 and told him of the difficulties encountered by the German Government in trying to live up to the ultimatum's terms, and that they must be met on time, or "sanctions" (the technical term for penalties) would be applied, which meant the much-dreaded occupation of the Rühr industrial district. In the meantime pressure was being exerted on the Bavarian authorities by both the Entente Governments and the German Socialists, the latter threatening to promote general strikes in Bavaria and to cut off coal supplies through action by the miners of the Rhine Valley unless the "Orgesch" was dissolved. The leaders of the Home Guards decided on June 6 to disband by June 30, and the next day Herr Nortz, the Disarmament Commissioner for that district, stated that his motor trucks were already busy picking up the 2,730 machine guns and 78 cannon held by the Guards. He admitted, however, that he hardly expected to collect the 220,000 rifles in the hands of the Guards, as half of the latter were mountaineers, and an attempt to take away their guns by force would be too costly.

Hardly had the work of disarmament been begun, however, when the Bavarian reactionaries started the usual stories about the imminent danger of a Red revolt and the storing of arms and munitions by the communists. Consequently, the activities of Herr Nortz were halted after 650 machine guns had been turned in. The murder of Herr Garies, an Independent Socialist member of the Bavarian Diet who had been leading the campaign for disarmament of the "Orgesch," by unknown persons caused a three-day protest strike in the main industrial centres of Bavaria and furnished another pretext for a refusal to give up arms. The Independent Socialists in the Reichstag then put the matter of disarmament in Bavaria up to the National Government, threatening to precipitate a new Cabinet crisis unless Berlin took active steps to do what Dr. von Kahr had thus far succeeded in dodging.

Other sections of the ultimatum note of May 17 called for the bringing of the regu-

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THRONG OF 30,000 ARMED BAVARIANS IN MUNICH SWEARING TO KEEP ORDER AND TO DEFEND THEIR COUNTRY AGAINST BOLSHEVISM AND REVOLUTION

lar German army of 100,000 men within the terms of the Versailles Treaty, the surrender of superfluous munitions and unauthorized fortress equipment, the limiting of the manufacture of munitions to factories listed by the Allies and the reduction of all classes of police to 150,000 by July 15. Progress in complying with the terms of this note was reported by Allied officials in Berlin. An order was issued by the German Government on May 24 prescribing a maximum fine of 100,000 marks for illegal recruiting or organizing military bodies. Other orders closed the Upper Silesian frontier. [See article on rebellion in Upper Silesia.]

German papers reported on May 22 that the first quota, amounting to 48,000 tons and 16,000 horse-power of towing capacity, of the Rhine barges and tugs awarded to the Entente (principally France) by Walker D. Hines, the American arbitrator, last January, had been turned over, and that the French had rejected some 8,000 tons because of alleged inferior quality. The second quota will amount to 160,000 tons. The delivery of 3,480 cars to Belgium and 1,605 to France, on account of reparation for captured railroad materials, was also reported. On June 13 the big dirigible airship, Nordstern, was delivered to France.

Although there was no general withdrawal of troops by the Allies from the extended zone of occupation along the Rhine, and the menace of a seizure of the Ruhr basin still remained, a more friendly feeling toward Germany became apparent in France. Premier Briand spoke favorably of the efforts being made by Dr. Wirth, the German Chancellor, to live up to Germany's pledges, and M. Loucheur, Minister for the Devastated Regions of France, expressed the hope that a way would be found to accept the German offer of 25,000 houses to be put up for the use of the victims of German ruthlessness.

Despite the lack of a real majority in the Reichstag, Dr. Wirth, by his firm tactics, succeeded in holding his "signing" Cabinet together and getting a vote of confidence on June 4, following a lengthy de-

bate on his proposed plans for raising the money needed. The vote was 213 to 77. Dr. Wirth's supporters were the Centrists, the Majority Socialists, the Democrats and some of the Independent Socialists. The Nationalists and Communists voted against the motion and the People's Party abstained from voting. A second section of the resolution approving the Government's attitude toward the Upper Silesian question was also carried by a big majority.

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DR. ESCHERICH

The Bavarian leader who created the military organization called the "Orgesch," whose dissolution the Allies are demanding

In outlining his program before the Reichstag Dr. Wirth said that "restoration and reconciliation" would be the basis of the German Government's policy abroad, and that it would have the "courage to demand of the German people the utmost sacrifice, endeavor and efficiency to fulfill obligations." There could be no academic discussions about living up to the peace terms, he declared, and he then proposed increased coal taxes, increased corporation taxes, increased stock transfer taxes and higher taxes on liquor, beer and tobacco. After warning that there must be no reparation profiteering, the Chancellor called for increased production and national economy, the building up of the foreign trade balance and the introduction of the most modern methods in industry and agriculture to the end desired.

On June 10 the Minister of Economics told the National Economic Council, which was considering ways and means to raise the sum of 50,000,000,000 paper marks per year estimated as required to meet the peace terms, including occupation costs and incidentals, that taxation alone would not solve the problem and that direct Government participation in the profits of industry would probably have to be resorted to.

By the appointment of Dr. Friedrich Rosen, Minister to Holland and an old-time diplomat, to the post of Foreign Minister and of Dr. Walther Rathenau, head of the General Electric Company, as Minister of Reconstruction in place of the temporary Minister, Herr Silberschmidt, Dr. Wirth practically completed his Cabinet. The only place left open was that of Minister of Finance, whose duties were being looked after by the Chancellor himself and by Otto Bauer, Minister of the Treasury and Vice Chancellor. Dr. Heinrich Albert, Secretary of the Chancery for the last two years, resigned on May 25.

Dr. Rathenau, who during the war was the leading factor in organizing German industry as an auxiliary to the army, but who

is generally regarded as a liberal-minded man aiming at reorganizing economic life on a more equable basis, was severely attacked by Junkers, big business Deputies and communists when he took the floor in the Reichstag on June 2 in the debate on Dr. Wirth's program. Answering the hecklers, Dr. Rathenau said he had entered the Cabinet only because he was sure France was doing her best to come to an understanding with Germany, asserted that he was going to keep his department free from politics and profiteers and declared that the work of rebuilding the devastated zone in France was not a national, but a world problem; until that running sore on the Continent of Europe was healed, world peace was unthinkable.

Dr. Rathenau and Minister Loucheur met in Wiesbaden on June 12 and held a conference on plans for the utilization of German aid in reconstruction work. Both voiced satisfaction with the result of the meeting.

An agreement was signed in Peking on May 20 which ended the state of war between Germany and China and re-established commercial and diplomatic relations. [See China.]

Though business conditions in general showed no great change, and many banking and commercial firms were able to declare substantial dividends, the country was confronted with the anomaly that nearly 1,000,000 persons were unemployed at a time when there was a clamor for increased production and when it was estimated that the nation was short 1,200,000 dwelling houses. In Berlin alone some 120,000 heads of families were registered with the Municipal Housing Board as unable to obtain quarters. To remedy these conditions the German labor officials, representing about 10,000,000 organized workers, suggested the launching of public works and house construction on a gigantic scale, with profiteering eliminated and credit furnished by the national, State and municipal Governments.

The revenues of the National Government for the year ended March 31 amounted to 46,102,000,000 paper marks, with expenditures of about 88,000,000,000 marks. The floating indebtedness on April 30 was 189,608,000,000 marks.

The minimum cost of maintaining a family of four in Berlin fell to 281 marks per week in April, 17 marks less than in March and 94 less than in April, 1920. In April, 1914, the minimum was 28.80 marks.

The extraordinary courts established to handle the cases arising from the arrest of some 3,500 persons during the communist uprising of March continued functioning at high pressure, and by June 9 had sentenced about 400 persons to a total of 1,500 years at hard labor, 500 to a total of 800 years in jail, 8 to imprisonment at hard labor for life and 4 to death. Heinrich Brandler, Chairman of the Central Committee of the United Communist Party, which had promoted the abortive revolt, was sentenced to five years at hard labor.

Ex-Prince Eitel Friedrich, second son of Wilhelm Hohenzollern, was found guilty by a Berlin court on May 17 of sending capital out of the country in violation of the law and fined 5,000 paper marks (about $67 at present exchange rates). He was one of a number of formerly high placed defendants accused of having smuggled many millions over the border to Holland via the Dutch banking firm af Grusser, Philipps & Co. While still Minister of Finance Dr. Wirth informed the Reichstag that the banking house had been fined 600,000 marks, and capital to the amount of 2,500,000 marks had been declared confiscated by the Government. On May 30 Eitel Friedrich reviewed the disbanded Fourth Guard Regiment of the old German Army, which had been temporarily resurrected for the occasion on the Moabit parade grounds, and was made the object of a great ovation by the 200 ex-officers and 2,000 ex-members of the guard regiment, several hundred of whom belonged to a regiment of the new regular army.

THE MISTAKES OF FRANCE

By Adamantios Th. Polyzoides
Editor of the Greek Daily, Atlantis

An indictment of the foreign policy of the French Government, especially in the Near East, as seen from the Greek viewpoint—Ultra-nationalistic trend of the older French political leaders, contrasted with Briand's strong yet moderate policy

THE news that France, after drifting for months so dangerously away from her allies, is seriously considering the strengthening of her relations with Great Britain, is the most welcome news from Europe in almost a year.

Such an event, if it ever materializes, will mean nothing less than the first decisive step toward the restoration of peaceful conditions in Europe and the world. It will remove the greatest obstacle that has blocked the way to peace.

For two years following the signing of the Treaty of Versailles Europe sat on the anxious seat of a political volcano. This volcano was neither Germany's trickery nor Russian communism; it was the European policy of victorious France.

The ink was not yet dry on the German treaty when French policy, not as a matter of form, but as a matter of practice, broke loose from the general policy of the great alliance. A spirit of diplomatic, political and military independence seemed to take the place of loyalty to the great purpose which stood behind that alliance. Heroic France desired to continue the heroic tradition in a newly ushered era of peace, and in doing that she little thought of respecting the feelings of her greatest and most valuable ally just across the Channel.

That there is a strong current of anti-British feeling in France no one will deny. A large section of the French public has been told repeatedly that Britain has abandoned France after getting the lion's share of the German spoils. But it is doubtful whether this opinion is entertained by the thinking people of the Republic and by those who believe that the Treaty of Versailles is chiefly and primarily an instrument for the destruction of Germany to the almost exclusive benefit of France and who know that this same treaty could never have been framed and imposed on the vanquished Germans without the sanction and the whole-hearted support that Great Britain gave to France. The whole history of the World War, the whole record of the Peace Conference and the whole experience of the United States is at hand to prove the truth of this assertion.

It may be safe, then, to take it for granted that the recent attitude and policies of France were not dictated by a spirit of hostility to Great Britain. This spirit may be present to a certain extent; but it is not spontaneous, and is chiefly fanned by the professional propagandist without affecting the great mass of the French people.

Militaristic Diplomacy

What really is happening in France is that a proud nation which for almost fifty years has lived under the bitter memories of 1870 and in constant fear of German militarism has again come into her own, has felt her power and the significance of her victory. No one who has studied France and witnessed her intense suffering and her brave struggle in the great war, which came to her entirely without provocation, will condemn France for her victorious enthusiasm.

The fact remains, however, that this French enthusiasm has now reached the point where it constitutes a danger to European peace. It has passed all the safety signals and is headed toward a catastrophe. And so it becomes the duty of every friend of France, and of every friend of peace, to warn the gallant Republic of the danger toward which she has been rushing headlong under the leadership of men who have shown themselves to be excellent war makers, but who are entirely out of place at the head of a government engaged in reconstruction and the arts of peace.

The trouble with post-war France is not

that she is anti-British, or, for that matter, anti-ally. She is only intensely nationalistic, with too apparent leanings toward the Napoleonic program of militaristic imperialism. It is, in my opinion, this fiery nationalism that makes France oblivious of her allies of yesteryear and expresses itself in Joan of Arc celebrations and Napoleonic revivals. The Treaty of Versailles was expected to bring back the France of 1870; but it becomes daily more evident that what we see today is the France of Louis XIV. and Napoleon I. That the Treaty of Versailles has brought France to the frontier of 1870, which was the frontier of 1815, has been more than once the object of bitter complaints in the columns of the ultra-nationalist French press. "The frontier of 1815," these papers said, "was the frontier of a defeated, not a victorious, France." Then these writers seek to prove that the least that the allies and Clemenceau ought to have done for France was to give her the frontiers of her victories, which were those under Louis XIV. and Napoleon. Another mistake, from the point of view of these same writers, is that the Versailles treaty did not disrupt German unity. "This treaty," they said, "was made between the allied and associated powers on the one hand and Germany on the other, thus leaving German unity intact." This is the point of view taken by a number of able yet altogether too chauvinistic French writers, who say in conclusion that it is for the French arms to vindicate their point.

It is in the application of this policy that France missed no opportunity and left no stone unturned in order to disrupt German unity. Her activities in the Saar Valley and more recently in the Ruhr, her efforts to create a Rhenish republic as a nucleus of a South German confederation in which Bavaria and Austria, and possibly Hungary, will be eventually united in an economic, if not in a political, sense, her bitter struggle for an abnormally large and non-Polish Poland at the expense of German Silesia and of Russia, are nothing but the various manifestations of the all absorbing French effort to dismember the German Empire.

This policy, however, cannot be of much use to France so long as beyond the eastern frontiers of Germany there lies, barely separated by Poland, the ever-mysterious and sullen Soviet Russia. A united Germany, even defeated as she is, may be forced to work for generations to pay tribute to the victors; but she will always prefer the certainty of this servitude to the uncertainties of the Soviet régime. A dismembered Germany is another story. Then the despair of the German people will force it to any extremity, and in such a case it is not Haller or Korfanty who will prevent the amalgamation into a single Red entity of all that territory stretching from the Pacific to the Rhine and calling itself the Russo-German Soviet Republic.

The Little Entente

French policy is too keen to underestimate this danger, much as her militarists appear to despise it. Therefore France does all in her power to create and to strengthen a large Poland. But even so, French policy does not feel safe. This brings me to a consideration of other French combinations in Central and Eastern Europe.

As long as there was an imperial Russia France felt secure from Germany, and if one remembers the first anxious days of the great war and takes into account the almost forgotten sacrifices of Russia on the altar of allied victory, one will see that French confidence was not misplaced. With imperial Russia irretrievably gone, France found herself victorious, thanks to America's taking Russia's place, but facing a defeated enemy twice her size and population. The military strength of France is more than sufficient to keep weakened and disarmed Germany within bounds. The French problem is now to prevent any possible rapprochement between Germany and Russia while carrying on the process of dismembering the former. In order to do this, French policy is creating and strengthening a new Central European Slav Empire, equally hostile to both the Germans and the Bolsheviki. The Central European Slav Empire is made up of Poland, Rumania, Czechoslovakia and Jugoslavia, with the possible additions of the non-Slavic countries of Hungary and Bulgaria. This is the Little Entente, which in close alliance with France is expected to be able to keep Bolshevist Russia at bay, pending the dismemberment of Germany into its com-

ponent parts. Forty million Frenchmen, with another 40,000,000 Slavs fully armed and occupying the strategic position in Europe, are considered by France sufficiently strong to bring about the realization of a French-made South German confederation of the Rhineland, Bavaria and Austria, which, along with the Saar and the Ruhr (the latter is already under French control) will make France the dominant power in Europe.

This bold plan is no secret. It is expounded daily in the French newspapers and magazines; it becomes the favorite thesis for professional honors; it inspires the leaders of French thought and literature; it is the theme of the most carefully written articles in the best periodicals of France.

These are the main, or continental, lines of the present French policy. They are supplemented, however, by a much vaster program of European domination. France today has the second largest colonial empire, but she thinks that her colonies are less valuable than those of Great Britain. Therefore France is still in the field for more colonies, of a financial if not a political importance. She wants those colonies as close to the Mediterranean as possible; and, in view of the fact that England has secured a predominant position in Western Asia, the statesmen of France are straining every effort to secure a firm footing in the same territory. France, since the days of Francis I., was considered the friend and protector of the Turks, in exchange for numerous privileges bestowed on French trade and propagandists by different Sultans. It was partly in continuation of this policy that Napoleon went to Syria and Egypt, and it was along the same lines that French policy has worked for years in Lebanon and Syria, and generally speaking in the Levantine countries, where her influence was supreme up to the time of the great war.

France's Levantine Failure

This influence was due in no small degree to the activities of the Catholic schools and colleges, operated by various religious orders, and richly subsidized by the French Government, which was their political protector. It is to the credit of the men in charge of this vast propaganda that these educational institutions have always been excellently manned, in most instances even surpassing the lay schools of the French Republic in efficiency and results. On the other hand, it is indisputable that these organizations have rendered a signal service to France, by familiarizing the people of the Levant not only with the language but also with the French way of thinking. It is for this reason that long after the separation of Church and State in France, these schools of the Marist, or Ascensionist, or Saint Josephist Brethren were still working under the protection of the Tricolor, while churches and monasteries in France were forcibly closed by the civil authorities and their occupants deported to more hospitable countries.

While thus attending to the educational needs of the Christian populations of the Levant, most of which, and chiefly the Greeks, have always had first-class schoools of their own, France, on the other hand, offered every assistance to the Ottoman Government in the way of financial and political support. All was well until German competition made itself felt with the Kaiser's visit to Constantinople and Palestine and his Bagdad Railway deals with Abdul Hamid. Turkey was slowly but surely succumbing to German influence under the expert handling of the famous German Ambassador, Marshal von Bieberstein, when the Young Turk revolt took place.

As the Young Turkish movement was chiefly organized in Paris, France thought the time propitious to re-establish her erstwhile prestige by advancing new credits to the revolutionary régime. The Balkan wars practically put an end to Turkish domination in Europe, and when France shortly afterward advanced 700,000,000 francs to Turkey, German diplomacy was again supreme in Constantinople, and French money was used to supply Enver's army with German guns and ammunition for the eventual war against the Entente which came in 1914.

With the Germans in Constantinople and Sofia, with the British in Mesopotamia and Palestine and the Dardanelles, and with the French-equipped and officered armies of Serbia and Rumania defeated, while the French Army of Sarrail was idly watching

the course of events from Saloniki, it is not surprising that French prestige did not fare well in the Near East during the great war.

Thus when victory finally came it was not Franchet d'Esperey's Macedonian army that brought about the result, but the troops of Pétain, Haig, Pershing and Diaz under the supreme command of Marshal Foch, while all one saw in Constantinople and throughout the Levant was the powerful British fleet, all one heard was the victories of Allenby resounding from Bagdad to Jerusalem.

French Support for Turkey

Following the allied victory a new situation was created in the Near East, where Great Britain became the predominant factor, and this quite naturally. Great Britain bore the brunt of the Near Eastern campaigns, from the Persian Gulf to the borders of Armenia and in the Caucasus, and from the Red to the Black Sea. The Kingdom of Hedjaz was her creation, as was the autonomous Mesopotamian State and the protectorate of Palestine. It was the British fleet that took possession of Constantinople pending the final settlement of the Eastern question. All that remained for France was Syria, and there the natives have clamored for independence ever since France took possession of Beirut.

One must take all these events into account in order to explain the bitter disappointment of French policy in a territory which she considered as being firmly held in her grasp. It will then be understood how France, seeing the dismemberment of the Turkish Empire, under the supervision of Great Britain, decided to support the Turk in his preposterous claims to continue his domination over the Arab and Armenian and Syrian and Greek populations, which have all suffered grievously under his rule and which have always been superior to their master in intelligence, in culture, in morality and in human values.

This French policy was obviously so mistaken and so ill-advised that it resulted in alienating the sympathies of all the victims of Turkish oppression, who could not reconcile the liberal traditions of France with her open and undisguised support of the Turk. But once launched on this mistaken course, French policy did not stop at anything. Thus France fostered the Kemalist revolt against the Constantinople régime set there by the Allies following the armistice, to do the bidding of the victors, and she went the length of supporting the Turkish Nationalists with arms and ammunition and diplomatic assistance against the Greeks, while fighting these same Nationalists in Cilicia, in the so-called zone of French influence.

It was this mistaken policy of France that strengthened the Nationalist forces of Mustapha Kemal, while the latter was secretly negotiating his alliance with Moscow, and this policy had the effect of making France the indirect ally of the Bolsheviki themselves. It was France who organized and equipped the Wrangel Army against the Bolsheviki, and it is this same army, or rather its remnants, that France is said to have allowed to pass into the camp of Kemal, there to co-operate with the Bolshevist forces sent from Russia, by way of the Caucasus, to help the Kemalists against the Greeks.

Had it not been for this mistaken policy of France the Near East would be at peace today. The encouragement given to the Nationalist Turks, the invitation extended to them last March to attend the London conference of that month, the stubborn insistence of France on the revision of the Sèvres Treaty in favor of Turkey and at the expense of the Greeks and the Armenians, the secret treaty-making between Briand and the Kemalist emissary Bekir Samy, and the failure of it all, through Kemal's sudden conversion to Bolshevism, these are the chief points of an unfortunate policy which in two years cost French taxpayers much more than the total indemnity paid to Germany in 1870.

Whatever encouragement French policy gave to the Kemalists, was deftly used to strengthen the Bolshevist hold on Nationalist Turkey, until all of a sudden we witnessed the development of the entire Turko-Bolshevist plan, whose aim it was to take Constantinople by storm, and there establish the capital of Russo-Turkish Bolshevism. Greek vigilance and British foresight succeeded in nipping this immense plot in the bud, and France once more is face to face with one of her greatest mistakes.

It was this same policy that brought war so near in the Ruhr and in Upper Silesia; and had it not been for Aristide Briand France would be fighting that war alone. Fortunately, such a world calamity seems now to be averted, and the recently mobilized French class of 1919 is being demobilized, while the danger of France's isolation has considerably lessened in the last few weeks. The sad truth remains, however, that in the course of these political manoeuvres France lost many friends, not because the world has lost faith in the French people, but because it distrusts her militarist and imperialist leaders, who until now seem to have had the upper hand in dealing with the European policies of the republic.

It is against these leaders that Aristide Briand's common sense and manly courage seem to have won a victory. Clemenceau and Tardieu, Poincaré and Foch are men who have rendered signal services to their country during the darkest days of the great war. No one denies their ability and their patriotism; but one has to acknowledge that the days of their usefulness are numbered, not to say gone. They are all men who live in the past and who have learned nothing from the fall of Napoleon and the débâcle of Kaiserism. They seem to be under the impression that what the First Empire failed to accomplish a hundred years ago they will be able to accomplish in 1921, less than three years after the greatest of all wars, after the flower of the world's manhood was sacrificed in order to put an end to the system that French militarism and French nationalism is trying to revive.

It is fortunate for France and fortunate for the world that against these tendencies of a restless and bellicose group there stands a man of power and ability of the calibre of Aristide Briand. He appears today before his country and before the world with the clear vision of a statesman, who sees very plainly that it is not by following in the footsteps of Imperial Germany that France will thrive and prosper. He understands that the greatest danger threatening France today is her isolation, and her detachment from the Great Alliance which was cemented with the best blood of the nations who fought against militarism and imperialism, not only in its German, but in all its forms.

Briand, better than any other man in France today, knows that it is not by dismembering Germany and by creating a new and more aggressive Slav empire in the heart of Europe that the interests of his country will be saved and peace made secure. It is in the full consciousness of the best interests of France that he is turning toward England for the renewal and the strengthening of an alliance in which America will heartily join for the preservation of world democracy and world peace.

ITALY'S COLONIAL RULE IN AFRICA

THE opening of the Cyrenaica Parliament at Bengazi, Italian Africa, in the first week of May, deserves some mention. It is an attempt on the part of the Italian Government to show other Governments how to treat their Moslem subjects. Here the cousin of the King, the Prince of Udine, read the speech from the throne, which was quickly translated into Arabic, before a Chamber almost entirely composed of Senussi. All but one of the sixty-nine Deputies were present. Of the total, fifty-four had been elected by a suffrage of their own devising, seven had been appointed by the Italian Government and eight by the Grand Senussi. Of the Italian official Deputies one is the President of the Jewish community, the others are Italians; of the Senussite Deputies the most important is the Grand Senussi's cousin, Sidi Safi-Eddin, brother of the former Grand Senussi, who was defeated by the British troops in 1915 and abdicated. Of the fifty-four elected memebrs only two are Italians. Rules of procedure and party discipline were absorbing the new Parliament at last accounts.

THE MONTH IN THE UNITED STATES

Congress reduces the army to 150,000, but maintains the present naval force—Disarmament problems—Commotion created by a speech of Admiral Sims—Railway wage cuts and high prices problem—Tulsa race riots and Pueblo flood—New appointments

[Period Ended June 10, 1921]

THE Senate, which on June 7 by a vote of 35 to 30 refused to reduce the army to an enlisted strength of 150,000 men, reversed itself on June 8, when by a vote of 36 to 32 it decided on an army that would not exceed that number. The enlisted strength of the army at the time the vote was taken was about 215,000 men, and the Senate vote meant that in the next six months the War Department would have to find a way to return 65,000 soldiers of the regular establishment to civilian life.

Senator Wadsworth, Chairman of the Committee on Military Affairs, declared that the bill, while fixing the number at 150,000, would as a matter of fact mean a reduction to 120,000. This he predicted would demoralize the regular army and mean the wreckage of the skeleton structure on which the country must depend in the event of war. On the other hand, Senators Borah, La Follette, Reed and Williams favored a still more radical reduction, the latter even asserting that a regular army of 50,000 men would be sufficient for the peace-time needs of the nation.

As finally passed, the bill provided an appropriation of $113,000,000 less than was allotted last year.

Military Efficiency

Secretary of War Weeks on June 5 issued orders to the heads of all branches of the army, calling for the elimination of officers who did not measure up to military standards of efficiency. Under the instructions, officers who did not give satisfaction in one branch of the service were to be tried out in some other, and those who failed to measure up to standard in any of the positions to which they might be assigned were to become subject to discharge or retirement on small pay under the provisions of a recent law.

Memorial services were held May 23 at the army piers, Hoboken, N. J., in honor of 5,212 American war dead, brought back on the transport Wheaton from the military cemeteries of France. President Harding made an address which was marked by deep emotion. Standing among the flag-draped wooden coffins, the President's voice broke as he told of "one hundred thousand sorrows touching my heart."

"It must not be again," he declared firmly. Then he stopped. His eyes filled. His voice thickened. "It must not be again," he repeated reverently, as he placed a wreath upon the coffin of the first American soldier to die in action on German soil, Private Joseph W. Guyton of Michigan, killed May 24, 1918, on the Alsace front.

Shell-Shocked Men Cured

Forty per cent. of the 200 shell-shocked soldiers, treated at the Mendota State Hospital for the Insane in Wisconsin, were sent home cured, largely because of the work in occupational therapy started in October, 1919, under the direction of Dr. W. F. Lorenz, Professor of Neuro-Psychiatry at the University of Wisconsin. The work was begun with eight students, who were taught weaving, basketry and carpentry to draw their minds away from morbid memories. The number of patients was gradually increased, and the scope of their work was broadened when the Government suggested that automobile repairing and landscape gardening be added to their avocations. Of all the disability caused by the war, 27 per cent. was mental.

The Senate on May 24 by a vote of 45 to 23 refused to reduce the enlisted personnel of the navy from 120,000 to 100,000 men, and in subsequent votes sustained the position of the Committee on Naval Affairs on other important questions which are the subject of controversy between those who favor a radical reduction in naval expenditures and those who contend for a continu-

ance of the 1916 building program and the maintenance of the enlisted force at not fewer than 120,000 men. Party lines were forgotten, 31 Republicans and 14 Democrats voting for a navy of 120,000 men, while 13 Republicans and 10 Democrats voted for the 100,000 maximum fixed in the bill as it was passed by the House. Both Senators Lodge and Underwood, the party leaders of the Senate, supported the larger personnel.

Naval Appropriation Bill

The Naval Appropriation bill, carrying $494,000,000 for the maintenance of the sea force in the coming fiscal year and for continuing the 1916 building program, was passed by the Senate, June 1, by a vote of 54 to 17, party lines breaking, with 38 Republicans and 16 Democrats voting for and 12 Democrats and 5 Republicans voting against the bill as amended by the Senate Committee on Naval Affairs. The bill then went to the House with every prospect of a spirited fight between the conferees of the House and the Senate. The former body fixed upon a figure $98,000,000 smaller than that provided for in the Senate measure.

Speech of Admiral Sims

A sensation was created by a speech delivered in London, June 7, by Rear Admiral William S. Sims, in which he made caustic comment on Sinn Fein activities in this country. The Senate on June 9 passed without division a resolution introduced by Senator Harrison of Mississippi calling for an investigation of the incident, and Secretary Denby sent a cablegram to the Admiral on June 8 calling upon him to report immediately whether he was correctly quoted.

The part of the speech which evoked comment was quoted in the London newspapers as follows, after his references to movements to promote friendship and cooperation between England and America:

> That involved some unpopularity with certain of our hyphenated citizens on the other side. In this connection I may remark that it has been said that I was opposed to anything Irish. The cause of that was certain articles which I published in which I told the simple, plain truth as to actions of the Sinn Fein faction in reference to our troops during the war.
>
> They, the Sinn Feiners, had not the material equipment to attack us directly, but they attacked us indirectly and very dangerously. Forces had to be diverted from their legitimate duties to escort troops and merchant ships. That diminution of escort caused a great many ships to be sunk and a great many lives to be lost.
>
> That is the simple statement I made in my book. I have made it on various occasions on the other side at meetings called to counteract the propaganda, and I intend to keep on making it.
>
> We find a certain class of people on the other side who are technically American citizens. Some of them are naturalized and some of them were born there, but they are not Americans at all, because they are carrying on war against America today. They are carrying on war against you, because they are trying to hold up relations between the two countries.
>
> I have not hesitated to say of these "Americans" and Sinn Fein sympathizers that the whole truth of the business is that there is the blood of English and American boys on their hands. They don't like that, of course. These men are two-faced. They are Americans when they want money and they are Sinn Feiners on the platform. They are like a zebra—they are either a black horse with white stripes or a white horse with black stripes—but we Americans know perfectly well that they are not horses at all, and strongly suspect that they are asses.
>
> But note this point, please. Each one of these asses has a vote and there are a lot of them. The consequence was that American-born citizens found it necessary to cater for those votes—that was one of the inconveniences of a republic—which created a wrong impression on this side. Those who understand the situation, however, know how much importance to attach to the resolutions in favor of the Irish which were forced by those jackass votes.
>
> The Irish question is partly an American question. Eleven years ago I made a prophecy that came true. I will venture on another now. The English-speaking peoples are coming together in the bonds of comradeship, and they are going to run this round globe. I should like to see an inter-English-speaking policy and when we have that we shall have peace and prosperity.

In his reply to Secretary Denby's cablegram the Admiral said that some parts of the speech to which objection had been taken were garbled. He stated that he had said nothing in his speech which he had not said before in his book and in addresses which he had made in the United States. He added that he was returning at once to the United States in response to the Secretary's summons. The Admiral made his farewells to numerous friends and sailed for New York on June 15.

New Shipping Board

After a long effort to find the man best fitted to be the Chairman of the United States Shipping Board, the President on June 8 sent to the Senate the nomination of Albert D. Lasker of Chicago, Ill., as Chairman for a term of six years. At the same time the following six other members of the board were nominated:

O'CONNOR, T. V., of New York, for a term of five years.
CHAMBERLAIN, GEORGE E., of Oregon, for a term of four years.
PLUMMER, EDWARD C., of Maine., for a term of three years.
THOMPSON, FREDERICK I., of Alabama, for a term of two years.
LISSNER, MEYER, of California, for a term of one year.
BENSON, Admiral WILLIAM S., of Georgia, for a term of one year.

Messrs. Lasker, O'Connor, Plummer and Lissner are Republicans and the other three appointees are Democrats. Mr. Lasker is the head of the Lord & Thomas Advertising Agency of Chicago and has large interests in other important business enterprises. He is noted for unflagging energy and marked executive and administrative ability.

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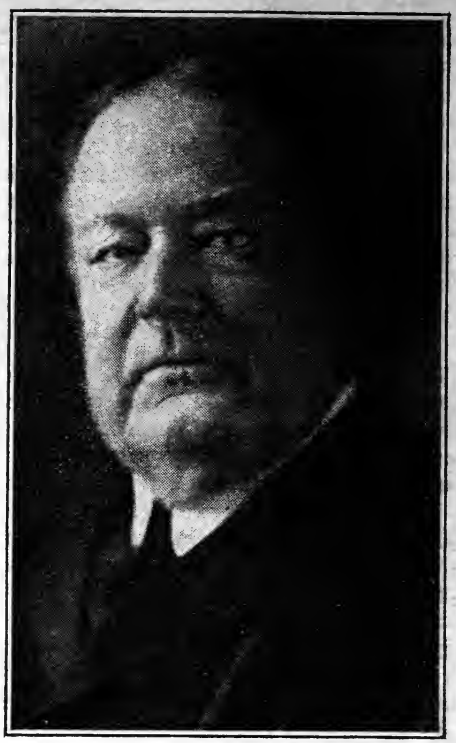
ALBERT D. LASKER
Chicago advertising man who has been appointed head of the Shipping Board



CHIEF JUSTICE WHITE
Venerable jurist who died suddenly at Washington on May 19, 1921

Disarmament Problems

By a vote of 74 to 0 the Senate on May 25 adopted the Borah amendment to the Naval Appropriation bill, which authorized and requested the President to ask Great Britain and Japan to hold a conference with the United States on the subject of reducing naval armaments. The amendment read:

> The President is authorized and requested to invite the Governments of Great Britain and Japan to send representatives to a conference, which shall be charged with the duty of promptly entering into an understanding or agreement by which the naval expenditures and building programs of each of said Governments, to wit, the United States, Great Britain and Japan, shall be substantially reduced annually during the next five years to such an extent and upon such terms as may be agreed upon, which understanding or agreement is to be reported to the respective Governments for approval.

On June 7 the House of Representatives by a vote of 232 to 110 sent the Naval bill to conference without instructions to its

JAMES M. BECK
New Solicitor General of the United States, succeeding Mr. Frierson

conferees. Through this course the House left its conferees free to substitute the Porter disarmament resolution for the Borah amendment. It was known that President Harding objected to the limiting provisions of the Borah amendment which left him no choice to invite other nations than Great Britain and Japan to a disarmament conference or to include the limitation of armies as well as navies. The Porter resolution gave this wider latitude.

Rival Peace Resolutions

The House of Representatives on June 13, by a vote of 305 to 61, passed the Porter resolution declaring a state of peace with Germany and the former Austro-Hungarian Empire. This resolution had been substituted by the House for the Knox resolution, which came from the Senate, and which, unlike the Porter resolution, contained a repeal of the original declaration of war. The Porter resolution was reported to the Senate on June 14. On motion of Senator Lodge, it was disapproved, and was sent to conference. A hard fight between the two legislative branches was in prospect when these pages went to press.

Rail Wage Reduction.

The United States Railroad Labor Board handed down an order on June 1, to become effective July 1, cutting wages of railway employes an average of 12 per cent. The order affected members of thirty-one labor organizations employed on 104 railroads and was estimated to mean a lessening of $400,000,000 in the annual payrolls of the roads.

The decision grants reductions varying from 5 to 13 cents an hour, or from 5 to 10 per cent., and in the case of section laborers completely wipes out the increase granted that class of employes in the $600,000,000 wage award of July 20, 1920. For section men the reduction is approximately 18 per cent. Switchmen and shop crafts get a 9 per cent. reduction, while the train service men are cut approximately 7 per cent. Car repairers are cut about 10 per cent.

Common labor pay, over which the railroads made their hardest fight, is to be reduced 6 to 8½ cents an hour, cutting

J. G. SCHURMAN
Former President of Cornell University, now United States Minister to China

freight truckers' average monthly wages to $97.10 and track laborers' to $77.11. The new schedule gives section men an average daily wage of $3.02 for an eight-hour day, although considerable testimony offered by the roads, particularly in the South, showed common labor wages as low as $1.50 for a ten-hour day.

Shop crafts employes and train and engine service men, except those in passenger service, are reduced 8 cents an hour. Construction and section foremen are reduced 10 cents an hour.

Passengers and freight engineers who received increases of 10 to 13 cents an hour by the 1920 award are to be cut 6 and 8 cents an hour, respectively. Passenger and freight conductors, who received increases of 12½ and 13 cents in 1920, are cut 7½ and 8 cents, respectively, by the new schedule.

Train dispatchers and yardmasters, whose monthly earnings at present average $260 to $270, are cut 8 cents an hour.

The attitude of the railway unions toward the decreases remained to be determined. The big brotherhoods were expected to meet on July 1 to consider the board's decision and determine on their course of action.

Mingo County Under Martial Law

Mingo County, W. Va., was declared in a state of insurrection and placed under martial law in a proclamation issued May 20 by Governor Morgan of that State. On the same day Adjt. Gen. Thomas B. Davis arrived at Williamson and bearing the Governor's mandate under executive designation took supreme command of the campaign to restore a reign of law in the riot-stricken region. The proclamation did not contemplate any steps of undue harshness in enforcement of martial law, the writ of habeas corpus was not suspended, and it was especially ordered that the civil courts should continue to function.

The presence of the troops had a sobering effect, and, with the exception of some slight outbreaks, law and order were reestablished and maintained.

Unemployment and Living Costs

A review of conditions made public by the Department of Labor on June 5 showed that the net increase in unemployment for May over April was one-half of 1 per cent. A gratifying feature of the report was the statement that in spite of adverse conditions there was a prevalence of business optimism, with a marked tendency to construe the occasional bright spots as harbingers of early and permanent improvement.

RICHARD WASHBURN CHILD
New American Ambassador to Italy, succeeding Thomas Nelson Page

Reports to the Labor Department up to May 19 indicated that the dollar earned and spent by the average family now would buy approximately 25 per cent. more than it would a year ago. The dollar now is worth approximately 65 cents, as compared with the pre-war dollar. In May a year ago, when prices were highest, the dollar was worth relatively only 37 cents. The increase is approximately 27 per cent. in value on the basis of a year ago. On this basis the nation's factory operatives now receive nearly $100,000,000 more purchasing power for their work, despite wage re-

ductions which most of them agreed to stand. About 12,000,000 men and women normally are employed in shops, factories and industrial plants of the United States. A review by the Federal Wage Board

(© Harris & Ewing)
DAVID H. BLAIR
Of Winston-Salem, N. C., who has been Confirmed as Internal Revenue Commissioner

showed that these were now averaging $28.08 per week. A year ago the average was $30.10, showing that the wage-cutting movement forced on employers by rising costs had reduced the average wage $2.02.

Increased Capital Assets Taxed

Through a decision of the United States Supreme Court on May 16, the contention of the Government that the increased value of any capital assets must be included in the profits of corporations when taxes are being computed was upheld. Justice Pitney handed down the decision, in which the Court joined. Justice McReynolds concurred only in the result.

The Court ruled that the appreciated value of the capital assets could not be construed as and added to "invested capital," and held that as such it must be considered and computed as profits of the concern, and therefore subject to taxation under the Excess Profits act. The decision disposed of the plea also made that the act was unconstitutional. The decision established a precedent which will involve the disposition of hundreds of millions of dollars' worth of invested capital.

Prohibition Enforcement

Enforcement of prohibition received a hard blow on June 1, when the United States Supreme Court held in a unanimous decision that former internal revenue laws were supplanted by the Volstead law and that the old penalties of internal revenue taxation could not be applied in addition to the penalties under the Volstead act. It was admitted by the "dry" leaders that hereafter prosecutions would have to be brought entirely under the Volstead act, the penalties of which are not so severe as those in the old revenue laws. Under the Volstead act, liquor manufactured illegally can be taxed, but the old penalties for defrauding the Government of taxes on liquor must not be applied.

Bergdoll Property Seized

All of the property of Grover C. Bergdoll, draft dodger and now a fugitive in Germany, was seized May 27 by Colonel Thomas W. Miller, Alien Property Custodian, under the Trading With the Enemy act, at the personal direction of President Harding. Bergdoll now stands in the eyes of the Government an "enemy without rights of American citizenship." To regain his property he must return to the United States and prove his ownership. Even then Congress must act before he can return. But the moment he sets foot on American soil and applies for his property he will be subject to arrest and must serve out his five years' sentence as a deserter, with possibly an added penalty because of his escape while ostensibly hunting for his buried "pot of gold." The value of the property seized was over $800,000.

On June 10 Mrs. Emma C. Bergdoll, mother of the Bergdoll brothers, convicted slackers and army deserters, saved herself and four co-defendants charged with conspiracy to aid Grover C. and Erwin R. Bergdoll to evade army service from going to jail by paying $23,000 in fines imposed by the United States District Court.

Tulsa Race Riots

A disastrous race war broke out in Tulsa, Okla., May 31, and resulted in 33 deaths, of which nine were those of white men. A negro named Rowland had been arrested, accused of attacking a white orphan girl. Rumors flew through the black belt that he was about to be lynched and several hundred negroes heavily armed assembled before the County Court House in which Rowland was held, with the avowed purpose of preventing a lynching by force of arms. The police attempted to disperse them and were met with a volley of shots. The whites began to assemble, hardware and sporting goods houses were looted of arms, and as soon as the dawn came the whites began an invasion of the negro quarter. Negro snipers maintained a harassing fire from windows and housetops, but the whites drove them away and set fire to the houses in the section. Some thirty blocks of the district were in flames and few houses escaped. By night forces of the State militia, who had been summoned, gained control of the situation and the rioting came to an end. Martial law was proclaimed and a vigorous investigation of the matter was begun.

Floods Overwhelm Pueblo

Flood waters of the Arkansas River, suddenly swollen by a great cloudburst fifteen miles west of Pueblo, Col., swept into and through the city on June 3, causing a loss of at least seventy lives and property damage variously estimated at from $10,000,000 to $20,000,000. The entire business section was inundated to a depth of from three to eighteen feet, bridges were swept away and all connection with the outside world was broken. There were heart-rending scenes as mothers rushed frantically about looking for their children. Fire added to the horrors of the situation. Vandals sought to take advantage of conditions and there was much looting, which was finally checked by Rangers, National Guardsmen and civilians who were recruited for rescue work and to maintain law and order. After twenty-four hours, the waters which had been augmented by the tribute from broken dams, began to recede and the stricken people commenced the work of reconstruction, aided by contributions of money and supplies that poured in upon them from all parts of the country.

Death of Chief Justice White

The death, at the age of 75, of Chief Justice Edward Douglass White of the Supreme Court of the United States, on May 19, was a distinct loss to American jurisprudence. He had had a varied career as soldier, lawyer, legislator and jurist, and in each sphere had displayed eminent ability and won the honor and affection of his countrymen. He was born in Lafourche Parish, La., Nov. 3, 1845; received his education at Mount St. Mary's College, Maryland, and at the Jesuit College in New Orleans, and during the war served in the Confederate Army. Following the war, he studied law and was admitted to the Louisiana bar. He was State Senator in 1874, Associate Justice of the Supreme Court of Louisiana in 1878 and United States Senator from 1889 to 1894. In the latter year President Cleveland made him an Associate Justice of the United States Supreme Court. In 1910 President Taft appointed him Chief Justice of the Supreme Court, despite the fact that Justice White was a Democrat. He took part in many memorable decisions, and it was he who laid down the "rule of reason" in trust cases.

Important Nominations

On May 17, President Harding sent to the Senate the nominations of Richard Washburn Child of Massachusetts to be Ambassador to Italy and Jacob Gould Schurman of New York to be Minister to China.

Mr. Child was born in Worcester, Mass., in 1881. He graduated from Harvard in 1903. In politics he has been an active Progressive. He was at one time editor of Collier's Weekly. During the war he was engaged in war finance work at Washington. He is widely known as a writer of books and a contributor to magazines of both stories and critical articles.

Dr. Schurman has been well known as President of Cornell University, from which he resigned in 1920. He served as President of the first Philippine Commission in 1899, and in 1912-13 he was Minister to Montenegro and Greece. He is prominent as an author and lecturer. He is 67 years old.

Attorney General Daugherty announced on May 19 that he had recommended the appointment of James M. Beck of New York as Solicitor General of the Department of Justice, to succeed William M. Frierson, the present incumbent. It was expected that he would assume his new duties July 1.

Mr. Beck has held public office before. He was appointed Assistant Attorney General by President McKinley and held the same office under President Roosevelt. During the war he wrote an article entitled "In the Supreme Court of Civilization," in which he presented the case against Germany from a lawyer's standpoint. This was published in the January, 1915, issue of CURRENT HISTORY. Later on the article was published in book form under the title "The Evidence in the Case." It was translated into several languages and had a wide circulation abroad.

Following a debate in secret executive session that lasted more than four hours, the Senate on May 26 confirmed the nomination of David Blair of Winston-Salem, N. C., to be Commissioner of Internal Revenue. The vote was 59 to 15 in favor of confirmation.

FOREIGN POLICY OF THE UNITED STATES

The Washington Government's acceptance of the invitation to participate in interallied councils—Ambassador Harvey's address in London, explaining the American policy, gains world-wide attention—The Yap controversy

MANY recent developments have tended to clarify the foreign policy of the United States Government. Foremost among these are the diplomatic exchanges with Japan concerning the Island of Yap, the acceptance of the allied invitation to send representatives to the Supreme Council, the Conference of Ambassadors and the Reparation Commission, and the address made by George Harvey, the Ambassador of the United States to Great Britain, at the Pilgrims' dinner in London.

The refusal of the United States to act as mediator in the matter of the German reparations had important repercussions on our foreign policy. The fact that the Washington Government had even considered taking any part in the matter was interpreted by the Allies as a departure from the former American attitude of aloofness, to which they had more or less resigned themselves after the Senate's failure to ratify the Treaty of Versailles. Hope was reawakened of America's closer co-operation with the Allies in the readjustment of the world's affairs.

A formal invitation to this effect was extended to the United States Government on May 5 by Premier Lloyd George, as President of the Allied Conference. The following statement, embodying the invitation and the response of this Government, was made public by Secretary Hughes on May 6:

DEPARTMENT OF STATE,
Washington, May 6, 1921.

The following message, addressed to the Government of the United States by the Right Hon. David Lloyd George, Prime Minister of Great Britain, as President of the Allied Conference now sitting in London, was delivered by the British Ambassador to the Secretary of State on May 5, 1921:

"As President of the Allied Conference, which is just completing its sittings in London, I am authorized, with the unanimous concurrence of all the powers here represented, to express to the United States Government our feeling that the settlement of the international difficulties in which the

world is still involved would be materially assisted by the co-operation of the United States; and I am, therefore, to inquire whether that Government is disposed to be represented in the future, as it was at an earlier date, at allied conferences, wherever they may meet, at the Ambassadors' Conference, which sits at Paris, and on the Reparations Commission.

"We are united in feeling that American cognizance of our proceedings and, where possible, American participation in them will be best facilitated by this."

The following reply of the Government of the United States to the above message was communicated by the Secretary of State to the British Ambassador on May 6, 1921:

"The Government of the United States has received through the British Ambassador the courteous communication in which you state that, with the unanimous concurrence of the powers represented at the Allied Conference in London, you are to inquire whether this Government is disposed to be represented in the future, as it was in the past, at allied conferences, at the Conference of Ambassadors in Paris and on the Reparations Commission.

"The Government of the United States, while maintaining the traditional policy of abstention from participation in matters of distinctly European concern, is deeply interested in the proper encouragements and in the just settlement of matters of world-wide importance which are under discussion in these conferences, and desires helpfully to co-operate in the deliberations upon these questions.

"George Harvey, appointed Ambassador to Great Britain, will be instructed on his arrival in England to take part as the representative of the President of the United States in the deliberations of the Supreme Council. The American Ambassador to France will be instructed to resume his place as unofficial observer on the Conference of Ambassadors, and Mr. Roland W. Boyden will be instructed to sit again in an unofficial capacity on the Reparation Commission.

"The Government of the United States notes with pleasure your expression of the belief of the representatives of the allied Governments assembled in London that American co-operation in the settlement of the great international questions growing out of the World War will be of material assistance."

Gratification was expressed by the allied press and in allied official circles over this decision, and when, later on, Ambassador Wallace and Mr. Boyden took their places as unofficial observers in the sessions respectively of Ambassadors and of the Reparation Commission, they received a cordial welcome.

Correspondence on Yap

The importance of the situation growing out of the controversy over the status of the former German Island of Yap in the North Pacific was emphasized by correspondence made public April 18 by Secretary of State Hughes. The documents given out included three American and two Japanese notes exchanged in the past six months. Their publication revealed that the determination with which each Government maintained its position was developing a situation of considerable tension between them.

The tone of some of the Japanese notes was curt and betrayed considerable feeling. They maintained that Japan regarded any exclusion of Yap from the Japanese mandate over North Pacific islands as a "question of grave concern to Japan," and one on which the Japanese delegation to the Peace Conference had "invariably maintained a firm attitude." They contended that as long ago as May 7, 1919, the Supreme Council of the Allies at Paris made a "final" decision to place the "whole" of the German islands north of the Equator under Japanese control, with "no reservations whatever" regarding Yap.

The United States Government was informed that "the Japanese Government would be unable to consent" to any proposition which, reversing the decision of the Supreme Council, would exclude Yap from the territory "committed to their charge." In very pointed fashion the Japanese Government called on the United States "to prove not merely the fact" that President Wilson and Secretary Lansing had made reservations concerning Yap, but also to prove that the Supreme Council had "decided in favor of such reservations."

Throughout the correspondence Japan endeavored to make the question of "fact" as to whether reservations had been made by President Wilson and Secretary Lansing a determinative one. The American stand, as revealed by the correspondence, was that the question of fact was a subordinate issue. This Government held that that question was settled, not only by the reservations claimed to have been made, but again specifically and unequivocally by President Wilson himself in his memorandum of March 3, 1921, to the State Department.

The United States therefore believed that the question of fact had been determined definitely and had no intention of entertaining any imputation of bad faith from any foreign Government. This matter, however, was brushed aside as of minor importance. The essential features of this letter appeared in May CURRENT HISTORY.

In his reply to the Japanese note of Feb. 26, Secretary Hughes laid down the fundamental principle that the right to dispose of Germany's former overseas possessions was acquired only through the victory of this country and the Allies, and that there could be no valid or effective disposition of the overseas possessions of Germany now under consideration "without the assent of the United States," which assent had never been given. This Government therefore "cannot recognize the allocation of the Island of Yap or the validity of the mandate to Japan."

It was announced at Washington on May 23 that the State Department had received a communication from the Japanese Government bearing on the Yap controversy. The text was not made public, but it was authoritatively stated that the officials of this Government were satisfied with the progress made toward a solution of the problem. The tone of the Japanese note was courteous, in marked contrast to some of its predecessors.

Statements have been issued by France and Italy indicating that they upheld the contention of the United States. The essential part of the French note was published in the May issue of CURRENT HISTORY.

AMBASSADOR HARVEY'S ADDRESS

George Harvey, the United States Ambassador to Great Britain, made a notable address on May 19 at a dinner given by the Pilgrims in London to welcome him to his new post. The part of his speech which attracted world-wide attention was this:

> There still seems to linger in the minds of many here, as, indeed, of a few at home, the impression that in some way or other, by hook or by crook, unwittingly and surely unwillingly, the United States may be beguiled into the League of Nations. Now let me show you how utterly absurd any such notion is. I need not recall the long contest waged between the two branches of our Government over this proposal. I need hardly mention that the conflict became so sharp that even the treaty went by the board, to the end that today, paradoxically enough, America continues to be technically at war, but actually at peace, while Europe is nominally at peace, but, according to all reports, not wholly free from the clash of arms.
>
> Finally, as you know, the question of America's participation in the League came before the people and the people decided against it by a majority of 7,000,000 out of a total vote of 25,000,000. Prior to that election there had been much discussion of the real meaning of the word mandate. There has been little since a single example provided the definition. A majority of 7,000,000 clearly conveyed a mandate that could neither be misunderstood nor disregarded.
>
> Anybody could see that it follows then inevitably and irresistibly that our present Government could not without betrayal of its creators and masters, and will not, I can assure you, have anything whatsoever to do with the League or with any commission or committee appointed by it or responsible to it, directly or indirectly, openly or furtively.

No disclaimer from President Harding or Secretary Hughes indicated that the Ambassador's views were other than those of the Administration.

NO INTERVENTION IN SILESIA

Through the Polish Minister in Washington, Prince Casimir Lubomirski, the Government of Poland on May 11 addressed a long communication to Secretary Hughes, reciting its arguments for the assigning of certain districts of Upper Silesia to Poland. Prince Lubomirski asked Secretary Hughes to instruct Ambassador Harvey, Ambassador Wallace and Mr. Boyden, the American representatives respectively in the allied Supreme Council, the Council of Ambassadors and the Reparation Commission, to "throw their influence in favor of the principles of justice, humanity and the rights of these masses of Polish workmen by settling the Upper Silesian problem strictly according to the Treaty of Versailles and the result of the plebiscite."

Secretary Hughes replied May 14 that the dispute was a matter "in which, in accord with the traditional policy of the United States," this Government should not become involved. Representatives of the United States in Europe have been instructed that, "as far as at present may be seen," they are to take no part in the discussions concerning Upper Silesia and "express no opinion" as to the settlement.

Dutch Oil Field Negotiations

The State Department on May 12 made public a summary of the reply of the Netherlands Government to the latest note of Secretary Hughes insisting on equal rights for Americans in the development of oil concessions in the Dutch East Indies as a condition on which Dutch concerns would be allowed to participate in similar development of public lands in the United States.

The Dutch Government stated that when American Minister Phillips requested last January that United States companies be permitted to participate in the Djambi concessions, the law limiting this development to Dutch concerns, which since had been passed by the Second Chamber of the Dutch Parliament, already had been drafted and the question of its approval by Parliament settled. The American Minister, however, called attention to the fact that prior to the introduction of the bill he had made representations on the subject of American participation.

A statement was authorized by the State Department that equal opportunities for Americans in Dutch oil territory would be insisted upon and that, failing such equality accorded, exclusion of Dutch interests from the American oil fields would follow.

It was stated on May 31 that a new note was addressed by Secretary Hughes to the Dutch Government embodying the foregoing views. The text was not made public.

Monroe Doctrine Reaffirmed

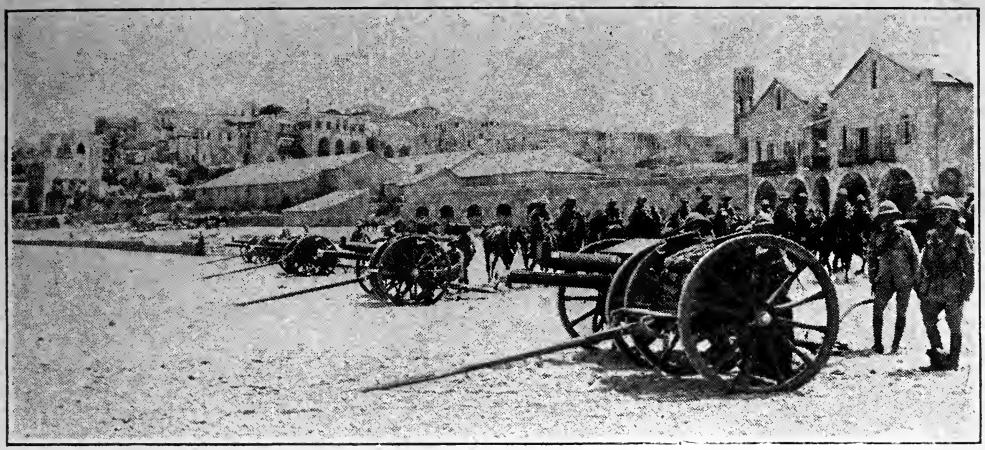
With fitting ceremonies the United States and the City of New York, on April 19, accepted Venezuela's gift of the statue of the South American liberator, General Simon Bolivar. The salient feature of the occasion was the declaration by President Harding, who made the unveiling address, that this country was willing to fight, if necessary, for the preservation of the Monroe Doctrine.

Speaking slowly, so that his words would gather empasis, the President declared that much of the new world's accomplishments had been due to democracies. Then, after referring to the wilful misunderstanding of the Monroe Doctrine by older nations, he added:

"The history of the generations since that doctrine was proclaimed has proved that we never intended it selfishly; that we had no dreams of exploitation. On the other side, the history of the last decade certainly must have convinced all the world that we stand willing to fight, if necessary, to protect this continent and these sturdy young democracies from oppression and tyranny."

THE PRESIDENT'S POWER OVER CABLES

CABLE landing permits are formally vested in the authority of the President, who has full power to grant or refuse access to the territory of the United States or its possessions by a bill finally passed by Congress on May 23. The bill was presented owing to a suit in the Supreme Court begun by the Western Union Telegraph Company to compel the authorities to permit landing of a cable from the Barbados at Miami, Fla. President Wilson had refused to allow it because the company intended to connect with a British line having a monopoly of cable communication in Brazil; he objected to having an American concern linked with a monopoly, and President Harding followed his example. The Western Union brought suit in the Supreme Court, and the new law was enacted to remove any doubt of the President's power, its passage being in the nature of a race between legislation and a court decision.



(Photo Elizabeth L. McQueen)

VIEW OF JAFFA, PALESTINE, WITH THE BATTERY THAT FIRED THE SALUTE UPON THE ARRIVAL OF THE HIGH COMMISSIONER, SIR HERBERT SAMUEL

A HISTORIC EVENT IN PALESTINE

By Elizabeth L. McQueen

An eyewitness description of the landing of Sir Herbert Samuel at Jaffa, and of the ceremonies that marked the moment when the Holy Land, so long under Moslem rule, passed under the civil sway of Great Britain through an allied mandate

A SMALL gathering of people, furnished with special passes, witnessed the landing of Sir Herbert Samuel at Jaffa, Palestine, on June 30, 1920, to act as High Commissioner under the mandate exercised by Great Britain. The day was fine, typical of Palestine, hot and clear. The waterfront was beflagged, a carpet was laid from the landing along the beach, and a marquee had been spread on the shady side of the Custom House for the reception of the titled and distinguished Jew whom the British had sent to govern Palestine. The huddled old houses of Jaffa looked down from the hill upon the event, which bade fair to have a lasting effect on history.

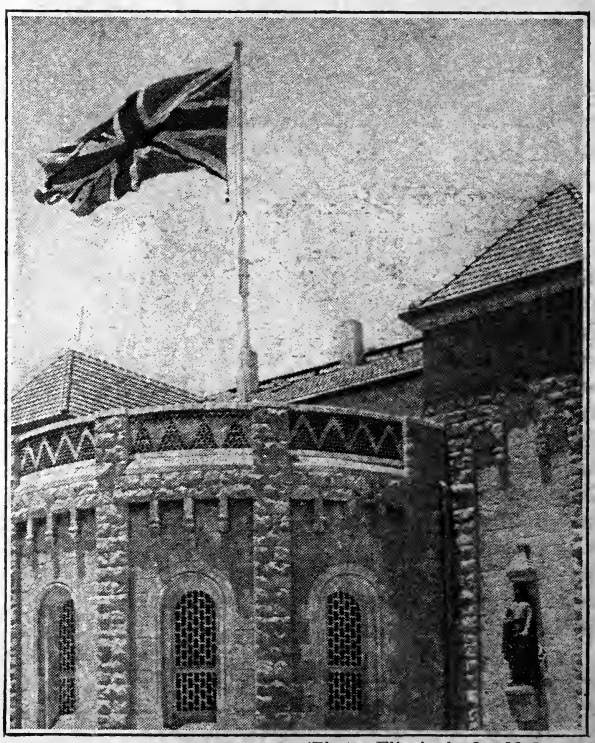
It was my privilege to be one of the few witnesses of the High Commissioner's arrival. The situation at the time in Palestine was such that every military and police precaution had been taken to protect the new official, and the atmosphere was tense with expectancy, as there were many rumors afloat as to what the Arabs were going to do. The majority of them seemed to be unwilling to make any demonstration of welcome, and were noticeably absent. Wild rumors that a plot was brewing to kill the new administrator were secretly whispered, but the military authorities knew the situation and how to handle it. For several days previous to the landing of Sir Herbert Samuel, airplanes manoeuvred over Jerusalem and Jaffa, keeping a watchful eye on the district; British military officers had been particularly busy, and several arrests had been made, which put a stop to secret plots.

On going down into the town of Jaffa on the morning of this important day, I found Indian cavalry stationed in the square in front of the Governor's House, and groups of notables awaiting their turn to proceed to the landing place to welcome Sir Herbert Samuel. I noticed particularly the patriarchal figure of a Jewish rabbi, made distinctive by a long white beard. The population of the little seaport was in holiday attire, and the streets were decorated here and there, but it would be an exaggeration to say that any special enthusiasm was being manifested, or that joy over this

event was at all general. In fact, there seemed to be a wet blanket dampening the spirits of the people. Everybody was more or less apprehensive; the Jews feared that something would happen to their new spokesman, and the Arabs feared that their liberties might be curtailed and their country taken from them. The prevailing state of mind was cleverly expressed by a person well versed in the political situation, who said that for the first month the new High Commissioner would need a bodyguard to protect him against the Arabs, but that thereafter he would need a bodyguard to protect him against the Jews. Those who knew him declared that he was 100 per cent. English, so that there could be no danger that equal rights would be sacrificed under his administration. Still, the outlook was not reassuring, and this was evidently the opinion of the crowd. Many Arabs, indeed, remained indoors to signify their disapproval of the whole proceeding.

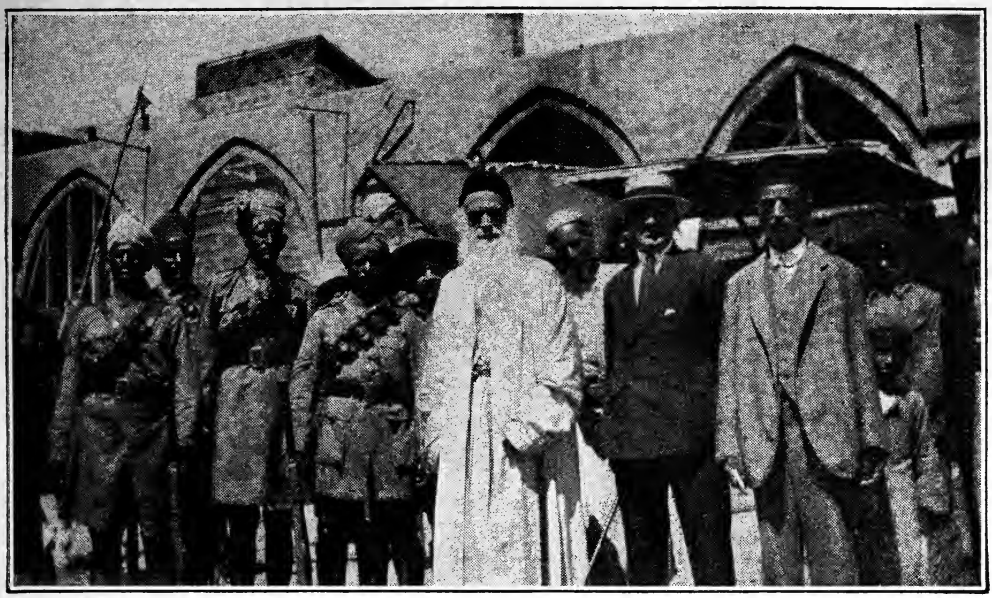
Out upon the road leading to the beach I found other detachments of Indian cavalry guarding and clearing the streets. A battery of British guns clattered down to the beach and took up its position to fire the official welcome. The sea was like a mirror and of that exquisite blue which is characteristic of the Mediterranean. By contrast the yellow sands gleamed invitingly, and a gentle surf murmured up to the feet of the waiting soldiers. Peter, staying at the house of one Simon, the tanner, in this very place, somewhere among the houses overlooking the beach, could never have seen a fairer day than the one which greeted Sir Herbert Samuel. In fact, a few rods away, tanners were still busy at their trade, soaking the hides in the salt water as they must have done of old.

With swinging step the guard of honor marched to its position at the landing place, and all was attention for the expected arrival. The small harbor of Jaffa is closed to large ships by a line of jagged rocks, so that passengers must reach their ships or the shore in rowboats. About 11 A. M. a British destroyer, gray and trim, came to anchor in the offing, and Colonel Rowland Storrs, Military Governor of Jerusalem, acting for General Bols, the retiring Chief Administrator of Palestine, was rowed out to the warship to greet the High Commissioner. Not long after, the barge bearing the New Administration was seen approaching the landing place through the narrow passage between the rocks. It was observed that Sir Herbert Samuel was dressed in white, and that he wore a purple scarf with a new decoration conferred upon him by the English King. A salute of guns was now fired by the man-of-war and the battery on the beach alternately, officially announcing the arrival. The guard of honor saluted, the band played "God Save the King," and airplanes flew overhead.



(Photo Elizabeth L. McQueen)

GERMAN HOSPICE ON THE MOUNT OF OLIVES, NEAR JERUSALEM, WITH THE BRITISH FLAG FLYING OVER IT FOR THE FIRST TIME. THE KAISER'S STATUE IS STILL IN THE NICHE ON THE RIGHT



A VENERABLE JEWISH RABBI, WITH INDIAN TROOPS, AWAITING THE ARRIVAL OF THE HIGH COMMISSIONER IN THE PUBLIC SQUARE AT JAFFA

(Times Wide World Photos)

SIR HERBERT SAMUEL

High Commissioner for Palestine

In the marquee the Mayor of Jaffa, Assem-el-Saïd, made the following address to his Excellency:

> As President of the Jaffa Municipal Council, I beg to welcome you, and to express to you our congratulations on your safe arrival in the Holy Land. This country is in great need of a British High Commissioner, who will justly, firmly, thoroughly and ably investigate the conditions and the needs of the country in all respects. From the depths of our hearts, we desire that this town and country, with all its inhabitants, shall find happiness under the shield and protection of the British nation, the foundation of whose Governments throughout the world is based on justice, freedom and equality for all sects and denominations. May Almighty God help us all in our efforts to do what is right and peaceful. I beg to place this short address of welcome in a casket made in our beloved country, and I hope you will kindly accept it with our most profound respect.

The High Commissioner replied in appropriate terms. He then reviewed the guard of honor, and the notables of Palestine, who were present by invitation, were introduced to him by the Governor of Jerusalem. The Commissioner then walked toward the official motor car for the trip to Ludd en route to Jerusalem. At this moment Colonel Grey Donald, head of the Public Works of Palestine, took a small Union Jack from his pocket and fastened it to the front of the car. This seemingly insig-

nificant act was really momentous, for it was the first official display of the British flag in Palestine, although that country had been under a British military administration for more than two years. This asdenoted that Great Britain had now assumed the mandate over Palestine—subject to formal confirmation by the League of Nations.

Escorted by Indian cavalry, the car now sped on its way toward Jerusalem, which was reached that afternoon, over a route which was changed several times from the original program to insure safety. At Ludd, Sir Herbert took a special train to Jerusalem, escorted by two airplanes. The arrival at Jerusalem was under the immediate supervision of the popular Assistant Administrator of Palestine, Colonel E. L. Popham, who was very active in all the reforms introduced by the military administration.

The new High Commissioner was met at the Jerusalem station at 3 P. M. by Colonel Popham and other officers and was introduced to members of the Jerusalem municipality. The Mayor, Nashashiby, delivered the following address:

> This Holy City welcomes your Excellency, the High Commissioner, deputed by his Majesty the King of Great Britain, the greatest sovereign in the world, to represent his Majesty in the administration of this country and to bring happiness to its inhabitants, to mark the path of their progress and their prosperity, and to preserve the balance of equal justice among them, without distinction or difference. These are the aims of the Government of Great Britain in all the territories which she administers. We confidently look to the help of the British Nation, the Mother of Liberty and Peace, for the development and progress of the country. We pray the Almighty that your arrival may signify the commencement of a period of welfare and happiness. We note with pleasure the especial privileges with which the Almighty has endowed you; the capacity, culture and experience which have rendered you famous, and which are the marks of that high ability which your exalted office demands.

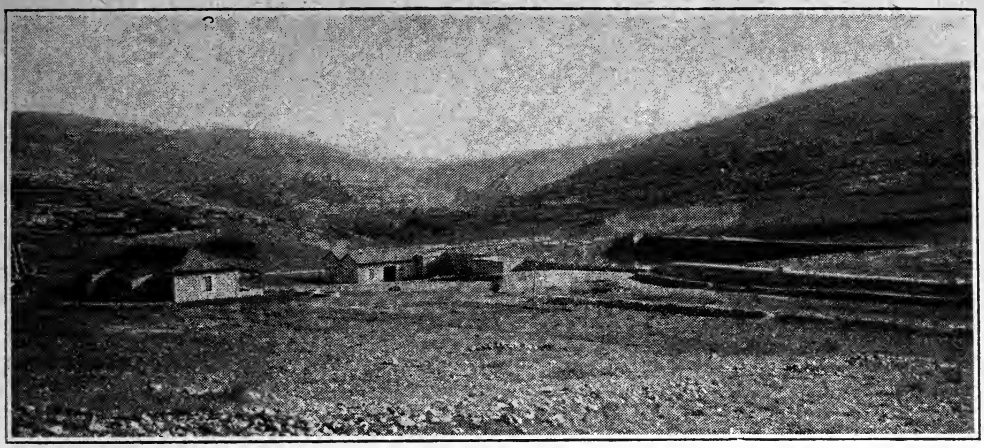
After the departure of Sir Herbert Samuel from Jaffa, the city again took up its daily habits as though nothing vital had occurred. The Arabs strolled down to the beach and sat on little stools drinking their coffee. The usual collection of little boys plunged into the bay and strings of orphans led by teachers marched to the water side for their daily bath. With the waning afternoon the camels brought their wares to the Custom House; a British officer rode his horse into the sea and then gave him a roll on the sand. A few fishermen were diving for sea food near the line of outer rocks, and some fishing boats returned to the beach with their day's catch. Distant sails were seen on the horizon and a glorious sunset with the serenity of the evening settled upon the Joppa of Bible times, which on this day, when the British mandate took effect in Palestine and the Union Jack flew for the first time in the Holy Land, had added a new page to its fame.

In looking back upon this experience in Jaffa, I recall the fact that I found only three Americans at this noted event, one of whom upon request sent out the official cable news of the addresses.

In the meantime, in Jerusalem, General Bols received the new High Commissioner at military headquarters on the Mount of Olives and then took his departure for England, followed by numerous other officials. The British military administration, with its notable victories, had ceased and was now replaced by a civil administration designed to carry out the Balfour resolution and to work out, if possible, through peaceful progress, the many problems confronting the Holy Land.

THE NEW FIELD MUSEUM IN CHICAGO

THE new Field Museum on the Lake Front of Chicago, one of the handsomest of its kind in the world, was thrown open to the public on May 3, 1921. All the contents of the old Field Museum in Jackson Park, a relic of the World's Fair, were transported to their new habitat at the cost of two years' hard labor, and an expense of between six and eight million dollars. The museum and its palatial quarters are a gift to Chicago made by the late Marshall Field. The old building in the former World's Fair grounds now becomes a recreation centre for the State of Illinois.



(Photo American Colony, Jerusalem)

JERUSALEM'S NEW WATERWORKS, THIRTEEN MILES SOUTH OF THE CITY, WITH THE OLD RESERVOIR OF PONTIUS PILATE, BUILT IN THE TIME OF CHRIST. THE RESERVOIR HAS BEEN ENLARGED, AND VARIOUS SPRINGS IN THE DISTRICT NOW FILL IT CONSTANTLY WITH PURE WATER

DRINKING FROM PONTIUS PILATE'S RESERVOIR

By Harold J. Shepstone

How Jerusalem has been supplied with an abundance of pure water by British engineers who have applied modern science to cisterns and reservoirs of the time of Christ

NOT the least of the blessings which the British occupation has conferred upon Palestine is the giving of an ample water supply to Jerusalem. Prior to this, the Holy City was dependent upon the local rainfall for its water. The rain was collected and stored in cisterns, many of which were situated under the houses or at the back of the premises. Water gathered during the rains on the flat roofs was conducted to the cisterns by pipes, and there stored until wanted.

Jeremiah speaks of these cisterns, when he represents the Lord as saying: "My people have committed two evils: they have forsaken Me, the fountain of living waters, and hewed them out cisterns, broken cisterns, that can hold no water." Many of these ancient cisterns were found by the British to be in a sad state of repair, and were breeding places of disease. The military authorities had them thoroughly renovated; some had not been cleaned for a hundred years and more.

But the cisterns were not sufficient to supply the city's needs. So long as Jerusalem was under Turkish rule, the city suffered from the lack of a good water supply. Except for one small spring, the Virgin's Fount, so named because it is believed that it was here the Virgin washed her son's swaddling clothes, Jerusalem cannot boast of a single fountain. And even this spring is situated outside the city, in the Kedron Valley.

A year or two before the war, it is true, the Turks built a four-inch pipe which ran from the Pools of Solomon, south of Bethlehem, to the Temple area; but the water supply from this source was limited and for the most part reserved for the mosque. Even in King Solomon's days the want of water was felt, and he obtained his supplies from three reservoirs built in a valley below Bethlehem. From these pools water was brought to the city by an aqueduct.

Over and over again, engineers and others offered to repair these reservoirs and to build a modern pipe line, but the Turks rejected all proposals. Their excuse was either

the general unrest of the country, or the assertion that the conditions imposed made the scheme impracticable. The result was that Jerusalem, the largest and most important city in Palestine, was forced to depend upon the scanty rainfall.

Early in February, 1918, less than three months after the capture of Jerusalem, the Royal Engineers began to grapple with this problem. They went first to the Virgin's Fount and made an exhaustive study of this historic and interesting spring. It was found to be no ordinary intermittent spring, but rather a fountain of the character of a geyser, for the flow occurs from three to eight times a day, the output varying from 2,000 to 11,000 gallons at each spurt.

It will be recalled that it was from this spring that Hezekiah, over 2,600 years ago, conveyed water by means of a tunnel to the Pool of Siloam, famed in connection with the story of the healing of the man blind from birth. The British laid pipes from the spring, and water was pumped to tanks in the Valley of Jehoshaphat, near the northeastern corner of the city walls.

Although this was a great improvement, the supply was still found to be insufficient for the needs of the ever-growing city. An examination was then made of the Pools of Solomon, to the south of Bethlehem. In the end, however, it was decided to repair and use the old reservoir, now known as Birkett Arroub, lying a few miles south of Pools of Solomon. This reservoir was built by Pontius Pilate, and it was from here that he brought water to the city. History records how Pilate took money from the Temple treasury with which to construct a water supply.

Pilate's old reservoir has now been repaired and enlarged so that it has a capacity of 5,000,000 gallons. Galleries have been built in various directions to tap the numerous surrounding springs, including those of Ain der Dirweh, in which, it is alleged, Philip baptized the eunuch. A powerful pumping plant was installed, by which the water is now pumped to large reservoirs built on higher ground on the Hebron road, the water flowing from here by its own gravity in a one-foot iron pipe to twin pools on the hill west of the city, whence it is conducted to various standpipes in and around Jerusalem.

Pilate's aqueduct, ruins of which still dot the landscape, stretched for a distance of forty miles, though as the crow flies the Holy City lies but thirteen miles away. This great extension was necessary in order to circumvent the intervening hills. The British pipe line, however, is but fifteen miles in total length. As one of the natives remarked to the engineer, it is driving a stream uphill. The home of the guardians of the water tanks stands on the very spot where the Turks surrendered the Holy City to the British on Dec. 9, 1917.

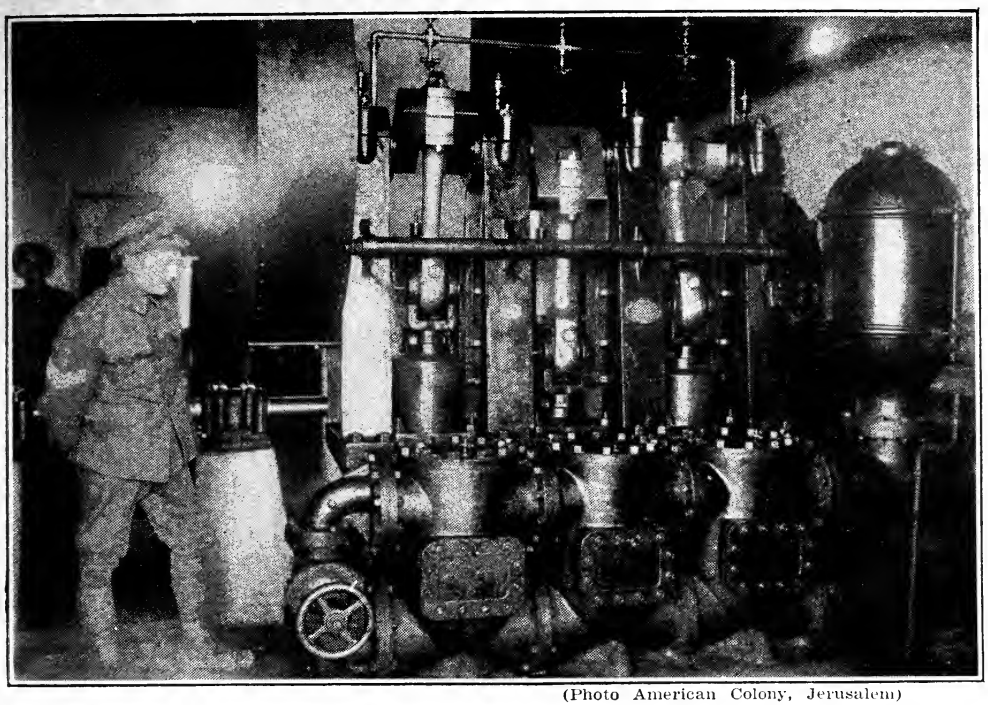
For the first time since the days of Solomon and of Pontius Pilate, Jerusalem now has an abundant supply of fresh water. What is more, the water is free. The only people who have complained are the water peddlers. Moreover, the death rate of the city has dropped by one-half.

In a like manner the water supply of the country towns and villages has been overhauled. Ancient Jericho now has pure water in abundance, brought by pipes from Elisha's Fountain, which lies to the west. Travelers journeying from Jerusalem to the Jordan and the Dead Sea are now assured of good drinking water in place of the fouled water that formerly came through the ditches by the roadside from the distant fountain. Elisha's Fountain is undoubtedly the source whose waters healed that prophet on his return from the memorable walk across the plain to and beyond the Jordan, which ended in his translation.

Beersheba, Palestine's most southern city, has also its own water supply, raised from one of its old wells, which was undoubtedly in existence in Abraham's time. Beersheba, in fact, means "seven wells," and they have all been identified, cleaned, repaired, and once more made to do service for man and beast.

No account of the organization of the water supply of this sacred land would be complete without a reference to the work of enclosing the pits or wells. Near every village may be found a pit, where water was caught and stored for use in the dry season. These were a real danger, as men and beasts often fell into them, sometimes with fatal results.

We read in Chronicles how Benaiah "slew a lion in the midst of a pit on a snowy day," and in the New Testament how Christ asked: "Which of you shall have an ass, or an ox, fallen into a pit, and will not straightway pull him out on the Sabbath



(Photo American Colony, Jerusalem)

MODERN BRITISH MACHINERY PUMPING WATER FOR THE CITY OF JERUSALEM FROM THE RESERVOIR BUILT NEARLY 2,000 YEARS AGO BY PONTIUS PILATE

(Photo American Colony, Jerusalem)

WHERE THE TURKS SURRENDERED JERUSALEM TO THE BRITISH, THE NATIVES NOW GO FOR UNLIMITED SUPPLIES OF PURE DRINKING WATER

day?" A few years ago an English medical man fell into an ancient cistern near Dothan, the mouth of which was concealed by snow. He was not hurt by the fall but the inside of the pit was as smooth as glass and it was impossible to climb out. Notwithstanding his cries for help, he was not discovered and rescued until he had spent two days and a night in the pit.

These water holes, unless on private property, are now protected and enclosed. At first the natives objected, declaring that the pits had always been left open. With great diplomacy Colonel Storrs, the Military Governor, explained that it was no new command, and quoted Exodus xxi., 33-34, as proof: "And if a man shall open a pit, or if a man dig a pit and not cover it, and an ox or an ass fall therein, the owner of the pit shall make it good." The reasonableness of the order was admitted. All pits are now protected, and what was always a danger to both man and beast has been removed.

FIGHTING THE TURKS AT AINTAB

By Dr. Lorin Shepard

Story of the seventy days' siege of Aintab, as told by an American eyewitness—How the Armenians organized a strong defense that helped the French at last to defeat the Turkish Nationalists and prevent another wholesale massacre

THE Turkish Nationalist movement, in its spirit, aims and personnel, is a direct heir of the Union and Progress Party, and has as its motto: "Turkey for the Turks alone." After the campaigns in Palestine by the British and Arabs, Turkey's military power was practically destroyed, and the Turks were ready to accept whatever terms the Allies might impose. The Peace Conference, however, occupied with weightier matters, kept putting off the Turkish settlement, and the old Union and Progress ring saw its opportunity to profit by the differences among the great powers. The Nationalist movement was organized for the avowed purpose of proving to Europe that Turkey was very much alive, and would not allow herself to be dismembered as a punishment for joining the Germans and for attempting annihilation of the Armenian race.

Mustapha Kemal Pasha and his satellites took it upon themselves to organize the necessary forces to bring about this result. The method of the organization was simple. Turkey is essentially a land of small villages, most of them owned by rich Beys. The plan was to arm all the men in all the villages, and instruct them to be ready at any time to respond to the call of some local leader, generally the son of one of the Beys, or some famous outlaw or cutthroat of the region. In all places under foreign military occupation, such as Aintab, these preparations were carried out with the utmost secrecy. The arguments used to persuade the ignorant villagers to join such an organization were the old ones—the foreigner must be driven out, the Christian and Armenian exterminated—there would be abundant loot. The appeal to religious fanaticism was strengthened by wild tales of the evil intent of the occupying powers.

In personal conversations with Turkish villagers I learned that they had been told by Nationalist agents and firmly believed that the French had come with the sole purpose of ruining the country, killing the men, dishonoring the women, and that the cause of their coming was the Armenian, who always aimed to destroy the Turk. Thus, although the Nationalist program, as loudly proclaimed by Kemal at Angora, offered full protection and rights of citizenship to all races, the Nationalist movement, as organized in actual fact, menaced the very existence of the few Christians who had managed to escape the machinations of the Union and Progress gang during the war.

Early in the year 1920 the Nationalists apparently thought the time was ripe to

strike and show their power. The isolated position of some of the French garrisons in Cilicia and North Syria, combined with the inclemency of the Winter weather, was a factor in their favor. In January small groups of French troops going from Aintab to Marash—the next post to the north—were ambushed and killed. Fighting between Turks and French began in Marash on Jan. 19, and during the three weeks that elapsed before the French withdrawal two-fifths of the city was destroyed and 10,000 Armenians were butchered by the Turks. In Aintab the Turks tried to make the Armenians believe that nothing of the kind was intended, but indications to the contrary were not lacking, and a general movement of segregation began, the Armenians leaving the Turkish quarter and the Turks withdrawing to their part of town.

The actual state of affairs was clearly revealed to the Americans in Aintab by the murder of the Y. M. C. A. secretaries, Messrs. Perry and Johnson. These devoted workers were killed by Nationalists as they were coming by automobile from Killis to Aintab on Feb. 1. Strong representations were made to the Turkish authorities at Aintab, and the bodies were brought by them to Aintab, where we identified them. In order to explain away the murder, the Aintab officials sent out an investigating committee, which turned in a report, probably false, stating that the killing had been done by ordinary robbers, who in turn had been killed by Nationalists. I myself heard the statements in this report contradicted by two Nationalist chiefs, both of whom said the killing of the Americans was a "mistake." From the testimony of American wagon drivers, who overheard Turks talking in an inn on the road near the scene of the murders, we know that orders were sent out from Aintab, the day before, to kill all Christians traveling on that road and deliver their goods at the police station on the road.

How the Armenians Fought

These and many similar events were sufficient incentive to the Armenians to prepare their defense, which proved to be one of the most interesting phases of the fighting at Aintab. A number of the Armenian young men had had valuable experience. One had been a Lieutenant in the American Engineers, another in the English army in Palestine, and still another in Mesopotamia. Several others had been under-officers in the Turkish army. These men banded together and gathered around them all who had arms and were willing to fight. Plans were drawn for barricading the streets, and loopholes were secretly prepared in houses commanding the principal streets entering the Armenian quarter. Meanwhile the Turks, as we learned later from the testimony of one of them, were planning to catch the Christians unawares, to slaughter them wholesale, as had been done at Marash, to attack the French garrison, and to attempt to drive them out. Men had been designated to watch at the principal street corners, and when the signal was given, to kill all Christians returning from the Turkish quarter, where the markets are located. The Government also did all it could to prevent the segregation of the Christians and to promote a false sense of confidence among them.

The storm that had been brewing so long burst on the first day of April, 1920. A strong French column had fought its way to Aintab during the last week in March, and for a day or two the Turks thought their time had come; but, owing to the necessity for troops in other places, the column departed on April 1, leaving only a small garrison. Hardly had the column disappeared around the first turn in the road when shots were heard in the lower market, and in a few minutes our hospital and orphanage were filled with frightened people, fleeing to the Americans for protection. Before long wounded began coming in, and all that day we were in the operating room, trying to patch up as best we could the wicked work of knives and bullets. As the day wore on, it became evident that the Turks would not be able to enter the Armenian quarter, in the western end of which our American buildings were situated, by the main streets. But south of us they were strongly placed in a high minaret, about a hundred yards away, and from there the orphanage, just south of the hospital, and the hospital itself, sustained a very heavy rifle fire, in spite of the fact that the American flag

was clearly displayed on both buildings. One orphan was killed, another wounded, and two of the matrons were seriously wounded. Several of the Near East Relief workers had narrow escapes going from building to building, as every one who showed his head drew fire.

That night, however, we began to see the effects of the Armenian defense organization. During the darkness protecting walls of stone were built up wherever streets or windows were exposed to fire from the Turks, and so well was the work done that the next day, in spite of the continued rifle fire, not a single person was wounded. Within a short time the organization had grown into a regular city government. Most important among its departments, of course, was the military charged with the actual business of defense. There were very few rifles available, and little ammunition, but these difficulties were partly overcome in the arsenal, a place of intense activity, where the cleverest workmen of the city manufactured effective hand grenades, loaded cartridges, for which the powder and even the primers were made on the spot, repaired rifles, and, crowning achievement of all, put together a cannon named "The Revenge." This piece, when loaded up with plenty of powder, nails, doorknobs and iron balls from the looms, made a terrific racket, intimidating to the Turks, even if not very damaging. There was also a food commission, which took stock of all the food resources and superintended the distribution of rations. It was here that the Near East Relief came to the rescue most effectively. The heads of the three large orphanages and of the Rescue Home, who had in their care nearly 1,500 women and children, had provided supplies of food for six or eight months ahead. This large stock was made available for the use of the population and counted in with the total available supply of food. Later, when the orphans and rescued women were removed to Beirut through the assistance of the French army, the bulk of the food supply was turned over to the Armenians of the town.

In addition to the military and food commissions, there were created a police department, a health department, a housing commission, which had a very heavy problem on its hands, and even a court with the necessary complement of Judges. The whole organization was under the central committee, which acted as a sort of legislative assembly.

Thus organized, the Armenian defense carried on through 70 days of fighting. After the first few days the Turks became discouraged at their failure to penetrate the Armenian quarter, and tried to inveigle them into a truce in the hope of taking them unawares. When this failed they tried to burn the houses of the defenders, and their fire was skillfully turned against themselves. Finally they tried mining and blowing up the defenders' positions, and for days we were listening to excited tales of mines and counter mines. But through it all, the Armenians sustained few casualties, and did not lose a single position. Even when the Turks brought up artillery and pounded the Armenian houses, as well as the positions of the French, hope was not lost and the general morale was not broken. During this first period of fighting three large French convoys came to Aintab, bringing with them food to the garrison and a certain amount to the civilians, and taking away with them a large number of non-combatants. These included several thousand Armenian refugees, all the orphans cared for by the Americans and by Miss Frearson, an English lady who has had an orphanage in Aintab for many years, and many Aintab people who desired to seek a place of safety for their families. No one, however, was allowed to leave who was considered necessary for the defense.

A Trying Armistice Period

At the end of May an armistice was arranged between the French and Mustapha Kemal's force, and hostilities at Aintab ceased for a time. By the terms of this agreement the French troops were withdrawn from the town proper, where a few small posts were placed, and were confined to the college buildings, half a mile to the west of the city. The Armenians were told that they were Turkish subjects, and that they must get along as best they could with the Turks whom they had been fighting for nearly two months. The French, however, promised to remain near the city, and to prevent a massacre of the Christians.

The Turks also had seen that the Armenians were determined to defend themselves, and had gained a wholesome respect for their ability to do it. Thus, for some time, the Turks, although taking pains to assert that they—not the Armenians—were in authority, were careful not to antagonize or frighten the Armenian element. It was a difficult period for the Christians of Aintab. They could not trust their recent enemies, the Turks, and they could not be sure the French would remain.

It would have been well for the Turks had they been content to wait quietly for the final adjustment of the peace terms, instead of beginning again to fight the French. But the individual interests of the so-called Nationalists demanded that disturbance continue. On July 28, therefore, they renewed hostilities. This time, however, they did not make the mistake of attacking the Armenians, but confined their attentions to the French. After a severe bombardment, they tried an infantry attack, which was repulsed with heavy losses. The French in turn bombarded the Turkish positions, one of the most important of which was in the Municipal Hospital, just west of our American buildings. The Armenians maintained an armed neutrality and waited. In spite of many opportunities to shoot Turkish soldiers, who were continually passing back and forth in front of their positions, the embattled Armenians never yielded to the desire for revenge.

Last Weeks of Siege

This phase of the fighting was brought to an end by the arrival of a strong French column from the south on Aug. 11, and from this time till the Turks' surrender of the city in February, the French were masters of the military situation. The task of reducing the city, however, was not to be an easy one. Immediately on the arrival of the column, the town was completely surrounded, and an immediate surrender demanded. This was refused, and later we learned that although the people of the city were eager to give in and put a stop to the fighting, the Nationalist officers compelled them by force to pursue a policy of resistance. Unfortunately, it was impossible for the French at this time to assign enough men both to maintain the blockade of the town and to convoy the necessary supplies of food and munitions, so that after a few days it became necessary to withdraw the northern part of the besieging ring. This enabled the Turks to bring in at night large supplies of food and ammunition.

The final phase of the investment of Aintab began on Nov. 20, when the arrival of large reinforcements made it possible to surround the city again. The siege continued nearly three months longer. During this period, the Turks made every effort to drive away the besiegers. They frequently outnumbered the French and brought up a considerable number of cannon, including fifteen centimeter pieces capable of great execution. Their bombardments, nevertheless, though very annoying at times, were never of great military importance. Their infantry attacks, moreover, were never formidable, and invariably broke down before accomplishing the desired result. The sole exception to this was in the month of May, when an isolated position held by Algerian troops was taken by storm after the French lieutenants in charge had been fatally wounded. Finally on Feb. 8, 1921, lack of food compelled the Turks to surrender the city.

The Turkish Nationalists undoubtedly brought to the defense of Aintab all the energy and organization they were capable of, and although their efforts failed, they attained the real object of the movement, namely, to create in Europe the impression that the Turks possessed great military resources and tremendous determination. This impression they are now using to good advantage in the attempt to secure more favorable terms of peace.

The Near East Relief played a most creditable rôle in Aintab throughout these troubled times. One of the greatest factors in its service was the moral support furnished the Armenians in their valiant self-defense. Besides this, food in large quantities was furnished the destitute; over $30,000 of Near East Relief funds were used for this purpose alone. At the hospital, wounded of all classes received treatment. The sincerest expressions of appreciation for these Near East Relief activities have been received by the organization both from the civilian Armenian population and from the occupying French forces.

THE COLORED FRENCH TROOPS IN GERMANY

By J. Ellis Barker

A British publicist's frank discussion of the alleged attacks of African soldiers on German women in the occupied Rhineland areas—Testimony of Maximilian Harden and of General Allen—Source of the widespread propaganda on the subject

LAST year, at a time when Germany was being pressed for the payment of reparations, and when the surrender of arms was demanded from her, a great sensation was caused by her passionate denunciations of the black troops of France, which, we were told, had been guilty of the most horrible outrages, especially upon helpless white women. More recently the same charge was loudly repeated when Germany was trying to evade the present indemnity arrangement. Both in 1920 and in 1921 complaints about the bestiality of the French negro soldiers were made at a time when Germany hoped and asked for America's support against the claims of the Allies. The coincidence is very remarkable, and it is equally remarkable that during the first year and a half following the armistice no complaints were made about the misdeeds of the black soldiery.

It is often stated still that France, filled with implacable hatred, has deliberately quartered black troops on Germany in order to humiliate and wound the people. Are these accusations justified or not?

I happened to be in Germany in the early Summer of 1920, at the time when the outcry was at its loudest, and I spent nearly three weeks in the zone occupied by France. I did not see any evidence that France wished to humiliate the people. Such a policy would have been not only ungenerous but extremely unwise. France, as is well known, would like to obtain the German territories west of the Rhine, which are now occupied by French troops. As she did not receive these territories at the Peace Conference, as she had hoped, the French must give up their old ideal of making the Rhine their eastern frontier, an ideal which has inspired them for centuries, unless they succeed in gaining the goodwill and the affection of the people on the Rhine. Far from wishing to outrage the inhabitants, the French are trying to reconcile them, to win them over and to bind the Rhenish Province to France with bonds of esteem and affection. The French are doing everything in their power toward that end. Both the civil and the military authorities are most careful and circumspect. Far from quartering their worst troops upon the Germans, they have sent to the Rhine their élite. Everywhere one meets only picked men and picked officers. I did not see in Germany any of those small, slouching and somewhat untidy soldiers whom one sees so often in France, and especially in Paris. The officers also seem to be high above the average.

As a matter of fact, both the French officers and the French soldiers made a far better impression, not only upon me, but also upon many of the inhabitants with whom I discussed the matter, than the German officers and soldiers whom they have replaced. The daily parades were witnessed by crowds of admiring Germans. In the hotels and restaurants, in the shops and in private families the French have become extremely popular, to the chagrin of the irreconcilable Germans of the Prussian type, and engagements and marriages between French soldiers and German girls have become very frequent. The Rhenish towns are beginning to look like a part of France. Everywhere one sees the bright French uniforms, and everywhere one hears French spoken. Many Germans, especially the girls, speak French in public, wear French clothes and pretend to be French. French banks, hotels and shops are springing up everywhere, and French books and

newspapers are bought in large quantities by the Germans.

As I had read some of the accusations made against the French soldiers in general and against the colored soldiers in particular, I kept my eyes open in order to discover evidences of French immorality. However, I found the attitude of the French troops irreproachable, and, notwithstanding all my inquiries, I did not receive a single complaint, but was told everywhere that the most rigorous discipline was enforced and that, as regards their attitude toward women, the French troops, including the colored contingent, compared favorably with the German troops. On the other hand, I received numerous complaints from Germans, and especially from elderly ladies, about the attitude of the German women and girls. I was told that not only girls of the lower classes, but even ladies belonging to the upper and middle class, both married and single, were shamelessly running after the French soldiers, and that the colored men seemed to have a particular attraction for them. All the restaurants and the benches in the parks were crowded with French soldiers and German women, to the intense indignation of the patriotic Germans, many of whom refused in disgust to enter a public park or a restaurant. In many cases I saw German girls, whose dress and fluent French indicated that they belonged to the better classes, make love to colored soldiers, and their advances bordered only too frequently upon the indecent.

Although Germans habitually denounce the immorality of the French, they have not much reason to boast of their own morality. Previous to the war Berlin was universally considered to be far more given over to vice than Paris. The morality of nations can be measured to some extent by the statistics relating to illegitimate births. In 1913, 183,976 illegitimate children were born in Germany. Of all the children 9.7 per cent. were born out of wedlock. Of late years the percentage of illegitimate births in Germany has been increasing steadily and rapidly, as follows:

Year	Per Cent.	Year	Per Cent.
1903	8.3	1911	9.2
1905	8.5	1913	9.7
1907	8.7	1915	11.2
1909	9.0		

The figures given show that of late years immorality has been rapidly increasing in Germany. The expansion of the illegitimate birth rate has taken place during a period of unexampled prosperity and during a time when the prevention of undesired births had become so widespread in Germany as to be generally discussed; proposals were made to stop the growing practice in the interests of the army, for it threatened to dry up the supply of recruits. Immorality and illegitimacy are particularly widespread in the great German towns and in the industrial districts. In 1913 23.6 per cent. of all the births in Berlin were illegitimate. During the same year the illegitimate birth rate of the Kingdom of Saxony stood at 16.3 per cent., in Bavaria the rate was 13.5 per cent., in Mecklenburg it stood at 14.9 per cent., in Hamburg at 14.6 per cent. One-fourth of all the children born in Berlin were illegitimate, and one-sixth of all the children born in Saxony. Looseness of morals prevailed in Germany previous to the war. During the struggle and during the years following it, immorality has fearfully increased in Germany and in other countries as well, for war destroys the bonds of discipline and continence. All over Germany I heard harrowing tales of immorality. However, while some Germans bewailed the looseness of present-day morals, others frankly approved of it, taking the view that Germany's loss in man power should be replaced as quickly as possible, and that it was a matter of indifference whether the coming generation was legitimately or illegitimately born.

Maximilian Harden's View

My impression that the French troops, both white and colored, were kept in strict order, and that the German women were chiefly to blame for their intimate relations with French colored soldiers, has been confirmed by reliable German and French evidence. The foremost German journalist is probably Maximilian Harden. He wrote in June, 1920, at the time when the outcry about outrages of the blacks on German women was particularly loud, in his journal, Die Zukunft, endeavoring to be strictly fair to France:

> Clemenceau, Foch and Millerand have sent colored soldiers to Germany, not in order to humiliate Germany, but for other reasons.

France requires the arms of her sons for her agriculture and industry. If the French had sent 50,000 soldiers of their own to the Rhine the French Government would have been reproached for weakening the industry of the country by withdrawing from it 50,000 men and strengthening accordingly the industrial power of her enemy. Besides, it has been stated that certain regiments had threatened to revolt, should they be sent to Germany. For these reasons France has sent us negroes and soldiers from Morocco who during the war have preserved discipline in a remarkable manner. Besides, one must not mistake Moors and other north African tribes for negroes. The African negro type which one finds constantly displayed in the bitter cartoons of the German comic papers does not resemble in the slightest the type of the French Colonial soldiers. * * *

Unfortunately we have seen the aberrations of the female sex every time when Hagenbeck [the German Barnum] has shown us tribes of natives. Everywhere the German women followed the black and yellow men and pestered them with love letters, flowers and presents. They were not repelled by their smell. On the contrary, they found in it a special stimulus, a special attraction. However, these natives were birds of passage. They were only too often ill-nourished and sickly. They were rarely men of fine physique. They compare unfavorably with the warriors whose jet black skin covers splendid muscles and who are clad in striking uniforms. * * *

The French press has told us that society ladies have often shown a remarkable interest in the African soldiers. Every time when relations between German women and colored soldiers have had natural consequences which could not be explained away, the guilty woman has asserted that she was violated, that her misfortune was undeserved. However, it is well known that such violation is not as easy as some would believe.

Mr. Harden rightly draws attention to the fact that France sent to Germany colored soldiers rather from necessity than from choice. He is also correct in asking his readers to discriminate between African negroes and the brown soldiers belonging to the French Colonial Army. At the time when I was in Germany I saw a considerable number of brown soldiers but only a few blacks.

At present there are no negro troops on the Rhine. The last black regiments of France left the Rhenish province in the Spring of last year. These troops came from the Senegal and from the Soudan. The few negroes whom I saw were servants and invalids who took the waters, &c. The colored troops of France quartered in Germany are mostly so lightly colored that one can easily mistake them for Southern Frenchmen. The great majority are Arabs --Semites. They do not possess the characteristic thick lips and skull of the negro, but have a refined oval face, an aquiline nose, thin lips, and lack the woolly hair of the negro. Although these troops are well behaved, the French have greatly reduced their number in order not to wound German feelings. From May 1, 1919, to March 1, 1920, France had 35,000 colored troops in Germany. Their number was reduced in March, 1920, to 25,000, and on Jan. 30, 1921, to 20,000.

German Women at Fault

Mr. Harden has stated that German women were chiefly responsible for the mingling of colored and white blood which has taken place on the Rhine. His accusation is justified. I was told that both the German police and the French authorities in the occupied districts found it very difficult to prevent the German women from pestering and pursuing the colored troops. In many cases the colored soldiers themselves complained to their officers about the shameless advances made to them by German women and frequently a military guard had to be called out to keep women from entering the barracks by the windows. General Henry T. Allen, commander of the American forces on the Rhine, stated in a report sent to the Secretary of State:

The attitude of certain classes of German women has been such as to incite trouble. On account of the very unsettled economic conditions, and for other causes growing out of the World War, prostitution is abnormally engaged in, and many German women of loose character have openly made advances to the colored soldiers, as evidenced by numerous love letters and photographs which are now on file in the official records and which have been sent by German women to colored French soldiers. Several cases have occurred of marriages of German women with French negro soldiers. One German girl of a first-class burgher family, her father a very high city functionary of a prominent city in the Rhinelands, recently procured a passport to join her fiancé in Marseilles. He was a negro sergeant. Other negro soldiers have had French wives here, and the color line is not regarded either by the French or the Germans, as we regard it in America, to keep the white race pure.

At Ludwingshafen, when the seventh Tirailleurs left for Frankfurt, patrols had

to be sent out to drive away the German women from the barracks, where they were kissing the colored troops through the window gratings.

Ever since the time when I went to Germany I have received reports from the occupied zone, and I have heard nothing but praise for the French troops, both white and colored, from German inhabitants who can be relied upon. On the other hand, complaints about the immorality of the German women have been at least as great as they were a year ago, when I visited the country. Of course there have been individual crimes among the soldiers, and among these there have been crimes against morality, such as the violation of women. While nothing can excuse them, it must be stated that these crimes have only been few in numbers, and they were probably less numerous than they would have been if the country had been occupied by German troops. Crimes of immorality are unhappily exceedingly frequent in Germany. That may be seen from the criminal statistics of the country, and the German army has always been notorious for its assaults upon women. Previous to the war the country people dreaded the manoeuvres of the German army because cases of rape were exceedingly frequent, although the authorities tried their best to hush up the scandal. Many people sent their girls away when they heard that the soldiers were coming into their district.

Notwithstanding the enforcement of strict discipline the French and other troops quartered in Germany have committed a number of crimes. Desiring to make themselves popular by enforcing justice, the French have inflicted severe punishment upon all soldiers guilty of transgressing against the civil population. I have received the following official statement regarding the criminality of the French colored troops, which shows that crimes among colored soldiers were comparatively few:

Accusations brought for violation of women, crimes of violence, participation in broils, theft, etc.	227
Number of cases in which accusations were found justified	72
Number of accusations, the justification of which was doubtful	96
Number of unjustified accusations	59
Total	227

It is noteworthy that among the seventy-two accusations which were found justified there were only nine for the violation of women. The number of French colored troops stationed in Germany was as follows:

Dec. 1, 1918, to May 1, 1919	10,000
May 1, 1919, to March 1, 1920	35,000
March 1, 1920, to June 1, 1920	25,000
June 1, 1920, to Jan. 30, 1921	20,000

If we multiply the number of French troops with the number of days they were in Germany we arrive at the figure 19,050,000. As shown in the official figures, only seventy-two accusations of colored troops were found to be justified, and of these only nine were in respect of violation of women. In accordance with the policy pursued by France, those found guilty were severely punished. At the same time it must be remembered that among the accusations of transgressions against the civil population, which numbered seventy-two, a considerable number were trivial and led only to the infliction of trivial punishments. According to the official statistics which I have received from the highest quarters, the following punishments were inflicted:

Punishments Imposed.	Colored Soldiers.
Penal servitude for life	1
More than 5 years' imprisonment	5
Less than 5 years' imprisonment	23
Disciplinary punishments	23
Trials pending or adjourned	20
Total	72

Of the nine men who were found guilty of violating women, five were condemned to more than five years' imprisonment and four to less than five years' imprisonment.

Many False Charges

Numerous idle and reckless accusations were brought against the French troops, partly by women who, owing to their own fault, had colored babies; partly by hysterical women or by women who wished to revenge themselves or to make mischief. Among the cases of alleged rape which had to be investigated by the French military authorities was that of an inmate of a brothel. In many cases the Germans have paraded cases, and even addressed complaints to the French authorities, without giving the names of the women who were

supposed to have been assaulted by French colored soldiers, without stating where the alleged assaults took place, without naming any witnesses, and without giving a description of the soldiers or of their uniforms, and inquiries for details on the part of the French authorities have remained unanswered.

An entire Senegalese brigade of French negroes was stationed for some considerable time at Worms and Mayence. They left Germany in June, 1920, and since that time no negro troops have been in Germany. During the whole time of their stay only a single complaint on account of crimes of violence was received, which, however, led to an acquittal. General Henry T. Allen, in his report to the Secretary of State on July 2, 1920, said:

> A very violent newspaper campaign attacking the French Colonial troops, especially the negro troops, broke out simultaneously throughout Germany coincident with the time of the French evacuation of Frankfurt and Darmstadt, and has continued up to the present time. It is unquestionably a fact that many gross exaggerations were circulated in the German press concerning the conduct of the French Colonial troops. The allegations in the German press have been for the most part so indefinite as to time and place and circumstance as to leave it impracticable to verify the alleged facts or to disprove them.
>
> After all proper allowance is made for the natural difficulties, which always are to be expected in tracing crimes of this nature, due to the shame and distress of the victims, the great mass of the articles in the German press, by the simultaneous appearance all over Germany, and by the failure to cite time, place and circumstance sufficiently in detail to enable the truth to be ascertained, give to an impartial observer the impression of an adroit political move which would tend to sow antipathy to France in the other lands of the allied and associated powers, especially in America, where the negro question is always capable of arousing feeling. * * *
>
> The wholesale atrocities by French negro Colonial troops alleged in the German press, such as the alleged abductions, followed by rape, mutilations, murder and concealment of the bodies of the victims, are false and intended for political propaganda.
>
> A number of cases of the sort charged have occurred on the part of French negro Colonial troops in the Rhinelands. These cases have been occasional and in restricted numbers, not general or widespread. The French military authorities have repressed them severely in most cases and have made a very serious effort to stamp the evil out.

The crimes, and especially the sexual crimes, of which the French colored troops were accused, were largely manufactured by the Germans in Berlin. The French discovered documents which make that point absolutely clear. The Berlin authorities no doubt hoped to cause trouble among the Allies and to divide them against one another, and their particular aim was to arouse the United States against the European powers by making use of the negro question. However, it must be doubted whether the idea came from the Germans themselves. Very possibly such a campaign was suggested to them by a non-German.

Source of the Propaganda

At the time when the outcry against the atrocities committed by the colored troops of France began, the world was startled by a pamphlet, "The Horror on the Rhine," by E. D. Morel, and a number of articles written by the same man, which appeared in the English and American press. Mr. Morel, who is habitually described by the German newspapers as a "patriotic and large-hearted Englishman," was born in France and is the son of a French father. He is a man of mystery, who, while claiming to be an idealist, has for many years pursued a policy which has been exceedingly harmful to the Anglo-Saxon powers and to France, and exceedingly useful to Germany. He is an effective writer and has specialized for many years on the negro question. Between 1902 and 1914 he has written an enormous number of books, pamphlets and newspaper articles on the atrocities committed in the Belgian Congo State, which separated German East Africa from the great Portuguese colony of Angola, in West Africa, adjoining German Southwest Africa.

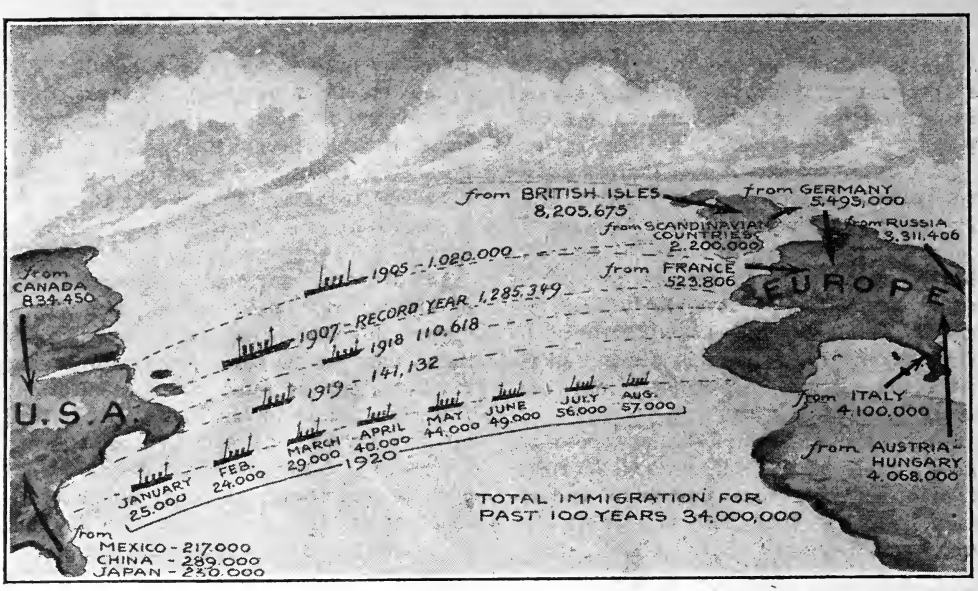
For many years it had been Germany's aim to join her East and West African colonies, either by acquiring Rhodesia and Angola, or by obtaining the southern part of the Congo State, creating thus a connected African Empire stretching from one ocean to the other. Mr. Morel started a violent and continued agitation against the atrocities perpetrated by the Belgians on the Congo natives, an agitation which, however, was limited to England and to America. Not unnaturally the Belgians became alarmed, and, in view of the threats made

in England, they turned toward Germany for protection. Germany not only coveted the Congo State, but was anxious to secure Belgium's benevolent neutrality in case of a great European war. Mr. Morel's agitation caused Belgium to draw away from England and to incline toward Germany to the great benefit of the latter, and Mr. Morel's propaganda is largely responsible for the admiration of Germany and the distrust of England which were expressed by many leading Belgian diplomats in reports which the German Government published during the war.

During the difficulties which arose between France and Germany about Morocco, Mr. Morel wrote books, pamphlets and articles to prove that France was in the wrong and Germany in the right. Immediately after the outbreak of the World War he preached the necessity of concluding a peace by agreement without humiliating or weakening Germany. He stated unceasingly, making use of the British Socialist press, that the Allies were at least as guilty as Germany, that secret diplomacy had brought the war about, &c. Having in the past created various organizations which were likely to damage England and France, he created, or took part in creating, the Union of Democratic Control, which did the utmost mischief to the Allies during the war. However, he was careful to keep as much as possible in the background with a view to escaping legal punishment. During the war the British Government was exceedingly tolerant to cranks and others engaged in anti-national and treasonable agitation. Still, it had occasion to proceed against Mr. Morel for violating the war regulations, and he was condemned by the courts to six months' imprisonment.

Since the end of the war Mr. Morel has been busy proving that the Allies were at least as guilty as Germany, that the responsibility for the war falls principally upon the Allies; he has thus tried to undermine the Peace of Versailles, which is based upon Germany's war guilt. Besides, impelled by pure idealism of a peculiar type, he has started a campaign in favor of giving to the negroes throughout the world complete freedom and the right of self-government and self-determination, and has endeavored to raise the negroes throughout the world against the white race. His aims may be gauged from his book, "The Black Man's Burden," and from numerous articles of his recently published. It seems by no means impossible that the German campaign against the colored troops of France emanated not so much from the Germans themselves as from Mr. Morel. He has certainly proved very useful to those Germans —and they form the large majority—who wish to free themselves from allied control, to disregard the stipulations of the Treaty of Versailles, and to escape the payment of reparations. The name of Morel is on every man's lips in Germany. In every bookshop there are stacks of his books and pamphlets "proving" the innocence of Germany and the wickedness of the Allies, and giving the most horrible details regarding the bestial crimes of the colored soldiers of France.

At first Germany's protests and complaints concerned only the negro soldiers. When the negro troops had been withdrawn, the same protests and complaints were made against non-negro troops—principally the light-colored Arabs from North Africa, who look like Southern Frenchmen. In addition there are in Germany a few thousand natives from Madagascar, whom the French call Malgaches, who are not negroes but Malays, and who have some resemblance to the Japanese. The propaganda against "The Horror on the Rhine" is purely artificial. Germany does everything in her power to nullify the Treaty of Peace, to hamper and exasperate France, to make Germany's occupation impossible, and if tomorrow all non-European troops were withdrawn the Germans would complain as loudly about atrocities perpetrated by white French troops in order to sow dissension between France and her Allies.



GRAPHIC CHART SHOWING EBB AND FLOW OF THE TIDE OF IMMIGRATION AT DIFFERENT PERIODS IN THE LAST FIFTEEN YEARS

IMPORTANT FACTS REGARDING RECENT IMMIGRATION

By Daniel Chauncey Brewer

Under the new immigration law, which went into effect on June 3, 1921, only 77,206 immigrants will be allowed to enter the United States in the next year. The law limits the number to 3 per cent. of the total of each foreign nationality in the United States in 1910. From the day it went into force, the immigration authorities at American ports have been confronted with the problem of what to do with the thousands who arrive in excess of the quota allowed to each country. The necessity of deporting these disappointed pilgrims has raised anew the whole question of what is the wisest course to follow regarding immigration. Mr. Brewer's article is a constructive contribution to that subject.

ALTHOUGH the new Administration has defined its immigration policy for the coming year, the major problems in this connection remain for the people to solve. To do this intelligently, they must have the facts. What have been the constituent elements of the nation in the past? What are they today, and how rapidly do they change? These are vital questions, the correct understanding and answering of which will lead to wise conclusions, give a basis for action and visualize for the inquirer the American people of 1931.

Up to the year 1820 or thereabouts, when the Government at Washington began to keep data regarding newcomers, the Republic was homogeneous. Certain of the original Thirteen Colonies had been settled by individuals from the Continent of Europe. Various races sprinkled along the Atlantic seaboard had a part in the winning of independence, but the young nation as a whole, although it had broken loose from English suzerainty, spoke English and was more familiar with English customs and political standards than with those of other countries.

In the year 1850, or less than three-quarters of a century ago, in spite of a large Irish and German immigration, the conditions remained unchanged. The foreign-born were far outnumbered by the negroes of the South, and, if they did not speak English, were more or less familiar with American institutions. They were therefore readily assimilated.

The resurgence of business activity and enterprise that came with the years immediately succeeding the Civil War wrought no great alteration, although immigration

commenced to make its mark in industrial sections, and New York City took on a cosmopolitan complexion. The great West was offering homes, and people came to the United States to settle and throw in their lot with the young democracy. Statistics of these years show as many native persons of foreign parentage as foreign-born, but the larger part of this population was markedly American because of a fortunate environment.

In 1880, therefore, we were still homogeneous. That was only forty-odd years ago. Outside of the German stock, which had borne its part in the Civil War, only a few immigrants had reached the United States from the Continent of Europe. Naturalization went on rapidly and safely, because of an expressed love for democratic institutions.

The year 1880 marked an era in the history of the United States, and sharply defined the line between an immigration made up almost wholly of persons who came to stay and an influx of hosts of men responding to the calls of the great industries. Some of the latter class also expected to remain, but a large portion of them were and still are " job-seekers."

For more than thirty years, viz., from 1880 to 1914, this tide continued to sweep through our ports, appearing sometimes to be at its turn, because of the thousands going back to the land of their birth, and then swelling as these uncertain ones were drawn again by the magnet-call of the West. This ever-surging tide long since made us a heterogeneous people; and there are those who think that it may be causing other reactions, which are not to be discussed here.

The beginnings of the great change in the nation were, as has been stated, in or about the year 1880. At that time British and German immigration commenced to fall off; Scandinavian immigration, which followed the close of the Civil War, reached its height, and peoples in Eastern and Southern Europe, followed by recruits from Asia and Northern Africa, set their faces toward the New World.

The new currents seemed to be feeling their way at first. Italy, which up to 1877 had not contributed more than three or four thousand in any previous year, sent over 12,000 in 1880, and 30,000 in 1882. This was the vanguard of a racial group which in 1900 was shipping 100,000 a year.

Thirteen individuals entered the country in 1861 from Austria-Hungary. They were the first recorded visitors from the populous provinces of the Dual Empire. Each year thereafter brought consignments ranging from a few hundreds to a few thousands, until 1881, when nearly 28,000 Austro-Hungarians pioneered the real movement from that country to the United States. The year 1900 brought 114,000, and in 1904 over 200,000 Austro-Hungarians entered the United States.

Russian immigration moved along similar lines to that from Austria-Hungary. In 1880, some 7,191 subjects of the Czar are reported as entering our ports. That was the largest number coming in any one season up to that date. The year 1900 brought 90,787 Russians; in 1906, the Slavic influx leaped to 258,943. Anaylsis of the returns from Russia, as well as from Austria-Hungary, explains the presence in our industrial sections of great numbers of Jews, Poles, Bohemians and other racial groups.

High Mark in 1914

The above figures fairly illustrate the rapid increase in the numbers of newcomers from the three great countries referred to. Immigration from each was at its height when the war opened in 1914. In that year, 283,738 Italians, 278,152 Austro-Hungarians and 255,660 Russians entered this country.

Born under autocracies, knowing nothing of self-government, differing essentially in manners and customs, using tongues essentially different from the English, these people have strongly modified our American life by introducing problems for which the nation was totally unprepared.

No sooner had this exodus from European centres gotten well under way than its very momentum commenced to affect other nations and continents, so that, commencing with 1890, it became necessary for our immigration authorities to list outside of general and unassigned immigration the citizens of eight major countries, using languages totally different from each other—namely: China, Japan, Turkey, Greece, Bel-

gium, Portugal, Rumania and Mexico. Some of these nations are now represented in this Republic by more than 300,000 persons each.

The foregoing figures have been collated to illustrate the manner in which the population of the United States shifted from a status of homogeneity to one of heterogeneity. They should be informing, as they indicate the special strains of blood that are now found in our country.

The Effect on Population

The result of this recent immigration, taken together with the natural increase of the resident foreign white stock, becomes apparent from a glance at the following data:

In 1900 the whole population of the United States, excluding outlying possessions, was 75,994,575. Of this number 25,859,834 are recorded by the twelfth census as foreign stock, that is, foreign-born or of foreign parentage. In 1910 the whole population of the United States, excluding outlying possessions, was 91,972,266. Of this number 32,243,382 are recorded by the thirteenth census as foreign stock. This shows an increase of 24 7-10 per cent. in the so-called foreign population.

Returns for the fourteenth census are as yet unavailable to show the existing relation of the foreign stock to the whole population, but we know that immigration up to 1914 continued to be heavy, and we also know that though the war and subsequent conditions have sharply checked the present flow of humanity from east to west, it is a lack of shipping, not a lack of desire to emigrate, which has kept down the number of arrivals since the Fall of 1918.

It is interesting to note that although few persons are now reaching our ports from territories recently under Russian, German and Austrian control, immigration from Spanish-speaking countries, formerly nil, is becoming a decided factor in recent reports, and Mexicans have been pouring over the Rio Grande. This latter fact, taken in connection with the incoming of Orientals and persons arriving via Canada, must lead us shortly to think of immigration as something more than a tidal wave from Europe. In reality it resembles the inflow that comes over the edge of a bowl which is pressed below the surface of the water.

The fact should not be overlooked that a certain portion of our immigration is transient. Statisticians and publicists who deal with data affecting our population have been too often satisfied to refer to the last official Federal census. This has led these chroniclers, as well as those who rely upon their figures, to draw erroneous conclusions. It probably explains a failure to provide such regulatory laws as would save the nation from a thousand embarrassments. If such inquirers want all the facts, they cannot overlook the returns of the immigration authorities, and especially those which have to do with emigration, or the outgoing of aliens.

The census expert learns something of the number of foreign-born in the country at recurring ten-year periods, but he takes no account of the unregulated armies of aliens who have swarmed into our ports, taken up temporary residence among us (perhaps participating in industrial wars) and drifted out again when it suited their convenience.

Those who care to investigate this matter further will find that the reports of the Commissioner General of Immigration classify aliens under the following terms: (1) immigrant and emigrant; (2) non-immigrant and non-emigrant. "Immigrant" and "emigrant" relate to permanent arrivals and departures. "Non-immigrant" and "non-emigrant" relate to temporary arrivals and departures. Non-emigrant aliens were in excess of non-immigrant aliens from 1908 to 1917, but since 1918 there have been more temporary arrivals than temporary departures of aliens. The largest number of non-emigrant aliens in the years last referred to was recorded in 1914, when 330,467 left the country. The largest number of non-immigrant aliens for the same years was in 1913, when 229,335 such persons entered our ports.

In the thirteen years referred to, 1,967,012 aliens were at different times temporarily in the country, and 2,513,490 aliens, domiciled here, were traveling abroad. These facts disclose currents of influence moving through the alien population of the United States and the racial groups overseas. They are worthy of attention.

Let us now turn to the groups which have been characterized as "immigrant"

and "emigrant." Between the years 1908 and 1920 we received 8,312,037 aliens whose allegations indicated that they were coming here to stay, and bade farewell to 2,970,305 aliens who said they would not return. These figures indicate that one-third of all immigrants, who assert that they have come to stay, are never in the way of becoming absorbed, but are permitted to drift about among the partially assimilated racial groups without regulation or supervision.

Distribution of Immigration

Regarding immigrant distribution: Where have all the peoples gone who have entered our ports in the last fifty years, and how are they absorbed? For convenience, immigrants of the past may be divided into four classes:

1. The north and west of Europe group.
2. Farmers, traders and mechanics belonging to other white groups from Central, Eastern and Southern Europe.
3. Unskilled white labor.
4. Orientals.

The north and west of Europe group includes the English, Scotch and Irish, the Germans, the French-Canadians and the Scandinavians and neighboring peoples. Of these the English-speaking stock is widely distributed, has been readily amalgamated, and both in city and country is an important factor in American life. It is difficult to localize it. The Germans are in New York, Ohio, Wisconsin and Missouri. The French-Canadians are in the industrial centres of New England, and here and there along the border. The Scandinavians are in Minnesota and similar States of the Central Northwest, which are interested in farming and flour milling. While certain of these peoples cling to their own tongues, the whole group, which belongs to the earlier immigration, forms an important element of the fixed population, and gives no occasion for concern.

The second class designated, viz., farmers, traders and mechanics, will be found to come mostly from Central, Eastern and Southern Europe. It is made up of the Jews from Germany, Russia and pre-war Austria-Hungary; Greek and Italian fruit dealers, and small ware merchants of different nations; skilled laborers, whose talents are quickly utilized in the industries, and who not infrequently make rapid progress; gardeners and farmers, like the Poles, who raise tobacco in the Connecticut Valley, the Portuguese of Cape Cod, and small agriculturists of other nations, who are found along the coast and near the great towns.

Varying in tastes, talents and accomplishments, these people are at one in seeking the cities or metropolitan neighborhoods. This limits them naturally to the New England, the Middle Atlantic and the East North-Central States. Many bring a little money with them into the country; others accumulate money by the thrift and industry required to make any headway in their callings. Such funds as they have or acquire are invested for profit, and, with the habit of independent planning, become an agency in hastening their assimilation. This group, therefore, like the one already treated, is readily absorbed.

Unskilled White Labor

The third division, made up of unskilled white labor, exceeds in number the classes already treated. It is apt to be illiterate and deficient in qualities which fit it to compete with the forces of American life. Although the incoming masses which make up this element appear to drift hither and thither, there is a trend of individuals toward centres which have been colonized by similar stock, and into industries which employ persons speaking the same tongue. As a result of such influences we find:

Italians, Poles, French-Canadians, Lithuanians, Greeks,	in New England, which is a centre for textiles, boots and shoes, machinery and metal working;
Italians, Austrians, Russians,	in New York and New Jersey, which have diversified industries, including silk manufacture, clothing, copper products, foundry work, canning;
Russians, Austro-Hungarians,	in Pennsylvania and Illinois, which States, outside of their manufacturing interests, operate coal mines and make pig iron and steel;
Bohemians, Hungarians, Slavs,	in Ohio, Illinois, Michigan and adjacent States, which are engaged in manufacturing, copper mining, automobile building;

Mexicans,
Italians,
Russians,
Austrians,
} in Texas and California.

Although a reasonable percentage of the individuals belonging to this class of unskilled labor develop unsuspected powers, sometimes surprising their friends by the marked manner in which they grasp and utilize American ideas, the very great majority segregate themselves into colonies speaking their own language, and remain an undigested and dangerous element in the democracy. As has been seen, a considerable portion is in this country transiently. The remainder is absorbed slowly, and frequently presents aggregations of thousands of souls who, after ten years of residence, knew little English, and continue to follow customs and habits which are alien to the standards of the Republic.

There remains the fourth class, made up of Orientals. These are for the present segregated in the Pacific States, and, because of color and Asiatic origin, present a special problem, which will not be considered here. They are not among those who are readily assimilated.

Criminality Among Immigrants

In considering the locus of immigrant groups some attention has been given to the matter of absorption. It is to be regretted that the next question in importance, that which relates to the criminal record of these peoples, can only be superficially handled because of the inability of many thousands of non-English-speaking foreigners, who become the prey of criminals, to make convincing reports. Such facts as are collated by statisticians from police records are therefore incomplete, and cannot be made the basis for final and accurate conclusions in regard to the degree of criminality which should be assigned to different races.

The careful student must therefore await the opening of communications between the non-English-speaking populace and the mass of our people—a thing which is by no means impracticable of accomplishment. In the meantime we have statistics to indicate that the foreign-born and foreign-parentage population make a bad criminal return, compared to that made by native-born of native stock.

We know that the Italian people, perhaps because of temperament, show a high percentage of criminality; that the Irish and Russians have an unenviable record; and that the Germans are law-abiding. Professor Commons has made an important contribution to our knowledge by pointing out that the percentage of criminals among native-born persons of foreign parentage is far above that prevailing among the foreign born or persons of all-native stock; and we have the tabulations of Raymond Fosdick's valuable book on "American Police Systems" (recently published) to verify the current impression that the "American crime rate is greatly augmented by the presence of unassimilated or poorly-assimilated races."

What our people need now to consider is, that however bad an exhibit the foreign population makes in police records, it does not begin to reflect the real condition. The average alien lives in an Old World environment, in which he is open to impudent robbery, criminal intrigue, and exploitation. If he escapes these, it is only by good fortune. If he becomes a victim, there is no redress, because he is unacquainted with his rights, and, not knowing the English language, is unable to complain.

Distribution by States

It has been the purpose of this article to show the sources of immigration to the United States, the accelerated movement of the ever-increasing tide, and the distribution of the newcomers. The whole matter can hardly be dismissed without calling

State	Area, 1920	Whole Population, 1920	Foreign-born Foreign Parentage, 1920
Massachusetts ..	8,039	3,852,356	2,676,131
Rhode Island....	1,067	604,397	435,786
Connecticut	4,820	1,380,631	841,638
New York	47,654	10,384,829	7,182,721
New Jersey	7,514	3,155,900	1,683,762
Pennsylvania ...	44,832	8,720,017	3,864,454
Ohio	40,740	5,759,394	1,839,362
Indiana	36,045	2,930,390	543,925
Illinois	56,043	6,485,280	3,322,423
Michigan	57,480	3,668,412	1,781,633
Wisconsin	55,256	2,632,067	1,638,666
Minnesota	80,858	2,387,125	1,581,362
Iowa	55,586	2,404,021	948,376
	495,934	54,364,819	28,340,239

attention to the fact that the great mass of immigrants is drawn to thirteen States of the Union. This directly interests the inhabitants of these Commonwealths, and, because of their political importance, indirectly affects the whole citizenry of the United States. Figures showing distribution among these thirteen States are given in the table at the foot of the opposite page. They are intended to show areas and populations, as given by the official 1920 census, and the estimated foreign-born and foreign-parentage population. This latter has been secured by collating data from the Thirteenth Census and Immigration Reports.

A glance at the table shows that the foreign population of thirteen States, which comprise somewhat less than one-sixth of the total area of the United States (excluding Alaska), is more than one-quarter of the whole population of the country. The record also indicates that more than one-half of the population of the aforesaid thirteen States, which are the centres of the nation's industry, is foreign born or of foreign parentage. Here is food for reflection!

CANADA'S ATTITUDE TOWARD IMMIGRATION

By Charles W. Stokes

The Dominion still wants agricultural immigrants, and aids them with loans, but the United States law restricting immigration complicates the whole problem—Signs that the European tide will seek to make Canada a gateway to the United States

WHETHER or not the United States decides to prolong its new curb on immigration for two or three years, or forever, there is no sidestepping one thing—Canada will be very vitally affected. The United States is sometimes apt to think that it is the only nation in North America which participates in the vast annual movement of humanity, or that it alone has immigration problems. Canada, however, in the last ten years has received close to two and a half million immigrants—a small number, of course, compared to the million a year which the United States has received in some years, but a severer test when you remember that these two and a half million have had to be absorbed into a nine-million population. The United States, again, has never officially advertised its attractions in order to get immigrants; Canada has, for several years.

Whatever way the United States moves in regard to immigration, there will be a certain sympathetic reaction in Canada, for both nations have toward European problems an indefinable similarity of principle, even if not always of conduct. But if the United States bars immigrants Canada must also bar them, for otherwise the human stream will merely be diverted in destination, and will find its way in at Montreal or St. John instead of at New York. The result would be disaster to Canada, in spite of her greater power of absorption, due to the thinner population. It does not want, and could not stand, the strain of adding a million a year to its population, even if they all were—which is impossible—immigrants of the only kind that Canada advertises for, namely, agricultural settlers, who are wanted to develop the vast idle lands of the Northwest.

So far Canada has been very fortunate in her immigrants. They have been drawn almost exclusively from the "Nordic" peoples (to use the up-to-date phraseology of the anti-immigrationist); the somewhat colder climate of Canada has repelled the Southern Europeans. Nearly 900,000 of the ten-year 2,500,000 were, for example, citizens of the United States, and about 800,000 were ex-residents of the British

Isles. The next in order were Slavs—a very long way behind—followed by Germans and Scandinavians. Canada's last census revealed a foreign-born population of less than 11 per cent., as contrasted with the 15 per cent. of the United States.

But Canada keeps her statistics on a different basis from that of the United States. By "foreign born" she means "born outside the British Empire." Thus the Englishman, the Australian, the Maltese, the Hindu, the West Indian negro, is not foreign born, whereas the American, with a lineage going all the way back to New Amsterdam, is. To include British subjects born outside the Dominion of Canada would add another 11 per cent. to Canada's foreign born. This is Canada's peculiar immigration problem.

As a member of the British Empire Canada must always give a sentimental preference to British immigrants, especially those from the British Isles. In those isles the bulk of Canada's immigration expenditure has been made. But for several years it has been becoming daily more manifest that Great Britain can furnish the least quantity of the only class of immigrants which Canada needs—the agriculturists. The war demonstrated more forcibly than ever that Great Britain's agricultural population is so inadequate to produce enough foodstuffs that it would be politically unwise to reduce the number still further.

During and since the war agriculture has prospered in Great Britain, thereby eliminating one inducement to emigrate to a country where farming, though profitable, is still to some extent in the pioneer phase. During and since the war the proverbially underpaid British farm laborer has had his wages raised so much that the urge to emigrate from 10 shillings a week to $60 a month has left him. Hence Canada's activities have been diverted from Great Britain to the United States, Holland, the Scandinavian countries, and, in a less degree, to Russia, where dissatisfied farmers are still to be found.

But Canada cannot prevent non-agricultural immigrants from the British Empire from seeking her shores, notwithstanding that economic conditions in the Dominion are at present almost as unsettled as those of the United States. She can discourage them by pointing to the unemployment and the closed industries, and she can interpose certain barriers, but she cannot gainsay their right to move freely about within the British Empire. One barrier has been interposed in the form of a requirement that every non-agricultural immigrant landing in Canada must have, in addition to the railway fare to his destination, the sum of $250; yet the Spring rush is already bringing immigrants in thousands by every boat. The British Government, at the close of the war, inaugurated an Imperial Settlement scheme whereby, under the pretense of taking his discharge in any overseas part of the British Empire, any British ex-service man could have his passage paid thither provided he were acceptable to the overseas country.

Another problem lies in the fact that the day of free land is well-nigh gone. Canadian immigration advertising was built up around the strong selling point that every able-bodied male of 18 years or over could homestead 160 acres of land in the Northwest free, upon agreeing to certain fairly easy settlement conditions. There is still a large block of this land left, but it is too remote from existing railways, and in any case the returned soldier of farming proclivities who desires to enjoy the rather generous assisted settlement scheme which the Canadian Government has projected has the first call on all homestead land. On the other hand, there are huge blocks of non-Government land for sale. In the three prairie provinces of the Northwest there are at least 30,000,000 acres of good, uncultivated land within fifteen miles of existing railways.

Canada needs population very badly. She has only about two and one-half persons to the square mile; the United States has thirty-four. Transcontinental railways have been overbuilt, and increased traffic is necessary to save them from bankruptcy; Canada has 230 persons to every mile of railway, while the United States has 400. But Canada does not want to admit the riff-raff of Southern Europe, to reproduce in her cities the east side of New York; she does not want to admit ex-enemies, or Orientals, or Hindus, or non-agriculturists.

"Unless the settlement of this country is going to be a very slow process," recently said the Hon. J. A. Calder, Canadian

Minister of Immigration, "there is only one real solution. With free land gone, the State must step in and make loans to competent farmers who lack capital."

This experiment has, in fact, been already tried by Canada in the soldier settlement scheme; it has also been tried by some Australasian countries, and by the Canadian Pacific Railway. Up to the end of 1915 New South Wales, Victoria, New Zealand and other Australian States had advanced nearly $200,000,000 in loans to approved settlers without capital. The Canadian Pacific Railway, which is a large landowner in Western Canada, loans $2,000 in improvements to settlers in its irrigation block in Alberta. But the most successful example is the Canadian Government's own soldier settlement scheme. This was initiated toward the end of the war as a means of palliating the anticipated economic distress by making it easy for the returned soldier to get back to the land. It is notable because it was so ambitious, and because, out of the mirage of hot air and Utopian and saccharine-like visions that characterized the few months after the armistice, it has emerged as the only practicable and successful enterprise in the world.

By this scheme the Canadian ex-soldier (or practically any allied ex-soldier) who genuinely wants to go farming and has a reasonable chance of success is staked to everything by the Government—land, livestock and improvements—with free training, pay and subsistence allowance while training, all on the strength of a promise to pay everything back within twenty-five years. If he lives in Great Britain he can, while the imperial settlement scheme exists, obtain a free passage. Recent statistics show that 25,550 returned Canadian soldiers have been settled on the land, and that over $80,000 in loans have been approved.

HOW MALTA RECEIVED HER CONSTITUTION

THE greatest day in the history of the little Mediterranean island of Malta fell on April 30, 1921, when the British Governor, Lord Plumer, in the stately Hall of St. Michael and St. George in Valletta, read to the Maltese Council of State the Letters Patent granting the island self-government. The capital was gaily beflagged to celebrate the event. From an early hour the Palace Square was packed with cheering throngs. At 10 o'clock in the morning Lord Plumer entered the Council Hall with the Archbishop, Admiral de Robeck and Chief Justice Refalo. He read the Colonial Secretary's letter relative to the new Constitution, after which Lieutenant Governor Robertson, in alternation with the Chief Secretary, read the Letters Patent. This reading lasted until after midday. The ceremony was ended by Lord Plumer, who announced that the Letters Patent would come into force on May 16, and that the elections for the Legislature and Senate would be held as soon as possible.

A fanfare of trumpets from the Palace balcony announced the conclusion of the event to the waiting throngs in the square below; the guard gave a Royal salute, and the band played the national anthem. Inside the Palace the great hall was echoing with wild shouts and plaudits for King George. The main features of the new Constitution are as follows:

> Self-government regarding all local affairs, excluding the Army, the Navy and the Air Force, buildings, coinage and currency, naturalization, immigration, submarine cables, territorial waters and harbors. A local Senate and House of Representatives, elected on a basis of proportional representation. The Legislature to have power to alter the Constitution, except in matters of religious toleration and language. English, Italian and Maltese are to be the official languages. A special Imperial Maltese Government is constituted, to deal with all specifically Imperial interests.

The Letters Patent and the covering letter from the Colonial Secretary were accepted by the Council as a charter granting the Maltese all the essential rights and privileges of a free and independent people, while holding them within the framework of the British Empire. Among those who came forth from the Council Hall was a white-haired man, who was pointed out by the whispering populace as the Marquis Mattei. Over twenty years ago this venerable statesman seconded the Maltese patriot Savona's resolution for self-government for Malta; he is the only member of that council who has lived to see his hopes fulfilled.

THE LIVING FLAME OF AMERICANISM

By Franklin K. Lane*

This inspiring address by the late Franklin K. Lane was delivered at Washington while he was Secretary of the Interior, just after the armistice and at the outset of the Americanization movement. His friends regard it as his greatest speech

We have made stintless sacrifices during this war; sacrifices of money, and blood sacrifices; sacrifices in our industries; sacrifices of time, and effort, and preferment, and prejudice. Much of that sacrifice shall be found vain if we do not prepare to draw to ourselves those later comers who are at once our opportunity and our responsibility—a responsibility which invokes and fortifies the noblest qualities of national character.

There is in every one of us, however educated and polished, a secret, selfish, arrogant ego, and there is in every one of us also a real nobility. In this war I could see that there came out immediately a finer man—a better self; that better self we must keep alive. We expect that man to seek out his immigrant neighbor and say, "I am your friend. Be mine as well. Let me share in the wisdom, and instruct me in the arts and crafts you have brought from other lands, and I shall help you to succeed here." There is no difficulty in this, if our attitude is right. Americanism is entirely an attitude of mind; it is the way we look at things that makes us Americans.

What is America? There is a physical America and there is a spiritual America. And they are so interwoven that you cannot tell where one ends and the other begins.

Some time ago I met a man who is one of the advisers of the President of China, and he told me of a novel suggestion which he thought might be adopted in that new republic—that they should have a qualifying examination for members of Congress; that every man who announced himself as a candidate should prove that he knew what his country was, who its people were, what resources it had, what its prospects were and what its relations with foreign countries had been.

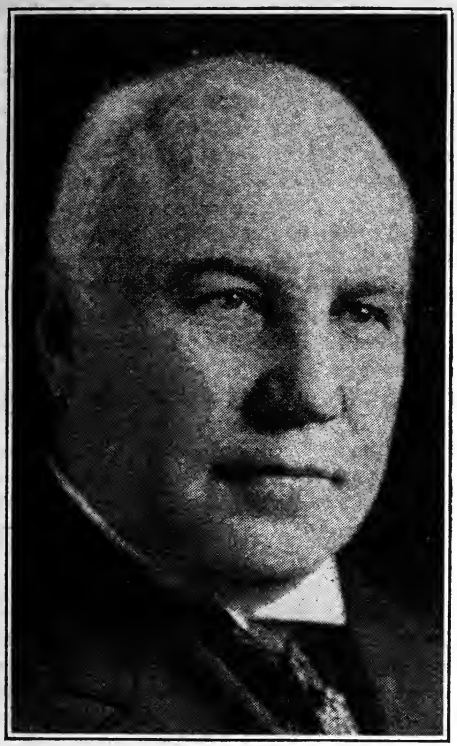
If I could have my way I would say to the man in New York. "Come with me and I will show you America," or I would say to the man in San Francisco, "Come with me and I will show you America." I would give to this man whom I wished to Americanize (after he had learned the language of this land) a knowledge of the physical America, not only to gain his admiration for its strength, for its resources, and for what it could do against the world, but to awaken his pride in this as a land of hope, as a land in which men had won out.

I would take this man across the continent. I would show him the 8,000,000 farms which went to feed Europe in her hour of need. I would take him out into Utah, and show him that mountain of copper they are tearing down at the rate of 38,000 tons per day. I would take him to the highest dam in the world, in Idaho, and I would let him see the water come tumbling down and being transformed into power, and that power being used to pump water again that spreads over the fields and makes great gardens out of what, ten years ago, was the driest of deserts.

I would take this man down South and I would show him some of its schools. I would take him up North and I would show him the cut-over lands of Wisconsin and Michigan, which are waste and idle. I would take him into New York and show him the slums and the tenements. I would show him the kind of sanitation that exists

*Franklin K. Lane, former Secretary of the Interior, died after an operation in a hospital at Rochester, Minn., on May 18, 1921. He was born in 1864 on Prince Edward Island, but passed his early life in California, and was graduated from the University of California in 1886. He entered journalism and became editor of the Tacoma Daily News, but later took up law, was admitted to the California bar in 1889, and had become a national figure by 1895, when President Roosevelt appointed him to the Interstate Commerce Commission, a place which he held for eight years. In 1913 President Wilson chose him as Secretary of the Interior, and during his seven years in that position he was regarded with ever increasing esteem by the nation. The high ideals that shaped his character and his utterances were epitomized in his remark, made shortly before death, that he wished to live for the good he could do.

in some of our cities. I would show him the good and the bad. I would show him the struggle that we are making to improve the bad conditions. I would tell him, not that America is perfect, not that America is a finished country, but I would say to him, "America is an unfinished land. Its possibilities will never end, and your chance



(Harris & Ewing)
FRANKLIN K. LANE

here, and the chances of your children, will always be in ratio to your zeal and ambition." I would tell him that we dare believe that America will ever remain unfinished; that no one can say when we shall have reclaimed all our lands, or found all our minerals, or made all our people as happy as they might be. But—I would add—out of our beneficent, political institutions, out of the warmth of our hearts, out of our yearning for higher intellectual accomplishment, there shall be ample space and means for the fulfillment of dreams, for further growth, for constant improvement. That is our ambition.

I would have that man see America from the reindeer ranches of Alaska to the Everglades of Florida. I would make him realize that we have within our soil every raw product essential to the conduct of any industry. I would take him 3,000 miles from New York (where stands the greatest university in the world) to the second greatest university, where seventy years ago there was nothing but a deer pasture. I would try to show to him the great things that have been accomplished by the United States—250,000 miles of railroad, 240,000 schools and colleges, water powers, mines, furnaces, factories, the industrial life of America, the club life of America, the sports of America, the baseball game in all its glory.

And I would give to that man a knowledge of America that would make him ask the question, "How did this come to be?" And then he would discover that there was something more to our country than its material strength.

It has a history. It has a tradition. I would take that man to Plymouth Rock and I would ask, "What does that rock say to you?" I would take him down on the James River, to its ruined church, and I would ask, "What does that little church say to you?" And I would take him to Valley Forge, and point out the huts in which Washington's men lived, 3,000 of them struggling for the independence of our country. And I would ask, "What do they mean to you? What caused these colonists to suffer as they did—willingly?"

And then I would take him to the field of Gettysburg and lead him to the spot where Lincoln delivered his immortal address, and I would ask him, "What does that speech mean to you? Not how beautiful it is, but what word does it speak to your heart? How much of it do you believe?"

And then I would take him to Santiago de Cuba and I would ask, "What does that bay mean to you?" And I would take him over to the Philippines, where 10,000 native teachers every day teach 600,000 native children the English language, and I would bring him back from the Philippines to the Hawaiian Islands.

In Honolulu during the war a procession of school children passed before me and presented me with the flags of their countries. Every race was represented, from New Zealand clear along the whole western side of the Pacific. They laid at my feet twenty-six flags.

I went from there to Mauna Loa, where I

visited a school, a typical school, in which there were Filipinos, Javanese, Chinese, Japanese, Portuguese, Samoans, Australians, Americans, Koreans. I said to the pupils, "Can any one tell me why we are at war?" A little girl 13 years old, half Chinese and half Hawaiian, rose and said: "I think I can, sir." We were upon the side of the mountain, looking out over the Pacific, and the only communication with the civilized world was across that ocean. "We are in this war," the child said, "because we want to keep the seas free—because we want to help those who need help." And I have yet to hear a better answer given. I would show this man whom I wished to Americanize, finally, how these children, whether Japanese or American, no matter what their origin, stood every morning before the American flag, and raised their little hands, and pledged themselves to one language, one country, and one God.

And when I would bring him back to this country and say, "Grasp the meaning of what I have shown you and you will know then what Americanism is. It is not 110,000,000 people alone, it is 110,000,000 people who have lived through struggle, and who have arrived through struggle, and who have won through work." Let us never forget that!

There is a sentimentality which would make it appear that in some millennial day man will not work. If some such calamity ever blights us, then man will fail and fall back. God is wise. His first and His greatest gift to man was the obligation cast upon him to labor. When he was driven out of the Garden of Eden, it was the finest, the most helpful thing that could have happened to the race. For when man passed that gate, he met a world in chaos, a world that challenged his every resource; a world that, alike, beckoned him on and sought to daunt him, a world that said, "If you will think, if you will plan, if you can persist, then I will yield to you. If you are without fibre, if you are content with your ignorance, if you surrender to fear, if you succumb to doubt, I shall overwhelm you."

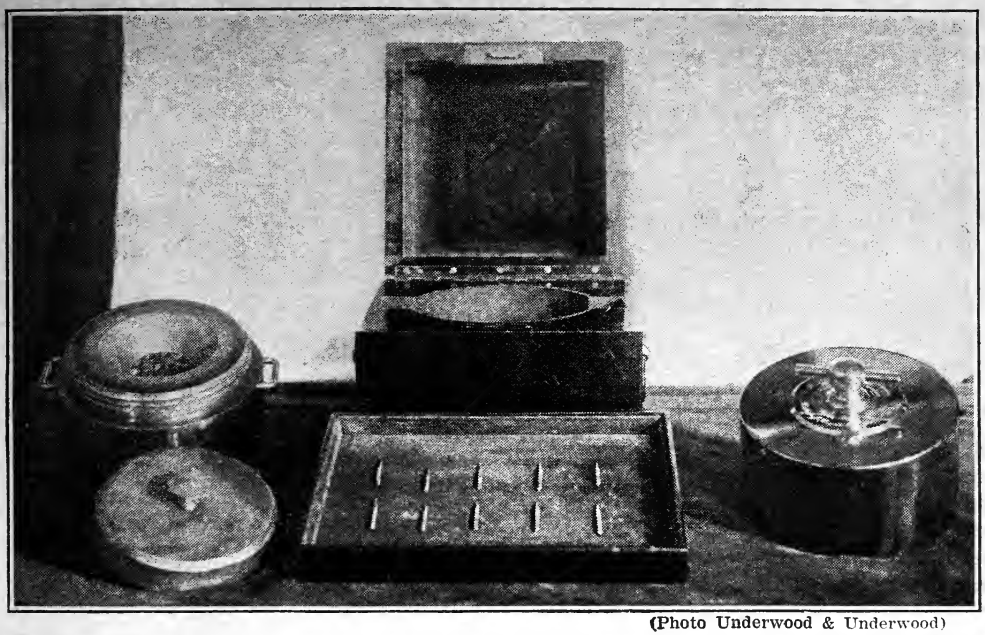
The march of civilization is the epic of man as a workingman, and that is the reason why labor must always be held high. We have nothing previous that does not represent struggle. We have nothing of lasting value that does not represent determination. We have nothing admirable which does not represent self-sacrifice. We have no philosophy except the philosophy of confidence, of optimism, of faith in the righteousness of the contest we have made against nature.

We are to conquer this land in that spirit, and in that spirit we are to conquer other lands, for this our spirit is one that, like a living flame, goes abroad. Or I might compare it to some blessed wind—some soft, sweet wind that carries a benison across the Pacific and the Atlantic. We must keep alive in ourselves the thought that this spirit is Americanism—that it is robust, dauntless, kindly, hearty, fertile and irresistible, and that through it men win out against all adversity. That is what has made us great.

This spirit is sympathetic. It is compelling. It is revealing. It is, above all, just. The one peculiar quality in our institutions is, that not alone in our hearts, but out of our hearts, has grown a means by which man can acquire justice for himself.

That is the reason, my Russian friend, my Armenian friend, why this country is a home to you. Bring your music, bring your art, bring all your soulfulness, your ancient experience, to the melting pot, and let it enrich our mettle. We welcome every spiritual influence, every cultural urge, and in turn we want you to love America as we love it, because it is holy ground—because it serves the world.

Our boys went across the water—never let us hesitate to speak their glorious names in pride—our boys went across the water, because they were filled with the spirit that has made America; a spirit that meets challenge; a spirit that wants to help. Combine these two qualities and you have the essence of Americanism—a spirit symbolized by the Washington Monument; that clean, straight arm lifted to Heaven in eternal pledge that our land shall always be independent and free.



(Photo Underwood & Underwood)

GILDED CONTAINER FOR THE GRAM OF RADIUM WHICH PRESIDENT HARDING PRESENTED TO MME. CURIE FOR THE WOMEN OF AMERICA. THE $100,000 WORTH OF RADIUM IS IN THE TEN LITTLE GLASS TUBES, WHICH ARE SEEN IN THE TRAY, BUT WHICH ARE KEPT IN THE TEN HOLES IN THE HEAVY LEADEN CONTAINER AT THE LEFT, AND THE CONTAINER IS SECURED BY THE COMBINATION LOCK SHOWN ON THE RIGHT.

HONORS FOR THE DISCOVERER OF RADIUM

EXTRAORDINARY honors, including degrees from many universities, were showered upon Mme. Marie Curie, the discoverer of radium, during the weeks of her visit to the United States. These tributes culminated in an impressive ceremony at the White House on May 20, 1921, when President Harding presented to the visitor a gram of radium purchased for her by American women at a cost of $100,000. The radium—1,006 milligrams by careful measurement—was enclosed in a mahogany and lead container that weighed 110 pounds and cost $2,700. The ceremony was attended by many distinguished diplomats and scientists. After M. Jusserand, the French Ambassador, had formally introduced Mme. Curie, President Harding said to her:

> We greet you as foremost among scientists in the age of science, as leader among women in the generation which sees woman come tardily into her own. * * * It has been your fortune, Mme. Curie, to accomplish an immortal work for humanity. We bring to you the meed of honor which is due to pre-eminence in science, scholarship, research and humanitarianism. But with it all we bring something more. We lay at your feet the testimony of that love which all the generations of men have been wont to bestow upon the noble woman, the unselfish wife, the devoted mother.
>
> In testimony of the affection of the American people, of their confidence in your scientific work and of their earnest wish that your genius and energy may receive all encouragement to carry forward your efforts for the advance of science and conquest of disease, I have been commissioned to present to you these phials of radium. To you we owe our knowledge and possession of it, and so to you we give it, confident that in your possession it will be the means further to unveil the fascinating secrets of nature, to widen the field of useful knowledge, to alleviate suffering among the children of man. It betokens the affection of one great people for another.

Mme. Curie replied briefly and felicitously, thanking the President and the American people—in the name of France and of her native Poland—for honoring her "as no woman had ever been honored in America before"; she accepted the gift, she said, "in the hope that I may make it serve mankind."

Among later tributes paid to Mme. Curie was that of the American Museum of Natural History, New York, which elected her an honorary life member.

THE WORLD'S HOUSING SHORTAGE

By Gustavus Myers

Why four million families are inadequately housed in the cities of the United States—The enormous increase of rents, and what is being done to correct the situation—A brief survey of the situation in England and continental Europe

ONE of the most serious consequences of the World War is the housing situation in many countries. Some of the events of the war are gradually being relegated to the domain of memories, and the peoples of the world have become accustomed to some of the changes it wrought. But the housing shortage is present and acute, affecting not only nations that were in the war, but those that were not. Its magnitude is such that a period of intense application to the subject will be necessary before the populations of the various countries can be assured of adequate housing accommodations.

During the war the nations were wholly absorbed in the great conflict. Millions of men were withdrawn from industry and sent to the front, and vast numbers of others had to leave their normal occupations to work in industries essential to the prosecution of the war. The consequence was that operations which did not contribute to the war were almost suspended. The building of houses was practically at a standstill. A host of workers in the building trades either went into the national armies, or their skill was utilized in the construction of ships, especially in the United States, which had to improvise a great new merchant marine. The use of pneumatic drills and other modern apparatus made the process of turning house builders into shipbuilders fairly easy.

The effect upon housing in the United States became sharply noticeable after the war. For a number of years before the war, there were built in the United States, it is estimated, between 350,000 and 400,000 family dwellings every year, including private homes and apartment houses. The war swelled the populations of cities and towns. Many rural residents went there to work, attracted by the high wages in war industries, while numerous relatives of those drafted into the army, not caring to stay alone in the country, sought quarters in the cities. When the soldiers returned from Europe, many, instead of going back to the country districts, stayed in the cities. Meanwhile the natural increase of resident population was going on. There was the greatest demand for housing, and rents precipitately rose, yet in 1919 only about 70,000 houses were built throughout the United States.

The extent of the housing shortage in this country may be judged from the results of recent investigations. In an article published this year in The American Contractor, containing an estimate based on building permit statistics for fourteen large cities, it was estimated that the accumulated deficit by the beginning of 1921 amounted to about 147 per cent. of the normal annual building program, and that, therefore, the United States faced a demand equivalent to a normal output of two and a half years. After a careful examination, John Ihlder, manager of the Civic Department of the United States of Commerce, reported to the National Council of that body early in 1921 that the nation needed 1,250,000 new homes, and that 4,000,000 families lacked adequate housing. The report declared that many families were forced to "double up" in a single house or apartment, or to take in lodgers, and that this condition, if continued, might have serious effects upon morals and the spread of infectious diseases. The report further pointed out that those most affected by the housing shortage were the wage earners and small-salaried professions.

In New York City alone, according to a careful survey made by Health Commissioner Royal S. Copeland from the records of the Tenement House Department, living accommodations are required for about

100,000 families. This is in addition to the normal growth of the city, which requires accommodations for about 30,000 families annually. In many other cities the demand for housing is proportionately urgent.

The Increase in Rents

The housing shortage has caused rents to increase enormously. A recent compilation by the United States Department of Labor on the average cost of living in the United States, from 1913 to the end of 1920, based upon investigation in thirty-two cities, gives the percentages. Up to December, 1917, rents had not risen 3 per cent. over the 1913 figure. By the end of 1918 they had increased 9.2 per cent. over 1913. By June, 1919, the percentage was 14.2. In the next six months it rose to 25.3, and to 34.9 by June, 1920. By December, 1920, it was 51.1 per cent. over the 1913 figures, and was still rising. The table shows that while rents have been making deeper and deeper inroads into the average family's budget, the prices of food, clothing and other goods have been going down. During and immediately after the war, it was the high prices demanded for commodities and merchandise that most engaged public attention. But now it is high rents that are causing general concern.

In every city there have been notably large increases in rents. How these specifically have risen is shown by other tables of the United States Department of Labor on the costs of living as compared with 1914. Usually, the percentage of increase from that year to the end of 1917 was slight. In New York rents increased an average of nearly 36 per cent., and about the same in Philadelphia from December, 1917, to December, 1920. In the same period they rose more than 47 per cent. in Chicago, nearly 25 per cent. in Boston and 46.5 per cent. in Baltimore.

The increase in rents in Cincinnati before 1917 was negligible, but from the close of that year rents began rising and the increase was 25 per cent. by December, 1920. In Indianapolis the increase was only 1.6 per cent. before 1918; by December, 1920, it reached 32.9 per cent. Likewise in Minneapolis the rent increase by the end of 1920 was 36.8 per cent., practically all of which took place after 1918.

The same conditions applied to New Orleans, the rent increase of which from 1918 to 1920 was 39.7 per cent., and to Memphis, Tenn., where the rent increase in three years was 66.2 per cent. Before 1918 St. Louis' rent increase was less than 3 per cent., but by December, 1920, it reached 42.4 per cent. Kansas City had a small rent increase of 5.4 per cent. before 1918; by December, 1920, it rose to 63.9 per cent.

In a number of cities considerable rent increases were made both before and after 1918. Detroit, a highly industrial city, the population of which was suddenly swelled, had a rent increase of 32.6 per cent. from 1914 to the end of 1917, from which figure it went up to 108 per cent. in December, 1920. Washington, D. C., overflowing with an influx of persons assisting in war activities, had a rent increase of 24.9 per cent. before 1918; by December, 1920, rents had increased a total of 68 per cent. Cleveland's rent increase from 1914 to 1917 was 11.3 per cent., rising to 80 per cent. in December, 1920. Norfolk, Va., the shipbuilding activities of which brought a quick growth of population, had to face by December, 1920, a rent increase of 90.8 per cent., nearly all of which came after 1917. Portland, Ore., also a shipbuilding port, had a 22.2 per cent. rent increase before 1918, after which it rose to 36.9 per cent.

Buffalo's rent increase was 9.4 per cent. before 1918; it then rose to 48.5 per cent. by December, 1920. Atlanta's rent increase went up from 14 per cent. in December, 1918, to 73.1 per cent. in December, 1920; Birmingham's from 8.1 to 68.5, Pittsburgh's from 7.6 to 35, Denver's from 12.8 to 69.8, and Richmond, Va., from 1 to 25.9 per cent. in the same period. The two cities in the list having the lowest percentage of rent increases are San Francisco and Oakland, Cal., with a total rent increase from 1914 to December, 1920, of only 15 per cent., and Scranton, Pa., with a rent increase of 18.5 per cent. in the same period.

Laws to Encourage Building

Rents are still mounting, even in the States where remedial laws have been passed. Legislation designed to stop rent profiteering does not prevent landlords from raising rents, if they can produce proof that their costs justify the increases.

To encourage home building, some Legislatures, such as those of New York and

New Jersey, have passed laws allowing cities to grant tax exemption for varying periods. The New York City ordinance exempts for ten years new buildings, the construction of which is begun before April 1, 1922, up to $5,000 for a one-family house, and $10,000 for a two-family house, or at a rate of $1,000 per room, not to exceed $5,000 per apartment, for multi-family houses. In New Jersey a five-year exemption from taxation is allowed. These measures are stimulating the building of moderate-priced homes and apartments. The President of the Borough of Manhattan published figures on May 1, 1921, showing that the building of apartments in the five boroughs of New York City had increased more than 450 per cent. since the tax-exemption ordinance went into effect, as compared with the same period a year ago. In various parts of the United States house-building operations are energetically going on. The Federal Reserve Bank of Dallas, Texas, for instance, reported in March, 1921, a 50 per cent. increase in building activity in that district, as compared with the previous month.

The contention of builders has been that of all the items of expense in house building the largest has been the cost of labor, which comprises more than two-thirds of the cost of building a house. Extreme labor union rules, they assert, have greatly added to this cost; for example, where a few years ago a brick mason laid from 1,500 to 2,000 bricks a day, he has in recent years laid only half that number, and at double the wages that he formerly received. On the other hand, the building trades unions say that they had to adopt their rules in self-defense against gross abuses by unscrupulous contractors. That combinations have existed to keep up the price of certain building materials was shown by the report of the Federal Trade Commission and by the recent investigation in New York City, which brought convictions in the criminal courts. Collusion between labor leaders and contractors, and the use of the strike by labor leaders to extort money from builders, was shown by investigations in New York and Chicago; in New York, early in April, Robert P. Brindell, long head of the Building Trades Council, was taken to Sing Sing Prison to serve a sentence of from five to ten years for extorting $5,000 for calling off a strike.

Recently, however, the prices of building materials have declined somewhat from the excessive point reached last year. In some cities, building trades labor unions refused to accept a reduction in wages, but in others, notably in Chicago, such reductions were favorably considered, showing that building trades unions were beginning to realize that if housing relief is to come they also must do their part.

Meanwhile, the United States Senate Committee on Reconstruction and Housing, of which William M. Calder of New York is Chairman, has reported ten recommendations urging the Government to take some action for the erection of homes throughout the country. Two of its proposals for legislation deal with the gathering of data on construction methods, costs and designs, and the regular publication of these facts by Government agencies. Another recommendation concerns the speedy transportation of building materials. Still others would allow the Federal Reserve Board to lend money on long-time loans for home building, would put in operation various other financial functions, and would permit a certain tax exemption in order to encourage home-building throughout the nation.

England's Lack of Houses

In England the housing situation is acute, and is felt most severely by the working classes. In general, a laborer's house was one which, before the war, could be built with a fair return on the money invested at an annual rental of £20. Previous to the war, about 60,000 to 100,000 of these types of houses were annually built; the average yearly construction from 1900 to 1910 was 80,000. During the war the building of houses practically ceased. It was estimated that by the end of 1918 there was a shortage of from 300,000 to 400,000 working-class houses. During the war almost nothing was done to repair old houses or to efface slum buildings.

J. J. Clarke, in his book, "The Housing Problem," published in London in 1920, estimated that there were at least 70,000 houses virtually unfit for habitation, and a further 300,000 which were seriously defective. But people had to continue living in these until better quarters were provided.

About 3,000,000 people were living in overcrowded conditions, which meant more than two in a room. An investigation by the London County Council showed that, in the area covered by its inquiry, 758,000 people were living in the most congested conditions.

After the war private building operations in England were greatly impeded by prohibitive building costs. In March, 1919, the Government took action. A bill was passed giving new and wider powers to the Ministry of Health, and another act in December, 1919, still further increased these powers. Housing action by local authorities was made compulsory.

England and Wales were divided into eleven districts, each of which was given a Housing Commissioner responsible to the central staff of the Housing Department to work in co-operation with the local authorities. The local officials were required to make a survey of housing needs, and to submit to the Ministry of Health a scheme for meeting all or some of them. Building could be begun without waiting for the completion of the survey. Local authorities were ordered by the law to raise the money to carry out these projects. In small districts, however, where the taxable value was low, the Ministry of Health was empowered, under certain conditions, to make a loan for building purposes. Special subsidies were also offered to public utility societies, and direct grants to private persons building houses of approved types which would help in relieving the housing shortage.

No time was lost in establishing the administrative machinery to carry out these projects. Prelimniary surveys showed the urgent need of at least 800,000 houses. Other estimates put the figure at 500,000 houses. In February, 1920, Dr. Addison, Minister of Health, estimated that if building labor were available, 100,000 houses might be completed by the end of 1920 and 200,000 in 1921.

These expectations, it turned out, were oversanguine. In answer to a question in the House of Commons on Oct. 20, 1920, Dr. Addison reported that only 10,042 houses had been completed; of these, 7,448 were provided by local authorities and public utility societies under the Housing act and the other 2,594 by private persons under the subsidy scheme. In addition to these completed houses, there were under construction on Oct. 1, 1920, 59,520 houses, which were mostly being built by local authorities and private utility societies. The number of houses covered by signed contracts by the beginning of 1921 totaled 133,000. Tenders had been approved for 148,158 houses.

For these disappointing results different reasons have been given. There have been charges and countercharges of red tape, of holding up of supplies by profiteers, of restriction of output by workers, of trade union opposition to the open shop and other explanations. Of one thing there is no doubt: the ranks of the building workers were sadly shorn by the war. Figures show the war's havoc in reducing the number of bricklayers, joiners, masons and others. Sixty local guilds of building workers have, however, been formed sufficiently to bid for housing contracts.

Whatever the estimated housing needs of England, whether the conservative figure of 500,000 dwellings or the larger one of 800,000 dwellings is accepted, the fact remains that only a very small number, reported to be about 60,000, had been begun and about 12,000 completed by the end of 1920. Although further progress has been made in 1921, the housing shortage is still a huge problem. In some districts the people's dire needs have led to the seizure of unoccupied houses or public buildings, and in a number of sections the huts used by the army camps during the war have been used for temporary dwellings. A bill was recently introduced in Parliament authorizing the commandeering of unoccupied houses suitable for working-class dwellings and their use in relieving the emergency.

Scotland, with a population less than that of New York City, was confronted, after the war, with a shortage of about 150,000 houses. Popular solicitude over the situation resulted in mass meetings throughout the country. The outcome was that a Government Committee of Inquiry Into the High Cost of Building Working-Class Houses was appointed; the Scottish Board of Health gave its attention to the problem; and local official bodies pressed practical demands for remedial action. The consequence was the granting of State aid for housing. By the end of February, 1920, contracts had been let for the construction

of 19,137 houses to cost £17,968.966, or a little more than $70,000,000 at current rates of exchange.

As in England, the concrete results in Scotland have been disappointing. A report of meetings of the Government Committee of Inquiry in Edinburgh, presented by J. L. Jack, Director of Housing under the Scotch Board of Health, declared that although land was cheaper than five years ago, the Government's aid project had inflated land values. It accused contractors in many instances of profiteering, and asserted that the cost of materials had increased 25 per cent. since 1919, giving specific facts to prove the charge. The report also said that labor was not giving adequate work, thus largely increasing construction costs. According to the report a survey by local authorities in December, 1920, indicated a shortage in Scotland of 131,000 houses, of which the local authorities proposed to provide 115,000. Mr. Jack reported that the local authorities' estimate of housing shortage was, in his opinion, too conservative. The Scottish people have been so aroused over housing conditions and so insistent upon a remedy that a Scottish Housing and Town Planning Congress was held in Edinburgh on April 19 and 20, 1921. One of its objects was to urge the Scottish Members of Parliament to carry out their pledges in obtaining full measures to relieve the housing shortage.

France and Other Countries

Although Paris and some other French cities are overcrowded and rents have greatly increased, the problem of the French people is concerned first of all with restoring the districts so frightfully devastated by the Germans in the north of France. By February, 1921, more than 2,000 cooperative societies of reconstruction had been formed and were in active operation. Through the Crédit National the Government is assisting them by subventions and advances. Construction of houses for workingmen has been facilitated by funds advanced to industrial enterprises and to various societies formed for the purpose of building model dwellings. In addition, special corporations have been authorized to construct such dwellings.

Holland is one of the countries which kept out of the war, yet it, too, has a pressing shortage. The demand for houses both for workers and for the general public is so great that for the first time in its history Holland has consented to the erection of wooden houses. Hitherto, because of climatic conditions, the high cost of wood, and the traditional building policy of the authorities, practically all buildings for permanent occupancy have been constructed of brick, stone or concrete. The wooden houses now being built are for permanent use and are portable, so that they can be transferred from one industrial plant to another, as necessity requires. Each house is for a single family and costs about 3,300 florins, which is about $1,800 at present exchange rates.

Switzerland, though not involved in the war, has been filled with political refugees who have added to its population. There the housing shortage has been such that rents have hugely increased and in many cases are now more than double what they were in 1914.

In all the larger cities of Hungary the need of more houses is urgent. Budapest is the greatest sufferer; its population is estimated to be 50 per cent. greater than before the war. Building construction was entirely stopped by the war and people have crowded into the city from the country districts. There has also been a great influx of people who left the territories of pre-war Hungary now occupied by Czechoslovaks, Rumanians and Jugoslavs. Since late in 1919 many of these refugees have been existing in freight cars standing on switches of the principal railway stations at Budapest and in many other parts of the country. Others of the homeless have been assigned quarters by the authorities, who have commandeered all space considered to be in excess of the requirements of the occupier. Recently it was announced that the Hungarian Government was to take measures for the construction of houses in the congested districts.

In Germany, it is estimated, fully 1,000,000 dwellings are desperately needed, but no building whatever is going on, largely because of the general lack of materials and their prohibitive cost when obtainable. The Housing Commission has requisitioned all unoccupied dwellings and assigned families to live in them. Rich occupants having more room in their mansions than

they need have been compelled to take in any lodgers that the Government sends.

Faced by a large deficiency in dwellings, Italy has enacted drastic rent restriction laws, effective until July 1, 1922. The increases of rent are restricted in the case of well-to-do tenants to 40 per cent., and are graduated on a scale that does not permit more than a 10 per cent. increase to working people. But, as an inducement to investors to build, these rent restrictions do not apply to new houses constructed within a certain period.

Canada and Australia

Canada, too, is wrestling with the housing problem, which is occupying the attention of many of its cities. Winnipeg is an example of the large decrease in house construction before and after the war. During the two years before the war, 3,392 houses and 149 apartments were built. In the five years from 1915 to 1919, only 258 houses and 11 inferior apartments were constructed, and in 1920 only 262 houses and 11 small converted apartments were built in Winnipeg. In view of the house famine there and the sudden increase in rents, the Manitoba Council of Industry recently made an inquiry to determine whether there was any basis for the charge that the landlord was profiteering. It reported that costs including taxes had so increased that landlords were not receiving an excessive return upon their investment.

In Australia, according to a recent resolution of the Master Builders' Federal Convention, one of the main causes of the lack of dwellings is the scarcity and high cost of materials, due to the dislocation of industry and the lessened production resulting from the war; other causes are the loss of mechanics killed or incapacitated during the war, leading to scarcity of labor; the lessened output due to shortening of hours and general decrease of efficiency and the moving of men out of industry into the agricultural regions. The convention recommended that vocational classes be made available for training unskilled men for the building trades. It further urged that the erection of other than residential buildings be limited. The State of Victoria, Australia, has been putting into effect comprehensive home-building plans for returned soldiers and sailors. The War Service Homes Commissioner has bought large areas and is having them laid out in accordance with the latest town planning ideas. In the city of Melbourne provision has been made for 1,115 dwellings.

In various parts of New Zealand the demand for workingmen's homes has far exceeded the supply. There, as elsewhere, costs of construction are high. In addition, there has been a scarcity of building materials, and private capital has been timid in making investments in private houses. To relieve the acute housing shortage the New Zealand Parliament recently appropriated $3,742,900 for the building of workers' homes in different centres of the country during 1921.

Thus the available data on the subject show that the situation so acutely felt in the United States extends to the whole civilized world and amounts in the aggregate to a shortage of many millions of dwellings. It is evident that a long and trying period must intervene before the people of the various countries can again have anything like the number of homes they really need.

THE WAR'S HARVEST OF THE UNBORN

THE world is now familiar enough with the statistics of life-loss during the war. It has remained for Dr. Richard P. Strong, a Professor of Tropical Medicine at the Harvard Medical School, to estimate the potential loss of life entailed in the untimely cutting off of the nations' manhood in its flower. According to the estimates of Dr. Strong, the loss in the world's population, both actual and potential, reaches at a conservative estimate the staggering total of 43,000,000 people. It will take France—the chief sufferer—70 years to recover her former population, thinks Dr. Strong. He further estimates the direct financial cost of the struggle at the sum of $84,000,000,000, and the cost to all nations together, directly or indirectly concerned, at the gigantic total of $348,000,000,000.

THE TREND OF DEMOCRACY IN EUROPE

By Frank Bohn, Ph. D.

How the pathway of democratic government has been blocked by the old ideals of kingship since the close of the World War—The political drift in Central Europe—Momentous importance of the ultimate decision of Germany and Russia

AFTER the revolution in Central and Eastern Europe, the next event on the schedule is the counter-revolution. What are the plans, what the hopes of the exiled monarchs and aristocrats? What thoughts of loyalty and love for their deposed rulers still animate the minds of the common people in the revolutionary countries?

In April, 1915, I paused momentarily to join a crowd in one of the famous resident streets of Berlin. The crowd included perhaps a hundred people, workingmen, tradespeople, common soldiers and servant girls. My doubt as to the motive for the gathering did not last long. The nearest house door swung open. A liveried lackey appeared upon the steps. An automobile drew up before the gate. At the door appeared one of the younger Princes of the House of Hohenzollern and his Princess. The men in the crowd uncovered. As royalty passed by, an awed whisper came from many lips: "God prosper you!"

The feeling here expressed was undeniably religious. In the mind of aristocrat and peasant alike, loyalty to the sovereign under the old régime has partaken of the nature of religious worship. All democratic revolutions in the last four centuries, the French Revolution not excepted, have begun with the overthrow in the individual mind of this deep-seated religious postulate. But Americans do not pause to reflect that the ancient way of thinking in this matter has been the norm. Our own attitude is exceptional, and has been but recently developed. Considered as biological evolution, modern democracy is still an adventure, to which human nature, generally, may or may not finally adjust itself.

There is only one first-class nation in the world which has made a purely republican form of government succeed for more than half a century, and that is our own. The French Revolution itself has given France, after eighty-two years of monarchy mixed with turmoil, exactly fifty years of the Third Republic. In the whole of Europe, the mountain fastness of Switzerland, 16,000 square miles in extent, alone upholds the banner of a republicanism toward which there is turned no jealous monarchial eye. A consideration of these facts is disconcerting, to say the least, to the partisans of democracy universal. Thrones have toppled. The incumbents have been shaken off. But the thrones are still standing, and their late occupants are anxious to reassume power.

Constantine has already been returned to the throne of Greece amid the acclamations of the vast majority of the Greek people. Neither aristocracy nor property interests could have consummated this counter-revolution against the will of a popular majority. "Nevertheless, the people refused to obey the voice of Samuel; and they said, Nay; but we will have a King over us." (I. Samuel, viii., 19.) The Hebrews demanded a King despite the voice of Providence, and the Greeks have reinstated theirs contrary to the united demand of France, Britain and Italy.

During the last seven years democracy has been making its real birth struggle as a world force. Let it not be forgotten that from the Protestant Revolution until 1910 democracy evolved a social order only on the western fringes of Europe and in America. If we place before ourselves a map of the Eastern Hemisphere, we quickly see how insignificant were the areas recreated by the revolutions in England and France. The primary fact in the history of this last decade has been not the war, but the

revolutions which followed the war. Since 1910 revolution has burst forth from the Rhine to Kamchatka and from the Baltic to the China Sea. It is rending the British Empire in Ireland, Egypt and India. In each of these dependencies the fundamental appeal is being made in terms of democracy and republicanism. The Chinese revolution is, in itself, far too stupendous a fact to be comprehended, as yet, by the Western mind. Taken as a whole, this revolutionary event may well be considered by the future as the most important in the history of our age. But the mind of our Western world has been obsessed by war, and our activities have centred around the making of war and the making of peace. Meanwhile the immediate outcome of the revolutions has apparently ceased to interest the leading members of the Government of the United States. And yet it is a primary determining factor as regards the essentials of world civilization for all time to come.

In Hungary and Austria

What is the present political trend, either for democracy or away from it, in the recently arisen Central European States organized or reorganized as republics? In Greece, Hungary, Austria, Poland and Czechoslovakia—above all, in the new Germany?

Greece has chosen to return to monarchy, and the former King was able to regain his throne without a struggle. But what was so easy for Greece has proved at least temporarily impossible for Hungary; the future may have a different result to show. Hungary, more than any other revolutionary country in Europe, represents the logical outcome of failure and despair. The four years and four months of war, with the Hungarian conscience but half enlisted; the defeat, with territorial disruption and national isolation; a few months of a struggling, impossible democracy, and then Bolshevism for over four months; renewed war upon Rumania with a second defeat and the capture and sacking of Budapest—these disastrous events left but one thing to do—to return to tyranny. Such a return is exemplified by the present régime of Admiral Horthy.

The coup attempted by the late Emperor Charles in Hungary gives to the American public its first intimation of the realities of monarchial reaction. The never-ending intrigues—the fishing in troubled waters; ceaseless preparation of local conditions by the monarchial elements; the constant throwing of the international politics of Europe into turmoil and confusion—all this is foreshadowed by the visit which Charles has made to the shrunken remains of the Hungary over which he once ruled. But this is not 1815. Charles is backed by no Holy Alliance. On the contrary, the members of the Little Entente, each of which has prospered territorially at the expense of Hungary, threatened to invade, and Charles withdrew. He has lost the first round. But he and his heirs will come again, and again, and still again. The people, if not the present Government of Hungary, desire the return of Charles. If the question were placed before the Hungarian people, with the ballot boxes open to all, Charles would today be elected, as was Constantine, by a comfortable majority.

The Hungarian peasantry has not been in the slightest degree revolutionary, though the Calvinist element quietly accepted the republic and would continue their support if others would furnish the initiative. The sturdy and powerful Hungarian junkers vie with their Prussian colleagues in clearness of purpose and striking power. How long will the Kings of Jugoslavia and Rumania be so agreeably disposed toward the Republic of Czechoslovakia that they will join hands with it against their brother monarch?

Republican prospects in Austria are much fairer than in Hungary, and for three reasons, one far from satisfying to the friends of democracy. The first lies in the nature of Austrian society. We have here an educated and intelligent peasantry, as the peasant populations of Europe go. The Austrians resemble not the Prussians, but the South Germans. The entire population was profoundly affected by 1848—much more so than the population of Prussia. The second reason lies in the present sad state of the Austrian people. They are starving and hopeless. If they are to live they must eat out of the hand of the great allied powers. The various Socialist elements are, temporarily, in complete domination of the Austrian Government, and are likely to remain so indefinitely. The Austrian junkers

correspond neither in power nor in point of view to those of Prussia or Hungary. Today their landed estates are being rapidly expropriated. Finally, the basic purpose of Austrian policy is and will be union with Germany, with which country their future is bound up. At present the Austrians want no Hapsburg in the way of their salvation.

Democracy in Poland

Monarchy in Poland brings sad memories to mind. The Polish Nation was disrupted and divided by Prussia, Austria and Russia in the eighteenth century, because the aristocracy could not agree upon the election of a King. There is no Polish royal house to furnish heirs to legitimacy. No doubt the mass of the Polish people, peasantry and urban dwellers alike, are still as unfitted for a successful democracy as the Prussians. Yet the national tendency will be to worry along. There is, of course, the recent example of the Balkan nations, Serbia, Rumania and Bulgaria, each of which in turn, as it was liberated from the thralldom of the Turk, selected a King and hastily assembled the trappings of royalty. If the Polish people should fail utterly in their democratic effort, it is conceivable that they might do as their neighbors have done. At present, however, Poland, by her strong alliance with France and her conclusion of peace with Soviet Russia, offers fair prospects of stability, and there are sound reasons for hoping that the Government's efforts toward economic reconstruction will complete the work of making Poland "safe for democracy."

In Czechoslovakia conditions are basically different from those of any other country of Central Europe. In each nation under discussion the question we have set before us must be reviewed in terms of history, both recent and remote. Bohemia was the "first fruits" of modern democracy in Europe. Seventy years before America was discovered, a generation following the rebellion of the bold Wat Tyler in England, democratic Bohemia was rising desperately against the banded tyrants of Church and State in Europe. Her good fight of that time, renewed during the Protestant Reformation and the Thirty Years' War, only to be lost again, has left in Czechoslovakia a profound tradition of democracy. Of all the republics east of the Rhine, that of Czechoslovakia has today the best chance of survival in its present form. In 1919 there was real danger of Bolshevism. The débâcle in Russia has now removed this threat. Barring foreign domination, the republican form of government may be considered as permanent here as in France or Switzerland.

So complex are the forces at work in Germany, so involved in foreign politics are all interior policies, that definite conclusions regarding that country are impossible at the present time. The mass of the peasantry in all parts of Germany would, no doubt, join the junkers in welcoming back the petty monarchs and the Kaiser. In East and West Prussia, the peasantry are as yet little removed from serfdom. The so-called German revolution of November, 1918, was in reality no revolution at all. As I wrote somewhat later, in The New York Times, the coup d'état of Nov. 9 was arranged for by the Imperial Government. Actual invasion by the Allies would no doubt have led to a real democratic uprising. The junker coup d'état, by which Ebert and Scheidemann remained, temporarily, the depositaries of power, was the most successful piece of political camouflage in the history of the world. "Peace with honor" meant that the internal situation could perhaps be saved.

Aims of German Junkers

Just what was it that the imperial power sought to keep through the period of defeat and political disintegration? The answer is simplicity itself. The junkers feared nothing so much as the forcible seizure and division of their landed estates. Before their very eyes, literally, and wandering from pillar to post, were the exiled and starving aristocrats of Russia. The Russian landed estates had been seized and parceled out during the Spring of 1918. The German junkers temporarily surrendered political power, but kept their estates. In this they were greatly aided by the Spartacist rebellion of January, 1919, headed by Liebknecht and Rosa Luxemburg. Landed property was never so valuable in Germany as it is today. Potatoes, grain and meat are at a premium. Compared with other elements of the German population, the junkers were never before so rich.

This, then, is not the time to talk about the junkers' sudden demise. Never before

was the world so full of revolution and counter-revolution. Changes are kaleidoscopic. The junkerdom coolly calculates that the whirligig of time must, of itself, bring it again into full possession of political power. It looks at the pigmies who lead the various elements of the German Socialist movement, and wonders how they can last from morning to night. The junkers are one of the most efficient and purposeful groups of men produced by the history of modern Europe. This class carries its self-esteem to the point of fanaticism. It will play any game and make or break any rules to serve its purpose.

The German Working Class

What about the mind and purpose of the German working class? I have touched upon the fact that the peasantry is essentially undemocratic. In Brandenburg, Pomerania, and East and West Prussia, the Protestant peasantry still votes for the candidates of the junker party as it did in the time of Bismarck.

In South Germany, however, the peasantry forms the foundation of the Catholic Party, and the "Blacks" and the "Blues" are today estranged. The leaders of the Catholic Party have seemingly accepted the republic with faith and good-will. We can understand this when we reflect that the peasants of German-speaking Alsace, though Catholic, are politically French and republican. Catholic South Germany, like Alsace-Lorraine and the Rhineland, fell under the liberating influence of the French Revolution during the Napoleonic régime. Its peasantry, also, because of fundamental racial characteristics, is more like the French than the North Germans. North Germany is Nordic or Teutonic. South Germany, like Central and Eastern France, is Alpine (sometimes wrongly called Celtic) in racial stock. This fact has never been sufficiently emphasized in Central European history. The South German and Austrian peasants have never been militarized.

The Centrist Party, with the regular Social Democratic Party and the Democrats, forms the middle-class bulwark against the extremes of right and left. The recent election for the Prussian Assembly, like the national election of a year ago, furnished an indication of this tendency, which will go still further. The parties of the middle class lost heavily both to the right and the left. We are driven to the conclusion that no party in Germany today can make the people accept fully the reperations program which France has demanded and succeeded in getting her allies to sanction. If a national election were held today, the parties of the middle would suffer further diminution of power. The tendency, more and more, is for South German peasantry and Rhenish province Catholic worker and small shopkeeper to turn in desperation, not to the junkers, but to the party of the great industrialists.

The Social Democratic rank and file, on the other hand, is being pulled apart and drawn toward the right and left. Similarly the Independents are being disintegrated and driven in two directions. A year ago we were calculating, because of the results in the national elections, that the Independents would absorb half the regulars. Time has changed all this. The Independent Socialist Party, broken in halves by the recent Communist crisis in its party congress, is now chaotic. The whole situation seethes, and the elements are being thrown hither and thither. While the majority Socialists lost thirty votes in the Prussian election of Feb. 20, the Independents gained a paltry five.

The recent communist rebellion, which suddenly flared up and as quickly died down, represents a deep underlying agitation. A few weeks before the outbreak a communist paper in Munich boldly appealed to the junker students of the universities to join with them and prepare for the day of the new liberation war of Germany against the Allies. Both the ruling Socialist bloc and the Independent Socialists, meanwhile, are battered about by exterior forces. Allied pressure of all sorts tends to embarrass any whose present or past action makes them responsible. While Bolshevism remains dominant in Russia, neither the Independent Socialists nor the German Communists can possibly settle upon a continuing internal policy.

The tragedy of middle-class power as represented by the present Government lies in the fact that, whether its enemies to the right and left unite or remain divided, the danger to the present order is almost equally great. During the recent communist rebellion the junkers hid from sight, and no

doubt cherished many secret hopes. Should another junker uprising occur like the Kapp "putsch" of last Spring, the Communists will not be nearly so ready to execute the present strike orders of the Government. Their tendency will be to wait and see the junkers temporarily seated in power, with the understanding that they will strike on their own initiative and for their own purposes.

The Industrialist Group

I have never been able to understand why the allied Governments—especially Great Britain under the leadership of Lloyd George—have not realized the possibility of bracing the present Government of Germany. This could be done through stimulating German industries, furnishing raw materials on credit and finding foreign markets. Of all possible Governments in Germany, the one which holds power at present, despite the midwifery attending its long-delayed birth, is most likely to maintain internal peace, develop toward a sound democracy, and pay the reparations bill recently agreed upon.

One phenomenon which will undoubtedly have its influence in that development, however, is the rise to power of the great German industrialists. It should be noted that war and the aftermath of war have made for the complete political disintegration of the lesser bourgeoisie, which, in the recent Prussian elections, sent only 26 members to the Assembly, as compared with 92 for the Centrists and 114 for the majority Socialists. The great industrialist group, however, is a horse of a totally different color. The stupendous forces which went into the making of the German imperialism of 1914 could never have been assembled or organized without the industrialists' willing help. From first to last the former Kaiser exerted himself to win the complete sympathy and support of this class. Its leaders were men to conjure with. Such were the Krupps and Albert Ballin, and, today, Hugo Stinnes. Despite all socialistic camouflage, this is the dominant class in Germany today. The total failure of the Socialist politicians to make even a beginning in the socialization of German industries has more than ever before thrown economic power into their hands. Since the armistice, the Government has not only refused to socialize new industries, but has steadily loosened its hold upon all the important state-owned and state-managed industries of the pre-war period. Every failure of the Government in the economic sphere has meant the rise to greater authority of the "captain of industry." Germany is now rapidly developing a laissez-faire economic system. Supposedly, this is balanced by the shop councils. In reality, the shop councils in Germany are moribund, and are likely to remain so for a long time. The Rockefellers and Morgans of Germany are coming to dominate her political as well as her economic life.

If the 60,000,000 of German people are to eat and wear clothes, they must regain their foreign trade. Otherwise there is room in Germany for only 40,000,000, living at a low standard. The present wabbling and inefficient German State furnishes no effective direction. So actual power naturally gravitates to two classes, the junkers and the great industrialists, with the lafter dominant.

The degree to which the military help of the junkers may be used depends upon the degree of unemployment and starvation which will make revolutions and counter-revolutions possible. Prophecies have little value, yet I may venture the suggestion that the junkers will wish, as before the war, to league themselves with the great industrialists. Under conditions of revolutionary threat, a very possible and efficient bloc could be made up of junkers, industrialists and the Catholic Party. Of 428 seats in the Prussian Assembly, these three parties, in the election of Feb. 20, won a total of 225. In a national election they would now do quite as well. A further drift of the Socialists to the left would drive the Centrists to the right.

Chances of the Hohenzollerns

And yet, as regards Germany, I would say—and this, despite the statement of German friends for whose opinion I have very great regard, and despite all the facts above cited—that there is no real danger of the return of the Hollenzollerns and the lesser royalties to power. If the junkers still hold a large measure of power, it is because of the value and importance of their landed estates. Elsewhere they have lost. The economic system they built during their mighty past, under the leadership of Bismarck and Wilhelm—the régime of monar-

chial State socialism—is breaking down at every point. Meanwhile the masses of the people, in city and country, are being driven by the existing conditions to accept the leadership of those who, all agree, are best fitted to guide the wreck of Germany away from the rocks and the whirlpools. This suggests that the Government of Germany during the transition period will resolve itself into some form of oligarchy. Only time will tell.

Not only in Germany, but in every country of Central Europe and the Balkans the chances of democracy may be affected largely by conditions in Russia. He who conceives of Bolshevism primarily as an economic system has but a superficial view of the Bolshevist régime. Bolshevism may be compared, psychologically, to Mohammedanism. Barbaric and fanatical, Bolshevism is a reactionary phase of crowd psychology during the war and post-war periods. It has dominated Russia and permeated Central Europe as a result of the unutterable despair of a seemingly endless and terribly destructive war.

The hope of the Western democracies that the Russia of 1917 could find her way to a republican form of government was all too soon dispelled. With the revolution of March, 1917, the small democratic group of European-trained democratic intellectuals tried to substitute themselves for the monarchy. The Bolshevist clique ruthlessly snatched power from them, and has held it ever since by simply murdering its opponents by the thousands. From 80 to 90 per cent. illiterate, resembling in all their mentality and mode of life more the people of China and India than those of Western Europe, the Russian masses now stoically await the coming of a kindlier rule. The final determination of Russia's form of government may have a far-reaching effect on the history of the new nations.

The hectic two and a half years which have followed the end of the World War have obstructed, but we hope not permanently, the way of democracy in Europe. Some of us thought in December, 1918, some of us still think today, that Europe cannot save herself. A truly democratic and comprehensive League of Nations alone could have brought freedom and order to her broken peoples within a reasonable time. Meanwhile, as the days and years pass, the exiled monarchs and the advocates of democracy alike sit without, buoyed up by hope, and watch the witches' caldron boil.

JAPANESE "CULTURE" PEARLS

JEWELERS in London have been greatly perturbed over a new type of "culture" pearls, which is said to be so perfect that it cannot be distinguished from the natural article. Prominent pearl merchants met on May 5, 1921, to discuss measures of self-protection. The Japanese firm of K. Mikimoto, which has developed this business, explained through its London representatives that its founder had been experimenting with the artificial cultivation of pearls since 1879. The process developed by Mr. Mikimoto is exactly like the natural process: an irritant is introduced into the living oyster, causing the secretion of nacre, which gradually covers the foreign particle until it has grown into a symmetrical pearl. At first this semi-artificial product was more or less defective, but at last it has come to be so completely like a natural pearl that not even an expert can tell the difference. The process is thus described:

> A tiny round core of mother of pearl is introduced into the liver of the oyster. The oysters are then "parked" in one of our seabed farms, and after some six years the shells are re-examined, and perfect pearls are found to have been produced, the only difference being that man, instead of nature, had introduced the irritant. It is quite impossible to tell the natural pearl from the cultured pearl, and the life and lustre of both are identical. Our contention is that in beauty and real value there is nothing to choose between the two varieties. * * * Everybody in the trade knows that our pearls are cultured, and we sell them as such. * * * It is, of course, quite impossible to trace their later history, and it is possible that their real origin may be lost sight of.

The dealers declared that they would find means to protect the legitimate trade. Some of them contended that the culture pearls had "a glassy, bluey look," and that nothing had been produced to give the appearance of the finest product, such as the Indian pearl.

JUGOSLAVIA'S CONSTITUTIONAL PROBLEMS

By Dr. Ivan Schvegel
Late Member of the Jugoslav Parliament, Belgrade

Chief points of the basic law under which the new triple kingdom will soon be pursuing its career—Conflict of parties over certain features—Centralization versus Federation

THE political and economic consolidation of the Kingdom of the Serbs, Croats and Slovenes is making fast and permanent progress. The crisis under which Europe is still suffering—and not Europe alone, but the whole world, including the countries not directly affected by the war—naturally also reacts upon Jugoslavia, and delays the settlement of many important questions, otherwise her progress would be even more apparent. But good observers will realize that incidents of secondary importance, though they may appear large for the moment, cannot have any considerable influence upon the national development of a great and rich country—with an area as large as Italy's—inhabited by 14,000,000 diligent and patriotic people, chiefly agricultural, and led by a progressive and far-sighted Government.

After the terrible devastation of Serbia and the great suffering and disorder in the other provinces, caused by the war, order and security have now been established. The new Constitution of the Jugoslav Kingdom now being framed by the Constituent Assembly will in a few months be a reality under the leadership of Serbia's veteran statesman, Nicola Pashitch. After a lifelong experience as a leader in his own Serbia, M. Pashitch has now shown marked ability and patience in dealing with the greater and more complex problems of united Jugoslavia.

Upon his return from the Peace Conference, where he headed the Jugoslav delegation, he again assumed the Presidency of the Belgrade Government after the last elections, and, for the purpose of securing the passage of the constitutional laws, managed to form a working majority of the two largest parties, the Radicals and the Democrats, to whom were later added the Mohammedan Party and a fraction of the Farmers' Party, representing in all a bloc of 240 members.

There remain in the opposition the Communists, the Catholic Party, the Republicans, the National Club, the Raditch Party of Croatia—the latter controlling half the mandates from Croatia—the Socialists and the majority of the Farmers' Party. The latter two, however, though outside of the Government, are not expected to obstruct the Government policy, while the other opposition forces, opposing the Government each on its own special grounds, lack coherence, and cannot at this time form a general policy and Government of their own. Therein lies the strength of Mr. Pashitch's present combination.

The following is a short résumé of the eighty-six articles of the Constitution as submitted to Parliament by the Government:

The Kingdom of the Serbs, Croats and Slovenes is a constitutional, parliamentary, hereditary monarchy. The official language is the Serbo-Croat, and in Slovenia also the Slovenian dialect of that language. Laws and citizenship are uniform for the whole kingdom. Titles of nobility are abolished. Personal liberty, private property, freedom of conscience and worship, freedom of the press and of assemblage are guaranteed.

The legislative power is shared by the sovereign and the Parliament. The King appoints army and Government officers and represents the country in its relations with foreign countries. He declares war and concludes peace, but in cases where Jugoslavia is not actually attacked by another country the declaration of war is dependent on the consent of Parliament. The King convokes Parliament, and can also

dissolve it, in which case new elections must take place within three months. No act of the sovereign is valid without countersignature by the proper Minister. The King becomes of age at 18 years. The reigning dynasty is the house of Karageorgevitch.

Parliament, whose members enjoy personal immunity, was to consist of two houses, the House of Commons and the Senate; the former, with 300 members, to be chosen by general, equal and secret ballot, for a term of four years; every citizen who has reached the twenty-first year to have the right to vote, except officers and soldiers in active service. The Senate, according to the Government proposal, was intended to consist of 100 members, not less than 40 years old, with at least high school education. It could not be dissolved. Senators were to be elected for nine years, one-third every third year. Laws to be passed by the House of Commons and forwarded to the Senate, which would either accept or return them with counter-proposals. If the Commons refused to assent to changes by the Senate and the latter persisted in them, the law, after one month, would come up again before the lower house, and become valid if passed by a qualified majority. This procedure has become unnecessary by the fact recently reported in cable dispatches, that the Constituent Assembly in its final vote has decided to drop the entire Senate proposition and to adhere to the old Serbian principle of a single House (Skupshtina).

The executive powers are exercised by the King through the Ministerial Cabinet. For executive purposes the country is divided into provinces, districts and townships. The provinces shall not exceed thirty-five; they will enjoy considerable self-government in provincial assemblies and provincial committees, elected on the same principle as the central Parliament. The State Council will act as the highest administrative tribunal for settling conflicts between the various administrative authorities. Half of its members will be elected by the people, half named by the King. The obligation for military service and taxes is general. Taxes can be introduced only by law. A special chapter deals with the independence of courts and jurisdiction. Changes can be introduced into the Constitution only by a two-thirds majority of the Representatives in the Skupshtina.

This is the Constitution proposed by the Government as the result of the Radical-Democratic compromise; with some modifications it will probably be accepted. At least five other drafts, differing more or less, were submitted by the parties according to their political programs. The Farmers placed particular insistence on agrarian questions and reforms, while the Socialists demanded far-reaching social legislation. The Government met their requests by adding to the Constitution an entire chapter on social and economic regulations, which, to a great extent, only emphasizes and broadens its own proposals.

It remains to be seen if, in these days of changing reforms, a detailed social program should be introduced into a Constitution. Some points, however, will be of great importance; for instance, State workingmen's insurance, obligatory intervention of the State to prevent or settle social conflicts, and the stipulation that whenever private property must be expropriated, this cannot be done without just compensation to the owner. This rule will help to promote order and safety and to secure our commercial and economic relations with foreign countries. A so-called Economic Council, composed of representatives of all producing elements of the country, will be created to propose, discuss and elaborate all economic legislation before it is presented to Parliament for final acceptance.

The most difficult part of the internal economic problems of Jugoslavia, as well as of other European countries, is the agrarian question, dealing with the partition and distribution of the large estates and privately owned forest lands, and compensation of the owners. In Czechoslovakia, for instance, it is intended that not more than 250 hectares of forest and 150 hectares of agricultural land shall be owned by one individual. [A hectare is equivalent to 2.47 acres.] The fact that the Jugoslav Mohammedan Party, representing the large proprietors of Bosnia, whose possession dates from the days of the Turkish conquest, has accepted membership in the same Cabinet with some of the small Farmers' partisans who advocate reform, is proof that a compromise of a similar character has also been arrived at in Jugoslavia. It is said that the Mohammedan Begs in Bos-

nia will receive a compensation of 250,000,000 crowns in return for the estates (begluk) which they will have to surrender. In other parts of the country this problem is less acute; in Serbia it does not exist at all.

Since I am myself materially interested in this matter I can speak of it only with caution, but it is safe to say that too radical a reform would not only be an injustice, but also an impossibility in a country like Jugoslavia, which still lacks intensive agricultural development and internal colonization. Complete reform can be achieved only in time, after careful study, with good organization and large financial means. All these are still wanting to the necessary extent. A compromise solution will therefore be enacted which will not completely satisfy anybody, but will divide dissatisfaction among all concerned.

The other objections to the proposed Constitution, based upon the differing party programs of the Republicans, the Raditch Party, the National Club of Croatia and the Catholic Party of Slovenia, exhibit a more fundamental difference from the Government's stand in what is really the main issue of the constitutional controversy, the question between centralization and federalism. They ask for the division of the country into autonomous provinces. The Republicans demand a plebiscite to decide the matter. The National Club proposes the establishment of the following provinces—on a historical rather than on a practical basis: Serbia and Macedonia, Croatia-Slavonia-Dalmatia, Bosnia-Herzegovina, Slovenia, Medjumurje, Istria, with Islands and Montenegro. They would give large legislative authority to the Provincial Legislatures, leaving to the Central Parliament only foreign affairs, currency, part of the finances, army, Post Offices and Federal administration. Schools and matters of public health, for instance, would go to the provinces.

Mr. Protitch, the former Prime Minister, who as a result of the difference of opinions resigned his seat in the Assembly, was prepared to make greater concessions to the autonomist program; and in his draft proposed nine provinces instead of the more than thirty of the Government version. In a pamphlet recently issued he defends his policy on the grounds that too drastic changes are inadvisable and that, at least in the beginning, historical creations must be somewhat respected. To those who point to the centralist Constitution of Italy as an example, he answers that the Italian administration is the slowest and most bureaucratic in Europe; and that bureaucracy as the outcome of centralism weakens the best nation and destroys independent thinking. He draws attention to the example of England, where the limits of the historic counties have not been changed for 700 years.

The answer that might be made to the esteemed veteran statesman is that fundamental conditions in England, or even in the United States, are different from those governing the Constitution and safety of the countries of Central Europe, which are surrounded by hostile nations and naturally need a greater amount of centralism to protect them against aggression in peace or war and to insure their permanent prosperity. On the other hand, also the Democrats, as the most pronounced exponents of so-called centralism, admit that their policies cannot be ruthlessly carried into effect, and that centralized administration must be consistent with a large amount of self-government.

As a matter of fact, there is among the leading men less difference of opinion than of programs, and perhaps too much insistence on words and political theories. The common people know that the real character of a Constitution depends on its future working, on the men to whose care it will be entrusted and on the national spirit which not even the best laws can command.

In the course of time such differences, as today seem hardly surmountable, will fade away and lose practical interest in the eyes of a new generation, which will be confronted by hundreds of other pressing problems that will have to be solved by the Jugoslav Nation in the process of realizing that social, cultural and economic growth and unity for which its people have fought and suffered.

[COMMUNICATIONS]

BULGARIA'S CRIMES AGAINST SERBIA

Why Serbians have no sympathy with the Bulgarian plea for easier treaty terms—Statement of a correspondent who witnessed the effects of Bulgarian occupation during the World War

To the Editor of Current History:

THE plea for Bulgaria made by P. M. Mattheeff in the May issue of CURRENT HISTORY is correctly described in the headline as a "passionate" protest. This it certainly is, and in his case passion seems to have completely obscured reason. It is an example of special pleading, an appeal *pro doma sua*, which could not deceive any student of Balkan politics who had even an elementary knowledge of the facts.

M. Mattheeff's point of view is indicated in his opening sentence, in which he refers to Bulgaria as the State which "led" the other allies in the Balkan war of 1912. There was no question of leadership in that war. Greece and Serbia came into it as the allies and equals of Bulgaria, not as vassal States following a superior. Later developments, however, showed that Bulgaria intended to make them such, and it is curious that at this late hour the impression of Bulgaria's "leadership" should still persist in M. Mattheeff's mind. He seems to forget the fact that Bulgaria, far from "leading," was unable to finish up her share of the war on her own territory by the capture of Adrianople, until the Serbs sent down their heavy artillery to break the Turkish resistance.

If one were to adopt M. Mattheeff's point of view, one would regard the Bulgarians as a brave and loyal people, led astray by their wicked King and forced by him to oppose the Allies in the World War. This is the argument employed *ad nauseam* by the Bulgarians and their supporters in other countries.

But what are the facts? To obtain these we must examine Bulgaria's record. This begins with the treason of 1913. In 1912 the Balkan States achieved what had long been regarded as impossible—the formation of a league against the common enemy, Turkey. In September of that year they mobilized their forces and declared war on the Sultan. By May, 1913, they had won a complete victory. Turkey was practically driven out of the Balkans, the allies seizing all her territory right up to Tchataldja, a few short miles from Constantinople.

This success was not received with unmixed satisfaction by all the great powers. Germany and Austria saw their dream of the domination of the Balkans shattered by the interposition of a Confederation of Balkan States. They saw that it would have to be broken up. They at once began to intrigue, to sow dissension among the Balkan allies by awakening appetites and desires which could be realized only at the expense of the common peace.

They found a favorable terrain at Sofia. The Bulgarian nation, intoxicated by its victory, lent a willing ear to the insidious counsels of the Ballplatz, and put forward excessive claims for territorial concessions in the conquered Turkish Provinces. These were resisted by the Serbs, who took their stand on the Serbo-Bulgarian Treaty of Alliance, in which the main principles of the division of the conquered territory had already been laid down. It was further provided in that treaty that in case of disagreement the points in dispute should be submitted to the arbitration of the Czar of Russia, whose decision both sides agreed to accept.

BETRAYAL OF HER ALLIES

It soon became clear that Bulgaria had no intention of fulfilling this part of her treaty obligations. During the negotiations her representatives raised difficulty after difficulty. All this time she was secretly massing her troops so as to be in a position of superiority, should there be an appeal to armed force.

Then came the crowning act of treason.

During the night of June 29-30, 1913, the Bulgarian Army, without the slightest warning, made a sudden attack on its Serbian and Greek allies. Fortunately for Serbia, her soldiers come of a sturdy race, and, the first moment of surprise past, they defended themselves with vigor. The Bulgarians were driven from position after position. Bulgaria's difficulties became her enemies' opportunity. Rumania, which had long demanded a rectification of her frontier with Bulgaria and the cession of the Dobrudja Province, took advantage of her neighbor's embarrassments to press her claims, and when these were resisted she also mobilized her army, forcibly seized the province in dispute, and marched on Sofia. Turkey, too, seeing a chance of avenging at least a part of her defeat, invaded the territory she had just lost and recaptured Adrianople. Bulgaria was forced to sue for peace, and on Aug. 6, 1913, the Treaty of Bucharest was signed.

That Bulgaria was forced to sign the Treaty of Bucharest was nobody's fault but her own. It was the direct result of her disgraceful act of treachery against her allies. But this M. Mattheeff does not admit, and he informs us that "Bulgaria's joining the Central Powers was an unavoidable consequence" of this treaty.

Such was Bulgaria's first act of treason, for which she paid by losing nearly all the fruits of her victory against the Turks. Her second act of treachery had much more terrible consequences. In 1913 she alone suffered for her crimes. In 1915 all Europe was a victim of her treason.

In the Spring of that year the World War had reached its most crucial point, and Germany and Austria had been driven on the defensive. A ring of trenches, such as the world had never before seen, ran from the North Sea to the Adriatic, and from the Adriatic to the Baltic. The Central Powers were completely surrounded by a circle of steel, on which bristled 10,000,000 bayonets. But Turkey had been brought into the war and had closed the Dardanelles, thereby completely isolating Russia from her allies. An allied army had been landed at Gallipoli, but was held in check by the Turkish Army. Turkey, however, being isolated in her turn, was in danger of collapse for want of munitions, which she could procure only from Germany. It was, therefore, for Germany a life-and-death question to drive through the Balkans to join hands with her. This she could succeed in doing only if Bulgaria threw her weight into the scale against the Entente Powers. The fate of Europe came, therefore, to Sofia for decision. If Bulgaria joined the Entente and marched on Constantinople, the end of the war was in sight. If she betrayed the Allies and turned against them, their plight became a desperate one.

And Bulgaria committed a fresh act of treason. She joined the Central Powers. But this she kept secret to the last moment. Acting on instructions from Berlin, M. Radoslavoff, the Bulgarian Premier, assured the Entente Powers that Bulgaria was coming in on their side. Even when she mobilized her army she gave London, Paris and Petrograd to understand that this was done to resist, not to aid, Germany. It was only when Germany had completed her preparations for the attack on Serbia that Bulgaria threw off the mask and hurled her forces against Serbia's eastern frontier. No more cynical act of treachery is recorded in history than Bulgaria's action vis-à-vis the Entente. As a direct result of it hundreds of thousands of French, British, Russian, Italian and American soldiers are lying dead in Europe today. Bulgaria saved Germany from destruction in 1915 and prolonged the war by three years. This the world may one day forgive, if the criminal shows sincere repentance, but it can never forget it.

M. Mattheeff declares: "Bulgaria failed because she blundered in choosing sides. The conquerors have declared that in doing so Bulgaria transgressed. So be it! But is there no limit to the punishment for such transgression?"

Crimes During Occupation

The limit of punishment is generally measured by the repentance of the criminal. But Bulgaria has not only the perfidy and treason of her Government on her conscience. She has three years of nameless cruelty and oppression in occupied Serbia to answer for. I maintain, without fear of disproof, that the Bulgarian people deliberately started out to exterminate a whole race. Serbia was swept clean of everything portable — plows, harrows, agricultural

implements, cattle, horses, sheep, household furniture—in a word, everything that could be taken was appropriated and the people left to starve. Thousands were murdered in cold blood. The National Library in Belgrade was carried off to Sofia and its priceless volumes and manuscripts reduced to pulp. Every book in Serbian that could be found was destroyed, Serbian schools and churches were replaced by Bulgarian ones, priests and teachers were taken off to starve to death in concentration camps. Railway locomotives and rolling stock were carried off wholesale.

I do not state these things from hearsay. After the Bulgarian Army was driven from Serbian Macedonia I rode with Professor Reiss of Lausanne University from one Serbian village to another, only to hear the same monotonous tale of murder, rape, incendiarism and plunder. Priests and teachers had been hanged and shot and hundreds of peasants deported. War, I know, always brings horror in its train, but in no other part of Europe were such atrocities committed as in that part of Serbia under Bulgarian occupation. In the circumstances, as long as human nature is what it is, the fact that "the Serbian mind is poisoned against everything Bulgarian" may excite surprise in the mind of M. Mattheeff, but I doubt if his feelings will be generally shared.

But hardly was the armistice signed than Bulgaria began to flood Europe with appeals *in misericordia*, declaring that she was more sinned against than sinning. Justice, I know, should be passionless, not vindictive. But in view of Bulgaria's crimes and treasons there is no measure of reparation in the Treaty of Neuilly that is not justly due.

Instead of acknowledging this the Bulgarians imitate their former allies in their attempts to evade fulfillment of the treaty obligations. M. Mattheeff complains that the institution of obligatory personal labor—in lieu of obligatory military service—has been objected to by the Belgrade Government, and that at its request the Supreme Council of the Allies has demanded the repeal of the law. But M. Mattheeff omits to state that the Belgrade Government has proof that the so-called labor recruits have been lodged in barracks, have been clothed in uniform and are subjected to military drill. In other words, it is not a labor organization, but merely a camouflaged military force.

GORDON GORDON-SMITH.

Washington, D. C., May 17, 1921.

ALBANIA'S CONFLICT WITH SERBIA*

To the Editor of Current History:

Official Albanian reports announce that the Serbian authorities are deporting great masses of the Albanians of Kosova, with a view to populating this region with Russian refugees. In order to explain this unlawful measure it will be necessary to throw some light on recent Serbo-Albanian relations, as well as to sketch the sufferings of the people of Kosova and Dibra, who, by the decisions of the London Conference of 1913, were separated from their mother country, Albania, and were ceded to Serbia and Montenegro as the result of diplomatic compromises.

By Aug. 20, 1920, just after the difficulties between the Italians and Albanians were done away with, the Albanian Government was confronted with a new trouble, namely, the conflict with Serbia. Ever since the armistice, the Serbs had been occupying territory belonging to political Albania, i. e., the Albania of 1913, which lay in both the Scutari and the Dibra regions, in North and Northeastern Albania. Encouraged by the peaceful attitude of the Albanians, and dissatisfied with the strip of Albanian territory already under their control, the Serbs were making daily inroads into the interior of Albania. In both the Scutari and Dibra districts, however, they were repulsed with great success by the people; the Albanian Government had no part in this situation. The people of the Dibra region finally drove the Serbian sol-

*Mr. A. B. Sula, the writer of this letter, is an Albanian graduate of Robert College, Constantinople, and until recently was Chief Clerk of the Albanian Ministry of the Interior. He came to this country on the advice of the Albanian Government to prepare himself for a diplomatic career in his home land.—EDITOR.

diers back to the boundary of 1913, and even forced the evacuation of the City of Dibra itself. The Albanians did not attempt to occupy this city, although not a single Serb lives there, in view of the fact that it was assigned to Serbia by the London Conference of 1913, and also through fear that some undesirable international complications might arise.

The Albanians supposed that as a result of their wise and moderate policy they would be left alone to live a prosperous and independent life. This, however, was not the plan of the Serbs, who returned with a huge army, passed the Albanian frontiers near Dibra, and laid waste 142 Albanian villages, massacring the unfortunate population—women, children and old men—who were not able to flee with the rest of the inhabitants of the devastated region. (This has been confirmed by the Serbian press.) After having completed this carnage, which is beyond any description, the Serbs marched toward the Albanian capital and attempted to threaten the Albanian Government. Thanks to the patriotic efforts displayed by the whole Albanian people, the advance of the Serbs toward the Albanian capital was checked.

The Albanian Government shortly after this entered into negotiations with the Serbian Government. The parleys, however, led to no result, because the Serbs did not want to evacuate the territory they had lately invaded, and so a deadlock in Serbo-Albanian relations followed. The Albanian Government has recently sent an official note to Belgrade asking the evacuation of the strip of Albanian territory which ever since the armistice has been under Serbian occupation, giving notice that, in case Serbia fails to comply with this demand, the matter will be submitted to the League of Nations, of which both parties are members. Furthermore, the Albanian Government has declared its intention to send a delegation to Belgrade, with a view to settling the matters in dispute between the two countries.

Not content with Kosova, Dibra and other territory which they are holding in their possession, together with almost one million unhappy Albanians, contrary to the principle of self-determination of nations, the Serbs are coveting even more Albanian territory. And how is this insatiable greed expressed? By laying waste the most flourishing localities, and by deporting or exterminating the Albanian population, which was living in these localities before any other Balkan nation had come into existence.

According to recent dispatches, which are also confirmed by the liberal Serbian Press, the Serbian atrocities and acts of oppression among the Albanians of Kosova and Dibra are increasing day by day; massacres and executions of every kind are committed by order of the Serbian authorities, without due process of law.

The Serbs, seeing clearly that they cannot assimilate the stout-hearted people of Kosova, Dibra, &c., have decided to annihilate them. This is the Serbian interpretation of the "self-determination of nations," and of the theory "The Balkans for the Balkan Peoples." The people of Dibra are to be especially pitied, inasmuch as this is the second time they have been reduced to such an extremity. Their first subjection came when they rose against the Serbs in 1914, in protest against the decisions of the London conference of 1913, which assigned to Serbia this entirely Albanian-populated city. Similar protests have been made by the Albanians of Kosova against the Serbian occupation, but their protests have brought them only persecution, deportation and extermination, and have made them subject to the maximum of obligations without even the minimum of privileges.

When Mr. Trumbitch was the Minister for Foreign Affairs of Serbia, he made certain semi-official declarations regarding the restoration to the Albanian State of some portions of the Kosova and Dibra territories, but since his resignation these declarations have been ignored. In addition to this, even more territory belonging to the Albanian State, as fixed by the London conference of 1913, is being held by the Serbs, who seem to have forgotten the fact that if the Albanians had not granted right of way to the Serbian army while it was being pursued by the Austro-Bulgarian armies the destiny of the present Serb-Croat-Slovene State would have been different. Mr. Pashitch, at least, who was an eye-witness of Albania's hospitality and her peace-abiding attitude toward the defeated Serbian army, ought not to maintain an unfavorable policy toward Albania. A. B. SULA.

1907 *F Street, Washington, D. C., May* 23, 1921.

RUMANIA IN THE NEW EUROPE

To the Editor of Current History:

Under the above caption, Prince Antoine Bibesco, Rumanian Minister to the United States, in an article contributed to CURRENT HISTORY for May, has attempted to answer what he calls the anti-Rumanian propaganda in this country. This propaganda, according to Prince Bibesco, consists of the following accusations: that Rumania politically and culturally is a backward country, ruled by a corrupt oligarchy; that she oppresses racial minorities, such as the Jews and Magyars, and that she persecutes religious dissenters.

In reply to the first charge, Prince Bibesco asserts that it is not true. His basis for this denial is some agrarian reforms, recently introduced, which assign to the peasants 2,000,000 hectares of land, carved out of estates exceeding 500 hectares. Considering that Rumania before the war had a large peasant population without land of its own, and practically serfs to the Tchokois, or big landed proprietors, the recent agrarian reforms will no doubt bring a certain improvement in the hard lot of the peasants. Whether the reforms are such as to make Rumania a truly democratic country, like Serbia and Bulgaria, whose peasantry consists of small landowners, is another question. The annexation of Transylvania, Bukowina, the Banat and Bessarabia will most probably limit the power which the Rumanian aristocracy exerted upon the Government; but whether it will put a stop to the corrupt practices for which Rumanian administration has been, and is, notorious remains to be seen. This corruption evidently still exists. The proof of this is found in the quotations from a Rumanian newspaper, given on page 220 of the CURRENT HISTORY number in which Prince Bibesco's article is published. According to this newspaper, "boundless corruption" pervades the administration; no reconstruction work is done, and a Czech Ministerial Councilor is quoted as having declared that he was "constantly receiving incontrovertible testimony of acts disgraceful to Rumanian reputation." This is corroborated by the testimony of Charles H. Grasty, the well-known correspondent of The New York Times, who, in a letter from Bucharest a few weeks ago, spoke of the prevalent "graft" system, so impudently practiced by officials both high and low.

In answer to the accusation that Rumania has oppressed racial minorities, such as the Jews and Magyars, Prince Bibesco points to the Rumanian laws insuring equal rights and equal legal treatment to all citizens. In confirmation of this he tells us that there is a chair for the Magyar language and history at the University of Bucharest, and that Magyar teachers receive from the Government higher salaries than Rumanian teachers do. In order to clinch the argument, he asserts that the political and social emancipation of the Rumanian Jews is complete.

Unfortunately for Prince Bibesco, we find again a complete disproval of his assertions in regard to the Magyars on page 220 of CURRENT HISTORY above referred to. There we are told that Magyar children are forced to attend Rumanian schools, especially "in the district of Csik, where there are 125,888 Magyars and only 18,032 Rumanians." In another district all public servants have been notified that if they send their children to Hungarian schools the act, "if persisted in, will render them liable to prosecution before the Military Court for treason." This, then, is the freedom and "equality of rights" enjoyed by a Magyar under Rumanian rule: he is to be tried by a court-martial if he dares to send his child to a Hungarian and not to a Rumanian school. If additional proof were wanted of how racial minorities are faring in Rumania, and how far Jews have really been emancipated, we may quote the following statements made by Paul Scott Mowrer in his recent book, "Balkanized Europe." Mowrer, for many years correspondent of The Chicago Daily News, writes from personal knowledge and investigation conducted during his travels through Europe. Speaking of Rumania and her new territorial acquisitions, he says (p. 226):

> All the new provinces are under military occupation, and in all a strong hand is being used. Minorities, on one pretext or another, are being expropriated in favor of Ru-

manians. New and incompetent officials are making a reputation for themselves similar to that earned by the Northern "carpet-baggers" in the South, after the American Civil War. Arrests, expulsions and even disorders are not infrequent.

In regard to the law about the Jews, he says that it gives the right to vote and to own property to all Jews who can prove they were born in Rumania, and then he adds:

> This is well enough for the more highly cultured Sephardic Jews of the old Spanish-speaking stock; but the majority of Rumanian Jews are of the Ashkenazic or Yiddish speaking German strain, who have fled into Rumania out of Russia and Poland, and many of whom have no family papers. A generation will have to elapse before they can take advantage of the somewhat equivocal reforms.

It is evidently too early yet to declare that "the political and social emancipation of the Rumanian Jews is complete," as Prince Bibesco affirms.

The testimony of independent and impartial writers about the status of racial minorities in Rumania, which I have cited, applies equally well to the condition of the Bulgarians in Southern Dobrudja, who have been put under Rumanian rule by the Paris Peace Conference. In this province, where out of a total population of almost 275,000 inhabitants, the overwhelming majority of whom is composed of Bulgarians and Turks, with less than 7,000 Rumanians, the same Rumanian oppression obtains. Under one pretext or another, expropriations, arrests, expulsions, closing of schools and churches, and military and civil corruption are the order of the day. Those of your readers who remember how in 1913 Rumania, by stabbing Bulgaria in the back, obtained possession of Southern Dobrudja will certainly smile at Prince Bibesco's assertion that "Rumania has never since its foundation cherished plans of aggression." Is it possible that he is unaware of the fact that highly placed political men and eminent writers in Europe and elsewhere qualified Rumania's conduct in 1913 as "an act of robbery and brigandage"?

Prince Bibesco concludes his article with the boast that "Rumania stands out as a European outpost of Westernism, amid surroundings sunk back to a barbarian level." If by "Westernism" he means a veneer of civilization, the introduction of luxury and dissipation and the spread of vice and immorality, Rumania certainly leads the way among nations of the Near East. Its capital, Bucharest, has long since prided itself on being "Little Paris," and in some social respects it goes ahead of Paris. If, however, by "Westernism" he means culture, education, purity of family life and social morality, a Rumanian should be the last man to throw stones at his neighbors. In the matter of popular education, for example, Bulgaria in 1910 occupied by the literacy of the army recruits the tenth place among the European powers, standing ahead of Hungary, Italy and Russia, and in the first place among the Balkan States. Three years later only 5 per cent. of the recruits in Bulgaria were illiterate, while in Rumania and Greece the proportion was 41 per cent. and 30 per cent., respectively. In 1914 illiteracy among the non-Moslem population of Bulgaria was 35 per cent., in Rumania 65 per cent., in Serbia 63 per cent., in Greece 57 per cent. The number of pupils per 1,000 inhabitants in Bulgaria in 1908 was 121, in Rumania 88, in Serbia 51; in Greece from 1910-11 it was 116. Bulgaria has one school to every 788 inhabitants, Greece to 691, Rumania to 1,291, Serbia to 2,065. These figures are more remarkable when one takes into consideration that Rumania has always been more or less a country possessing home rule, while Serbia and Greece had already been self-governed countries for half a century before Bulgaria in 1879 began its political life, untrammeled by the shackles of Turkish misrule and tyranny.

Such, in brief, is the moral and cultural status of Rumania today.

THEODORE VLADIMIROFF.

Philadelphia, Pa., May 7, 1921.

KORFANTY AND THE SILESIAN PLEBISCITE

To the Editor of Current History:

In the June issue of CURRENT HISTORY I note, in the article entitled "The Silesian Crisis and Korfanty," a number of inaccurate statements, to which I am sure you will appreciate having your attention called.

In the summary printed in italics (Page 389) you speak of an "invasion of armed Polish bands, under Polish agitator." The word "invasion" is borne out in the context by the following sentence: "The irruption across the Polish frontier into Silesia of a large Polish force, directed by Adalbert Korfanty." Korfanty's uprising was one of native elements under a native leader, and there was no invasion or irruption of any kind. Indeed, later on you speak of the general strike declared early in May by "the Polish workmen who form the population of the mining districts of Rybnik and Pless. This was followed by news that lawless Polish bands had appeared and were terrorizing the country. These uprisings * * *." The strike, which you speak of as having occurred "early in May," was really the beginning of the uprising, and the talk of "lawless Polish bands" was the German description of the Polish native insurgents.

Elsewhere you speak of the result of the plebiscite as "a victory for the Germans. Fully two-thirds of the districts had elected to remain with Germany." The result of the plebiscite, according to the Peace Treaty (Article 88), was to be determined by communes, and it was the wishes of the "inhabitants" that were to be taken into consideration. Whether the very technical interpretation of the Peace Treaty, which allowed imported outvoters to vote on equal terms with the resident natives, was a fair one may be a matter of opinion. I do wish, however, to point out that the figures as ultimately announced gave a total vote for Germany of 716,408 and for Poland of 471,-406 (New York Times, March 23, 1921). I think you will see these figures are far from giving Germany two-thirds of the total vote cast in the plebiscite. What is more, in the total counted for Germany are included some 65,000 votes cast in Leobschutz, a district which was to decide its allegiance as between Germany and Czechoslovakia, and not between Germany and Poland. In that district only 300 voted for Czechoslovakia. How these 65,000 votes can possibly be counted as for Germany against Poland I am not able to understand.

The result was to be computed by communes, and you will see from the Peace Treaty (Article 88) that there was to be a partition of Silesia according to the results of the plebiscite. As a matter of history, you probably know that Germany insists on the indivisibility of Upper Silesia, contrary to the provisions of the treaty. From the point of view of the interpretation of the treaty, it appears to be a matter of little concern who got the majority of the total vote (including the emigrant voters, who, by the way, were told to clear out by the 15th of April under the threat of arrest or fine), and therefore, even apart from the actual majority in the total plebiscite area, it cannot be said with historic correctness that "the result * * * was a victory for the Germans."

Fully realizing the importance of CURRENT HISTORY as a record of present-day events and of their background, I have no doubt, in view of the scholarly liking for accuracy and the general tone of fairness which characterizes your magazine, that you will prefer to have your attention drawn to anything which will, I believe, not be to the future historian true and explainable facts.

LUDWIK EHRLICH, Director.

Polish Bureau of Information, 40 West Fortieth Street, New York, June 2, 1921.

LORD READING'S ENEMIES IN INDIA

How Mr. Gandhi and his Moslem ally, Mohammed Ali, are working against British rule, supplementing open sedition with secret and subtle propaganda—The new Viceroy's gigantic task

LORD READING, the new Viceroy to India, attacked his formidable task with an act that was bound to have a clarifying effect. He had a long talk on May 13 with Mr. Gandhi, the head and front of the nationalist movement that is trying to overthrow British rule in India. He listened to Gandhi's views with the deepest attention, and in return set forth his own policy. What went on between the Hindu mahatma and the man who was formerly the Supreme Justice of England has not yet been told, but that it was a momentous interview there can be no question. The mystical Gandhi, however, represents only the Hindus; the Mohammedans also must be reckoned with. Mohammed Ali, the Moslem leader, is preaching the doctrine of his prophet and namesake—the verdict of the sword. The bold disloyalty of his utterances is sufficiently illustrated by a recent speech at Madras.

> We have been made slaves once [said Mohammed Ali]; we do not want to be made slaves again; but if the Emir of Kabul does not enslave India, and does not want to subjugate the people of India, who have never done any harm, and who do not mean to do the slightest harm to the people of Afghanistan or elsewhere, and if he comes to fight against those who have always had an eye on his country, who wanted to subjugate his people, who hold the holy places of Islam, who want to crush Islam in their hostile grip, who want to destroy the Moslem faith, and who are bent on destroying the Khalifate, then not only shall we assist, but it will be our duty and the duty of every man who calls himself a Mussulman to gird up his loins and fight the good fight of Islam.

The truth seems to be, judging from Mohammed Ali's own words on various occasions, that he does not feel certain what attitude Mr. Gandhi's non-co-operators would take in the event of another Afghan invasion. At Allahabad he asserted that no non-co-operator would ever desire an Afghan invasion. It was better, he said, to remain in hell than to go to heaven with the aid of a foreign power, but if any foreign power waged war to make India free, the non-co-operators would not render any aid to the Government, but would simply watch the fight. He denied that he had had correspondence with the Emir of Afghanistan. Mohammed Ali further declared that if the people of India followed the advice of Mr. Gandhi they would have freedom and home rule within a year.

Despite the favorable opening of the new Indian Legislature at Delhi, and the attitude of the new Indian members, who came out for election in defiance of the Gandhi orders, and who, during their short tenure of office, have shown an amazing moderation and desire to co-operate with the British members, sedition flames through the land—sedition skillfully and shrewdly disseminated. The Indian agitators are no tyros. To that Lord Chelmsford, the predecessor of Lord Reading, testified on May 20 in a public address in London, when he said:

> It is common knowledge that there has been for many years considerable political agitation in India. It is equally well known that the Indian political agitator has little to learn with regard to methods of agitation. He has drunk deeply from the experience of agitators, whether in England or in Ireland, and he has not been unmindful of the greater subtleties of women agitators, and these methods have been applied with great skill in India. The aim has been to create discontent with British rule, and to bring discredit on the Government of India, and it is not always easy for the Government to know how to deal with the subtle methods that are adopted. I recollect that shortly before the Duke of Connaught's visit I was anxious that the people of Delhi should see the fort and palace illuminated, with the fountains playing, and I directed that it should be opened at a low fee. For two or three days the people went in by thousands; then one day not a soul came, and I found that the rumor had been spread abroad that a thousand women had gone into the fort and not one had come out again. But when, later, the people of Delhi found that none of their relatives were missing, they returned in their hundreds. The aim of the agitator was to get people to refuse the gifts that the Government offered.

How will the new Viceroy deal with the skillful propaganda of rebellion that en-

velops him night and day? The Afghanistan danger is real, as the explanations made before the new Legislature in connection with the large budget eloquently admitted. Afghanistan has made a treaty of alliance with Moscow, and the Emir, heartened by the Bolshevist agitators who are everywhere in Afghanistan, is making defiant and impossible demands. The economic unrest of India is great, and many strikes testify to the strength of the Gandhi-Mohammed Ali propaganda. The poverty of the people; the discontent of the Indian merchants, who faced bankruptcy, owing to the worldwide commercial stagnation that has followed the war; the old religious racial hatreds—all these are being fused by a magnetic leader into one united revolt against the Government of the British, and their "satanic" civilization, which must be destroyed to enable the people to revert to the primitive ways of the old Vedas and the simple, homely, free and idyllic life which underlay them. This is the teaching which the Hindu people are absorbing rapidly, and to this the Moslem agitators are adding the menace of the sword. What will be the outcome of it all?

How much of Gandhi's teachings have contributed to the results of the March census, which show an amazingly small increase in population since the last census, it is impossible to determine. The figures show that during the decade 1911-1921 the population of the country, including both British India and the native States, increased only from 315,150,000 to 319,000,000—or at a rate of only 1.27 per cent. for the whole decade. The increases noted since 1872 had been on an ever-rising scale, and even between 1901 and 1911, when the census area was approaching fixity, the increase was 7.1 per cent. It was generally believed that the census just taken would show a population of at least 340,000,000. The influenza plague of 1918, which took a toll of approximately 6,000,000 people, should be duly considered. It is also stated that the method of taking the census was defective, the census takers being arbitrarily assigned their task, with no pay. It should not be forgotten, however, that Gandhi has carried his fanatic teaching so far as to forbid his followers to have children until India has gained independence.

IN DEFENSE OF KING CONSTANTINE

To the Editor of Current History:

I have been very much interested in reading the article in your May issue on "What the Greeks Are Fighting For." I am writing at once to express my appreciation of it and of the attitude you have taken in presenting the true side of the Greek question, even though that side is the unpopular side in this country. I am myself a Greek, and as such have more closely at heart the interests of Greece—with a more thorough knowledge of the conditions existing there—than the American press can have. Therefore I am rejoiced to see this fair and scholarly presentation of the situation in my country.

I hope that this article may do much toward disabusing the minds of the American public of the utterly false idea that King Constantine is or ever was pro-German. He was not. If he was not pro-German, however, it was not because of anything the Allies did, as any Greek knows who is familiar with the intimate facts of Greek politics during the early years of the war, and who is not blinded by personal devotion to Venizelos; for the allied powers continually antagonized him and forced him into a friendship with his brother-in-law, the Kaiser, which he did not feel.

And why cannot the American public be persuaded of King Constantine's entire devotion and loyalty to his country and his people by the results of the November elections? Who is to judge whether Constantine is the well-beloved of his people, if it is not the Greek people themselves? And the overwhelming majority which was returned for him at the polls should be a proof to the American public that they have been fed on propaganda when they have been assured that Constantine is the arch enemy of the Greek people. I wish that

your article, or Mr. Hibben's article, to be exact, had said even more about this. I want the American people to understand and believe it.

I, and I am sure all Americans and Greeks who have seen this article, will read your magazine with increased interest and confidence now that we have seen that you dared to print what is the real truth. Captain Paxton Hibben's disinterested and high-minded friendship for Greece is, of course, known to all Greeks, and you are fortunate to have had one so well informed to write the article for you.

D. J. THEOPHILATOS.

59 Pearl Street, New York, May 31, 1921.

WHAT JAPAN IS DOING TO CHINA

To the Editor of Current History:

I have read with great interest the article by Sidney C. Graves, entitled "Japanese Aggression in Siberia," which appeared in the May issue of CURRENT HISTORY. As indicated by this writer, Manchuria is almost entirely dominated by the Japanese.

The interpretation of Japan's activities in China is comparatively easy for those who know what is actually occurring on the other side of the Pacific. Prominent men of various nationalities, who have a first-hand knowledge of both China and Japan, have repeatedly called the attention of the world to those activities. And yet, as a whole, Japan may plume herself on having blinded the great powers, as well as the smaller nations of the world, to her aggressive and unlawful conduct in the Orient. What she has overlooked is that the time is bound to come when the world will know and understand her better. She has also failed to learn the great lesson of the war and has continued her wrongful and imperialistic policy, oblivious to the fate that overtook German imperialism.

I should like to bring before your readers a few of the Japanese practices in China which I personally witnessed when I returned home in 1919. The more obvious cases of Japanese aggression—in Korea, Manchuria, Mongolia, Formosa and Shantung—the world now knows. But there are other misdeeds, of the greatest menace to China's future, which the world knows nothing about. A few of these are listed below:

THE OPIUM TRAFFIC

China has suffered greatly from the opium scourge, and has officially done away with it. The Japanese, however, who, so far as human words hold, have claimed to be China's friends, are doing all they can to keep the opium traffic alive. Taking advantage of the extra-territorial rights of foreigners in China, Japan has assured her nationals in China protection in carrying on the traffic on a large scale. That traffic is in full swing today in certain provinces, in Foochow and other cities of Manchuria and Mongolia. Japanese steamship lines, and even the Post Offices, are used for the transmission of the drug, which is sold on guaranteed delivery. I may refer in passing to the scarcity concealed maintenance of Japanese opium-smoking houses.

[Mr. Pelham Hung, editor of the Peking and Tientsin Times, while attending in Tokio a conference of Chinese and Japanese journalists held in April, declared in a public interview with the representative of the Kokusai that "97 per cent. of the morphine smugglers in China are Japanese subjects." To suppress this nefarious trade, said Mr. Hung, was China's greatest need today. "I believe," he added, "that the majority of the Japanese people are ignorant that their countrymen are largely responsible for the business that is ruining the bodies and souls of over 100,000 Chinese men, women and children every year. Their officials, however, cannot pretend ignorance. * * * A Sino-Japanese entente can never come until Japanese nationals stop smuggling morphine." Mr. Hung recalled the fact that the Japanese Consul General in Tientsin promised in 1919 to "punish severely all Japanese nationals found engaged in this vile trade," but "today matters are as bad as when the promise was first given." Though Mr. Hung did not charge that the Japanese authorities officially encouraged the traffic, he showed clearly that they tolerated it. Great Britain, he pointed out, forbade the exportation of opium to China in 1917, and neither the British nor other European countries are now indulging in the sale of opium or other narcotics in China.—EDITOR.]

GAMBLING AND PROSTITUTION

Gambling, like opium smoking, is penalized by law, but one who has been in China,

especially in the regions referred to above, has seen many gambling houses openly doing business along the city streets. Foreigners believe that these houses are run by Chinese. If one will only take the trouble to pause and gaze upward at the sign, one will see the words, "Japanese merchant." This means that, alike in the case of opium smoking and gambling, the Chinese authorities have no right of entrance and search without previously notifying the Japanese Consul. If, finally, a search is decided on, it must be undertaken jointly. It is well known to the Chinese that, when such raids are planned, the Japanese engaged in such nefarious business are almost always warned from the consulate before the police reach the field of operations.

The Japanese also take advantage of poor Chinese who are in need of ready money to make small loans at a good profit. The Japanese lender requires no security, but depends wholly on the support of the Japanese Consul to collect his money. Only those who have seen the Japanese process of collection know what this means.

Wherever there are Japanese, there is Japanese prostitution, which is not only encouraged but legalized by the Japanese Government. The extension of the system to China is but a part of the deliberate Japanese policy to ruin, both physically and morally, the nations with which they are brought into close contact. This deliberate policy will have the most serious consequences in Korea.

The law of China prohibits the sale of arms and munitions to individuals or to private concerns. Yet in various places one always sees armed bands of rebels roaming about, bearing modern rifles and making trouble for the good citizens of China. Such arms and munitions come from Japan, the only country in the world at present which undertakes to endanger the peace of other nations, the only country which has no sense of international law.

Japanese "Name-Letting"

"Name-letting" is something of which Americans have no knowledge, and I have been unable to find any one who has not lived in China who has ever heard of it. The merit of this invention belongs wholly to the Japanese. In the last few years, China has increased her taxes, and these have become a heavy burden to the people. Some of the lower class, who lack a sense of nationalism, seek to avoid the payment of these taxes. This is where the "always-ready-to-be-your-friend" Japanese comes in and says: "Let us list your business and property under our own name, collecting therefor a commission far smaller in amount than the sum which you will have to pay to the tax officials." Undoubtedly the Japanese by this device have aided many of the poorer class to dodge their taxes. The consequences of this business have sometimes been disastrous for the Chinese, for in some cases the Japanese "name-lender" flees to escape his accumulated debts; the Japanese Consul then steps in and takes possession of all goods listed under the said debtor's name, regardless of their true ownership.

The arbitrary character of the Japanese is seen in the matter of the Chinese boycott of all Japanese goods. The Chinese people, in view of the Shantung award particularly, will not buy Japanese manufactures of any kind. The Chinese authorities cannot force the Chinese people to buy, and yet the Japanese dare to demand that these authorities, whom they deem responsible, shall be dismissed! How do the Japanese know that the Chinese public does not like American or English goods better?

I have given above only a few examples of what the Japanese are doing in China. As to what Japan is doing through diplomatic channels, the world is informed daily through the press. Whatever the field, the Japanese policy never changes.

GARDNER KUOPING LIU.

University of Chicago, May 17, 1921.

GERMANY'S TRADE TREATY WITH RUSSIA

THE Russian Soviet Government, after successfully concluding its negotiations for a trade agreement with Great Britain, bent all its efforts to obtaining a similar agreement with Germany, a country considered by Leonid Krassin, the London negotiator, as even more important. The discussions were long protracted, and it was not until May 6 that the German and Bolshevist representatives in Berlin succeeded in bringing the negotiations to a satisfactory end.

This agreement, though only preliminary, indicated a mutual desire to establish solid economic and political relations between the two countries. It was signed for Germany by Gustav Behrendt and Freiherr (Baron) von Maltzen; for Soviet Russia by Aaron Scheinmann and M. Gans. The compact gave full diplomatic immunity to the respective political and trade delegations to be exchanged, as well as the full consular powers necessary to legalize contracts and facilitate business; granted to merchant ships of either party the usual privileges relative to territorial waters, and authorized the reopening of all radio, telegraph and postal communications. Each delegation was empowered to protect the rights of war prisoners and interned civilians and to facilitate the departure of its nationals from the other country. Both parties bound themselves not to permit their respective delegations to conduct propaganda while resident in the other country.

The full text of this agreement, translated into English from the Prager Press of May 10, is as follows:

TEXT OF THE AGREEMENT

The German Government and the Russian Socialist Federative Soviet Republic, moved by the desire to serve the cause of peace between Germany and Russia and to promote the prosperity of both peoples in mutual good-will, conclude the following provisional agreement:

ARTICLE 1—The sphere of activity of the Delegations for the Care of Prisoners of War already existing shall be enlarged so that they may be entrusted with the duty of protecting the interests of all their nationals. Trade Delegations shall be attached to both these Delegations, in order to promote economic relations between their countries. Until normal relations are fully restored, the Delegations shall be known as "The German Delegation in Russia" and "The Delegation of the Russian Socialist Federative Soviet Republic in Germany." The Delegations shall have their headquarters in Moscow and Berlin respectively. The Delegation of the Russian Socialist Federative Soviet Republic in Germany shall be regarded as the only body representing the Russian State in Germany.

ARTICLE 2—The head of the Delegation shall enjoy the privileges and immunities of the principals of accredited missions. Until otherwise agreed, seven members of the Delegation shall further enjoy the privileges and immunities of members of accredited Missions, in so far as they are not citizens of the State in which they are residing.

With regard to those persons employed in the Delegations who are not citizens of the State in which they are residing, both Governments engage to take such steps as will be necessary to ensure:

1. That their houses shall be searched only after the Ministry for Foreign Affairs of the State in which they are residing has been given notice, and in so far as delay does not involve risk, in the presence of a representative of that authority and a representative of the Delegation.
2. That cases of imprisonment and arrest shall be communicated immediately to the central authority for Foreign Affairs of the State where the persons concerned are residing, and that authority shall inform the head of the Delegation within a period not exceeding 24 hours after the imprisonment or arrest.
3. That these persons and the members of their families shall be exempt from all obligations to perform State labor of any kind, and from military service and all obligations connected with war.

ARTICLE 3—Each Government engages to secure suitable offices for the Delegation of the other party, and to see that the head and the personnel receive suitable living accommodation. They further engage to give every assistance in procuring the necessary materials for the work of the Delegation.

ARTICLE 4—The German Delegation in Rus-

sia shall be entitled to import free of tariff and duty the materials necessary to carry on its official duties and to keep its quarters in repair, as well as the food and other necessaries required by the German personnel up to 40 kilograms per month per person. The import permit shall be issued by the Russian Delegation in the country of origin on production of a covering list which must be authenticated in Germany by the Foreign Office, and in other countries by the German representatives there.

ARTICLE 5—The heads of the delegations shall be accredited to the central authority for Foreign Affairs of the State where they are residing. The delegations shall deal with that authority, and in trade matters directly with the other central authorities as well.

ARTICLE 6—The Delegations shall be given the following consular powers:

1. To protect the interests of their nationals in accordance with the traditions of international law.
2. To issue passports, identification papers and visés.
3. To receive, certify and attest documents.

Both contracting parties engage to enter into immediate negotiations for the conclusion of an agreement concerning the keeping of a register of births, deaths and marriages, and data concerning marriage contracts.

ARTICLE 7—Each Delegation shall have the right to use the wireless stations and public postal facilities, to hold uninterrupted official communication with its Government, and with the representatives of its Government in other countries, either openly or in code, and further to communicate by courier in accordance with a special agreement.

ARTICLE 8—Until a treaty is concluded which which shall determine on principle the rights of the citizens of both parties, the following provisions shall hold good:

1. The provisions of the agreement of April 19, 1920, the supplementary agreement of July 7, 1920, and the supplementary agreement of today's date shall apply to the Russian war prisoners and interned civilians in Germany. Otherwise Russian citizens in Germany shall be treated in respect to their persons and property in accordance with international law and the general laws of Germany.
2. German citizens within the territory of the Russian Socialist Federative Soviet Republic at the time of the conclusion of this agreement shall retain the rights stipulated in the supplementary agreement of today's date as former war prisoners or interned civilians.
3. To German citizens who go to the territory of the other party for trade purposes in accordance with this agreement and who comply with the passport regulations, the Russian Socialist Federative Soviet Republic guarantees the inviolability of their property, whether brought with them or acquired in Russia, in so far as it is acquired and used in accordance with the special agreements made with the competent organs of the Russian Socialist Federative Soviet Republic. Special letters of safe conduct from the Russian Socialist Federative Soviet Republic shall ensure the inviolability of this property, except in so far as claims can be made against the holder of the letter of safe conduct on the ground of legal transactions into which he has entered with the Russian Socialist Federative Soviet Republic after the conclusion of this agreement.

ARTICLE 9—The Russian Government shall permit persons who have been German citizens, but have lost their nationality, as well as their wives and children, to leave the country if it can be proved that this is for the purpose of emigrating to Germany.

ARTICLE 10—The German Government guarantees to Russian ships, and the Russian Government to German ships, in their respective territorial waters and ports, treatment in accordance with the usages of international law. In so far as Russian ships serving trade purposes are granted special privileges in the matter of shipping dues, in accordance with this stipulation, as ships belonging to the State, the Russian Government guarantees to grant similar privileges to German merchantmen. In every case, however, a ship belonging to either contracting party in the ports of the other party may be held liable for such charges as are directly connected with the said ship, such as, for example, harbor dues, cost of repairs, or claims for compensation in cases of collision.

ARTICLE 11—Both Governments shall immediately take all steps to make possible the speedy resumption of postal, telegraphic and wireless communication, and to guarantee these communications by means of special agreements.

ARTICLE 12—The German Delegation in Russia shall protect the economic interests of the German realm and its citizens through its trade delegation.

The Russian Trade Delegation in Germany, as the State Trade Bureau for legal transactions in German territory, shall be regarded as the legitimate representative of the Russian Government. The latter shall recognize as binding all legal transactions undertaken either by the head of the Delegation, or by the head of the Trade Delegation, or, finally, by any authorized agent of either of these.

ARTICLE 13—The Russian Government engages to include an arbitration clause in all legal contracts with German citizens, German firms and German juridical persons entered into upon the territory of the Russian Socialist Federative Soviet Republic and of States united with it in a State scheme of imports and exports. In the case of legal contracts entered into in Germany and their economic results, the Russian Government shall submit to German law, and in the case of civil obligations to German courts and execution, but only in so far as the obligations in question arise from legal transactions entered into with German citizens,

German firms, and German juridical persons after the conclusion of this agreement. The right of the Russian Government to include the arbitration clause also in transactions concluded in Germany shall remain intact. Otherwise the property of the Russian Government in Germany shall enjoy the protection customary under international law. In particular it shall not be subject to German jurisdiction and execution in any cases other than those specified under Paragraph 1.

ARTICLE 14—Both Delegations shall be entitled to engage the experts necessary for the accomplishment of their economic duties. Requests for the admission of experts, to be accompanied by detailed explanations, shall be made by the central authority to the representatives of the other party, and shall be dealt with immediately.

ARTICLE 15—Both Delegations and the persons employed by them shall confine themselves in their activities strictly to the duties accorded them under this agreement. In particular they shall be under the obligation to refrain from any agitation or propaganda against the Government or State institutions of the country where they are residing.

ARTICLE 16—Until a future trade agreement shall be concluded, this agreement shall form the basis of the economic relations between the two countries, and shall be interpreted in a spirit of reciprocal good-will with a view to the promotion of economic relations.

ARTICLE 17—This agreement shall come into force on the day on which it is signed. The agreement may be denounced by either side with three months' notice.

If the agreement, when denounced, shall not be replaced by another agreement, each of the contracting parties shall be entitled, after the expiration of the period of notice, to appoint a commission of five members in order to wind up the transactions already entered into. The members of this commission shall have the position of agents without diplomatic privileges, and shall complete the winding up of business within a period not exceeding six months after the expiration of this treaty.

For Germany,
GUSTAV BEHRENDT,
FREIHERR VON BALTZEN.

For Soviet Russia,
SCHEINMANN,
GANS.

Berlin, May 6, 1921.

WHY BUSINESS IS DEPRESSED

A SHORT but illuminating tabulation showing the comparative depreciation of European currencies since the war was given by Edward A. Filene, a Boston business man who has traveled over all Europe since the war, in an address delivered before the World Alliance for International Friendship Through the Churches on May 18, 1921. Mr. Filene's aim was to show that one of the chief causes of business depression and unemployment in the United States was the country's inability to dispose of its surplus products, owing to Europe's great economic and financial distress. To obtain the food products and raw materials necessary for its existence, Europe must be granted long-term credits, said Mr. Filene. But, he pointed out, such credits could not be given until conditions in Europe were more or less permanently settled, and this demanded co-operation of the American Government with the Governments of the struggling countries of the Old World. To understand the state to which those countries have come financially, said Mr. Filene, one must survey the situation in figures:

At the rate of exchange on May 8, for instance [he said], compared with the normal value and in terms of our money, the quantity of food, or cotton, or copper, that could be bought here for $100, cost

In England	$122.19	In Austria	$7,660.38
In France	233.02	In Germany	1,570.95
In Italy	375.85	In Poland	20,255.32
In Belgium	233.09	In Czechoslovakia	1,460.43

These figures speak for themselves. The desperate financial situation of Austria has been exposed by the Austrian Chancellor before the Supreme Council. The enormous depreciation shown for Poland has been explained by the Poles on the ground that the Germans, by refusing trade and by other devices, had deliberately forced down the value of the Polish mark for reasons of their own, prominent among which was the alleged wish to induce the Poles of Upper Silesia to abandon Poland and to vote for union with Germany. From this tabulation it is seen that although the financial situation of the Entente countries is unfavorable that of Germany and the new republic of Czechoslovakia is far worse, while Austria is facing bankruptcy and Poland stands on the verge of financial ruin.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[American Cartoon]

"There'll be only one pilot for this ship"

—*New York Times.*

[American Cartoon]

They'll have to cancel this driver's license

—*Brooklyn Eagle.*

A menacing feature has been introduced into the Upper Silesian problem by the activities of Polish irregular forces under Korfanty and the seizure of a number of important districts in advance of the decision of the Supreme Council. The Allied troops have been reinforced in an attempt to restore order.

[American Cartoon]

More Irritation than Lubrication

—*San Francisco Chronicle.*

[American Cartoons]

Digging In

—*Louisville Courier-Journal.*

The extension of time given to the Germans by the Allies for acceptance of the allied terms on reparations and disarmament expired on May 12. By that time, after great difficulty, a German Cabinet headed by J. Wirth had been formed, and this Cabinet accepted the terms without modification. They call for reparations of about $36,000,000,000.

An Old Song with a New Meaning

"Fast Stands and Sure the Watch—the Watch on the Rhine!"

—© *New York Tribune.*

Apropos of the firm stand taken by the Allies, especially France, on the subject of German reparations.

[English Cartoon]

THE ALLIED MAYPOLE

—*Passing Show, London.*

German militarism has been largely shorn of its power by the provisions of the Peace Treaty. That treaty called for the reduction of the German army to 100,000 men. Efforts have been made, especially by Bavaria, to evade the provision by the maintenance of Home Guards that could easily be transformed into a formidable military force.

[Italian Cartoons]

—*Il 420, Florence.*

What the Fascisti Did to the Reds

Two years ago Red Revolution scorned attack. A year ago it began to totter, and this year's May elections showed the "granite" giant to be only a statue of chalk, after all.

Turkey Makes Constantine's Throne Still More Uncomfortable

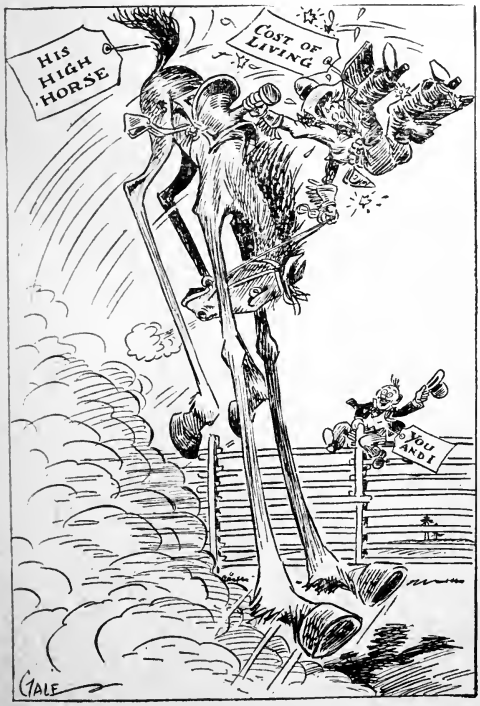
—*Il 420, Florence.*

[American Cartoons]

"I Ain't the Man I Used to Be!"

The excess profits tax was for three years one of the chief reliances of the Government in raising money to meet its current needs. During that period prices were high, there was an orgy of spending and the profits of large corporations were beyond all precedent. Now, however, deflation is in full swing, the "consumers' strike" shows few signs of being broken, and the excess profits have so shrunken that the yield from the tax will be comparatively small.

—*Dayton News.*



—*Los Angeles Times.*

"He's Pulling Leather!"

The cost of living is steadily decreasing in the United States, although the reduction is more notable in wholesale than in retail lines. A recent report of the Federal Reserve Board emphasized the fact that, while from January to May there had been a reduction of 11 per cent. in the price of raw materials, there had been a reduction of only 3 per cent. to the consumer. The reluctance of the retailer to fall in line with the wholesaler is one of the most important factors hindering business revival.

[American Cartoon]

Now "Step On 'Er!"

—*Tacoma News-Tribune.*

The resumption of world trade and the opening of a new era of prosperity have been waiting on the settlement of the question of German reparations. Now that a definite sum has been stated by the Allies and agreed to by Germany, the greatest element of doubt has been removed, and the consensus of opinion among financiers is that a trade revival all over the world may be confidently expected.

[American Cartoons]

—*N. Y. World.*

Who Said 'Isolation?'

In response to an invitation by the Allied Governments, the United States Government on May 6 announced that it would participate in future Allied conferences, though "maintaining the traditional policy of abstention in matters of distinctly European concern."

Uncle Has an Interest in the Pot

—*Central Press Association.*

The mandate assigned to Japan over Yap by the Supreme Council has stirred the United States to declare through Secretary Hughes that as a participant in the Allied victory this country claimed a voice in territorial mandates and did not recognize any decisions in that matter in which it had had no part.

[German Cartoons]

—*Ulk, Berlin.*

COUNT OTTAKAR (Harding): "Away, throw the monster (the League of Nations) into the abyss!" (Freischutz).

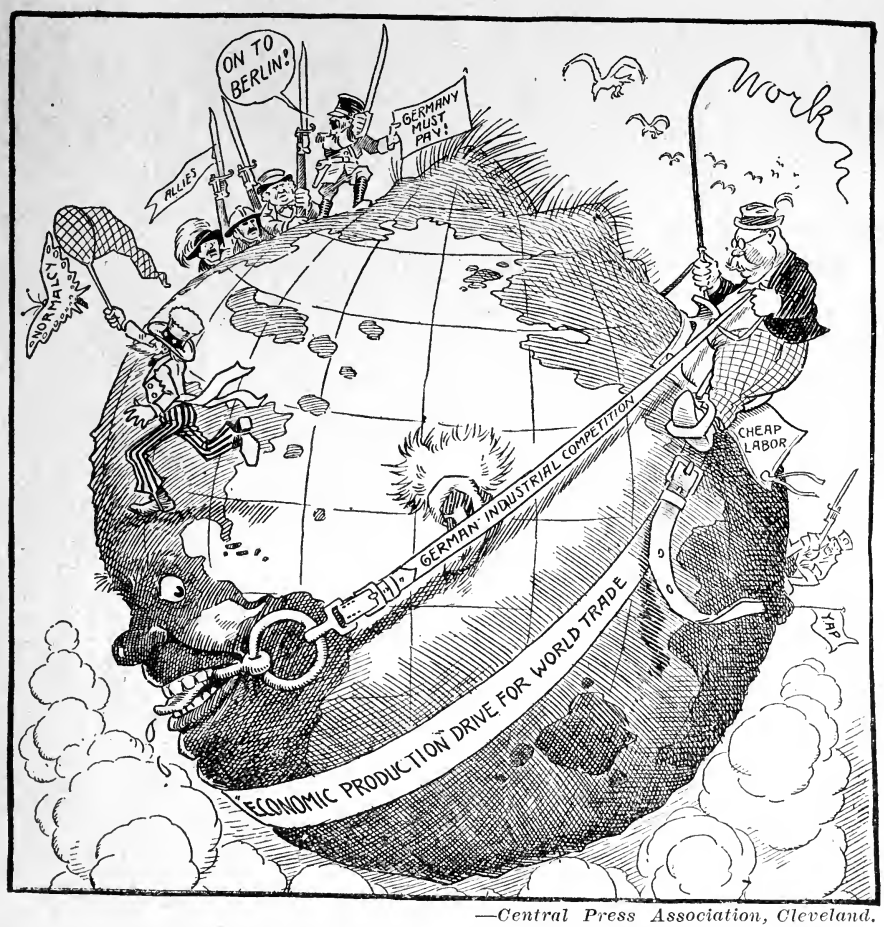
The Rope Dancer

PRESIDENT HARDING: "Confound it, between American Liberty and the Eiffel Tower top of French insanity, it is hard to preserve a balance."

—*Kladderadatsch, Berlin.*

[American Cartoons]

Future World Trade Situation



—*Central Press Association, Cleveland.*

As "Viewed With Alarm" by Schwab, the Steel King.

Deutschland's Over-Alls

"I'll have to hustle to pay those reparations."

—*Sioux City Tribune.*

[American Cartocns]

Just Count Him Out

Great Britain and France view the Silesian matter from different angles, and each would be glad to have the moral support of the United States, which, however, has remained steadily aloof.

—*New York Evening Mail.*

No Meddling in Foreign Muddles

So many domestic problems are pressing for solution in the United States that "America first" has become the policy of the present Administration. It has declined to take any official part in the settlement of the Silesian question, though Ambassador Harvey is to attend the meetings of the Supreme Council as an observer.

—*Central Press Association, Cleveldnd.*

—*New York Evening Mail.*

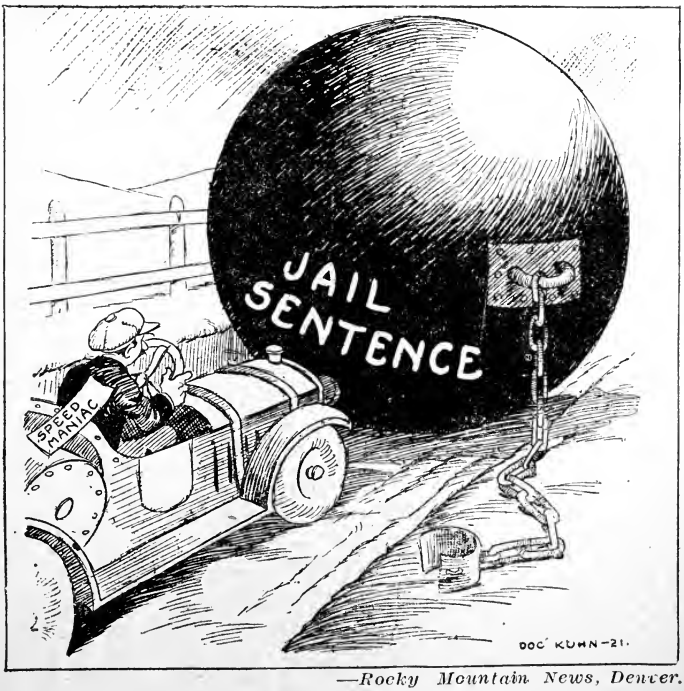
[American Cartoons]

Oh, Yes—Has Teeth 'n Everything

At the time the prohibition law went into effect it was freely predicted that it would be rendered nugatory by public apathy or disapproval. Its enforcement has presented great difficulties, but many violators of the law have learned that it is not wise to defy it.

This Might Stop Him

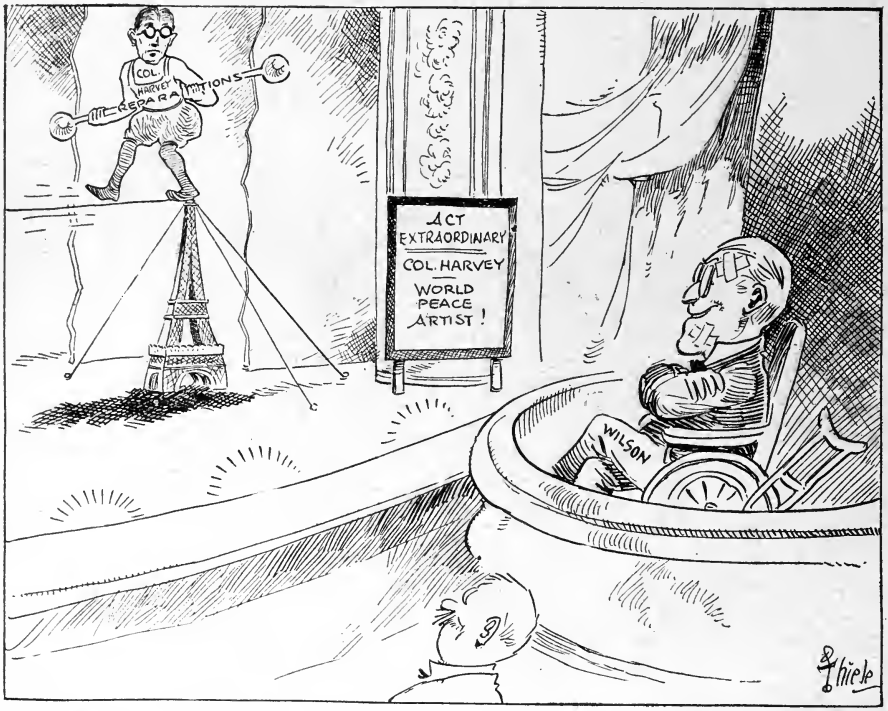
The alarming mortality due to automobile accidents has led to a general demand that the speed maniac shall receive jail sentences instead of fines. In the first eight months of 1920 about 500 were killed by autos in New York City alone.



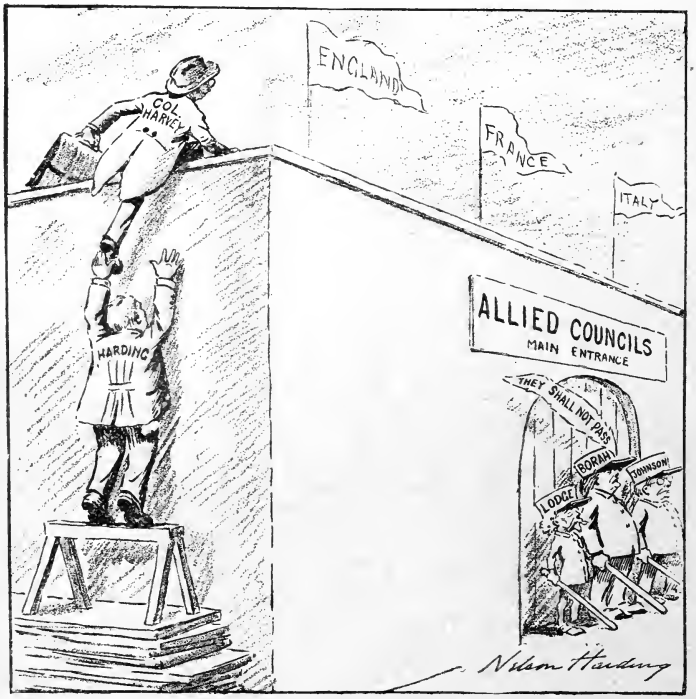
—*Rocky Mountain News, Denver.*

[American Cartoons]

His Turn Now



—*Sioux City Tribune.*



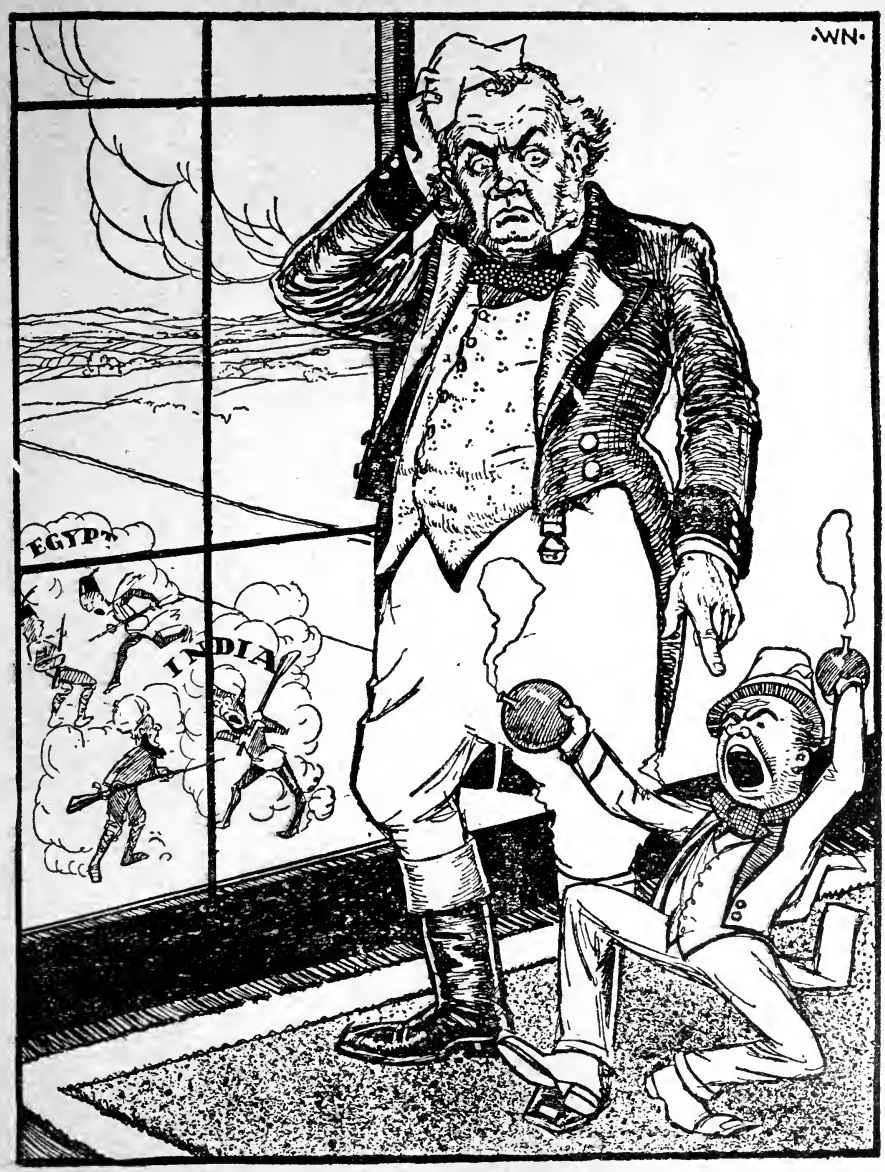
Slipping One Over

Referring to the appointment of Ambassador Harvey to be unofficial observer in the Supreme Council.

—*Brooklyn Eagle.*

[Scottish Cartoon]

John Bull's Troubles



—*Glasgow Bulletin.*

"If This Is Peace, Give Me War"

Ireland is seething with insurrection, serious riots have recently occurred in Egypt, and the Nationalist movement under Gandhi in India is a cause of grave apprehension.

[Norwegian Cartoon]

Peace on Earth

—*Hvepsen, Christiania.*

What our streets would look like, if the mind of the individual were the same as the mind of nations.

LETTERS OF AN UKRAINIAN SOLDIER

These thrilling letters were written by Lieutenant Omilan Tarnavsky of the Ukrainian Army to his father, the Rev. Philemon Tarnavsky, pastor of the Ukrainian Greek Catholic Church of St. Peter and St. Paul at Cleveland, Ohio. They were translated from the original Ukrainian by Father Tarnavsky and Mrs. Eleanor E. Ledbetter of the Cleveland Public Library, who is Chairman of the American Library Association's Committee on Work With the Foreign Born. The father, as Mrs. Ledbetter explains, came to America in 1909, "having reached the limit of endurance of political persecution in his native Galicia." His oldest daughter died the next year; in 1913 he was joined by two sons. His wife and other daughter were at Przemysl when the war broke out, and he heard nothing of them for four long years. In 1914 his remaining son, Omilan, was to come to America for a vacation visit before entering the University of Lemberg, but he delayed his trip and was caught in the vortex and summoned to service in the Austrian Army. His father heard from him in 1916, when he lay in a hospital, threatened with the amputation of a leg. For the next two years Father Tarnavsky pictured the boy as a cripple, destitute and suffering, and when the armistice still brought no word he gave him up for dead. Then suddenly came these letters, bringing joy to the members of the family in America. Aside from their human interest, they give a vivid picture of the sufferings endured by those who were caught in the South Russian maelstrom after the great war.

Bohdan, Czechoslovakia, Sept. 2, 1920.

DEAREST FATHER: I am writing to tell you the complete story of my Odyssey. I found myself this morning in Bohemia. I rub my eyes to see if I am awake or dreaming. I cannot realize that I am really in some European country where a person feels free, where the people wear hats and ties.

I came here with an army unit which refused to obey General Pavlenko, whom the Poles called rebels and traitors. We had joined and served in General Pavlenko's army only because we thought we could take advantage of the situation to regain our western Ukrainian Republic. Seeing that we were not able to accomplish this, we decided by force of arms to break our way through the Polish lines from the Dniester into Bohemia; in this we succeeded, breaking the Polish line at Kosov, and so we got out from the enchanted ring in which we had been for one year and a half.

Now I want to describe to you my person. Don't think, father, that I am going to indulge any boasting. I hope my description will interest you, and that I may serve as a typical illustration of the boys who sacrificed everything for the good of the cause, and who, finding themselves unable to accomplish their aim, after various adventures landed here. I will begin with my outward appearance. My mental disposition I leave to your own judgment. I will only tell you that my views of life are now far different from those of the cultured world; so, you see, I am changed beyond recognition.

In am 25 years old now, and I can tell you that I am looking very old. My hair became thinner and thinner, and left a small bald spot, and this explains why, though I was in the Ukrainian Army of Petlura, I could not raise a scalp lock.* My hair, to my great regret, became gray, but I do not mourn. It is the result of physical and moral suffering. My teeth are spoiled and need very badly to be put in order, but I cannot afford it. As the result of being on different fronts and eating from different filthy kitchens, I acquired catarrh of the stomach, but I don't worry about it, knowing that there is no remedy. Otherwise I am healthy. I am in good spirits, and have the moral satisfaction of knowing that I have acted rightly, that I did not betray my ideal and did not derive any personal gain out of the war. The best proof of this is that I am naked and barefoot. My outer covering, or so-called uniform, consists of

*The Ukrainian Cossacks of the old period shaved their heads close, leaving only one lock hanging from the side.

the seven parts described below, and acquired at different times:

1. An old cap from Denikin's army, riddled with bullets.
2. A Polish coat, with the Polish eagle on the buttons.
3. Leather trousers which once upon a time belonged to some "combrig"—this is the name by which the Bolsheviki call the commander of a brigade—and which I captured in some fighting with the Bolsheviki near Kiev.
4. Shoes of which I became the possessor in the last adventure, but which I have already burned at an unlucky bonfire while crossing the mountains of Cernahora.
5. A Bolshevist overcoat, very light and poor, in connection with which is a long and very tragic story which I do not want to tell you now.
6. One torn-to-pieces shirt.
7. A scrap of underwear.

As to my belongings, they consist of a knapsack and what it contains, namely, a towel, a piece of soap and a shoe brush, which I use very seldom, even to clean my uniform. I also possess some live stock in the shape of a little dog, of a Pomeranian breed, which I captured from a Polish officer in the battle at Lemberg on Dec. 27, 1918, and which, in hope of victory, I named Nika. This little dog shared with me good and bad fortune; on several occasions it saved my life. On April 20, 1919, it was severely wounded in a battle near Bodnariwka, and I took it out from the front line on my shoulder. This is all that I possess, adding only 25 Soviet rubles, which I must carry with me as a remembrance, and also because I cannot buy with them so much as a package of matches.

Now you know how I look; and all my comrades who have suffered look the same. I hope, with your help, to become somewhat more civilized in appearance, so that I can show myself among people, because in my uniform as I now look I would be arrested at the first occasion as a tramp. I am very sorry that my financial condition does not permit me to perpetuate my appearance by taking a picture of myself.

Lately I received a letter from mother and uncle, from which I learned that mother and sister are safe and living in M—, which news made me very happy. I was very much surprised to see they thought I had some money, which I never expect to have. This idea they based upon my expression of determination and strong desire to reach Bohemia and then America. I wrote them thus, knowing from my war experiences that money is not needed for travel. I found out during the war that a person can live without a shirt, without shoes; that one can sleep not only on a soft bed, but also in trenches or on the bare ground; that one can get along very nicely without collar and tie; that it is not necessary to seat breakfast, dinner and supper; that one meal is enough, and that even without one you can live, and that for moving from place to place, Nature has provided good means in the shape of two feet. Basing my views on these convictions, I wrote to mother about my plan. Now that I have arrived here, I am hoping that you, father, will help me a little to accomplish this plan.

As you see, I have become a great philosopher since the war, and an ardent disciple of Diogenes. The truth is that I have no objection to putting an end to this gypsy existence and to starting some real life, but I am now beginning to realize that it will be very difficult. Perhaps if I once get back into the civilized world I can change my way of living, although I have no present means to accomplish this. I do not even know how to begin it. You know what I want first—rest, rest, rest, rest. I would not object even if the Czechs put me into prison, for there I could rest, both physically and mentally.

Now I want to describe for you my *curriculum vitae*. You know everything up to 1916. After I graduated from the military academy, well versed in military lore, I was commissioned a Lieutenant and sent to the eastern front, where I was very severely wounded in 1916. My leg was almost shattered by shrapnel. The surgeons wanted to amputate it, but I said I would rather die with two legs than live with one. They managed to put it together in some way, so that after six months I returned to duty and was sent to the Italian front. There I took part in the bloody battles on the Brenta and Piave until the outbreak of revolution in Austria in November, 1918. Then I made my way by foot from Italy over the Alpine peaks to the Tyrol, where I reached Bozen, and by the valley of the River Drava to the Carpathian mountains, where I arrived at the Galician border. Having the conviction that I could serve our cause best at the front, I

had no time to visit with mother, much less to get rid of my Italian cooties, but re-enlisted at once and went with the Ukrainian Army to Lemberg. I took part in the Winter campaign near Lemberg. Then came the very sad retreat from Galicia. During our offensive I was wounded again at the battle of Chartkoff, but the wound healed very soon, and after one month I was able to serve again at the front.

On July 16 the Ukrainian Army crossed the River Zbruch, and I considered at the time that we were crossing the limits of Europe, for Russia and the Great Ukraine I count as Asia. We crossed, not to return, and here began our terrible suffering. Different political changes and, above all, the ravages of typhoid fever annihilated our army. Nearly 30,000 officers and men died of typhoid. The epidemic was terrible; we had no nurses, no physicians, no medicines, not even a field hospital. It was a heavy task to bury the dead, both those behind the lines and those killed at the front. All the young men of our family, all my cousins, all the boys among our kindred, lawyers, physicians, students—all have been killed or died of disease. I alone am left. Alex, who was an artillery Lieutenant, blew out his brains in typhoid delirium. Aunt still looks for his return, and I cannot tell her what his fate actually was. Dr. Konstanty K., a young physician, died of typhoid at Kaminiec-Podolsk. Young Joann C. also died of typhoid. My cousin Victor was shot by the Bolsheviki at Kiev. Victor P. was killed in the battle at Lemberg. Michael T. was killed on the Russian front. Andrew G. was killed on the Italian front; Michael C. on the western front; Myron B. at Lemberg. Peter B. was missing on the Polish battlefield, and Stefan B. was killed on the Piave. So you see, father, that I am now the only young man left in our whole family.

This is a very sad picture I have drawn. You can imagine how we suffered and how terrible the epidemic was. There were only 5 per cent. of boys like myself who survived. I will give you more details in my next letter.

Now I want to tell you what wars we fought. I served as follows:

1. With the Ukrainians against the Bolsheviki.
2. With the Ukrainians against Denikin.
3. With the army of Denikin against the Bolsheviki. [After Denikin had promised liberty to Ukrainia.] Then, when Denikin failed to keep his promise to establish an independent Ukrainian Republic, we went over to the Bolsheviki and fought.
4. Against Denikin.
5. With the Bolsheviki against the Poles. After parting with the Bolsheviki we joined—
6. With the Poles and Petlura against the Bolsheviki. In this last war we did not take any active part; every one tried to be neutral.

Now, father, tell me, do you know any other army that has fought so many wars? I don't believe you do. It seems to me that we made a record. Through them all we were never false to our ideal, and never betrayed our Ukrainian flag.

Our last adventure was breaking through the Polish lines into Czechoslovakia. We organized and decided in this way to protest against the Polish rule in Galicia, not having strength enough to clear this region from the Polish invaders. I must add that many of us—including myself—fought a guerrilla war in Ukrainia, particularly after we left the Bolsheviki.

Well, you see my situation. As I said, I would like to gain some repose of mind, even in a Czech prison. I write you this letter from the village of Bohdan, on the border line of Galicia and Rusinia. At the first opportunity I will mail it. Perhaps you may get a cablegram before you get this letter, if I should be able to get some few crowns to pay for it. I hope in this way to communicate with you and get some help. I cannot give you my address, as I do not know where I will be tomorrow.

How does it seem to you, father, to look at this European turmoil from America! I read in some papers that our Ukrainian people in America have turned Bolshevist. Is this true? Have they joined the Third International? I want to tell you that the time I was with the Bolsheviki will be a black page in the history of my life. They are bandits; their hands are red with blood.

I must close now. I hope that the mail connections I have with you now will not be interrupted. Forgive me for my poor writing; I am not used to such a civilized job. For years I have not written anything besides signing army orders. I kiss you.

OMILAN.

Liberec, Czechoslovakia, Sept. 12, 1920.

Dearest Father: I write you this second

letter from exile. I do not know whether you received my first letter or not. I have reached my temporary destination and I am interned in camp. The Czechs treat us very sympathetically and give us plenty of freedom, but I cannot make use of it on account of my outward appearance and my physical condition. I am barefooted and naked, and in my pockets is a *vacuum Torricelli.* They give us something to eat, but what they give is insufficient and unsatisfactory for a man of any refinement. However, I do not mind this, for I have been used to a life like this for a long time. The worst thing is the lack of tobacco, and I beg of you, if possible, to send me some tobacco or cigars, for it is impossible to obtain them here even at high prices.

I would like you, so far as you find it possible—for I have no other source to improve my condition—to provide me with some clothing, so that I can dress myself again like a civilized man. Things are very expensive here. It costs in Czech money about 2,000 kronen to get a suit and overcoat, without shoes.

I do not expect to get better meals and better accommodations, although I need these greatly to improve my physical health, which is very badly shattered by different adventures and wars; but one needs plenty of money for that purpose. I would also like to have my teeth put in order, so I beg you, father, to send me a little money as soon as possible; if you can, send it by cable. I myself would like to cable, but I cannot afford it. I can hardly get money to put the stamp on the letter.

When I become again a civilized man I am going to study English, for I think I will need it in the future. It will be the easiest thing I can do, because I do not feel strong enough to start the study of any specialty. I imagine my future as the entrance to a tunnel; it seems like a black opening without any bottom. I have not thought seriously about it before, because I have been living in a condition where I never thought further than one day. It was always possible that the next day I might not be alive, and sometimes I rather hoped I would not be. I was always in danger of death. Now, at least, my life is safe. Though the Poles and Bolsheviki, with whom I always fought and against whom—from their viewpoint—I have sinned greatly, are very anxious to catch me, they cannot do me any harm now.

Here in Czechoslovakia they have divided our Ukrainian unit, with which I landed here, into laborers' divisions. To such a division I belong myself; I am ranked as commander. Some of my old acquaintances are here. One of them has a father in America; perhaps you know his address. He is Nicholas N., from the village of B——, and his father is Peter N.* Write me if you know his address, for Nicholas needs help as well as I. I have met a few boys here who were prisoners of war in Italy, and from them I learned that my best friend, Stephen, was still alive, that he was an Italian prisoner of war; I was given his address. It made me very happy to learn that my friend was alive also. [Stephen was a theological student just ready for ordination when the war began in 1914.] There is a rumor that my uncle [an officer of high rank], who was captured by the Poles, has escaped from his Polish prison and is here, but I am not sure. My condition now does not seem very enviable, but I expect it will change very soon for the better, and I am not discontented with what I have now.

* * *

I have not seen mother for many years, and now I hear the Bolsheviki are in Galicia, so I cannot gain any communication with her now. They must be in misery. When the Muscovite ruffians come there will be bad doings. I know them too well.

I wait impatiently for a letter, dearest father, after so many years of separation. I am sorry you are so far, and that the communication is so poor that one has to wait so long for an answer.

I must close now. I kiss you.

OMILAN.

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*Peter N—— was a peasant who had devoted his life to the education of his son Nicholas; as it was impossible for him to secure sufficient money to accomplish this in Galicia, he came to America for that express purpose. The boy had graduated from the *gymnasium* (high school), in 1914, and his father had never heard from him since the war began. Mr. T—— was able, upon inquiry among his countrymen, to learn Peter's address, and wrote him: "Your son and mine are both alive; they are in Czechoslovakia, and are in need of help." The next Saturday at close of work, Peter took the train and traveled 700 miles to the home of Mr. T——, where the two fathers talked from noon until 11 o'clock at night about their sons, so long mourned as dead, and so miraculously restored to life.—TRANSLATOR.

Terezin, Czechoslovakia, Sept. 24, 1920.

Dearest Father: Did you get my letters? I have written you three times. Now I write you from another place. I expect to stay here for some time. We are engaged in service here and receive 3 crowns daily. It is about enough for a letter and stamp. Everything is very expensive; you can get all necessities here, but you have to pay terrible prices. I sit in the barracks and do not go out on account of my so-called uniform. If this state of affairs lasts much longer I fear I shall go insane.

I thought I would write some recollections from Great Ukraine, but I am in such a queer mood now that at times I am not able to write a letter, much less my recollections, so I put it off. I am, however, beginning to recover my normal poise, though very slowly; I think it will be a long time before I will be as before. Some man has said that the most complete moral rest is in prison, and this seems to me to be true, for my present life differs but little from prison life. Such a life has good and bad aspects for me. It is rest that I need, and yet rest wears on me, for I was used to a free life in the Great Ukrainian steppes, where, in spite of wars and enemies, there is some sweep and plenty of motion and space such as you would not find in any civilized country.

Culture has made very slow progress in the Ukraine. I can truthfully say that from the sixteenth century it has remained in the same level. You can meet the same Zaporogian Cossacks as those of the old time. In General Pavlenko's army there is a Zaporogian unit, whose members do not differ in any respect from their ancestors of old—the same adventurers and cutthroats. Among them I met some Hejdunak; the same as those who captured Uman. [A historical episode of the sixteenth century]. To cut the throat of a Jew is to them the same as to kill a fly. I have had a chance to be with them—I would not say I have had the pleasure. I was with them, I lived with them and I fought in their ranks. It is true that I would not wish to be with them again. But, anyway, after this life in Great Ukraine, to be shut up in barracks in Czechoslovakia is rather hard on me. I need it, however, to strengthen my nerves—if I have any nerves left.

I got my first letter from Stephen and I was very happy and glad that at least I can communicate with one of my friends. It seems that our Ukrainian boys have been scattered over the face of the whole world. I have just heard of 300 who have long been war prisoners of the British on the Island of Madagascar, and who now, after circumnavigating the Continent of Africa, have arrived also in Czechoslovakia.

I must close now. I kiss you.

OMILAN.

Terezin, Czechoslovakia, Oct. 18, 1920.

Dearest Father:

It is almost seven weeks now since I wrote you. It seems a very long time, but I think the trouble is with the communication. I received two letters from mother. They are all well.

One thing worries me very much. Mother wrote me that you are in poor financial condition;* and I felt very uncomfortable over having asked for help without knowing the conditions. Now I see you will not be able to fulfill my requests, so I beg you don't heed these lamentations of Jeremiah. Put all my letters into the waste basket. If you want to help me, send what few pennies you have left over, but do not deny yourself. If I had known the conditions, I would have refrained from making a request for help. I am accustomed to misery now, so I do not consider it as a misfortune, but as a necessity. I adapt myself now to a new condition like a chameleon, or, rather, as the ox adapts itself to the yoke.

I do not leave my barracks; I do not suffer from the cold because I do not go out. I am happy because I am not alone. There are at least 1,000 officers and several thousand Ukrainian soldiers in Terezin. Where I am now there are 12 officers and 300 Ukrainian soldiers, and in company you cannot feel bad. You know the gypsy hung himself for company. So I ask you once more, don't heed my letters. Perhaps I put you in some unpleasant position by my request. I can get along very well myself, and the war can get along very well with-

*This was a misunderstanding by the young officer of a letter sent by his father to his mother, explaining that he was unable to send funds for all the Ukrainian refugees mentioned by her as being in need of assistance. Immediately on receipt of the first letter, the father cabled money to the Governor of Rusinia for the son's passage to America; and upon receipt of the second letter another sum was sent directly to the young man. The money, however, was long in reaching its destination.

out me. I have wandered all over Europe for six years. It seems to me already far too long, and yet I don't know what the future has in store for me. Perhaps I must wander six years longer. If there should be no new adventure in the Spring, I will try to get some physical labor. Now I am not able to, because very many people are out of work, and in addition it is very cold. Perhaps it will not be necessary, because our diplomats say that our cause is progressing favorably now, and perhaps we will get back to our country without any new adventure, though I fear this is a vain hope. At present I must be satisfied with 3 kronen daily and two cups of black coffee, one in the morning and one in the evening.

The worst thing is my clothing. It is now increased by one shirt, which I received as a gift from a comrade, God bless him. He had three and I had only one. Now we each have two. With my shoes there is some improvement also. I received from the Czechs a pair of old army shoes, which I am very sorry I cannot wear on account of their dimensions. Our Ukrainian Government and our diplomats forget us, and the strangers do not care much about us. In the beginning they made us happy by telling us that we would get the same wages as Czech officers. This would happen, they said, within a fortnight, but from Nov. 15 they put it off *ad kalendas Graecas in infinitum.*

I am going now to arm myself with patience and to wait until Spring. In the Spring perhaps we will start some adventure, or try to get some physical labor, or I do not know myself what. Perhaps I will enlist in some foreign legion. I cannot live as I live now. It is true that I did live in worse conditions than now, but that was due to war and to iron necessity. It was something quite different—trenches, grenades, mines, shrapnel, cannon balls, hunger, cold, cooties and different things. Here, on the contrary, everything is normal. The people are peaceful, and I, ragged and torn, am without a penny in my pocket, without any aim, without any tomorrow, like a dog. But, father, I don't mind. One must wait; some day, maybe, "the sunshine into our windows will come."

Did you see any one in America from my birthplace? I passed it in 1918, but I could not locate the place where the church was. There was not even a post left of the whole village. How the people there must have suffered! You are lucky, father, that you did not see anything that was going on there.

I beg you once more to pardon my letters of request and to write me a very nice long letter. I kiss you. OMILAN.

Terezin, Czechoslovakia, Nov. 8, 1920.

Dearest Father:

For three days I have been receiving letters from you, two written to Terezin and one to Liberec, with priceless news for me. The last letter even enclosed $2. There was no limit to my happiness when I got these letters, and I did not dare to believe that a way could be open for me to America. It was like a temple of India opening for me, revealing a god of gold within, who would help me to get out of this enchanted ring.

I expect some difficulties, because I have to get a passport and a discharge or furlough from the army of the West Ukrainian Republic. Our dictator has ordered the mobilization of all Ukrainians belonging to West Ukraine and living in Czechoslovakia, so you see, father, it looks very bad for me. In the office of our Secretary of War I have a friend with whom I made all the old Ukrainian campaigns. If they do not remove him I can count on a speedy and satisfactory fulfillment of my request. It will be very sad for me to leave my comrades, and to play no part in the coming events. Perhaps they will have to fight again with the Polish brigands, and my palms will itch to fight them; but the desire to see my father and my brothers is worth something, too.

I am afraid I cannot get along with the money you sent me if they keep postponing the passports. I have no information as to what it costs from Liberec to Rotterdam. but, any way, I will try to get along, and I am determined to go to America, even if I have to be lodged on the smokestack.

I wonder that you cannot communicate with mother. I have good communication with her now, and receive letters every six days. It would be good for mother and sister to come with me to America, and you must write them urging them to join me. I will let them know when I am ready to leave, and in case they are coming I can wait for them here in Czechoslovakia, or they can meet me in Germany. I cannot go

to Galicia; if I did, the Poles would hang me immediately. So think it over, father, and let me know by cable what you decide. My trip will be delayed by that, but I would be glad to come together with them.

Irene wrote me that she got $5 with your letter, and that before that they got 10,000 crowns.* This seems to me a very large amount. I did not get any money from you yet except the $2, which means 184 crowns. An American dollar gleams like gold here. One dollar is worth 384 Polish marks and 400 Austrian crowns, but Polish and Austrian money is of no value here. It is like the dust you empty in the ashbin.

The first thing I shall do when I receive the money will be to buy a suit and to get what other things I need for the trip. I think I will go to Prague to our Ukrainian Ambassador, to ask him to clear the difficulties from my way. Then I must wait for your letter about mother and Irene.

I am in Terezin now, but I expect to be transferred very soon to Liberec, so write the next letter to that town. I have no special news for you. I stay in the barracks and blow on my hands to keep them warm, and I warm my heart with hope for the future. I thank Ivan for sending the tobacco, but I did not get it. I am an unhappy boy without tobacco.

My dog is with me, and if it does not cost too much I think I will take him with me to America. I would cry if I had to leave him in the old country, because he has been with me in good and bad fortune and shared my meals and my home under the blue sky. But if I cannot get enough money to take the dog with me, then I will have to leave him with my best comrade.

I asked how much the steamship ticket cost, and it looks as though it will be very high, but I think I will get better information. Today with the $2 you sent me I shall have a banquet in the shape of some sausage and a glass of beer—a treat which I have not had for a very long time; my little dog will enjoy the feast with me. I shall be happy, and I will praise the Lord in heaven that I have a father in America. I kiss you. OMILAN.

[The young man finally received the money to pay his way to America, but, the translator states, he is still eating out his heart in Czechoslovakia, as our Government officials do not see their way to viséing his passport unless he goes back to the Polish authorities in Galicia for credentials. The irony of this lies in the fact that if he goes to Galicia the authorities will hang him, because he fought against the Poles.]

*This remittance was more than seven months on the way.

THE GREAT NAPOLEON'S GRANDDAUGHTER

PARIS observed the centenary of Napoleon Bonaparte's death with elaborate ceremonies on May 5. Amid all the pomp in honor of the one-time arbiter of Europe, another figure stood out in contrast—that of a woman of 50, dressed in black, with a fine, open face, lined by sorrow and the incessant effort to eke out a livelihood, a teacher in an ordinary elementary school near the Boulevard St. Michel. This poor teacher, now living in a tiny apartment, with her cat and a few meagre possessions, is the granddaughter of Napoleon I. Her father was the illegitimate son of Napoleon and Eleonore de la Plaigne, a maid of honor to Caroline Marat. Napoleon gave the boy the title of Count Léon. Born in 1806, "Count Léon" died in 1881, after an exciting and feverish life, into which he crowded excessive gambling, many duels and love affairs, and some mystical meditations. The Count married and had three sons; two of these are now dead, the other is living quietly in the Vosges. The Count's only daughter, Charlotte Léon, the subject of this paragraph, was born when her father was 60 years old. She began life as a teacher in Algeria to support her widowed mother, to whom the Count had left but small means of subsistence. After hard years of struggle on a pittance she finally went to Paris, where she married a M. Mesnard, taking the name of Mme. Mesnard-Léon. Her husband is now dead, and she lives alone, barely removed from want, meditating on the strange destiny of her grandfather, the great Emperor, of her father's wild and stormy life—and of her only son, who died for France at Rheims during the war.

THE TRAGEDY OF CHILD LIFE UNDER BOLSHEVISM

By Dr. Boris Sokolov*

How the fanatical purpose of the Soviet leaders to "nationalize" the children of Russia and educate them as communists is causing their death by thousands—Mothers forced to send infants to Government "nurseries," where they perish of neglect

VERY little has thus far been said about the children and the tears they have been shedding most copiously in Soviet Russia. It is as if the worries of the adults, their trials and tribulations, had altogether pushed aside the problems of the children. We adults are really great egoists. Suffering ourselves, we pass by the tears of our children lightly and carelessly.

Speaking at the Pirogoff Medical Congress in August, 1920, Doctor Horn said:

> I am prepared to forgive the Bolsheviki a great many things, almost everything. * * * But one thing there is which I can not and will not forgive them, namely, those experiments, positively criminal and worthy of the most savage tribes of the African jungle, which the Bolsheviki have been making all this time with our young generation, with our children! This crime knows no parallel throughout the history of the world! They have destroyed, morally as well as physically, a whole Russian generation; they have destroyed it irretrievably, and, alas, beyond remedy!

Among the first to come under the suspicion of the Bolsheviki and to be subjected to all manner of persecution and reprisals were the Russian pedagogues. Not only the teachers of high schools and elementary schools, but also the women teachers in the kindergartens, nurseries and other institutions for children.

At the conference on Public Education held in 1918, the Bolshevist Commissary Lilina said:

> We have to create out of the young generation a generation of communists. We must make real, good communists of the children, for they, like wax, are easily molded. And when we shall have grown tired and step aside, our places will be taken by them—our new communists who will have been brought up from childhood in the ideas of communism. Therefore we must at once, without procrastination, commence the training of the children. This, however, requires, first of all, that we sweep from the schools and institutions, as with a broom, all this bourgeois tuft-hunting crowd, all these pedagogues and teachers who are thoroughly permeated with the poison of the bourgeois philosophy of life.
>
> We must remove the children from the pernicious influence of the family. We must register the children, or, let us speak plainly, nationalize them. Thus they will from the very start remain under the beneficial influence of communist kindergartens and schools. Here they will absorb the alphabet of communism. Here they will grow up to be real communists. To compel the mother to surrender her child to us, to the Soviet State, that is the practical task before us. (Reported in the official journal of the Commissariat of Public Education, Narodnoye Prosvieschenie, No. 4.)

In accordance with this "idée fixe," the Bolshevist power set out in 1918 to inaugurate its "childhood measures." These were definite, drastic measures, devoid of all foresight, and, of course, bringing altogether unexpected results for the Bolsheviki. The persecution of the teachers and educators by the Bolshevist authorities forced the most efficient and ideal elements among the pedagogical staffs to abandon their class rooms and to seek other employment. Their places were taken by communists who not only lacked in experience, but were total strangers in the field of pedagogy and—this was the worst of all—openly hostile to it.

Carrying out its scheme of nationalizing the children, bent on tearing them away

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*Dr. Sokolov is a leading member of the Socialist-Revolutionist Party, and was a delegate to the first All-Russian Constituent Assembly. Like most of those delegates, he is now an exile from Russia. His article was written for the Volia Rossii, the organ of the Russian Constituent group, published in Prague, Czechoslovakia, and appeared in the issue of Feb. 16, 1921. The translation here presented is that of the Russian Information Bulletin, New York City.

from their families, the Soviet Government allowed very little food to be distributed on children's ration tickets, insisting that every infant above the age of one year should be turned over to the Bolshevist nurseries. This the population, i. e., the mothers, positively refused to do. That they were right may be seen, among other evidence, from the report of the Soviet Inspection for February, 1920, where we find the following annihilating criticism of those institutions:

> The thoroughgoing inspection of sixteen children's nurseries in the City of Petrograd has revealed a criminal and disgraceful treatment of the young generation at the hands of the responsible persons. So we found the Rozdestvenskia Nursery, where more than 100 children, ranging in age from 1 to 4 years, were maintained (and most of them children of workers) in a condition which demanded its immediate closing. The children, left to their own devices, under the supervision of inexperienced and rough-spoken nurses, with filthy clothing, pale from lack of sufficient nourishment, made a painful impression. The place itself, unventilated and poorly heated, fostered all manner of diseases and contributed to the exceedingly high rate of mortality among the children. In the course of three months the child population of that institution renewed itself to an extent of 90 per cent. In other words, nearly all of them were sent to the hospital, or, having failed even to reach the hospital, they perished while still at the nursery.

The well-known physician, Doctor N. Petrov, spoke of the impressions he had gained from a visit to several nurseries for children from 1 to 5 years of age in Petrograd and Moscow, before a meeting of the Society of Children's Specialists:

> The Vyborg Nursery was once considered almost a model for others. I, therefore, visited it in the first place.
>
> The broad staircase is filthy and untidy, and from the distance I hear already the children crying and weeping desperately. The Superintendent, M-va, now a communist, formerly a schoolmistress in a country school, reluctantly and hesitatingly gave me permission to look over the nursery. And —just as reluctantly—she came along with me on my inspection.
>
> "Why do the children cry like this?" I asked her.
>
> M-va frowned, answering:
>
> "Oh, you know, it is really impossible to do anything with these children!"
>
> The large room, crowded with little beds, was literally filled with the moans of crying and weeping children. Some were without underwear, others—in dirty little shirts turned black with filth, and most of them without bed sheets and pillow slips. Thus were lying in their beds—sometimes two in one—little children ranging in age from 1 to 5 years.
>
> A woman, evidently one of the nurses, wearing an apron and cap, was going from one bed to another and quieting the loudest criers by vigorous little spankings. My particular attention was attracted by one child crying more bitterly than the rest. I went over to the bed. A pretty little three-year-old girl it was. Notwithstanding all the spankings from the nurse, she did not stop crying loudly and with somewhat unusual plaintiveness.
>
> "But listen," said I to M-va, "this little girl is ill. She has fever. And, look here, there is even a rash here. She is undoubtedly suffering from the measles!"
>
> "Yes, yes, that may be," replied the Superintendent rather indifferently and betraying no surprise at all; "we have many sick children, but there is no place to send them to. In Petrograd the children's hospitals are overcrowded."

As for the other Soviet nurseries, they present exactly the same picture, in the capital as well as in the provincial towns. Thus we read in the report of the Congress on Kindergarten Training, held in July, 1920:

> The Joint Inspection Committee of the People's Commissariats of Education and Public Health has demanded the immediate closing of nurseries in five provincial capitals along the Volga, owing to the abominable manner in which the children's training is carried on there, and also because of the disproportionately large number of cases of sickness.

The critical state of this official "guardianship" of little children was still further aggravated by the fact that the Bolshevist Government did not countenance, and does not suffer to this very day, any private initiative in this matter. The numerous, and often model, institutions for the care of children which came into existence especially after the March revolution of 1917, were either closed or transferred to official Bolshevist management. Even against the Children's Defense League, the only organization working hard for the protection of the children, the Bolsheviki are fighting incessantly. The President of this league, the well-known Doctor Kishkin, complained to me:

> In spite of the fact that the children's problem is very critical, and notwithstanding that our league, the only remaining independent organization of its kind in Russia, renders a great amount of help to the Government in this work, we are still treated as outcasts. We have been forced during

these two years to spend more strength and energy on our self-preservation than, alas, on serving the cause of the children. The Bolsheviki tolerate nothing which is not of the Soviet, even though it be a beneficial and necessary thing for the Russian people.

Tragedy of Russian Motherhood

Of private nurseries, a few have survived through some miracle. There remain two or more in Moscow and about as many in Petrograd. The Superintendent of one of these (The Lesshaft Nurseries in Torgovaia Street, 25) spoke at length to me about the tragedy of Russian motherhood. She said:

The Russian mother is now living through a deep tragedy, indeed. Just look at the women you pass on the street; you will at once be able to point out a mother of an infant among them. She is the one with the pale, wan, careworn face. You can imagine what it means: the Soviet Government insistently demanding that the mother turn over her children to the official nurseries, when you have seen for yourself what a horror they are! And they are such horrors because they have been intrusted to people who do not love that work and who are perfect strangers to it. As a matter of fact, the death rate among the nursery children is appalling, and to send your child there is almost certain death. So Russian mothers, even the most desperately poor and most unfortunate, do not care to surrender their children to the Soviet nurseries. But here comes a new tragedy. The earnings of the husband are so triflingly small in Soviet Russia that it compels the wife, especially the workingman's wife, to seek outside employment by all means.

This is the reason why mothers are compelled to leave at home, without any attendance, their one-year-old, and frequently even younger infants. But that is only one side of the tragedy. On the other side, the Soviet Government, anxious to drive every child into its official nurseries, only reluctantly and very meagrely allows food on children's ration tickets. Very seldom it furnishes milk and very irregularly other foodstuffs.

Thus there stands again before the Russian mother the spectre of death threatening her little one. For free commerce is suppressed, and there is no place where she can buy milk.

In 1920 the few remaining private nurseries, which were really model institutions, suddenly became objects of special attention on the part of the Bolsheviki. But this solicitude of the Soviet Government turned out to have a sinister motive behind it. These private nurseries (Lesshaft, Dietskoie and Solodovnikov nurseries), notwithstanding that they have been left in the hands of private individuals, have been called by the Bolshevist authorities "Soviet Model Nurseries" and are now being shown to all foreign visitors and delegations as such.

Having suffered defeat in its scheme to take the children away from their mothers and to nationalize them; having met a categorical refusal on the part of the mothers to turn over their children to the Soviet nurseries, or, as they are popularly known in Petrograd, "morilki" (starvation houses), the Soviet Government, nevertheless, did not give up its intention, but shifted the struggle to the field of public feeding of children. "One way or another, we shall force the mothers to agree to have the children nationalized"—this utterance of Commissary Badaiev was reflected in his policy of child nourishment. The struggle raging around the food allowances for children has its past history as well as its present, and is in brief as follows:

In the beginning (1918), as long as there was still a certain degree of free commerce, the mothers in the cities paid scant attention to the official rations. Milk they obtained in more or less sufficient quantities in the markets, just as other needed articles of food for their children. Gradually, however, the ring about free commerce began to grow tighter and tighter, in Petrograd more so than in Moscow. Then the problem of public feeding of the children became particularly pressing.

Special "children's centres" were then established in various city districts, and the mothers were also permitted to take part in this work. But here two viewpoints became apparent: that of the Soviet Government, which demanded peremptorily that little children be fed at Soviet restaurants (for children), and that of the mothers, who were equally categorical in demanding a special children's food allowance to be given to the mothers at home. The mothers were pointing out that it was utterly absurd to demand that little children between 1 and 4 years of age should be fed at Soviet restaurants, even though these be specially provided for children, since the preparation of the food there was so far below the most elementary requirements of child hygiene that "it would be a crime for mothers to feed their children in Soviet restau-

rants." (Report of Conference of Petrograd Mothers, July, 1920.)

In this struggle, which lasted all through 1919 and through the first few months of 1920, the mothers came out victorious in the end. A children's ratio was established and is being given to the mothers at home, although with great delays and irregularity.

Appalling Infant Mortality

The results of this criminal policy of the Bolsheviki began to tell already in 1919. The city children born within the period from 1917 to 1920 have shown themselves entirely unfit to survive. They have furnished an appalling rate of mortality, they are extremely sickly and weak and bear the marks of degeneracy. Thus we cannot help agreeing with the opinion of the Pirogov Medical Congress and the Children's Defense League when they say:

> The Soviet Government has done practically nothing to alleviate the condition of the children. On the contrary, it has with its stupid measures frequently prevented private initiative from saving the newly born citizens of Soviet Russia. By driving out experienced pedagogues and turning this work over to communists who, although they may be idealists, understand nothing about the raising of children, the Soviet Government has from the very first steps in the development of the children contributed an element of disintegration and degeneration.

Cold, objective figures, too, show plainly the present condition of young urban Russia. Thus the official Bolshevist Public Health organ, the Izvestia Zdravookhranenia, No. 11, cites the following figures for the City of Moscow, particularly significant because the population of Moscow has almost remained stationary:

Marriages in—		Births in—	
1914	12,000	1913	54,000
1916	7,500	1915	49,700
1917	9,900	1916	57,375
1919	18,784	1918	31,500
1920	20,000	1919	26,676
		1920	23,000

Mortality of children up to the age of 16 years per 10,000 inhabitants:

1913	81	1919	372
1915	78	1920	400
1918	100		

In other words, along with an increase of marriages, the number of births has gone down sharply. But the newly born infants also turn out to be unfit for survival. There are as many children dying as there are born.

"To us it is plain," said the Society of Child Specialists on this occasion, "that so high a mortality rate among the children and such a marked decline in the birth rate is directly connected with the measures taken by the Government, which is doing everything in its power to destroy the family and to nationalize the children, beginning with one-year-old infants. We have to note with sorrow that the young generation of this period does not exist for Russia."

Such are the facts, such is the reality. A sea of children's tears, heaps of little children's corpses strew the path of the Soviet power.

Editorial Note—A tendency of the Soviet Government to modify its policy in this field as in others was indicated at the beginning of May by a statement made in London by Arthur Watts of the Friends' Emergency War Relief Committee, one of the two Quaker workers who have been granted full permission by the Russian Government to carry on relief activities among children. After ten months' labors in Russia Mr. Watts said: "We are now responsible for the daily feeding of 16,000 children in Moscow, having been given complete freedom by the Soviet authorities, after we had made clear that our action was not to be taken as approval of the political régime, but as an act of humanity. The supplies are distributed through the Departments of Public Health and Public Instruction, which are run in the interests of the children. They are devoid of political coloring, as is evident from the fact that Lunacharsky employs in prominent positions leading Mensheviks, who, although they oppose the Government, are working loyally for them on behalf of the children. Conditions regarding bread and fuel are better just now, but those in respect of fats and milk are more serious than ever, owing to failure of last season's fodder crops and the drought. Till recently only 3,000 of the 16,000 children were able to be supplied with the free milk to which they were entitled from the welfare centres, but we are steadily increasing this total. Last year the £35,000 we were able to spend in medicines, milk and clothing almost all came from England, but this year we have received £180,000 through the American Friends' Service Committee from the Hoover and other funds, besides help from the Save-the-Children Fund in England."

THE TRUTH ABOUT KOLCHAK

By Sidney C. Graves

Former Staff Major and Assistant to Chief of Staff of the American Expeditionary Force in Siberia

Mr. Graves, who writes as an eyewitness, gives an interesting picture of the process by which Kolchak's republic degenerated into a despotism, and his rule into an organized system of terrorism which alienated the whole Siberian population. An important part of the article is the account of the friction which arose between the American Chief of Staff and the Omsk authorities from the arbitrary acts of the Kolchak Generals, Semenov and Kalmikov, and also because of the anti-American campaign of insult and abuse which was waged by the Kolchak partisans in the Vladivostok Russian press.

WHAT was the real cause of the defeat of Kolchak by the Bolsheviki? Of the numerical superiority of the Reds there can be no doubt, but that the efficient functioning of these forces was due solely to their leadership by coerced Russian officers of the old régime is manifestly absurd, although this factor has been repeatedly assigned as one of the principal reasons for the success of the Soviet armies over Kolchak, as over Denikin and Wrangel.

In Siberia the fall of Kolchak was attributed to failure of allied support—particularly American support—and General Graves, commanding, was openly accused of active opposition to the Kolchak Government, not only by Russians, but by many misinformed people in the United States. The fault, however, lay within that Government itself, for its political character and the conduct of its agents was such as to alienate completely the confidence and support of the masses and to drive a large per cent. of the population into support of Bolshevism as an alternative to escape the reactionary terror to which they were subjected. Many allied observers with Kolchak, Denikin and Wrangel declared emphatically that the reactionary character of these ventures contributed largely to their failure. The failure of Kolchak was typical.

Consider the auspicious circumstances under which the Omsk Government was ushered into power. The efforts of the heroic Czechs had cleared all Central Siberia of the Bolsheviki, so that Kolchak was able to set up his allegedly liberal government at Ufa, directed from Omsk, without let or hindrance. The people hailed the new democratic régime with joy, and prepared to give it their wholehearted support. But on Nov. 18, 1918, only about one week after the birth of the new republic, Kolchak, aided at least in part by allied support of his contention that only a strongly centralized Government would have power to overthrow the Bolsheviki, renounced this republic and assumed the rôle of dictator. The people were filled with doubt and uneasiness, yet they acquiesced, in view of Kolchak's protestations that he would lay down his dictatorship the moment the object sought was accomplished—in view of the fact that the Kolchak officials had not yet begun to abuse their authority. These factors were reinforced by the capture of Perm by General Gaida, a Czech, who had resigned his command of the Czechoslovak forces to lead the Kolchak troops.

Belief in the eventual success of Kolchak was still widespread. But the military situation, at first so favorable, went from bad to worse. Gaida, Kolchak's one efficient and honest General, was pursued from the start by jealousy and persecution from Omsk, and the strategical blunder of his chief of staff, General Bogoslavsky, during the Bolshevist offensive of June, 1919, which cost Kolchak the lives of some 25,000 much needed men, contributed to force his dismissal. He was succeeded by General Dietricks, whose régime was marked by gross corruption, dishonesty and abuse of power. Dietricks's counter-offensive during September and October of 1919 at first gave promise of success, but the support of the people was going, if not already gone, and the restoration of class privilege and the reactionary reign of terror incident thereto, drove civilian and soldier alike into the ranks of Bolshevism. Dietricks's retreat became a rout; Omsk was threatened, and Genetral Sakharov, his successor, failed to make good his boast that he could defend it.

Military opposition to the Soviet forces may be said to have ceased with the fall of Omsk and the destruction of the remnants of the army, about the middle of November, as Dietricks had prophesied. In this attempted defense of the city Kolchak lost approximately 40,000 men, and complete trainloads of supplies fell into the hands of the Bolsheviki.

The Interallied Attitude

Before considering in detail the extremes of the Omsk Government, which underlay the military failure, a brief understanding of the divergent participation of the various allies is advisable.

The British, represented by a mission, at the head of which was Gentral Knox, continued to the last to support Admiral Kolchak, and through him a considerable quantity of arms and equipment was furnished Kolchak's troops. Every effort was made to obtain American recognition and support, and in this General Knox was strongly seconded by Mr. Soukine, the Minister of Foreign Affairs of the Omsk Government, who believed that the moral backing and supplies which could be furnished by the United States were essential to success.

The French were in complete accord with the British, but were mainly concerned with instruction and liaison work, and for this purpose furnished advisory officers with each Siberian unit and opened schools for Russian officers. General Janin, who came to Siberia with the hope of assuming the field command and who was in charge of the French Military Mission, and technically also in charge of all Polish, Czech and Yugo-Slav forces, became greatly incensed at the extremes of the Kolchak Government, and was bitterly condemned in Russian circles because he failed to prohibit the issuance of a Czech memorandum setting forth in detail the atrocities of the Omsk forces.

The Japanese, for their part, issued proclamations of neutrality and non-interference in the internal affairs of the Russian people. Their objects and mode of operation were covered by me in an article appearing in Current History for May, and it is sufficient to state here that their activities were confined to Eastern Siberia, that they seized every opportunity to foster or instigate anti-Americanism, and that they subsidized various factions, one against the other, with an apparent inconsistency readily explained by their paramount endeavor—namely to foment discord to such an extent as to make their continued occupation of Southeastern Siberia a necessity.

The orders given General Graves, the American commander, were those of strict neutrality, and fortunately these instructions were not changed from Washington nor deviated from by the American Expeditionary Force during the entire period of occupation. The failure of our forces actively to support Kolchak and to condone the actions of his agents, and other semi-independent Cossack leaders in the Far East, led to a bitter anti-American campaign in an endeavor to force a change of policy where persuasion, seconded by General Knox and the British, had failed. This activity was mainly confined to propaganda in the press, instigated by such men as General Kretichinsky, who on one occasion sent a messenger to see General Graves with the statement that he would stop all offensive articles if he were paid $20,000 a month, and that it would be to Gentral Graves's advantage to reply before 7 P. M.

A considerable number of rifles were purchased by part payment in the United States and forwarded General Graves for delivery to Omsk, but the first shipment was held at Chita by Ataman Semenov, who gave the lieutenant in charge a few hours to deliver or be attacked. This the American officer refused to do, and Semenov failed to make good his threat, but the hostile attitude of this Cossack leader and of Kalmikov, further east, led to the following telegram, for which General Graves was criticised in the United States by misinformed people, who credited him solely with refusing to furnish Omsk with needed rifles and consequently aiding the Bolsheviki. To quote:

> In view of the anti-American declarations of Kalmikov and actions of General Rozanov in doing nothing to stop Kalmikov, and in view of the fact that Semenov has told Kalmikov that he will assist him in case of trouble against the United States, I have informed the War Department and have recommended no sale of military supplies to Admiral Kolchak for the Government so long as his agents in the East are threatening to declare war on the United States. Please tell the Foreign Minister the above and say to

him that I have refused to give up rifles now here as long as the above conditions continue. The Golos Rodini is publishing libelous, insulting and disgusting lies about the Americans and Rozanov failed to take action. Tell the Foreign Minister that unless action is taken at once I shall close the paper and arrest the editors. This will be done because there is practically no authority here willing to act in protecting American soldiers from these insults.

An occasion of open rupture finally occurred with Semenov's troops, but the fall of the Omsk Government and the resultant revolution which spread over the Far East eliminated the Kolchak agents as well as American unpopularity.

In addition to the force of 8,500 troops, the United States sent to Siberia a group of railway experts, in charge of J. F. Stevens, who were to assist in the restoration of the Trans-Siberian railways. When the interallied railway agreement was promulgated in February, 1919, the employment of this technical advice was provided for, and an attempt was made to co-ordinate the widely different functions of the Allies.

By virtue of this plan an Interallied Railway Committee was provided to superintend a Military Transportation Board, which coordinated the transportation of allied troops, and a Technical Committee for expert advice in the operation of the railway systems and shops. The road was to be guarded in sectors by Chinese, Japanese, and American troops, while all the allies represented were to share in the expense of this arrangement and pay for the movement of their soldiers. This cost the United States over $4,500,000 and we were the only power to fulfill our financial agreement. China made a small payment, Japan a larger proportional part, and the other allies practically nothing.

It was intended that the Trans-Siberian should function for the benefit of the entire population without reference to the Omsk Government or other political affiliations, but by means of station commandants and regional boards, the Russians retained control of the cars and, from the terminals, regulated the character and destination of shipments. As a result, only commodities for Kolchak, or the Cossack leaders in the east, were permitted, and where private enterprise was concerned the officials prospered in the sale of space. The American railway officials could give advice, but no measures were ever taken at Omsk to assure that it would be acted upon, and what little our so-called Russian Railway Service accomplished in Siberia is due entirely to the perseverance and ability of its members in the face of almost open opposition by the official class.

The conversion of the railway into a line of supply for the Kolchak army brought allied troops into conflict with the peasants of Eastern Siberia, who became increasingly bitter against the Omsk Government, and in order to assist in its downfall attempted, with some success, to destroy the road under American and Japanese protection. It is regrettable that American troops should have been forced to take the field in defense of the interallied railway agreement, and that such of our soldiers who lost their lives did so indirectly in defense of the Kolchak Government—a Government representing nothing for which America stands.

Kolchak's Reactionary Extremes

The political character of the Omsk Government remains to be considered. Even had Kolchak's armies been of the most efficient character, his success would have been impossible in view of the wave of opposition which finally swept over the entire population of Siberia, and the reasons for this sentiment against Kolchak furnish the fundamental explanation for his failure.

After the *coup d'état* in November, 1918, when Admiral Kolchak assumed the powers of dictator, the officials returning to office took up their duties almost with timidity, as the revolution had engendered a fear of the people in their hearts. The peasant was willing to send his sons to fight against the Bolsheviki, as he was convinced that the new Government meant an end to the forced requisition, murder and brutal treatment which he had suffered during the temporary administration of the Soviets. Had these conditions continued and the protestations of democratic policy been fulfilled, both by the protection of private rights and the recognition of suffrage under the Kerensky law, the support of the people would have been retained with probable success against the Red Government.

As they became more firmly established, however, the army and official class began to exercise their functions in an arbitrary

manner without reference to law, justice, or anything except their personal inclinations. In the beginning those of other political groups than the Omsk Government were permitted to live in Omsk and in the rear of the lines, but in a very short time these persons were arrested and disappeared without any record of trial or even of the arrest. Property rights were absolutely disregarded and requisition became a byword for pillage and personal gain by officers in charge of small detachments.

The brutalities of General Rozanov, who was in charge of the Krasnoyarsk district, and who later assumed command of the Kolchak forces in the Far East, furnish a striking example of the atrocities practiced under the guise of fighting Bolshevism. In pacifying this district, which was generally anti-Kolchak in sympathy, General Rozanov's troops, on entering a village, would demand the name and residence of every partisan, the location of hostile bands and a guide to lead them in a surprise attack. Failing to secure this information, every house was burned, and in the event that the demands were not complied with, every fifth male was shot regardless of age. These practices were by no means confined to this locality, and within 300 versts of Omsk an expedition in charge of a Colonel Francke, who had been interpreter for Colonel Ward, British member of Parliament and lecturer in Siberia, devasted entire villages. On this occasion innumerable girls were raped and one woman, after being made to witness the execution of her father and brother, was stripped of her clothing, tied across a barrel and whipped to such an extent as to necessitate her removal to a hospital; and all this because a male member of the household was suspected of having been implicated in an uprising. In the eastern part of Siberia American officers examined bodies which bore mute testimony of having had their tongues and finger nails pulled out, and of having been victims of other unspeakable tortures inflicted before death in an endeavor to procure information or to enforce the draft edict of Kolchak. A pogrom against the Jews was carried out in Ekaterinburg in the middle of July, 1919, and anti-Semitic reports place the minimum number of killed at 2,000.

These few examples show the justification for a memorandum published by the Czechs in November, in which the atrocities of the Omsk Government were enumerated and condemned. This document is the more convincing in having emanated from Czech sources, as the Czechs, in their early struggles with the Bolsheviki, acted with the utmost severity, but always in accordance with their regulations, and if property was seized or persons arrested, the order authorizing the action and setting forth the reasons therefor was published.

The Omsk Government relied solely on a military success, and no criticism for their failure to retain the support of a people liberated from the Soviet yoke can be too severe. Recognition of Admiral Kolchak by the Allies would have accomplished nothing unless the powers in so doing placed an army in Central Siberia to maintain his authority—an army which would have been forced to operate, with a precarious line of communications, against practically the entire population of Siberia struggling to achieve the personal liberty which is their right.

It is to be hoped that a true domocratic movement will arise in Russia, uniting all elements in a mutual endeavor of sacrifice, and guaranteeing the rights of all classes. Until that time the Soviet Government will prevail.

THE SOVIET PRISONS

By Leo Pasvolsky

How the Russian Government fills its prisons with the Czar's former rebels—Its treatment of men who belong to other parties and the working of the "hostage" system—Starvation, violence and death the penalties paid for not agreeing with Bolshevist doctrine

THE Red Terror, always mentioned so prominently in all discussions of the Soviet régime, represents the most spectacular of the punitive measures of which the Communist masters of Russia avail themselves, but it is not the most important one. Overwhelmingly gruesome as it is, the Red Terror, nevertheless, is sporadic; at different periods it reaches greater or lesser intensity. But there is one kind of punitive activity which goes on all the time; it is the work of the Soviet prisons.

Under the Soviet system there are two sets of institutions charged with the repression and the punishment of offenses against the Government; both of these make use of the prisons in the course of their work. The first, working on a quasi-juridical basis, is represented by the Supreme Revolutionary Tribunal in Moscow and by the various local tribunals. The second, working entirely on the basis of arbitrary administrative rule, is represented by the "All-Russia Extraordinary Commission for Combating the Counter-Revolution," and by the various local extraordinary commissions.

In the general scheme of Soviet "justice" these two systems are supposed to be quite different and distinct. The tribunals are intended to be permanent and to have charge mostly of criminal cases. The commissions are, theoretically, intended to be temporary institutions, brought into being for the purpose of eradicating any form of activity that may endanger the existence of the Soviet régime. But the work of the two systems, naturally, overlaps very considerably, and in this overlapping of the jurisdiction and the actual work of the revolutionary tribunals and the extraordinary commissions, the latter have by far the greater importance of the two.

In actual practice, the extraordinary commissions hear both the criminal and the political cases of any considerable importance; or rather, they often dispose of such cases without even a pretense of a trial. Acquittal by the revolutionary tribunal seldom constitutes immunity from the long arm of the extraordinary commission. In Russia's everyday life the word "*Tche-kah*" (an abbreviation of the words "*Tchrezvychaynaya Kommissia*," the Russian equivalent for the words "extraordinary commission") has already acquired a significance of unprecedented dread and horror; it is a nightmare of Russian life, the memory of which will, undoubtedly, long outlive that of the whole Soviet régime and the rest of its work.

Bloody Work of the "Tche-Kah"

The "Tche-kah" is the instrument of the Red Terror, which is a system of executions, without any process of law or even a perfunctory procedure of a trial. Persons arrested on suspicion of counter-revolutionary activity, in most cases as a result of denunciation, and thrown into the prisons controlled by the "Tche-kah," are usually considered by those about them as practically doomed. Their liberation from the clutches of the "Tche-kah" is regarded as almost a miracle; so few escape death at the hands of the hangmen.

The extraordinary commissions were organized early in the existence of the Soviet régime, and their bloody work has proceeded uninterrupted ever since. The direction of this work, in its larger ramifications, is in the hands of the President of the All-Russian Commission, a Pole named Felix Dzerzhinsky, and of his two principal assistants, Peters and Latsis, both Letts. These names are now universally known throughout the country, and have become symbols of cruelty and ruthlessness. Besides these, each local extraordinary com-

mission has its own little Dzerzhinsky or Latsis.

Capital punishment, the "supreme penalty" in the terminology of Soviet jurisprudence, was introduced in Soviet Russia early in 1918. It continued in existence officially, in the form of ordinary process of "law," and particularly in the form of the Red Terror, until February, 1920, when it was temporarily suspended. In a report published at that time, the "Tche-kah" announced the number of executions during the years 1918 and 1919 as 9,641. This figure covers the activities of only the All-Russian Extraordinary Commission. How many persons were destroyed in the sinister shadows of the local commissions no one knows and, most probably, no one will ever know.

Treacherous Executions

Whatever the statistics of the Red Terror during the period of its greatest intensity, on Feb. 15, 1920, capital punishment was officially suspended. But the night of Feb. 15-16 was truly a night of St. Batholomew for most of the "Tche-kah" prisons. Boris Sokolov, a prominent revolutionist, who recently escaped from Russia, states that on that night "all the prisons of Soviet Russia were flushed with blood. On the wall of a special "Tche-kah" prison, when he was incarcerated there, Sokolov read an inscription that ran as follows: "The night of the suspension of capital punishment became a night of blood."

A statement of the prisoners kept in the Moscow prison of Butyrki, dated May 5, 1920, reads: "On the night following the issuing of the suspension decree seventy-two persons were shot in our prison." The number of victims in Petrograd that night is estimated at 400. A letter from the Saratov prison, dated June 5, 1920, states: "It was a frightful night. From midnight on the whole prison reverberated with the shrieks and wails of the women who were led out to execution. And the most fearful part of it was that we all knew about the decree. Altogether fifty-two persons were shot that night."

Capital Punishment

But these treacherous executions were not the only feature of the activities of the "Tche-kah" after the official suspension of the death penalty. According to the suspension decree, capital punishment was abolished for all of Soviet Russia, except the war zone. And so on April 15, 1920, the following circular order, signed by the Chairman of the Special Division of the All-Russian Commission, Yagoza, was sent to all the Presidents of extraordinary commissions:

> Secret. Circular. To Presidents of Extraordinary Commissions, Special Divisions: In view of the suspension of capital punishment, you are instructed to transfer all persons held for crimes which call for the supreme penalty to the war zone, since the suspension decree does not affect that territory.

This arrangement, however cumbersome and difficult at best because of the lack of transportation facilities, soon became unnecessary. A short time after this order was issued practically the whole of Soviet Russia (twenty-nine provinces, including that of Moscow) was declared under military law, and the decree suspending capital punishment became a dead letter. The death penalty was re-established on May 24. The Moscow Izvestiya in its issue No. 115 reported that from Jan. 17 to May 20, i. e., during the period of the suspension of the "supreme penalty," the number of executions was 521. Toward the end of the year 1920 the Red Terror became more and more intense. During the first ten days of 1921 (Jan. 1 to 10) the number of executions officially reported was 347; the actual number, again, cannot be known.

So much for the executions and the Red Terror proper. But, as stated above, the ruthless deeds of these extraordinary commissions, alike in Moscow and in the provinces, are sporadic and are not the incubus that weighs most heavily on the lives of the Russian people. The maladministration of the prison system is far more serious.

Soviet Prisons Crowded

The Soviet régime is not only using all the prisons existing under the Czar, but has found it necessary to utilize for prison purposes such buildings as empty factories, and even schools. The number of persons kept in prison by the punitive and repressive agencies of the Soviet Government is greater than ever before in Russia's history. If a future historian seeks for evidence of

the Soviet régime's lack of popularity in Russia, he will find excellent indications of it in the fact that the Soviet rulers have been compelled not only to fill beyond their utmost capacity the prison buildings of the imperial régime, but to seek space elsewhere for a huge overflow of prisoners. The imperial Government, symbolized by the Czar and his bureaucracy, who frankly arrayed themselves against the people, never had so many enemies and never required so many places of incarceration for their victims as the Soviet Government of today, symbolized by the communist leaders, who arrogate to themselves the supreme privilege of being the only spokesmen for the Russian people.

The Soviet régime has far oustripped its imperial predecessor, not only in the extent of its prison activities, but also in the frightfulness of the conditions under which the prisoners are forced to live. Many of Lenin's victims, incarcerated as enemies of his régime, had precisely the same status with regard to the Czar's régime, and, until the revolution of March, 1917, were inmates of the imperial prisons. Their testimony, as well as other documentary evidence, is now available to give a more or less connected picture of the system of prison administration that exists in Soviet Russia today.

Sufferings of Prisoners

According to well authenticated data, during the third year of the Soviet régime alone 145,000 persons were arrested and imprisoned, an average of nearly 12,000 a month. What are the conditions of life for them in the Soviet prisons?

The most important of the political prisons in Soviet Russia is the Butyrski prison in Moscow, famous under the imperial régime. It is filled to capacity, and most of those confined there are well-known Socialist, labor and anarchist leaders. A group of anarchists imprisoned there recently addressed a declaration to the anarchists of Europe, in which they state that no Government on earth has ever treated anarchists so inhumanly as does the Soviet Government. Men are arrested merely for their convictions; in prison they are beaten, insulted, often shot without any provocation whatever. The declaration is signed by sixty-one prisoners.

On May 1, 1920, a group of 212 Socialists and anarchists, all prisoners in the Butyrski prison, addressed a statement to Socialists of the world, in which they said:

> We protest against the insolent deception which the Bolsheviki attempt to foist on the proletariat of Western Europe. * * * They do in prisons what the Czar's Government never did, but just before the arrival of foreign delegations in March most of the Socialists in the Butyrski prison were transferred to Siberia in irons.

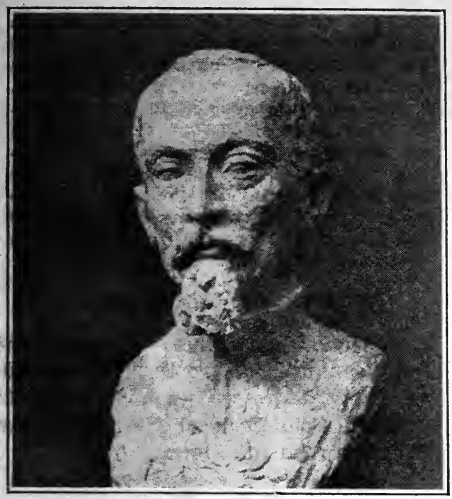
This is the system in the Moscow prison; in the provinces it is infinitely worse. In the prison of Samara anarchist prisoners were beaten unmercifully, put in irons, &c., for the slightest trace of insubordination. A man who had been incarcerated in the Odessa "Tche-kah" prison, in a recently published pamphlet gave a shocking description of the things he saw there. The Odessa prisons were already overcrowded, and the "Tche-kah" was using a school building for its purposes. The most important personage in this prison was a Lett named Abash, a former sailor, who was in command of the "garrison," and personally did the work of the executions. Whenever he was drunk or under the influence of cocaine, at which times he was particularly noisy and overbearing, the whole prison knew that he was preparing for his work, which he performed in the cellar of one of the outbuildings.

A Cry From the Heart

K. Alenin, the author of this pamphlet, tells the following incident, which is extremely characteristic of the prison situation. Among those in the "Tche-kah" prison at that time were two prominent local labor leaders, who had been arrested for agitation against the Soviet régime. Even the dreaded "Tche-kah" did not dare to execute these two men, but merely kept them behind bars, while its agents made daily overtures to them to set them free, provided they promised to desist from their agitation. Both refused. One day, hearing from other prisoners the stories which Abash, when partly under the influence of liquor or cocaine, was fond of telling concerning the secrets of his cellar, the elder of the two labor leaders exclaimed:

> And the worst of it is that all this is done in the name of Socialism! And we, the old militants for the people's freedom, who spent the best years of our lives in the struggle, who gave up our families, our personal happiness, everything, did all that in order to

behold now this communist paradise! * * * What have they given the workmen? Bread? No! Work? No! They have crowded all sorts of thieves into their institutions of government, and they steal everything on which they can lay their hands, wear diamond rings, squander huge sums of money for their carousals. They are the



(Times Wide World Photos)

FELIX DZERZHINSKY
President of the Extraordinary Commission, from Mrs. Clare Sheridan's recent bust

builders, they are the teachers. And I, who have suffered for thirty years in the struggle for the happiness of men, I am a "counter-revolutionist!" Abash is a Socialist, and I am a counter-revolutionist! But, of course, I am a counter-revolutionist. We don't want such a revolution as this. May it be accursed, this revolution of yours!

The "Hostage" System

A set of documents, similarly descriptive of another Soviet prison, that of Yaroslavl, was recently published by the Central Committee of the Socialist-Revolutionist Party. These documents are concerned with the condition of sixty-three prominent members of that party, incarcerated in the Yaroslavl Central Prison, also made famous under the imperial régime as one of the important political prisons. Six of these prisoners had done penal servitude under the imperial régime; fifteen had been exiled to Siberia by the Czar's Government. One of them escaped from Siberia in 1914 in order to enlist in the army, but was caught in Moscow and sent back to Siberia to a prison there, from which he was released only by the March revolution. Another had seen imprisonment in five of the most terrible of the imperial prisons. Six of these prisoners are members of the Russian Constituent Assembly, dispersed by the Bolsheviki.

Most of these prisoners do not even know why they were arrested or how long they will remain in prison. In response to their inquiries on this score some of them were told that they would remain in prison "until the end of the civil war"; some "until the end of the war with Poland." Some were even told that they would be kept in prison "until the arrest of Victor Chernov." [See below.] In reality, they are kept in prison because they are members of the Socialist-Revolutionist Party, the most formidable opponent of the Soviet régime. Most of them are kept as hostages in the struggle which this régime conducts against its enemies.

The wives of several of the prisoners were offered the position of agents of the extraordinary commissions and the reward promised for this was the liberation of their husbands. In many cases the prisoners' relatives are arrested, tortured for information and held as hostages. The mention of Chernov's name in connection with these prisoners has reference to an incident of this kind.

The Case of Chernov

Victor Chernov, one of the most prominent leaders of the Socialist-Revolutionist Party, was the President of the Constituent Assembly. Until the beginning of 1920 he was working in disguise in many parts of Russia. At the time when the British labor delegation visited Moscow Chernov appeared at a meeting of the Moscow printers, called in honor of the British guests, and, disguised as an old man, delivered a scathing attack against the Soviet régime. His identity was discovered, but he succeeded in making his escape. Failing to find Chernov, whose arrest was of course immediately ordered, the agents of the "Tche-kah" arrested his wife and his two daughters, aged 17 and 12. During their search for Chernov the agents were informed that he would appear at a certain meeting. They took his younger daughter to this meeting and tried to intimidate her into finding her father for them.

Chernov is now in Paris, and the state-

ment that his family will be kept prisoners in the Yaroslavl prison until his arrest is an apt illustration of the "Tche-kah" methods.

Punishment by Starvation

Until Aug. 12, 1920, most of these prisoners were kept in the Moscow Butyrski prison, some as long as eighteen months. Late in July they began to demand from the agents of the "Tche-kah" that a group of other Socialist-Revolutionists, held in appalling conditions of life in a prison attached to the Special Division of the Extraordinary Commission, be transferred to the Butyrki. Their demand was refused and on Aug. 11 they declared a hunger strike, to begin the following morning. But on the evening of Aug. 11 a detachment of special troops, consisting of Magyars and Letts, appeared in the prison, and it was announced to the prisoners that all the Socialists would be transferred to other prisons. They were ordered to pack their things immediately. The prisoners refused to obey the order, demanding first an interview with a special agent of the "Tche-kah." But the agent refused to appear, and the prisoners were taken out by force. They resisted, but were overwhelmed. Even those among them who were patients at the hospital were dragged out of bed and taken to the Yaroslavl prison.

When brought to Yaroslavl, a series of punitive measures was applied to them. In a statement sent by these prisoners to the All-Russian Central Executive Committee of Soviets, as well as to the Central Committees of all the Socialist and Communist Parties and of the Third International, under date of Sept. 23, 1920, these punitive measures were enumerated as follows:

> They were forbidden to receive visits from their relatives. Until Sept. 20 they were not permitted to communicate with their relatives. Only once were they permitted to receive packages of food and clothing from their relatives, but very few of these relatives were informed of the time when the packages would be transmitted, and only a small number of prisoners received help from the outside. These packages were transmitted by a representative of the Political Red Cross on Sept. 8; after that date he was allowed access to the prison.
>
> The prisoners were refused permission to receive any newspapers or books. Most prisoners were kept in solitary confinement; in some cases two men were placed in a cell designed for solitary confinement. They were not permitted to communicate with each other, and for some time, during their short walks in the prison yard, were kept five steps apart all the time. They were not permitted to go to the toilets, but special receptacles were provided in the cells. The air in the cells was sickening, but prisoners were not permitted to approach the windows, as the guards had orders to shoot any one looking out of the windows.
>
> The food given to the prisoners was in smaller quantities than in Moscow and was utterly insufficient for nutrition. Prevented from obtaining assistance from the outside, the prisoners were doomed to slow starvation. They were placed in a situation in which they could not buy anything for themselves. As one of the punishments for the "obstruction" during the transfer from the Moscow prison, they were fined 100,000 rubles, and all the money they had was taken away from them.

Reproach for Communists

In connection with this statement, the Central Committee of the Socialist-Revolutionist Party addressed an open letter to the Central Committee of the Communist Party, which read as follows:

> Your party is in power. You do not conceal this fact, but, on the contrary, do everything in your power to emphasize it in the work of all the institutions of the Soviet régime. This means that you bear full responsibility for everything that is done in the name and by the will of the Soviet Government. At the present time, in the city of Yaroslavl, in the Soviet House for the Deprivation of Liberty, over the gates of which there is a sign that reads "The Russian Socialist Federated Soviet Republic," while above it is the old sign, "The Yaroslavl Penal Prison"—in this Socialist prison over sixty persons are tortured by means of starvation, all of them imprisoned for precisely the same reason for which they suffered imprisonment under the imperial régime, viz., the mere fact of being members of the Socialist-Revolutionist Party. * * *
>
> But if the insults and acts of violence, the deprivation of light and air, the orders to fire on the windows of the cells are a repetition, perhaps in a more accentuated form, of the methods used by the prison wardens of the Czar's régime, the torture by means of starvation is, surely, an innovation of the Socialist prison.
>
> The amount of food received by the prisoners in Yaroslavl is less than the norms which your own food supply institutions have established as starvation norms. * * * You will, perhaps, explain this by the difficulties experienced by you because of the food crisis. But if this were so, then your political police would not prevent the relatives and friends of the prisoners from sending them assistance. At the price of huge sacrifices, the relatives of the prisoners have organized assistance for them, but the agents

of your extraordinary commission have arranged the conditions of the deliveries in such a way that packages were delivered only on two occasions in two months. An attempt was made to send the prisoners money to enable them to purchase the things they need, but the prison administration chose to accept only a certain amount, which was immediately confiscated in order to cover the alleged cost of the damages caused during the transfer of the prisoners to Yaroslavl. * * *

Why do you need all this? Do not justify yourselves on the ground that you do not know of this. You do know, you cannot but know what is done in Yaroslavl in the glory of your name. The President of the Council of People's Commissaries, Lenin; the President of the Central Executive Committee of Soviets, Kalinin, and many others among you were personally informed of this.

With the hands of your hangmen in the Communist torture chamber of your Yaroslavl prison you are making efforts to finish secretly the work that was left undone by the henchmen of the Czar, to destroy through torture of starvation the old militants for Socialism and the revolution.

We demand from you consistency and courage. If you decline responsibility for the torture by starvation in the Yaroslavl prison, then put an end to it. But if you have decided to carry it to its logical end, then have the courage to admit openly that in your Soviet prisons, under the guise of imprisonment, you practice a system of slow and inhumanly painful murder.

When such are the measures of self-preservation that the Soviet régime utilizes, is there any wonder that the hatred of it on the part of the Russian people is so intense as to be almost frenzied, and that the numberless thousands of its foes swell so appallingly the ranks of its victims?

LENIN'S FIGHT FOR SOVIET RUSSIA

How the Moscow dictator obtained a de facto recognition of the Bolshevist Government from Great Britain—Confirmed by the English Courts—Domestic reforms in Soviet policy pushed through despite all opposition

[Period Ended June 10, 1921]

SOVIET RUSSIA'S triumph in obtaining a trade treaty with Great Britain was considerably enhanced in May by a decision of the British Court of Appeals recognizing as legal the Bolshevist Government's confiscation of private property in Russia. After Great Britain's removal of restrictions on exports to Russia, large English firms immediately began to reach out tentatively for Russian trade. The crucial test, however, was yet to come. In the Russo-British Trade Agreement, signed in London on March 16, Article 13 gave the Moscow Government the right to terminate the agreement summarily in the event that the British courts decided adversely regarding its right of confiscation. Underlying this paragraph was the contention of the Soviet Government that it could not do business with Great Britain if its deposits of gold, transferred to cover its commercial transactions, remained subject to attachment by the creditors of Russia, or similarly if its right to dispose of any confiscated property should not be upheld by the British courts.

The test case chosen to decide the issue was that entitled "Luther vs. Sagor." Suit had been brought by A. M. Luther as the English representative of a Russian company which owned a veneer factory at Staraja, in the Government of Novgorod. Soviet agents confiscated the mill, and finished the products under the 1918 decree, and in 1920 Krassin's delegation in London sold some of the veneer, or plywood, to James Sagor & Co. Luther then sued the Sagor firm to recover for his principals both the plywood and damages.

This case was decided on May 12 in favor of the Soviet Government. The Court of Appeals held that the Soviet Government—by virtue of the trade treaty—was now recognized by the British Government as the de facto Government of Russia, and that in consequence the English courts had no authority to interfere with the Bolshevist confiscatory decrees.

The court decision made it clear that two main issues must be decided—whether the Government whose property rights were contested was recognized as a sovereign Government by the British Government, and whether such rights could be contested on moral grounds, as incompatible with the moral and political principles upheld by the United Kingdom. The salient passages of the decision on these points are given below:

> Further, the courts in deciding the question whether a particular person is a sovereign, must be guided only by the statement of the sovereign on whose behalf they exercise jurisdiction. As was said by this court in the case of Mighell vs. Sultan of Johore, "Whenever there is the authoritative certificate of the King through his Minister of State as to the status of another sovereign, that in the courts of this country is decisive." In the present case we have from the Foreign Office a recognition of the Soviet Republic in 1921 as the de facto Government, and a statement that in 1917 the Soviet authorities expelled the previous Government recognized by his Majesty. It appears to me that this binds us to recognize the decree of 1918 by a department of the Soviet Government, and the sale in 1920 by the Soviet Republic of property claimed by them to be theirs under that decree, as acts of a sovereign State, the validity of which cannot be questioned by the courts of this country unless it is possible to do so for the second reason argued before us—incompatibility with the moral and political policy of the United Kingdom. * * *

Regarding this second argument, the Court expressed its views as follows:

> It remains to consider the argument that the English courts should refuse to recognize the Soviet legislation and titles derived under it as confiscatory and unjust. * * * But it appears a serious breach of international comity if a State is recognized as a sovereign independent State to postulate that its legislation is "contrary to essential principles of justice and morality." Such an allegation might well, with a susceptible foreign Government, become a casus belli, and should in my view be the action of the sovereign through his Ministers and not of the Judges in reference to a State which their sovereign has recognized.

This decision, based on these salient features, and backed by an imposing documentation of legal precedents, was hailed by Moscow with jubilation, as it not only upheld the Soviet rights in the case in question, but provided security for the future in all similar cases. The Bolsheviki also made capital out of the British court's confirmation of their status as a recognized de facto Government. With this legal impediment removed, the Moscow Government found its way open to the full resumption of commercial relations with Great Britain, though from certain statements made by Leonid Krassin, the Russian who negotiated the treaty, it had no immediate hope of much trade. Krassin late in May was in Berlin, arranging detailed plans for the resumption of trade with Germany, which he declared to be much more important for Russia's prosperity than that which would follow the agreement with Great Britain.

Although Krassin reported trade progress with Belgian, Dutch and Scandinavian interests, the one great country to whose trade potentialities the Moscow dictators looked with a longing eye—the United States—still remained outside the enchanted ring of Bolshevist persuasion. Krassin, it is true, declared that 600,000 pairs of boots had been bought privately in America at a price only slightly exceeding $3 a pair; also an unspecified amount of coal and some 2,000 tons of rope. The American Government, however, after the advent of the new Administration, showed itself as averse to any step toward recognition as the Wilson régime had been. Copies of the Soviet official organ, Izvestia, received in this country on May 16, showed the extent of the Moscow Government's disappointment. One article said in part:

> The essence of the Washington answer is that the resumption of commerce with Russia will be possible only after we have returned to a bourgeois régime. This is pure nonsense. The English bourgeoisie who have signed a trade agreement with us did not consider this change necessary. We did not propose to the Americans to change their capitalistic régime for a communistic one.

After various speculations regarding the real reasons behind Secretary Hughes's inflexible letter of refusal, the article concluded thus: "Little by little the industrial interests of America will predominate and will force the Government of the United States to change its policy toward Soviet Russia."

Intimately connected with the Soviet's plans for reopening trade relations with the world was Lenin's scheme for giving concessions in Russia to foreign enterprises willing to exploit and develop the country's vast economic resources. No con-

cessions have yet been actually given—not even those for which Mr. Washington B. Vanderlip, the American promoter, is negotiating. The rebuff of the Soviet by Secretary Hughes apparently had an unfavorable influence not only on Mr. Vanderlip's pending concessions in Kamchatka, but also on a new project to obtain 10,000,000 acres of timber land in the Archangel district.

Meanwhile Lenin continued his own plans for Soviet reform. He won complete approval for his new policies at the final session of the All-Russian Trade Union Congress held in Moscow on May 27. At his behest the Central Council of Labor and Defense was empowered to name a committee for the execution of the reforms outlined, notable among which was the return to capitalistic methods in the free exchange of goods, with other measures devised to satisfy the discontented peasants. Especially important was the fact that Lenin conceded the Labor Unions' right to co-operate in naming this committee, which will work out details with the Labor Council. This recognition by Lenin of the influence of the trade unions in Russia had the effect of bringing into power a body of Socialists who have rejected the extreme communism of the Third International and who are closely allied in theory with the International Trade Union Federation, whose headquarters are in Amsterdam. Only last Summer Lenin denounced this group and its activities, but large numbers of workmen in Russia are said to be supporting it and demanding a share in the control of industrial affairs of the country.

The new decrees sanctioning free trade had no visible effect in overcoming the food shortage, which was reported as serious. especially in Moscow. Soviet papers continued to complain of rampant speculation and jobbery under free trade. This was especially noticeable on the streets of Petrograd. The trains also were packed with speculators bringing back large quantities of food, and riding without ticket or without leave. The Soviet leaders were becoming more and more convinced that the situation could be served only by a system of exchange based on co-operation. The peasants were holding on to their grain for seed purposes, and governmental commissions sent to the villages outside Moscow had returned empty handed. The Government's hope that it might secure a supply of flour from the Caucasus ended in disappointment, as several million poods of corn had been destroyed by rebellious elements in that region.

Unmoved by these setbacks, Lenin, supported strongly by his chief lieutenant, Milutin, the Soviet Secretary of Agriculture, pushed through his whole program of reform at the congress of the Communist Party, which closed its sessions in Moscow on May 31. Zinoviev, the Soviet Governor of Petrograd, and head of the faction opposed to reforms, accepted the new plans in grim silence. The policy outlined by Lenin and Milutin consisted of the following salient features:

> The peasants to pay one-third of their grain to the Government as a State tax. They are empowered to dispose of the remaining two-thirds through the newly restored co-operative societies. All forcible requisitions of peasant grain to cease.
>
> The largest industries, such as the leather, salt and textile industries, as well as the means of transportation, to remain in the hands of the Government. The factories to be speeded up to supply the peasants' needs and the workmen to be stimulated to greater productivity by a bonus system. The trade unions to supervise the work of these industries and to fix the wage scale.
>
> The co-operative societies and private industries to be aided and encouraged by the Government in every way by financial subsidies, by the leasing of factories to the smaller industries, and by strict holding of the Government officials in charge to efficient administration. The trade unions to fix the wage scale also for these smaller industries. The Government to have the right of inspection.
>
> The co-operative societies to be similarly stimulated and encouraged. All hindrances to free trade to be removed.

By no means reassuring to the agriculturists was the requisition for 1921, under the guise of a "tax in kind," of 2,200,000 poods (36,000 tons) of butter, all of which must be delivered by Nov. 1, under penalty of prosecution.

Neither the success of the Government in securing a trade agreement with Great Britain nor its theoretical sanction of concessions, nor its announcement of reforms at home, had any effect in placating the conservative Russian elements abroad. A congress of Russian manufacturers and business men which closed its sessions in

Paris on May 24 passed thirteen resolutions attacking the Soviet régime bitterly as an undemocratic and unrepresentative Government, denouncing the trade agreement as an instrument of further depletion of Russian gold, and warning all foreign capitalists that concessions granted by Lenin would not be recognized by the future legitimate Government of Russia.

Lenin and Trotzky also have active enemies nearer home, as indicated by their systematic drive against the anarchists. There is a grim irony in a document sent to German syndicalists by the Russian anarchists, headed by Emma Goldman and Alexander Berkman, both of whom the United States deported to Russia, denouncing the Soviet régime in violent terms, complaining that Lenin had declared bitter war upon them, and was throwing them into prison by the hundreds, and appealing to their German comrades to publish the Soviet's misdeeds in all anarchist journals. All the anarchists who signed this appeal, with the exception of Goldman, Berkman, and one other, were in prison at the time the document was sent. The disillusion of the ex-Americans with the Soviet Government, which before their deportation they extolled in unmeasured terms, has long been known.

Recent events in Siberia, notably the seizure of Vladivostok by the forces of the late General Kappel, a former Kolchak leader, will be treated more fully in these pages next month.

FINLAND AS LEADER OF THE BALTIC STATES

Steady, prosperous and full of youthful energy, she calls herself the "Resolute Outpost of Western Civilization"—Lithuania still at swords' points with Poland over Vilna

[PERIOD ENDED JUNE 10, 1921]

"WHAT Finland is today," said the Finnish Minister of Foreign Affairs not long ago, "the Baltic States will be fifty years from now." Esthonia, Latvia and Lithuania are still enmeshed in the economic and political difficulties of the war's aftermath. With envious eyes the little Baltic States look across the water at the big and prosperous democracy established by Finland, which, after enjoying practically fifty years of freedom under the lax rule of the Russian Dukes, won her independence soon after the outbreak of the Russian revolution, had that independence as a sovereign State early confirmed by the allied powers, and was thus enabled to devote her energies to the task of developing her resources.

Across the deep blue waters of the Baltic the Finns can still see the great bulk of Kronstadt rising dimly on the horizon line, with the smoke from the crippled Soviet factories; but the long line of Summer villas, once filled with Summer residents from Petrograd, is now almost deserted. Only a few villas are inhabited by the Russians, who have lost their all in the great overturn; the rest are closed and forlorn. At night those who live by the shore can hear the booming of the Kronstadt sunset guns—a sound of ominous import, especially to the 4,000 interned Russian refugees from Kronstadt, who fled across the ice when Trotzky's force took the citadel and crushed the rebellion of the sailors there.

Dr. John Finley, an American educator, who has been making an extended tour of the Baltic States, especially Finland, and who has sent from there a series of thoughtful and illuminative articles, noted in Finland a native energy and progressiveness which made him think of America. Dr. Finley wrote in May:

> What strikes surprisingly and impressively a stranger, who has a schoolbook association between Finns and slant-eyed Lapps, is that Finland, for a century and more a part of Russia and separated from her physically be only a crooked imaginary line, is, after all, markedly and progressively Western.

She calls herself the "resolute outpost of western civilization," and it is somewhat humiliating that the United States was not the first to recognize her political independence.

Yet Finland is eager to resume her old economic friendship with Russia, for the present interrupted. The bridge over the Sestrarieka is literally and metaphorically out of repair. And Finland is suffering from this fact; for before the war she got her grain largely from Russia, while Russia came to her for lumber and paper. So Finland has had to find other markets, but under greatest hardships because of the rate of exchange.

Finland has, however, the pulse and what the doctors would call the "blood pressure" of youth. There is no coal in Finland, but there is a splendid circulatory system of rivers and lakes (about 35,000) with an available horse power of 3,000,000, that is, approximately one horse power per person. It is expected that before long all the railroads will be electrified, using water power.

Finland was temperate even before prohibition was enacted. The Minister of Foreign Affairs told me that the consumption before the war was only one liter per person per year. Ninety per cent. of the land area is covered by trees, and the State owns a large share of all the forest land (32,000,000 of the nearly 50,000,000 acres).

The people are many of them tall, straight and lithe, as if they had come out of their forests of tall, straight pines. They are still what James Lane Allen would call forest-bodied and forest-minded. Their system of education is such that there is a smaller percentage of illiterates in Finland than in any other country of the world except possibly Denmark. And the education of the children and youth includes physical, musical and vocational training. In visiting the schools I found that studies had been made of our methods of physical and health education in the United States and especially in New York, and also of our plans for school buildings.

The Government makes subventions in support of the theatre and opera, and censors moving pictures and forbids cabarets. It gives special scholarships for advanced study in music, art, architecture, the drama and other subjects. It maintains a university with 3,000 students and is about to establish another university. It has the enterprise of a Middle Western State; and when one enters the harbors or the "Grand Central Station" of its capital, Helsingfors, one can easily imagine one's self in Minneapolis, St. Paul or Kansas City. Only Helsingfors is cleaner than any American city that I have seen of its size.

Finland is leading a movement to draw the Baltic nations together. It has already established close contact with Latvia, which sent to Finland early in May a special delegation of members of the Lettish Constituent Assembly. The project of a Baltic union, which Finland strongly favors, was enthusiastically discussed both privately and in the Finnish press. The other Baltic States, with this view, are also drawing together, and even Poland has evinced a desire to draw closer to her sister republics on the Baltic. That the Baltic States are serious in this project of alliance is indicated by the recent announcement of a conference of the Foreign Ministers of Esthonia, Latvia and Lithuania, to be held at Riga (Latvia) before the end of June.

One dissonant note in the general Baltic harmony was the dispute between Lithuania and Poland over the disputed territory of Vilna. Both the Poles and the Lithuanians are unshakable in their respective claims, and the conferences initiated at Brussels, under the Presidency of M. Paul Hymans, gave no sign as they went on that a solution would be found. The Lithuanians were convinced that they were the natural and rightful inheritors of the territory now held by the Polish insurgent leader, General Zeligowski, the legitimate heirs of the Lithuanian Grand Dukes of the fourteenth and fifteenth centuries. The majority of Poles, not only those resident in Vilna, but those of Poland, refused to admit that Lithuania had any rights, and insisted that Vilna, with its large number of Polish inhabitants, should be annexed to Poland. The Lithuanian and Polish delegates in Brussels naturally reflected this attitude, and from the beginning of the negotiations, late in April, it was only too evident that the two disputing parties held wholly irreconcilable views. The Poles rejected all solutions which implied Lithuania's possession of Vilna. Lithuania presented a formal series of proposals at the session of May 20. These proposals may be summarized as follows:

Poland recognizes the sovereignty of the democratic Republic of Lithuania over Vilna and its territory.

Should the principal allied and associated powers decide to assign the territory of Memel to Lithuania, Poland agrees to recognize the sovereignty of Lithuania over the said territory.

In order to guarantee the cultural autonomy of the Polish-speaking Lithuanian citizens of the territory of Vilna, Lithuania agrees to conclude a treaty with the principal allied and associated powers on the basis of

the principles contained in the treaty of June 28, 1919, between those powers and Poland.

Lithuania assures Poland free access to the sea by all railways and waterways, and to this end undertakes to conclude a transit agreement with Poland.

Lithuania and Poland agree to be guided in their reciprocal relations by the principles contained in the Covenant of the League of Nations or established subsequently to that Covenant by the said League.

These proposals were rejected by the Polish delegates, who opposed all solutions implying the possession of Vilna by the Lithuanians. Seeing that the views of the delegations were irreconcilable, M. Hymans, as President of the sessions, presented a plan of his own, devised to solve not only the boundary questions, but also the political, military and economic relations between the two countries. The intervention of M. Hymans brought some new hope, but on June 2 the note of discouragement and reserve sounded by Professor Askenazy, head of the Polish delegation, proved itself to be based on realities, for on that date the Lithuanian representative in Washington announced officially that the negotiations had been broken off. His advices alleged that the Poles were to blame for this rupture, which had been caused by the Polish insistence that the conference should be attended by delegates from Vilna itself, who should have equal rights with the other delegates. The Lithuanians refused to consider this proposal, saying that as Vilna was under the domination of Zeligowski, any delegates sent by him would inevitably vote for Poland, and the Lithuanian delegates would be outnumbered. The Lithuanians were preparing to lay the whole issue before the Council of the League of Nations.

Two of the Baltic republics, Esthonia and Latvia, have been recognized de jure by the allied powers. Lithuania is still clamoring for such recognition, and considers herself unjustly treated in that such recognition is still withheld. It is unlikely that her national aspirations will be granted until her boundary dispute with Poland has been settled. The United States Government, so far, has declined to recognize any of the Baltic States except Finland. A strong movement in the United States tending toward such recognition was evidenced on May 16, when Representative Walter M. Chandler of New York presented to Secretary of State Hughes a memorandum embodying vigorous arguments in favor of the recognition of all three States. A special appeal was submitted to President Harding on May 31, signed by more than 1,000,000 names, many of them those of men of national and official prominence.

HINDENBURG'S STATUE FOR FIREWOOD

ABOUT a year ago the colossal wooden statue of Germany's military idol, General von Hindenburg, disappeared overnight from its place at the end of Berlin's famous Siegesallee (Avenue of Victory) in the Thiergarten. The day before it had towered, grotesquely impressive in its bigness and its bristling armor of nails, every one of which it had cost some Hindenburg admirer a certain number of pfennige to drive home, the united proceeds going to war charities. The next morning Berlin citizens rubbed their eyes; the Hindenburg statue had disappeared. No one knew what had become of it; there was no official explanation, and this strange disappearance became one of the wonders of the day. Berliners, however, shed no tears over the loss, for in the days of defeat this grim, ungainly effigy, the most tragic of all reminders, had become an eyesore.

An extraordinary sequel followed toward the end of May, 1921, when an advertisement appeared in a Berlin paper offering the statue for sale, in whole or in part, as firewood. This inglorious ending of the "Iron Hindenburg" seemed to have an almost symbolical fitness. And yet it may be misleading, for many evidences indicate that General von Hindenburg still retains a part of the nimbus which once encircled his massive head, and the new republicans looked with no happy eye on the applause that greeted the General as he marched in the funeral cortège of the late Empress at Potsdam.

NORWAY'S INDUSTRIAL CRISIS

Community Aid, battling with a Bolshevist-led general strike, keeps the chief industries going—Bolshevist plots in Sweden and Denmark—Rapprochement between France and Scandinavian countries.

[Period Ended June 10, 1921]

SYMPTOMATIC of the industrial condition which has prevailed in Norway ever since the seamen's strike, which began on May 9 and which turned into a general strike two days later, was the arrival of a Norwegian-American Line steamship at Hoboken on June 6 bringing back a 200-ton cargo which the strike had made it impossible to unload in Christiania. The steamer was manned by a volunteer crew which included a millionaire, five captains, fourteen mates and several college students and business men of Norway. These represented the effort of the Community Aid organization to keep necessary industries going in the face of great strikes.

Community Aid had broken the railroad workers' strike, nullifying all efforts to make it general, but it had not been strong enough to prevent the present crisis, though it has gained ground by furnishing more and more social workers.

Before the World War the Norwegian merchant marine was said to operate more cheaply than that of any other nation, and the Norwegian ship owners tried in May to return to their antebellum economies, beginning with a cut in seamen's wages. This started the seamen's strike, and the trade unions of the national labor organization called a general strike in sympathy with the sailors, excepting only the workers of the railroads, telegraphs, postal service, hospitals and the union co-operative concerns. Nearly all newspapers were stopped except the Socialist and Syndicalist journals. The latter, especially the Christiania daily, Klassekampen, continued urging the workmen to revolutionary action, although the labor leaders alleged that the strike was not political.

In the districts of Christiania, Stavanger and Bergen the strikers joined in violent rioting in an attempt to prevent the necessary transportation. Social workers of the Community Aid came forward, volunteering for service under the protection of the police, who rapidly restored order in each of the three cities named, making many arrests of ringleaders and others. The social workers manned some of the coastwise vessels, but many of the larger craft were so short-handed that motorboats were extensively used to supplement the railroads. Especially in Nordland and other northern provinces, where railroads are lacking, the motorboats were used very effectively for distribution of provisions and other necessary supplies. Here, and in some other provinces, unions refused to join the strike and social workers were numerous.

The dispatch of goods by motorboats was bitterly but vainly opposed by the strikers in Christiania. Social workers manned the harbor industries there, and by the end of May were supplying the population with bread, which hitherto had been made only by the workmen's co-operative concerns for their own use. Strikers attacked the Christiania electrical works, but were dispersed. Early in June social workers were keeping up all the necessary work in Christiania, and, though the strike continued, its effects were not strongly felt there. Off-shore shipping, however, was tied up by a lack of hands.

SWEDEN—The arrest on June 9 of a well-known Bolshevist leader in Kiruna, in the iron-mining district, where a communist organization was discovered, resulted in uncovering what the Stockholm newspapers considered as a sensational and widespread plot for a Bolshevist revolution in Sweden. Several arrests were made in Stockholm in the same connection. The documents discovered were reported to show that this plot was to start a Bolshevist revolution simultaneously in Sweden, Finland and Norway, and to implicate 400 foreign Bolsheviki staying in Sweden. It was expected, at last advices, that these would be arrested

and expelled from the country. Five Finns arrested in Stockholm were found by police records to be former members of the Finnish "Red Guard." One Swede was also arrested.

A rapproachement between France and the Scandinavian countries was foreshadowed by the visit in the latter part of May of a delegation of city councilors of Paris to Stockholm, Christiania, and Copenhagen, to study the municipal institutions of the three Scandinavian capitals. Both the French and Scandinavian press made much of this official visit. The delegation consisted of the President of the Municipal Council of Paris, M. Le Corbeiller, and fourteen representatives of different Paris institutions. Special efforts were made by the Scandinavian authorities to do them honor. On the first day of the week's visit in Stockholm, the city gave a reception and luncheon, and the Grand Governor of Stockholm, acting as host, gave the guests an elaborate speech of welcome. M. Le Corbeiller, in his reply, appealed to Sweden to continue to extend her hand to France for the peace and prosperity of the world. The King gave an afternoon tea in honor of his French guests.

Count Wrangel, the Swedish Foreign Minister, when asked his opinion of the French delegation's visit by a correspondent of Le Temps, declared that the Swedish Government had expressed in its reception the friendship felt by all classes of the Swedish people for France. Sweden, he said, had been forced to maintain neutrality in the war, owing to her geographical position. Questioned as to Sweden's actual policy toward Soviet Russia, Count Wrangel answered:

> We are trying, as far as possible, to establish commercial relations with Russia. We have not yet concluded a treaty like the Anglo-Russian, but we have no objection to seeing our commercial men establish trade relations with agents here. Before extending such relations we wish to see the results of private negotiations between our merchants and the agents. Our geographical position is different from England's, and it is necessary for us to be more careful about the propaganda of communism.

The Swedish press continued to show excitement over the report of the Aland Islands Commission. Nearly all the papers declared that the document violates all considerations of justice. Aftonbladet (Stockholm) headed an article: "Finland's Guarantee Worth Nothing—A Slap in the Face, Say the Alanders—Future Will Show What Aland Is Exposed To." Tidningen: "This lamentable document surpasses all that could have been believed possible in abandonment of juridical principles in favor of political opportunism. * * *" Other papers declared that the report does not give the last word, and contrasted it with the report of the three Judges, who "recognized the solid basis of the Swedish thesis."

Sweden's recent abolition of capital punishment goes further than Norway's similar legislation fifteen years ago, which reserved the death penalty for Cabinet Ministers, as a guarantee against their recklessly committing offenses against the State, such as embroiling it in a bloody war unjustly.

M. Hammarskjold, the Swedish Minister of Defense, resigned in the middle of May, because the Riksdag passed a bill limiting the period of military service to 165 days instead of 225 days, as he proposed.

DENMARK—Danish Syndicalists decided in May to affiliate themselves with the Third International, as a result of Bolshevist intrigues in Denmark. Social-Demokraten (Copenhagen) published new documents proving that all directors of the Syndicalist movement were lavishly subsidized by the Soviet Government of Russia. In the last year the Bolsheviki covered the deficit of a Bolshevist newspaper in Denmark amounting to 312,000 Danish crowns, and expended half a million crowns in Denmark to hold together the Danish adherents to Moscow. The Danish Bolshevist Party, numbering 2,000 adherents, and enjoying no other revenue, has set aside this year 220,000 crowns for propaganda, and also found means to buy a house in the centre of Copenhagen. The Russian Reds have disbursed in all more than 1,500,000 crowns to sustain the Danish opposition.

Great honors were extended to the Indian poet, Rabindranath Tagore, when he arrived in Copenhagen on May 21. About a thousand people received him at the station. The next day he was entertained at the Danish Students' Club, where he gave a reading from his poems to a large audience. Later in the evening the students organized a torchlight procession in his honor. At the invitation of the university, he gave a public lecture on India, and afterward left for Stockholm.

HOW FRANCE CELEBRATED THE NAPOLEON CENTENARY

Premier Briand's successful fight for a vote of confidence is strangely linked up with the nation's mental attitude at the centenary of Napoleon's death

THE vote of confidence given to M. Briand, the Premier, by the French Senate at the session of May 31, was an earnest of the nation's mood to insist on reasonable measures regarding German reparations. M. Briand, who for eight days had fought his opponents face to face and delivered his defense with telling effect, had declared to the Senate his belief that the new German Premier, Dr. Wirth, was absolutely sincere in his desire to live up to the accepted conditions, and that it behooved France, by pursuing a policy of moderation, to aid him to do so. This was the first time since the war that a French Premier had publicly praised the sincerity of a German Government leader. That M. Briand's words were convincing was proved by the fact that after all the attacks only eight Senators dropped the white card of disapproval into the urns, while 269 others dropped in the blue card of approval.

Though M. Briand thus won the Senate's support of his Rhine policy and of his plan of complete co-operation with the interallied nations in Upper Silesia, the general French fear that Germany, after all, was playing a double game and would yet work to make her promises valueless, persisted in the minds of many leaders. War Minister Barthou, it is true, on his return early in June from a tour of inspection of the Rhine armies, declared that he had found the training of the 1921 recruits so far advanced that he looked forward to demobilizing the class of 1919 by the end of June. He added, however: "That is my conviction, provided always that Germany continues to show good-will."

The prevailing uneasiness was reflected in the official speeches at the centenary of Napoleon Bonaparte, which was celebrated in Paris on May 4 and 5. Amid the sombre splendor of Notre Dame, where the great Corsican crowned himself Emperor in 1805, the brilliant ceremonies of the 4th were witnessed by a dense throng of the nation's notables, all gazing up at the throne on which sat the Cardinal Archbishop of Paris in robes of bright scarlet, which blazed out vividly against the dark background. The Abbé Henocque, wearing on his black cassock the symbol of the Legion of Honor and the Croix de Guerre, delivered an eloquent sermon lauding Napoleon as the restorer of religion, and struck the note which was repeated throughout the fête, namely, the lesson of patriotism to be derived from the great Frenchman's career.

The scene shifted in the afternoon to the venerable precincts of the Sorbonne, where a distinguished audience listened to solemn speeches commemorating the civil institutions founded by Napoleon, and expressing France's gratitude. Both of these events, however, were preliminary to the celebrations held the next day at the Arc de Triomphe and the Tomb of Napoleon, in which the Government took a more active part. Standing beside the Unknown Warrior's Tomb, President Millerand eulogized the former Emperor, linking his name with that of the unknown soldier. The days of despotism were over, he said, and France need have no fear in eulogizing Napoleon as one of France's great national glories. He then drew the lesson for the present and the coming time:

> Napoleon thought, in September, 1808, that he could cut the claws of the Prussian Army by a military agreement limiting its strength. But he failed to take account of Prussian hypocrisy, of the tenacity of a people which never admits itself to be beaten. Scharnhorst, to avenge Jena, began his labors in 1807. He succeeded so well that the Prussian Army, reduced to 42,000 men by the conditions of the treaty, possessed in August, 1813, no fewer than 280,000 men. By what means? It is useless to find them in the history of yesterday; today's history is sufficient. Prussia has more tenacity than imagination; she has no vain pride in regard to repetition, if repetition as a process suits her ends. Ludendorff is copying Scharn-

horst today, borrowing from him his means of dissimulation, his indirect combinations, his instructions, and even his very language. Vanquished Prussa is preparing, under Ludendorff's orders, the revenge for which it will yet fix the exact moment, and the mingled threat and hope of which it acclaimed at Potsdam. [The funeral of the late Kaiserin is referred to here.] We will not allow her to begin this process all over. Napoleon's mistake should be for us a sufficient lesson. What good would our victory have been for us if victory had not killed during the war the national industry of impenitent Prusssia? We do not wish for war; we hate war, annexations, conquests and imperial visions. But it cannot be construed as a wish for war to compel Germany to fulfill the terms of peace by those measures of coercion which her resistance and bad faith, aggravated by her insolence, have made inevitable.

The booming of great guns closed the ceremony at the precise moment when—a hundred years before—Napoleon had died at St. Helena.

Ceremonies no less significant were held at the Tomb of Napoleon, where Marshal Foch delivered an address which moved the large audience greatly. The conclusion of this address follows:

Sire, sleep in peace! From the very tomb you are still working for France. Whenever danger threatens the Fatherland, our flags are moved by the breath of your imperial eagle as it passes. If our legions have returned in triumph through the Triumphal Arch which you erected, it is because that sword of Austerlitz had shown us how to unite and lead the forces which win to victory. Your masterly lessons, your obstinate labor remain unparalleled examples. As we study and meditate upon them, the art of war assumes an ever-growing grandeur.

In a special article written for The London Times, Marshal Foch drew another lesson. Though he acknowledged Napoleon's mistakes in placing the individual above the nation and war above peace, he did homage to his unconquerable spirit and fierce energy for France:

In the dark hours of the war, we often asked ourselves: "If Napoleon were to rise from his tomb at the Invalides, what would he say to us, what would he do with our armies of today? He would have said to us: "You have millions of men; I never had them. You have railways, telegraphs, wireless, aircraft, long-range artillery, poison gases; I had none of them. And you do not turn them to account? I'll show you a thing or two!" And in a couple of months he would have changed everything from top to bottom, reorganized everything, employed everything in some new way, and crushed the bewildered enemy. Then he would have come back at the head of his victorious armies—and would have been very much in the way.

Similar exercises were held in Corsica. The same note was voiced there; likewise in the celebration of the new national fête of Joan of Arc on May 8. France's determination to secure justice from Germany, if need be, at the point of the sword, was similarly expressed by President Millerand on the occasion of his visit to Lille on May 16.

In all these national festivities the note of a renewed Catholicism was heard again and again. France, it will be recalled, has reopened diplomatic relations with the Vatican. Senator Charles Jonnart, formerly the Allied High Commissioner in Athens, and later Extraordinary Ambassador to the Vatican, was nominated by Premier Briand on May 17 as French Ambassador to the Holy See.

With the triumph of the radical element of the railroad brotherhood early in June, and the probability of a pitched battle between the moderate and extreme factions, the fate of both this union and the General Confederation of Labor was left hanging in the balance. The Government decree dissolving the Confederation for the anti-governmental activities of its radical leaders still stands unexecuted, but any increase of radicalism is a bad omen for the existence of either of these organizations. The Government was taking steps to eliminate the surreptitious teaching of communism in the public schools. It was also waging a determined war on criminality, and on June 1 it resumed its former system of deportation to the penal colony of French Guiana, interrupted for lack of transportation since 1915. The resumption was due to the overcrowding of French prisons, which was serious. Some 700 convicts left La Rochelle on a former German freighter on June 1, shut up in eight huge iron cages constructed between decks, guarded by fifty military warders.

BELGIUM—The Belgian Chamber of Deputies, on May 13, ratified the treaty of Trianon, putting an end to the state of war with Hungary, by a unanimous vote of the 132 members present. * * * The long-expected split in the Belgian So-

cialist Party became definite on May 29, when the extremists decided to constitute a communist party, which will seek contact with the Third International of Moscow. * * * A Franco-Belgian monument on the summit of Mount Kemmel, to commemorate the victorious allied resistance to the German attack in 1918, was unveiled on May 22. * * * The proposed ocean yacht race for the cup offered by King Albert of Belgium from Sandy Hook to Ostend has been abandoned for this year, only two entries having been received.

HOLLAND—Secretary Hughes of the United States, on May 27, sent a new note to Holland on the oil question through the American Minister at The Hague, instructing him to take issue with the Dutch Government's statement that in claiming rights for American nationals to help exploit the Djambi oil field in the Dutch East Indies the United States Government had acted too late. The United States contends that, as Dutch citizens are permitted to share in the development of oil properties in the United States, American citizens are entitled to equal opportunity in the whole Dutch territory. Representatives of the Standard Oil Company, which wants a concession for one-half the Djambi oil fields, also expressed surprise at the statement that their claim came too late, as they said that persons acting in the interests of the Standard Oil Company as late as October, 1920, were told by the Dutch Colonial Minister that no consideration could be given to an application by the Standard Oil Company because it was a foreign interest.

The annual convention of the World's Young Men's Christian Associations met in Utrecht on June 10, with delegates from all national organizations in attendance. The sessions were taken up mostly with comparing reports of war work organizations and deciding upon the policy to be pursued during the coming year. The sessions were to close on June 17.

A marble bust of the former German Empress was received by the Kaiser at Doorn on May 18. Although the Kaiser was for some time extremely depressed after the death of his wife, he is now reported to have emerged from his gloom. He has paid a visit to the Bentinck family to thank them for their marks of sympathy. The Doorn municipality, on May 25, bought a strip of woodland which belonged to his estate, but was outside his fences and therefore useless to him. He wished to sell it in small allotments as building ground in order to add to his income, but the town will preserve it for the public in its natural state.

HOME PROBLEMS OF THE BRITISH PREMIER

Mr. Lloyd George's Coalition Government again defeats its enemies—Approaching settlement of the coal miners' strike hastened by use of fuel oil

[PERIOD ENDED JUNE 10, 1921]

ONCE again Mr. Lloyd George and his Coalition Cabinet have weathered a threatening storm, making a new show of strength in the face of hostile criticisms of the Government's Irish policy, defections in Parliament and the general labor turmoil. Talk of a general election subsided for the time, and even the labor crisis showed signs of approaching settlement. Though the Anglo-French conflict of policy on the Silesian question produced a tense situation in foreign affairs, especially after Lloyd George's speech containing the words, "I am alarmed, I am frightened," nevertheless public interest continued to centre upon home troubles, among which the Irish and labor problems continued to be foremost.

Out of what was termed the "creeping paralysis" of the coal miners' strike, from which the midland and northern counties chiefly suffered, considerable relief was presently obtained by the use of oil as fuel. It was pointed out that so long as coal was cheap, accessible and easily obtained it held its own against the commercial encroachments of oil, but now that these attributes

had vanished "the twilight of the coal age seemed to have set in." Thus by June 1 the Great Eastern Railway, which was almost shut down a fortnight before, was running almost normally with over sixty converted oil-burning locomotives, while several other railways and great engineering plants were following suit as fast as possible.

Meantime quiet "conversations" for a settlement of the dispute continued until May 27, when definite negotiations between the mine owners and miners were again opened under the handling of Premier Lloyd George. On the 28th he met representatives of both parties and handed them a plan for temporary arrangements leading to a permanent peace. His proposals provided for a gradual scaling down of wages until they reached an economic level which the industry was capable of sustaining, and were based on the grant of £10,000,000 from the Exchequer and surrender by the owners of the standard profits for three months in the districts where Government assistance was required. As a hopeful sign, on May 31, the National Union of Railwaymen and the Transport Workers' Federation decided to lift the embargo on imported or "tainted" coal. However, the atmosphere became clouded again by returns from the colliery districts, indicating that the miners were voting solidly against the Government's new peace proposals. A reply of the mine owners on June 3, while declaring that they were "unalterably opposed" to a national pool and a national settlement of wages, nevertheless made new offers, including one to provide a subsistence wage for the low-paid workers. Foreshadowings of peace were seen when, for the first time in the coal deadlock, the owners and miners had a full and frank conference on June 6 without the presence of Government representatives. Another meeting on the 7th resulted in an announcement by the miners' representatives that they had decided to call a special conference of the Miners' Federation and to recommend a ballot on the owners' new proposals. When the miners' delegates met they agreed to the latter proposal, and on June 10 formally decided to submit the offer of the coal owners to a vote of all members of the Miners' Federation, to be taken June 15. This was the first time in the ten weeks' warfare that the rank and file had had an opportunity to express their views, and it was generally believed that an amicable settlement of the strike was in sight.

Otherwise the disturbed industrial situation was intensified by a walkout of 500,000 cotton mill operators against a proposed 30 per cent. reduction in wages, and by the acute depression in shipping. The case of the latter was declared to be the worst on record, with thousands of longshoremen, seamen, firemen, officers and engineers walking the docks looking for berths. With the slump in freight rates and shipping values, shipbuilding had come to a standstill so far as new orders were concerned. Thus, no contract for a cargo boat had been reported for about twelve months, and in different parts of the country important yards were ordered closed. The woolen industry, too, was in a deplorable condition, although it had not suffered from strike troubles.

Representatives of farmers and workers in the House of Commons received a shock on June 8 when Sir Arthur G. Boscawen announced the Government's decision practically to repeal the Agricultural act, not six months old, by which means it purposed saving £30,000,000 a year in subsidies. At the same session Dr. McNamara, Minister of Labor, asked leave to introduce a bill to curtail unemployment benefits 5 and 6 shillings a week for men and women, respectively, as an absolutely necessary measure in the interest of public economy.

The new American Ambassador, Colonel George Harvey, arrived in the course of the month, as did Rear Admiral Sims. The cordiality of the welcome extended to the latter, who came to England to receive a degree of doctor of laws from Cambridge University, was particularly marked. One newspaper declared he was "the best friend in need that England found during the war." A guard of honor of destroyers escorted the American Admiral's ship into Liverpool, and later he was entertained by the King and Queen in Buckingham Palace.

Following a solemn Memorial Day service in St. Paul's Cathedral on May 30, Ambassador Harvey unveiled a replica of Houdon's bust of George Washington in the crypt near the graves of Nelson and Wellington. It stood there, he said, to

commemorate "a great British soldier and a great American patriot." Lord Bryce announced that in acknowledgment of this gift it was proposed to present to the American people busts of the famous Earl of Chatham and Edmund Burke.

A record job lot of 113 obsolete warships was announced by the Admiralty as having been sold to one firm for breaking up at the flat rate of 50 shillings per ton on actual displacement. Under the contract the provisional price was deemed to be £600,000. The lot included the battleships Dreadnought, Magnificent, Hindustan, Dominion and Mars, six cruisers, six light cruisers, three flotilla leaders, seventy-two torpedo-boat destroyers, thirteen torpedo-boats and eight monitors.

THE NEW NORTH-OF-IRELAND PARLIAMENT

Ulster Chamber organized at Belfast by forty Unionist members, while eleven Sinn Feiners and Nationalists, also elected, remain away—Speaker for the British House of Commons elected by royal sanction through Viceroy—Burning of Dublin Custom House

[Period Ended June 10, 1921]

BENEATH the turmoil of a decidedly active warfare the current of peace efforts in Ireland still wandered uncertainly. A new negotiator was disclosed in former Governor Martin H. Glynn of New York, who, upon his return from Ireland and England, admitted that he had acted as an intermediary between Premier Lloyd George and Mr. de Valera. Another peace effort came in a long letter written by Pope Benedict to Cardinal Logue appealing to both the English and Irish to abandon violence and proposing that the Irish question be settled by a body selected by the whole Irish Nation. This effort was criticised by friends of the Irish on the ground that the Pope had directed his appeal to the people of Ireland over the heads of their Government. A word on the subject from Sir Hamar Greenwood, Chief Secretary for Ireland, was to the effect that if Ireland failed to settle itself through the medium of the two new Parliaments "a situation would arise which the Government must face with all its resources."

Final elections for the Southern Parliament left the situation as stated in last month's Current History. A few contests did not change the result of 124 Sinn Fein members facing four Imperialists. While it was believed that the moderates among the former were in a conciliatory mood, nothing could be said as to how far the extremists were prepared to go to wreck the new parliamentary system.

Hardly had the curfew been raised at 5 o'clock on the morning of May 24, the date fixed for elections to the Northern Parliament, when opposing parties, with bands thundering, began parading the streets of Belfast and soon came into fierce conflict. At the outset clubs and stones were mostly used, though revolver firing was indulged in here and there. A feature of the day was the number of children, with names on the register, who recorded their votes. A little fellow two and a half years old presented himself at a booth in South Belfast and voted. It was estimated that 90 per cent. of the voters of Belfast went to the polls.

Early returns showed that Sir James Craig, Premier designate, had gained a great personal triumph in County Down, where he polled more than 13,000 votes over de Valera. The figures for the three candidates who were certain of election in this constituency were Sir James Craig, Unionist, 29,829; de Valera, Sinn Fein, 16,269, and Andrews, Nationalist, 12,584. Londonderry returned Professor John MacNeil, the

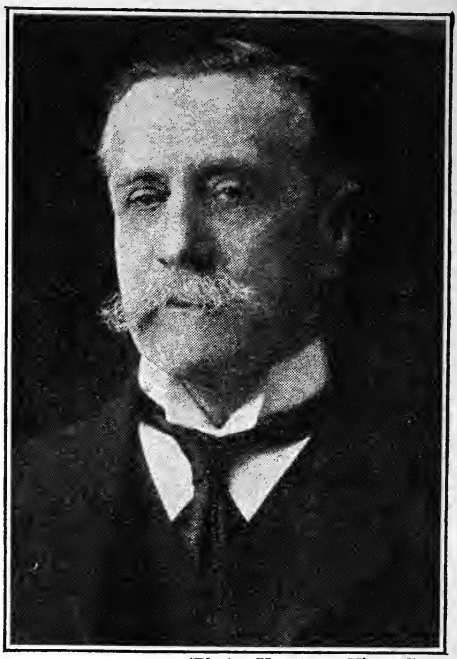
Sinn Fein Vice President, along with three Unionists. Michael Collins, Chief of the Irish Republican Army, and Arthur Griffiths, "Vice President of the Republic," also won seats in Armagh in company with Unionists. In the West Division of Belfast Joseph Devlin, M. P., Nationalist, was elected with T. H. Burn, M. P., Unionist. The final count gave the Unionists forty seats against eleven won by the Sinn Feiners and Nationalists.

Organization of the Northern Parliament took place on June 7 in the Council Chamber of the City Hall, Belfast. Forty Unionist members were sworn in, with some 175 Government officials and prominent citizens present. The eleven Sinn Feiners and Nationalists did not appear. The formal ceremony went through without a hitch and in a quiet, unemotional manner. The Viceroy, Viscount Fitzalan, entered the Council Chamber at 11:30 A. M. and took a chair. Thereupon the Sergeant at Arms brought in a new mace and laid it on the table. Archbishop d'Arcy, Anglican Primate, read prayers, and then the Viceroy announced that he had authority from the King to sanction the election of a Speaker for the House of Commons. Robert William Hugh O'Neill was unanimously elected. Premier Sir James Craig was the first member to take the oath, which read: "I swear by Almighty God that I will be faithful and bear true allegiance to his Majesty King George, his heirs and successors, according to law, so help me God." The other thirty-nine members followed in threes, including two women, Mrs. Julia Chichester and Mrs. Robert McMordie.

After adjournment by the Speaker at 12:40 until June 22 a luncheon was served at which Joseph Devlin's seat was the only one reserved for members of the Opposition. On this occasion the Viceroy made his maiden speech in Ireland. Lord Fitzalan spoke of conditions generally and was frequently applauded. After luncheon Sir James Craig read a message from King George announcing His Majesty's intention of opening the Parliament on June 22 in person. The Premier also announced his Cabinet as follows:

Home Secretary—Sir Dawson Bates.
Minister of Finance—H. M. Pollock.
Minister of Education—The Marquis of Londonderry.
Minister of Labor—J. M. Andrews.
Minister of Agriculture—Hon. E. A. Archdale.

The elections, however, brought no cessation of fighting, burning and reprisals. Reports of ambushes and other attacks on Crown forces in Ireland during the week-end of May 16 showed the highest record for such a period—thirty-three persons killed. On May 17, while a military football match was in progress at Bandon, County Cork, fire was opened on the players and spectators with a Lewis gun.



(Photo Keystone View Co.)

VISCOUNT FITZALAN
New Viceroy of Ireland, formerly known as Lord Edmund Talbot

But these and similar actions were dwarfed into comparative insignificance by the burning of the Dublin Custom House on May 25. This was regarded as the most serious damage done by the revolutionaries. The building, of which nothing but the shell remained, was erected 145 years ago, during the existence of the Irish Parliament, on a quay on the left bank of the Liffey, and was one of the most beautiful structures in Ireland. It had little to do with the customs, but housed many of the chief administrative departments, and its destruction was therefore regarded as more disabling to the ordinary machinery of

Government than if Dublin Castle had been burned. The methodically planned operation was carried out in the afternoon by a body of about seventy raiders. These men approached the building amid the throngs of ordinary passers-by, and suddenly overpowered the guards before an alarm could be given. They then entered the building, held up the officials at revolver point, and proceeded to throw all the documents and books on the floor, which they saturated with petrol and ignited. Within a few minutes the greater part of the huge building was in flames.

Suddenly the gathering crowd of awed spectators was driven helter-skelter as armored cars with three tenders loaded with auxiliary police came at full speed along the quays. As they approached they were greeted with bombs from the railroad bridge and revolver fire from the Custom House windows. A machine gun and rifles were promptly brought into return action. Fire being opened on the police from adjoining streets, a machine gun was sent to sweep them. This caught the crowd between two fires, resulting in numerous civilian casualties. The last act of the dramatic scene was the desperate attempt of the raiders to escape from the building under rifle fire from police and with the roof burning over their heads. In the fighting 7 civilians were killed, 4 auxiliaries and 7 civilians wounded, and 111 prisoners taken by the police. The damage was estimated at $10,000,000, a sum which, Mr. Lloyd George stated, Southern Ireland would have to pay in additional taxes.

That the announced intention of Irish revolutionaries to carry the warfare into England was no idle threat was demonstrated in Liverpool and suburban districts of London on May 15. Bandit gangs traversed the City of Liverpool in automobiles. Six districts in London were visited by armed men, who wore masks and carried bottles of petrol, and showed no hesitation in shooting. Altogether, incendiary fires attributed to Sinn Fein terrorists broke out in thirteen districts.

(Photo International)

DUBLIN CUSTOM HOUSE, ONE OF THE MOST BEAUTIFUL BUILDINGS IN IRELAND, WHICH WAS BURNED AND TOTALLY DESTROYED BY SINN FEINERS ON MAY 25, 1921

CANADA'S NEW GOVERNOR GENERAL

General Lord Byng succeeds the Duke of Devonshire—Attitude of Canada, Australia, New Zealand and South Africa on disarmament and the Anglo-Japanese treaty

[PERIOD ENDED JUNE 10, 1921]

WHEN the Duke of Devonshire formally prorogued Parliament on the evening of June 4, he performed his last act of that kind in Canada. His Excellency is succeeded by General Lord Byng, who was created first Baron of Vimy in 1919. Byng's appointment is immensely popular in Canada, chiefly owing to his association with the Canadian corps in the great war. He directed the corps as a unit in its great success at Vimy Ridge in 1917. Subsequently he was given command of the Third British Army. Lord Byng, who is the seventh son of the second Earl of Strafford, is expected to assume his duties as Governor General in August.

Within a few days of prorogation Premier Arthur Meighen sailed for London to take part in the conference of British Empire Premiers and representatives. Prior to his departure a dispatch was sent to the Canadian newspapers by the Canadian Press Company's representative accompanying Mr. Meighen. The latter's attitude on two vital questions, namely, armaments and the British-Japanese treaty of alliance, were outlined in that dispatch. In regard to the former it was intimated that Premier Meighen was opposed to any commitments at this time for naval expansion or expenditures beyond those actually undertaken. The financial situation and the uncertainty of the industrial outlook in the countries of the empire were quoted as his reason for the view that matters relative to armament should not be considered at this gathering, or if considered should not be approved as suggested policies. As to the treaty with Japan, it was intimated that Mr. Meighen's attitude was in accord with that of Premier Smuts of South Africa and Premier Hughes of Australia. With them he was of opinion that the treaty should be renewed with modifications that would make it acceptable to the United States. The correspondent of the Canadian Press may be regarded as the official publicity man for the Canadian Premier in connection with the conference, and the views thus expressed on the two issues mentioned may be taken as those of the Canadian Government. The newspapers generally do not agree with the view of a section of the British press that this is the most important imperial conference ever held in respect to defense matters. They are inclined to regard it as a stepping stone to the constitutional conference expected to be held next year, at which the status of the overseas dominions and Britain will be clearly defined.

Premier W. M. Martin and the Liberal Government of the province of Saskatchewan were re-elected in the general elections held on June 9. The Government will have from 40 to 45 seats in a House of 63, the independents 14 to 16, Conservatives and Labor the rest. The election was fought largely on purely local issues. Harris Turner

GENERAL LORD BYNG
Hero of Vimy Ridge, who has become Governor General of Canada

of Saskatoon, a blinded war veteran who edits a newspaper, was among the sitting members returned, and there is some talk of his leading the opposition ranks in the next Legislature.

AUSTRALIA — Views which Premier Hughes of Australia intended to advocate at the British Imperial Conference were published at length in London on May 22 in The Sunday Times, as cabled from Australia. Mr. Hughes began by arguing that an adequate navy was indispensable to Australia and continued:

> The bearing of the Japanese treaty upon the naval defense of the empire is obvious. As we have seen, there has lately been much talk of strained relations between the United States and Japan. Now in them lie the germs of great trouble in this world. What is the hope of the world as I see it? It is an alliance between the two great branches of English-speaking peoples. Here is our dilemma. Our safety lies in a renewal of the Anglo-Japanese treaty, yet that treaty is anathema to the Americans. We not only have no quarrel with America, we have no quarrel with Japan. Our ideal at the conference is, as I see it, a renewal of the Anglo-Japanese treaty in some such form, and modified if that should be deemed proper, as will be acceptable to Great Britain, to America, to Japan and to ourselves. When one comes to the alleged causes of disputes between Japan and America, those differences appear to be trivial as compared with the tremendous evil which war would inflict upon both nations.

The Victorian Electricity Commission has accepted the single tender of the International General Electric Company, a subsidiary of the General Electric Company, for furnishing switch gear and transformers for the development of coal near Melbourne at a price of £379,000, which is £200,000 below the lowest combination of British sectional bids submitted.

Sir Eric Drummond, Secretary General of the League of Nations, announced on June 2 that he had received from Australia a telegram informing him that the Australian Government on May 8 had established a civil administration in the former German colony of New Guinea under the mandate of the League.

NEW ZEALAND—Sir John Findley of New Zealand, speaking before the Royal Colonial Institute in London early in June, talked on the forthcoming Imperial Conference and pointed out that for the first time the dominions would take a formal directive share in the shaping of the imperial foreign policy—in connection with the Anglo-Japanese Treaty. "Some day," he said, "there will be a world conflict between the East and the West, and—as the only means of preserving our Western civilization—a larger federation may be imperatively required, which will embrace all English-speaking people of the globe and will bring us nearer the poet's ideal of "the parliament of man, the federation of the world."

SOUTH AFRICA—General Smuts in a speech to the House of Assembly at Cape Town declared himself in favor of a renewal of the Anglo-Japanese treaty, but added: "I agree with Mr. Hughes (the Australian Premier) to this extent, that no renewal should take place unless we can satisfy America by the form the treaty takes that no jeopardy of her interests is involved. When I look at the question as a whole and the interests for which we stand, it seems to me vital that every effort should be made to keep in touch, sympathy and contact with the great American Republic."

In another address on May 27, also outlining his attitude in the Imperial Conference, he warmly defended the League of Nations, making an earnest plea that the League be given a chance to show what it could do. "Do not let us fight the League of Nations," he said, "but let us fight the Supreme Council, which may be wrong." He saw no other hope for the future of the human race than that of an association of nations, great and small.

EGYPT—Semi-political riots occurred in Alexandria and Cairo in the latter part of May. In Cairo on May 20 there was a demonstration against the Government started by students in the Bulac quarter. A student was killed outside the Ministry of Finance, and many policemen were severely injured. Egyptian Lancers were compelled to intervene to disperse the rioters. At the funeral of the student next day rioting was renewed and the police had finally to fire on the mob. Two persons were killed and fifteen wounded.

In Alexandria the disturbance was more serious. Twelve Europeans and thirty-six natives were killed and 191 persons wounded in riots on May 22 and 23. The trouble

started between Greeks and natives and indiscriminate shooting spread throughout the city. There was general looting and many houses in the customs quarter were burned.

Official circles held that the rioting in both cities had its basis in the fact that none of the Egyptian nationalists was chosen on the delegation going to London to discuss the future of Egypt. The Premier had refused to appoint Zaglul Pasha or any of his supporters on the mission, which is headed by Adly Pasha, the Prime Minister himself.

LIBERIA—Five pounds sterling, and no more, is to be the price of a wife, according to a recently ratified convention between the Governments of Liberia, regulating relations between tribes on the Sierra Leone border. No claim can be made in respect of a woman except by her husband and no woman can be compelled to return to a claimant against her will.

THE VATICAN'S NEW RELATIONS WITH FRANCE

Appointment of Senator Jonnart as Ambassador to the Holy See and of Mgr. Cerretti as Papal Nuncio at Paris marks a further increase of the Vatican's diplomatic prestige —Difference between the French and Italian attitudes

WITH the appointment of Senator Jonnart to be Ambassador Extraordinary at the Vatican, and Mgr. Cerretti to be Apostolic Nuncio at Paris, diplomatic relations between the Holy See and the French Republic, after sixteen years' interruption, have been resumed. The appointments are tentative, however—only for six months—for the French Senate has not yet confirmed the act of the Chamber voting the necessary credits. Still, face to face with a fait accompli, it is expected that the Senate will now pass the Chamber bill, when the appointments will become permanent. In his allocution to the Sacred College on June 13 the Pope expressed joy at the restoration of diplomatic relations with France, to which, he says, the Pontificate will gladly adhere, faithful to its traditions, and only desiring harmony between the Church and the State for the common good.

The new arrangement presupposes an exchange of diplomats, and provides for the recovery by France of her office as protector of Catholics in the Orient, and for the good offices of the Vatican in making the treaties which were the outcome of the great war prevail in Catholic communities, so that universal peace may be hastened. On the other hand, there is to be no modification of French legislation in regard to worship and religious schools and associations—that is to say, the associations law will not be abrogated, and the Concordat of 1801 will not be revived. In the appointment of Bishops France is to have the "most favored nation" treatment; Presidents of the republic finally may visit the Quirinal without prejudice to the Vatican.

The reconciliation is due to several definite causes, chief among which are the desire of the French people to reward the immortal patriotism of the French priests during the war, and the recognition that the Vatican has again become a powerful force in world politics. Had the Allies been better represented at the Vatican during the war, its friends say, the consistent neutral attitude of the Pope would have been better understood by them, and certain delinquencies of which pro-German officials at the Vatican were guilty would not have taken place. As it was, what could Sir Henry Howard and his successor, the Count de Salis, representatives of Great Britain, and J. van den Heunel, the representative of Belgium, hope to achieve against such trained diplomats as Prince von Schönburg-Hartenstein, the Austro-Hungarian Ambassador, Dr. von Mühlberg of Prussia and Baron von Ritter von Grünstein of Bavaria?

And what chance had the devoted Cardinal Mercier, who came in December, 1915, to tell the Holy Father about the rape of Belgium, when he was circumvented on every occasion by his Eminence of Cologne, Cardinal Felix von Hartmann?

"Your eminence," said von Hartmann, tolerantly, on one occasion, when these Princes of the Church met at the house of a Roman lady, "your Eminent need not feel embarrassed. We shall not talk of the war."

"And your Eminence may be quite certain," replied the Belgian Cardinal, solemnly, "that I shall not even hint at peace."

Had the Allies been adequately represented at the Vatican, it is inconceivable that the German and Austrian influences which caused the Pope to present his peace note of Aug. 1, 1917, would not have been laid bare. As it was, these influences prevailed, and behind the universal discussion of the peace note the Teutons prepared for Caporetto and Picardy. All this, however, did not prevent the note from being the sincere expression of a neutral monarch for peace, of a similar inspiration to the note which his Holiness sent to Cardinal Logue on May 21, appealing to both the Irish and to the English to abandon violence in Ireland.

As early as July, 1918, France began a rapproachement by sending M. Denys Cochin on a private mission to Pope Benedict XV. Two years later, at the canonization of Joan of Arc at St. Peter's, France sent an extraordinary delegation, headed by that distinguished historian and statesman, Gabriel Hanotaux. Thus was the rupture gradually healed, although probably few of the soldier priests of France, and fewer still of the members of the Curia, even wished to have relations revert to the old status, under which the Vatican could not exercise the proper authority over religious bodies in France, because they claimed to be French, nor the French Government properly control them because they also claimed to be of the Vatican.

The Concordat of 1801, the famous agreement entered into between Napoleon and Pius VII., had outlived its usefulness for both parties. Even as early as Leo XII.'s time, Cardinal Rampollo, the Papal Secretary of State, believed that a change in the Concordat would work to mutual benefit, but that the initiative must come from France. The Dreyfus case, with its Royalist plots, in which religious orders were concerned, carried the temper of Frenchmen too far. So the associations law, which drove the orders from France, closed their schools and confiscated their property, was followed and amplified by the Separation act, by which France abrogated the Concordat, deprived the Church of its property and organized rights, and reduced the clergy to simple citizenship, with orders not to recognize any authority from abroad. Thus deprived of both the material and spiritual support of the Mother Church, 20,000 French priests went to the front and freely offered their lives for the country, which had made many of them beggars. They used rifles against the Germans, and crucifixes against the horrors of the trenches. They were Frenchmen first, and then priests, and all France was grateful.

So after the war the element of gratitude joined that of political exigency, and France was constrained to go to Canossa, but without humiliation. By a curious coincidence, on the very day, May 25, that M. Jonnart departed for Rome, there died at Paris the man who, as Premier of France sixteen years before, had been the chief instrument in divorcing the State from the Church, Dr. Emile Combes. On May 31, M. Jonnart was received at the Vatican.

Charles C. A. Jonnart, very wealthy himself, and married to a wealthy wife—the daughter of M. Aynard, the influential Deputy of the Department of the Rhône—owner of half a dozen beautiful châteaux, a devout Catholic, as well as a man of the world, a statesman, a diplomat, was born in 1857. He has been engaged in public life since 1889, when he was first elected Deputy from the Pas de Calais. Later he was elected Senator from the same department. He was Minister for Public Works in the Casimir Périer Cabinet in 1893, and has passed two terms as Governor General of Algiers. He filled for a short time the thorny post of Chairman of the Reparations Commission, and has on more than one occasion been in the running as a possible Premier and a possible President of the Republic. He was Premier Clemenceau's first choice as French High Commissioner in Alsace-Lorraine immediately after the war, a post subsequently filled by M. Millerand, now President of

France. M. Jonnart's most interesting mission perhaps was in 1917, when he headed the allied representatives who went to Athens and expelled King Constantine from Greece.

The new papal nuncio to Paris, Mgr. Bonaventura Cerretti, Archbishop of Corinth, is probably the most gifted diplomat in the College of the Vatican. Although subordinate as Secretary of the Congregation of Extraordinary Ecclesiastical Affairs to the Papal Secretary of State, Cardinal Pietro Gasparri, he is known to exercise a dominating influence in things diplomatic. Like the late Cardinal Ferrata, to whom he bore a striking resemblance, he was born in the Province of Arvieto, in 1872. There he made his studies for the priesthood, which he entered in 1895. Almost immediately he was attached to the Congregation of Extraordinary Ecclesiastical Affairs, equivalent to Papal Foreign Office. Nine years later Pius X. sent him to be secretary to the Apostolic Legation at Mexico City; two years later he filled a similar post with the Papal Legate at Washington. The war found him Legate for Australia and New Zealand, whence he was recalled by the present Pope to succeed Mgr. Pacelli in the Foreign Office, who had been ordered as nuncio to Munich.

Mgr. Cerretti has twice been on missions to America. The first time was in July, 1917, when the ship on which he sailed flew the white and gold papal flag, as a moral warning to German submarines. Again, in the Spring of 1919, he came as the Pope's personal representative to the golden jubilee of Cardinal Gibbons. At the Peace Conference, in 1919, although the Vatican had no recognized standing as a political power, Mgr. Cerretti was present as its representative, and did much among the delegates of the Allies toward promoting a true conception of the Holy Father's unswerving neutrality during the war. He also saved the Catholics in the surrendered German colonies from much unnecessary humiliation

The re-establishment of diplomatic relations between France and the Vatican has revived in the Italian press a debate on the relations between the Quirinal and the Vatican and the possibility of a similar reconciliation. Il Messaggero, on June 9, pointed out the mutual benefits to be derived from such a reconciliation. The Pope by recovering his freedom of action, and the State by freeing itself from clerical antagonism. L'Osservatore, the organ of the Vatican, for the first time welcomed such a rapprochement: The Church, it said, had done much to bring it about; it had removed the inhibition which had prevented Catholics from taking part in the civil Government, and had then allowed them to form a political party, and to hold portfolios in the Cabinet; moreover, it had tried to range them on the side of law and order in the recent elections. It awaited only the Quirinal's initiative.

But the cases of France and Italy and their relations to the Vatican are not the same. The differences of the Quirinal and the Vatican are fundamental. The case of the Vatican is this: The Kingdom of Italy from 1860 till 1870 illegally absorbed the States of the Church, and thus deprived the Popes of all temporal power. It makes no difference that the people of Romagna, Umbria, the Marches and of Rome itself voted by plebiscite for incorporation in the kingdom—the illegality exists. That the Vatican, however, would be ready to negotiate for a condition which would at least nominally restore the temporality of the Popes was made clear by Pius X., who wrote:

"The Pope in his character of monarch has the power to contract or to extend his domains like other monarchs and by treaties with them, but he cannot be deprived of his temporality by force." The Vatican believes that the essence of this temporality is still preserved through the Pope's possession of the domain of the Vatican, the Lateran palaces and the villa of Castel Gandolfo.

But the Quirinal does not even acknowledge this semblance of temporality. By the law of May 13, 1871, it considered Pope Pius IX. and his successors to be tenants of these places, with a yearly guarantee by the Italian Government of 3,225,000 lire for their upkeep, which sum, however, is still unclaimed and unpaid. The working of the law of guarantees was illustrated by the following case: When the conclave which was to elect Leo XIII. met in 1876, the Cardinals, fearing that the Roman mob might invade the Vatican and that they might suffer indignities, if nothing worse therefrom, asked the Government for safe conduct to Civita Vecchia, the port of Rome, twenty-eight miles northwest of the Eternal

City. The Government promised them safe conduct, but added that if the conclave was held elsewhere the new Pope could not return to the Vatican.

A revival of the question, coming on the heels of the French reconciliation, has inspired some ardent French Catholics to point out that the domains of the Popes at Avignon and Comatat-Venaissin, in France, enjoyed for six centuries by them until taken away in 1791, might be restored. But no intelligent Catholic deems such a solution possible. Most persons who have studied the question believe that the solution lies in Italy's recognition of the temporality of the Popes over the areas where they now exercise temporal authority, with perhaps an open way between them. They cannot imagine that any large community of Italians, even if the Government permitted it, would exchange its present status for papal rule, as it was in the Eternal City before the troops of Victor Emmanuel made a breach at the Porta Vecchia.

SPAIN'S MURDER SYNDICATE

[Period Ended June 10, 1921]

GERMAN propaganda for trade, if for nothing more, has been revived in Spain by the publication at Madrid of a Spanish edition of the Münchner Neueste Nachrichten, beginning with a series of articles from the pen of the former German Ambassador at Rome, Count von Monts, pretending to prove that Germany was not responsible for the war. Old arguments and old documents are used, among the latter being extracts from the British-Russian correspondence unearthed at the Petrograd Foreign Office by Lenin in December, 1917, and recently published with pro-German editorial notes in a New York paper.

The only difference between this propaganda and that indulged in during the war is that now the Munich paper gives more attention to religious topics than it does to those of interest to the proletariat.

The Paris Matin is publishing a series of articles from its Madrid correspondent dealing with Spain's great syndicate of murder, particulars of which, from time to time, have been presented in Current History. According to the figures of the Matin man in the six months ending April 30, 327 employers of labor had been slain and 167 workers.

After the Spaniards and Moors had agreed upon an armistice on April 24, hostilities were renewed, on May 7, by Generals Sanjurio and Costro, as reprisal for an attack made on a Spanish convoy marching between Meniero and Tyenin.

The new Spanish tariff, which particularly affects the American republics, went into effect on June 1, accompanied by a Ministerial decree imposing pro rata duties on all merchandise imported from countries the money of which has depreciated in comparison with the peseta.

PORTUGAL'S NEW GOVERNMENT

[Period Ended June 10, 1921]

THERE was a political flareup in Portugal in the third week of May; for a time, a cabinet crisis threatened to give way to revolution. On May 21 the Prime Minister, Senhor Bernardino Machado, and the entire Cabinet placed their resignations in the hands of President Almeida. As the opposition forces led by Senhor Augusto Soares had stated their policy as "everything or nothing," and declined to co-operate, rumors were spread that another revolutionist leader, Machado dos Santos, had been proclaimed President of the Republic, and that Senhor Bernardino Machado and Senhor Alvaro had fled to the provinces, where they were attempting to start a counter-revolution. This last story of a revolution and counter-revolution was published in the papers of Madrid.

It was proved to be incorrect but not be-

fore the story had been cabled abroad without any subsequent contradiction. What had actually happened was this: Senhor Machado's Government, which, like its predecessors, had represented the maximum Parliamentary concentration, did not receive an adverse vote, but went out of office through fears of a revolution directed against itself and Parliament on account of administrative scandals.

One measure claimed by the revolutionary junta was the dissolution of Parliament, but the question arose as to who was to preside over the elections, since the constitutional authority would have disappeared. Some appealed for foreign intervention—Great Britain, for example—under which the elections might be guaranteed. But this was denounced by others, as it was reported that Royalists and Integralists were waiting for just such an opportunity in order to prove their supremacy by intrigue, if not through numbers. Finally, on May 25, the President devised a slate which satisfied all parties, at least for the time. It was:

THOME BARROS QUTIROZ, Premier and Finance.
ANTONIO GRANJO, Interior and Commerce.
MELLO BARRETO, Foreign Affairs.
MATOS CID, Justice.
LADISLAU PEREIRA, Marine.
ABOIM INGLEZ, Agriculture.
RIBEIRO DE CARVALHO, Labor.
Colonel ALBERTO DA SILVEIRA, War.

The majority of the press and republican opinion received the Cabinet well. Senhor Antonio Maria da Silva, the former Minister of Finance, who is the leader of the Democrats, declared that the new Premier might count upon the complete support of his party, the new Ministers being Republicans with respect to whose loyalty there could be no doubt. Senhor Antonio Granjo, the new Minister of Commerce, has announced his intention of adopting the proposals of his predecessor, mentioning in particular the measure for the protection and encouragement of the mercantile marine.

THE BALKAN STATES GROWING NEIGHBORLY

Rumania, Jugoslavia and Czechoslovakia collaborating with Italy for an economic alliance that will help Central Europe commercially—Jugoslavia and Rumania sign a treaty of alliance—The Zadruga, a Bulgarian phenomenon

[PERIOD ENDED JUNE 10, 1921]

SINCE the middle of May several events have happened which supplement the movement of the Little Entente, as outlined in the June CURRENT HISTORY, for political solidarity in the Balkans and economic revival in the emancipated States of the defunct Austro-Hungarian Empire. To be sure, the vote of the Austrian Salzburg, north of Italy's new Tyrolian frontier, for union with Germany somewhat disconcerted the Rome Government; for such a union would have a strong influence upon Italy's new German subjects south of the Brenner, who recently elected to the Italian Chamber the entire Bolzano ticket—four members of the Deutsche Verland led by Count Frederick Toggenburg. Also diplomatic exchanges, which ensued between Rome and Vienna, revealed the latter's indifference to the Salzburg vote, which, in diplomatic circles, is looked upon as an entering wedge for Austria itself. On the other hand, the new conference of plenipotentiaries of the Entente and Little Entente, which opened at Porto Rosiga, near Monfalcone, on June 15, is expected, on French as well as Italian initiative, to give the coup de grâce to all Austrian aspirations for a realization of the Salzburg plebiscite. A formal protest against a pan-Austria plebiscite was made by Rumania at Vienna on May 21.

This conference, like the preceding ones at the same place, while nominally called

to devise a formula by which Austria may be economically and financially rehabilitated, has a more extended program in view—the economic, if not the political, interests of the Little Entente and its ramifications in Central Europe. At this conference Lieut. Col. Clarence B. Smith represents the United States in the character of an unofficial observer. The Harding Administration takes the view that the United States is vitally interested, not only in the economic restoration of Central Europe, but also in the methods which the Balkans are able to contribute in order to bring that about. These methods are of particular concern to the American manufacturers of agricultural implements and of railway stock.

Italian delegates at Belgrade completed a commercial treaty with Jugoslavia on June 2. On the same day the Tribuna Belgradese announced that Italy, in collaboration with Rumania, was negotiating at Prague an economic alliance in which Jugoslavia and Czechoslovakia would be brought to a better understanding. According to Signor Salata, one of the Italian delegates at Belgrade, and M. Ribarc, his Serbian colleague, the basis of this alliance would be: (1) The safeguarding and protection of the minority nationals in territory still to be assigned; (2) an immediate exchange of commercial, financial and industrial information among the nations interested for their mutual benefit. Meanwhile the Italian State Railways' New York office announced that the famous Dolomite Road, running from Cortina to Bolzano, via Canazel and Karersee, had been opened for its entire length of seventy miles, and that the public motor service in the Dolomite region would begin running this Summer. This is a distinct achievement for Italian roadbuilders, who performed such miracles of construction for the army during the war.

On June 8, M. Pashitch, Premier and Foreign Minister of Jugoslavia, and Take Jonescu, Minister without portfolio of Rumania, signed at Belgrade an agreement guaranteeing the maintenance of the status created by the Trianon and Neuilly treaties. This means that both Jugoslavia and Rumania will mutually aid each other in preserving what they respectively received from Hungary and Bulgaria. Two days later, at Bucharest, the last bone of contention between Rumania and Czechoslovakia was removed. On the one hand, Rumania agreed to turn over to Czechoslovakia three villages, with a population of 3,000, nearly all Czechs; on the other hand, Czechoslovakia agreed to surrender to Rumania eight villages with a population of 10,000, of whom 7,000 are Rumanians.

The Rumanian Government also appointed a Commission to go to Warsaw with powers to carry out the negotiations with the Polish Government looking toward the conclusion of a commercial treaty and an agreement for the transit of goods through Rumania and for navigation on the rivers connecting the two countries. The Commission is also examining a proposal that Poland be given facilities to use the port of Brailla as a maritime and commercial base in the same way as Czechoslovakia is to use Trieste through the Italian agreement.

Jugoslavia, Rumania and Greece had individually protested to the Bulgarian Government against the alleged invasion of the former Bulgarian territory given them by the Treaty of Neuilly by bands of Bulgar brigands. Individually and collectively they had complained on the subject to the Supreme Council with added recriminations to the effect that Bulgaria was not carrying out the terms of the treaty, particularly in regard to the demobilization of her army and the making of reparations. Bulgaria's answers to the last complaints having been deemed satisfactory by the Supreme Council, the Bulgarian Government, in the middle of April, addressed an identical note to the Chargés d'Affaires of Jugoslavia, Rumania and Greece at Sofia offering in each case to join the complaining Government in a thorough investigation.

As none of the censuring Governments had answered Bulgaria's invitation by the middle of May, Bulgaria laid the entire matter before the representatives of the Entente at Sofia, accusing the interested Governments of entering upon a campaign to destroy the prestige of Bulgaria as well as to obstruct her revival. This had the effect of bringing a reply from Bucharest, and by May 17 a mixed Bulgar-Rumanian commission had made an investigation of the Dobrudja and had signed a protocol that the conditions complained of were mainly due to smugglers and to the laxity of the customs guards on each side of the frontier—

a matter which could be remedied by more stringent regulations by the Ministries of Interior, both at Sofia and Bucharest, working in better accord. It is asserted by the press of Sofia that the complaints of Jugoslavia and Greece, which principally concern Macedonia and Thrace, can be explained and amicably settled in a similar way, although it is beginning to be charged periodically by the Bulgarian Government that armed bands of Serbs and Greeks frequently raid villages on its side of the frontier, burning houses, slaying people and carrying off movable property. Apparently, here, at most, it is the old story of the *comitadjis* of Turkish times.

Stephane S. Bobtcheff, a professor of law at the University of Sofia, has offered an explanation of the phenomenon: While Bulgaria is essentially an agricultural country, rapidly reviving through the confiscation of the large estates for the use of the nation, through the solidarity of landowners and land workers, enforced national labor, and the development of the Green International, the people, at the same time, except in the case of certain urban minorities, will have nothing to do with Bolshevism.

In the Zadrouga he finds the explanation of the illusion of communism without its actuality, for the actuality would mean the obliteration of individual thought and enterprise to which the independent Bulgarian would never consent. The Zadrouga, or union of several families who claim a common ancestry, has existed for centuries in the southern and western regions of Bulgaria. Once there were hundreds of these communities; now there are fewer than fifty. The reason, according to M. Bobtcheff, is that the Zadrouga, being in principle a Soviet, came to grief because it denied its members the rewards of personal initiative—just as the Russian Soviet does—while its best features with personal initiative became absorbed by the nation at large, and today accounts for the national cohesion among nearly all classes. For example, the ideal of the Zadrouga has become nationalized—" Each for all and all for the Zadrouga; each what he is able to do and to each what he needs."

The Zadrouga holds all property in common, and the community, not the individual, may benefit where individual achievement, gain, or ability surpasses the common status. It is governed by the Starei, or Elders; the Domakini, or Auditors; the Zapovednitzi, or Masters, and the Sadii, or Judges. Years ago the Domakin exercised the function of a dictator; at that time the Zadrouga bore an exact resemblance to the Lenin Soviet.

The Zadrouga began to decline when the attractions outside the community proved too strong for the gifted or educated members to resist the rewards of personal achievement and hence personal advancement in the world.

RACE SUICIDE IN CENTRAL AFRICA

THE Gaboon area is becoming a vast graveyard for the dying races of Central Africa, according to Frederick W. H. Migeod, a Fellow of the Royal Geographical Society, who has returned to London from two journeys across equatorial Africa from sea to sea. The sands of the Sahara have been advancing southward and there has been a steady trek of native tribes, as if pushed by the sand, south and west into French territory. There they are held up by the more vigorous coastal races, and they settle down as if resigned to die out. Women refuse to bear children, and in one tribe the chief has absolutely forbidden marriage, with the same idea. It is described by Mr. Migeod as the most amazing case of racial suicide on a huge scale that the world has ever seen.

On the other hand, France is about to attempt to stop the advance of the desert by damming the Upper Niger in order to irrigate nearly 4,000,000 acres of land on which it is proposed to raise cotton. A bill introduced in the Chamber of Deputies proposes to appropriate $250,000,000 for the purpose. With the Niger utilized between Bammako and Timbuctoo, the cotton crop, it is believed, will exceed that in the United States.

HUNGARY AND HER NEIGHBORS

Waiving party differences, Hungarians co-operate to secure internal tranquillity and to improve border relations—Education handicapped by want of the books destroyed under the Bolshevist regime—Tottering Austria—Minority rights in Czechoslovakia

[Period Ended June 10, 1921]

HUNGARY is on the road to consolidation. Although still bitter because of the provisions of the Peace Treaty, she is trying her best to live on friendly terms with her neighbors, especially the secession States, as a political and economic necessity. At present the biggest gap seems to separate her from Rumania, because of the inclement treatment of Hungarians in Transylvania. Refugees still arrive in Budapest from this former part of Hungary, who give vivid stories of their persecution.

Several difficulties must be overcome before friendly relations can be established with this neighbor. What Hungary aims at is economic treaties, and the consequent lifting of the export ban. Although Hungarian money increased conspicuously in value recently, this rise is handicapped because of the obstacles put in the way of commercial traffic with neighbors. Rumania, especially, is slow to come to an understanding with Hungary in this respect.

Relations with Czechoslovakia have improved recently, because of the friendly exchange of views between spokesmen of both Governments on reopening commercial intercourse. Discussions toward this end have brought the date near, it is thought, when all disturbing conditions will be removed. Of course there remain grievances because of alleged disrespect for minority rights granted by the Peace Treaty, such as the political status of Hungarian-speaking citizens residing in Slovakia, and also their right to use the Hungarian language in their dealings with State offices and in their schools.

Decision regarding the four western counties bordering on Austria is eagerly sought. Hungary offers to withdraw entirely from the territory in question if Austria, on the other hand, will give Hungary a narrow strip on the eastern edge of this area, where a number of sugar refineries are located. The contention is that all the beets refined there are produced in Hungary. Besides this, Hungary would grant certain customs concessions on Austrian products along the frontier. For a time Austria seemed inclined to consider the offer, but lately, as if encouraged by some of the Entente powers, she became less willing to compromise her claim established by the Peace Treaty, and indicated a desire to have the provisions executed literally. Parleys were still in progress when these pages went to press.

Although the internal political situation cannot be called tranquil, there is a manifest desire to overlook party lines and work in harmony for the good of the country. The new Ministry under Count Bethlen is supported on important matters by the two major parties in the National Assembly—the Farmers' Party and the Christian bloc. Law and order prevail, and freedom of speech, press and assembly is more and more rehabilitated. A mass meeting by Socialists on May 1 was allowed, and no disorders occurred. That such a meeting was permitted is considered an unmistakable step toward placating opposing groups. In strange contrast, a demonstration by the Christian Social Democrats planned on the opening day of an international congress by Christian Socialists, May 16, was forbidden. It is said that permission was withheld to prevent clashes between the Christian and non-Christian Socialists.

Count Julius Andrassy, having definitely aligned himself with the Christian bloc, delivered a masterly address in the National Assembly, taking sides unequivocally with Christian ideals and Christian Hungary, but he warned all who, under the cloak of such a program, would besmirch the name of Christianity and commit excesses against persons suspected of having supported the Bolshevist régime. He especially enjoined restraint toward citizens of the Jewish faith, and said that anti-Semitism had no place in the platform of a Christian party.

Jungerth, representing the Hungarian Government in its dealing with the Russian Soviet, announced that he had come to an understanding regarding the repatriation of Hungarian war prisoners still under Bolshevist control. The terms provide for their immediate repatriation if the Hungarian Government releases all persons sentenced to death or to more than ten years' imprisonment. The agreement is acceptable to both countries.

Albert Berzeviczy, Chairman of the Academy for Sciences; Julius Pekar, Assistant Secretary of Public Education; Julius Varga and other noted educators deplore the conditions that exist in schools and the shocking dearth of school books. Some schools have been closed for lack of textbooks. For lack of money and material, reprints cannot be made. The Bolsheviki are charged with the destruction of old books, which they described as promoting the interests of the bourgeoisie and a society built upon capitalism. Instead they inaugurated a system of free thought and enlightenment, especially on sex hygiene, and shocking revelations are now being made regarding their system of education.

Because of repeated charges in the foreign press that terrible deeds are committed in internment camps established by the Government to disinfect the nation of rabid theories, Baron Redding-Biberegg, head of the International Red Cross in Switzerland, was invited to inspect such camps. In his report he makes the following statements:

> The unbiased truth is that conditions are satisfactory, and gross misrepresentations were published in the press. In fact, I have made my inspection tour to establish the number and identity of those interned who are citizens of foreign countries. I have advocated their release, and the Hungarian Government is more than ready to grant this. The only difficulty might arise in the case of the Galician Jews, because of the unwillingness of the Polish Government to permit these to cross the border. Uninfluenced by any motive, I might state that although on principle I do not believe in the necessity of internment camps, yet I find that all laws of humanity have been observed. The interned have not adequate clothing, and the American Relief Administration is doing its best to alleviate this need.

The whole country was roused to a high pitch of enthusiasm by the celebration of Count Albert Apponyi's fiftieth anniversary of public service, and, incidentally, of his seventy-fifth birthday. Hundreds of Hungarian towns elected him an honorary Burgess, the National Assembly held a festival session, and special services were held in churches. Felicitations were sent to the aged statesman from all parts of the world, including America, especially by citizens of Hungarian birth.

AUSTRIA—Austria has not yet collapsed, but it is certainly tottering. In the early days of June it was left without a Government, as Dr. Mayr's Cabinet resigned, and the prospect of forming a more authoritative Cabinet is remote. The Government's fall was precipitated by the action of the annexationists, that is, the Pan Germans and other influential groups, who favored unification with Germany. The people are mainly in sympathy with this plan, at least on one score: They hope that inclusion with Germany would mean a brighter future for Austria. Racial sympathies have played a large part in the development of such sentiment. The Provinces of Tyrol and Salzburg have overwhelmingly voted in favor of such alignment, and Dr. Mayr, in view of the attitude of the Allies, especially France, and of the Financial Commission of the League of Nations, could do nothing but point out the conclusions and resign.

Dr. Mayr's warnings remained unheeded, because the various provinces are very loosely linked to one another. The financial outlook is gloomier than ever, because it is feared that, unless some strong hand intervenes, the Allied Commission will leave Austria to her fate. As a last resort it was proposed to hold a joint conference June 15 at Porta Rosa, near Trieste; but even if such a conference should decide on measures, their application is doomed because of the stanch refusal of the Pan Germans to consider anything without unification with Germany. The French, on the other hand, refuse to countenance anything of the kind, because it would strengthen Germany. The French, however, are encouraging the Austrians to yield nothing to the Hungarians on the question of the West Hungarian counties adjudged to Austria in Versailles.

Eleven former army officers, some of high rank, were placed on trial on the technical charge of having participated in the plot of former Emperor Charles to regain his throne. It is alleged that the officers

have recruited legionary troops and placed themselves at the disposal of Hungarian Carlists in pursuance of the plan.

CZECHOSLOVAKIA is trying to solve difficulties which arise over the position assumed by the German element in Bohemia and Moravia, and by the Hungarians in Slovakia; also by the Ruthenians and Ruthen-Magyars in Podkarpatska Rusinia. The question revolves mainly about the minority rights, and spokesmen of all parties seek an understanding to eliminate what can be termed "non-participation" in the affairs of State by the various groups. Rudolf Keller, a publicist of note, recently declared himself in favor of bringing about an alignment. He thinks that the differences can be smoothed out, provided the Czech Government will make some concessions. The solution lies in the admittance of nationality leaders to State offices, equality in all respects, the use of the mother-tongue, definite regulations of the quota of the former national indebtedness by the succession States, and initiation of a State budget system.

Magyar-speaking subjects of Podkarpatska Rusinia, together with some of the Ruthenian-speaking populace, clamor for recognition. Recently, a delegation composed mainly of members of the Hungarian-Ruthenian Party appeared in Prague and sought an audience with President Masaryk. They were not received by the President and had to make their plea to his secretary. They also left a voluminous memorandum in which they made the following claims:

Termination of authority by representatives of the military in civil cases; regulation of the right to vote so that only those would vote who have resided in what was formerly Upper Hungary at least since Jan. 1, 1919; power of the National Assembly in Prague to determine autonomous rights of Ruthenia and to lay down the principles upon which the Ruthenian Legislature should be called into life; reinstatement of all Hungarian functionaries discharged before the sanction of the Peace Treaty for refusal to swear allegiance; recall of administration officials instated since the occupation unless they speak the Magyar or Ruthenian language; restitution of detached territories within the counties of Saros, Zemplen and Abauj; establishment of parallel classes in public, trade and high schools with Magyar as the language of teaching; compulsion of State and municipal authorities to accept papers drawn in the Hungarian language; the taking of a new census, free from falsifications; the establishment of free trade, and the utilization of all revenues derived from forestry and operation of mines for the promotion of interests of that part of the country which is devoted to these industries. Despite these difficulties, conditions seem to improve, and agitation against Czech overlordship is on the decline.

Czechoslovakia has reached an agreement with Austria regarding the gold reserve in the Austro-Hungarian bank. The Czechs will receive 15,000,000 gold crowns and will be permitted to purchase the bank's buildings in the country at the inventory price, less 20 per cent. Czechoslovakia on June 8 also made an amicable arrangement for the exchange of several villages on the border. [See Page 699.]

GERMAN WAR CASUALTIES 6,888,982

GERMANY'S casualties in the World War were placed at 6,888,982 by Dr. William S. Bainbridge of New York, commander in the Naval Medical Corps, in a recent address at Boston before the Association of Military Surgeons of the United States. The figure was determined, he said, through two years' service in Germany during the war as an observer and from the study of official and semi-official publications and statements in German, Dutch and Scandinavian magazines. According to Commander Bainbridge's tabulations, the German losses were divided as follows: Killed in battle, 1,531,148; missing, 991,340; wounded, 4,211,481; died of disease, 155,013. It had been absolutely established, however, he said, that 90 per cent. of the German wounded were refitted for service in the field or at the base hospitals, or rendered self-supporting. Of the sick and wounded who reached the home hospitals in Germany only 1.6 per cent. died.

THE TURKISH DRIFT TOWARD MOSCOW

How a complete reversal of the situation in the Near East was brought about by Mustapha Kemal's rejection of the new allied proposals, and the conclusion of a strong alliance of the Turkish Nationalists with the Bolshevist Government of Russia.

THIRTY days have brought a change, at least on the surface, of the Near East question as it emerged from the London conference last Spring. In the middle of May hostilities between the Greeks and the Turkish Nationalists had ceased; a rapprochement had been effected between the latter's Government at Angora and the Sultan's Government at Stamboul; at Angora the Grand Parliament was sympathetically debating the report of Bekir Sami Bey on the London Conference, the proposals of the Entente modifying the Treaty of Sèvres, and the arrangements he had made with France and Italy; Greece lastly had asked the good offices of Great Britain to intercede at Constantinople and was feverishly seeking a formula by which it might accept the Entente proposals modifying the Sèvres Treaty and still save her face.

Now all is changed. The Government in which Bekir Sami Bey was Foreign Minister has been overthrown; his work at London has been repudiated; the extreme Nationalists, strongly backed by the Moscow Government, are in control at Angora; their motto is "No surrender; no compromise"—no surrender to the Allies; no compromise with the Sultan. Finally Greece is on the point of renewing hostilities, with the assured aid of Great Britain and Italy and with the possible aid of France.

The circumstances which led to this change prove either that the Turk is at his old game of playing one nation off against the others or that the influence of the Moscow Bolshevist Government, whether exerted through promise of material support or threats of coercion, has proved too much for Mustapha Kemal Pasha.

As a token of its good faith the Entente had declared its neutrality in the conflict between the Greeks and the Nationalists, which was a real aid to the latter; Great Britain had released the Turkish prisoners held at Malta; the Italian military Government at Adalia had acknowledged the supremacy of the Turkish authorities there and was preparing to withdraw from the territory; a similar evacuation on the part of the French in Cilicia had released the Cilician Turkish Army Corps for action against the Greeks; there were almost daily conferences between Stamboul and Angora under the direction of the Interallied Commission.

In the first week in May, during the celebration of the first anniversary of the Grand Parliament, Mustapha Kemal Pasha made a speech in which he took occasion to praise the work of Bekir Sami Bey at London, which, he said, gave every promise of early peace; for, as he pointed out, with the acceptance of the Entente proposals and the ratification of the treaties with France and Italy—all, however, capable of modification—the Greeks would be obliged to hasten the steps toward capitulation which they had already taken.

A fortnight later he made before the same body an address which told quite a different story:

> Gentlemen: We are the only victors among the vanquished nations. We have conquered the Armenians in the east and the Greeks in the west. We have entered into agreements with the Western powers on condition that the interests of our country are safeguarded, and we have assured them of our peaceful intentions.
>
> The British statesmen alone pretend to ignore our pacific aims. Among the vanquished nations of 1918, Turkey alone has succeeded in not remaining vanquished, thanks to the provident foresight of our policy and the valor of our arms. Despite the efforts of our enemies during the last twelve months, the Treaty of Sèvres no longer exists, neither in law nor in fact.
>
> They wanted to break up our country and so dismember us. We have prevented it. Today we have powerful and good friends in the East. We have entered into sincere pacts

with the Governments of Azerbaijan, with Northern Caucasus, with Afghanistan and with the Mussulman population of Mesopotamia and Syria, with whom we have the most intimate understanding.

We have precious relations with Persia, Armenia and Georgia. But above all we have established most friendly and fraternal relations with the Russian Soviet Republic, which has promised to support and aid us with all its power, so that we are in a good way. We shall try to strengthen these relations by a program of common action, which will be drawn on fundamental principles at the coming conference at Moscow, in which our delegates will participate. There is no doubt that these efforts will be entirely in conformity with the desires of our people. We shall establish a popular Government, which will govern according to the exigencies of civilization and humanity.

In another speech, a few days later, he went further and said:

We really expected nothing from the London Conference and based our hopes on Moscow. The excellent results of our recent conference at Moscow proved finally the harmony and interests which exist between our two peoples. The Entente diplomats in London, being hostile to Russia, were naturally also hostile to Turkey. Russia and Turkey stand inevitably in similar relations to the imperialistic powers of Europe, and the more we stiffen the struggle in common the more we shall ultimately gain.

What had, meanwhile, happened at Angora?

The trouble began when Bekir Sami Bey presented the Entente proposals and the French and Italian treaties, and recommended the immediate acceptance of the terms in regard to Smyrna and Thrace. He was supported in this by twenty members. Then Kemal Pasha waved the proposals aside and asked that the treaties be considered. A great uproar, led by Remzi Pasha, a cousin of Javid Bey, and Mukhtar, arose in opposition. The clauses which were particularly obnoxious to the extremists were the economic clauses granting rights of exploitation in Asia Minor, despite the fact that these rights were to be granted only on condition that collaboration should be made with Turkish enterprise. Both the proposals and the treaties were unanimously rejected and the Cabinet, of which Bekir Sami Bey was Foreign Minister, resigned.

In Stamboul this action was interpreted as meaning "no concessions to the Entente Powers; down with the reigning Sultan!" In Constantinople also it was declared that the extremists were particularly anxious to repudiate the French treaty, which fact, on the admission of the Old Turks, proves conclusively that Bolshevist agents at Angora completely controlled the Grand Parliament.

The Cabinet of extremists, formed May 22, was made up as follows:

Fevzi Pasha.....Grand Vizier and War
Yussuf Kemal Bey....Foreign Affairs
Ata Bey.....Interior
Fehmi Bey.....Sheik-ul-Islam
Hassan Bey.....Finance
Jelal Bey.....Supplies
Refik Bey.....Public Health
Refik Shefket Bey.....Justice
Omer Lutfi Bey.....Public Works
Hamdullah Subhi Bey.....Education

Two other events at Angora said in Constantinople to have been brought about by the Bolsheviki, were the refusal of the Kemalist Government to receive the son of the Turkish heir presumptive and the hanging of Mustapha Segir, an Anglo-Indian, as a spy.

The circumstances of the first event were as follows: Prince Omer Faruk Effendi, son of the Sultan Abdul Medjid Effendi, left Constantinople on April 28, telling his father that he could no longer restrain himself from joining the Nationalists. It appears, however, that the Angora Government was suspicious and declined to receive him. Thereupon Abdul Medjid sent a protest to Kemal Pasha, as he considered this refusal to be an insult not only to himself and his son but also to the Sultanate. He declared that all the members of his family had the right to go to Angora and also to visit the Turkish Army at the front.

The case of the British-Indian aroused an even greater sensation. The accused, Mustapha Segir, or Sachir, was publicly hanged in Parliament Square at Angora on May 27, after a trial of eighteen days by the so-called Court of Independence. The best account of the trial, which was published in the Bolshevist Chrezvitchaika of Constantinople, may be summarized as follows:

The courtroom was crowded. The prisoner gave his name as Mustapha Segir, and said that he was of Indian parentage and that his age was 33. He added that he was formerly a British Consul in Persia. His defense was that he had come to Angora under British instructions, to work for an amicable feeling on the part of the Kemalists toward Great Britain. Asked whether Earl Curzon had given him his instructions, he answered, "Yes, in part."

Documents said to have been handed by

the prisoner to the British Intelligence Department here were brought up, containing details concerning Kemal, where Kemal lived and the number and speed of Kemal's automobile. A Turkish associate of the prisoner, in giving evidence, detailed other general instructions, such as the finding out of the relations between the Bolsheviki and the Kemalists, what divisions existed in the Angora Parliament, and how to profit thereby; whether the majority were for war or peace by negotiation and how far the Kemalist majority was really hostile to Britain.

The President of the court asked the accused who was really behind him, and to this he replied that in the Foreign Office in London there were two currents of policy, one which aimed at avoiding a widening of the breach between Britain and Turkey, while the other was militarist and aimed at strengthening Greece and wiping out Turkey. He was in touch with the former group. Despite the desire to maintain amicable Anglo-Turkish relations, it appeared, it was also part of the policy of this group to stamp out the Kemalist movement. In this it was allegedly working with the Sultan, the Imperial Court and the Turkish Liberal Party at Constantinople.

No attention was paid at Angora to the appeals made by the British High Commissioner on behalf of the unfortunate Anglo-Indian and he was executed in accordance with the sentence. The case was said to have decided the Interallied Commission at Constantinpole to raise the inhibition which prevented Greek warships from passing through the Straits into the Black Sea, where they will now be able to prevent the Nationalists from receiving any more Bolshevist aid through that route. It was expected that the execution would produce a profound impression in India. In addition to this defiance of Great Britain, the Nationalist authorities took no action to release any British prisoners in exchange for the Turkish prisoners released at Malta.

Bekir Sami had declared at London that the Kurds were perfectly happy under Turkish rule. As a disproof of this declaration, no sooner had he returned to Angora than a Kurdish revolt began. At Mergifoun, on May 31, the Kurds, according to information received in Constantinople, defeated the Kemalist troops and took 2,000 prisoners. The rebels demanded that the Bolshevist delegation be sent home and that negotiations be at once opened with the Greeks by Muktar Pasha for peace. At Angora it was believed that the Kurdish revolt was organized at Stamboul.

On June 9 there was a serious conference of British Cabinet Ministers at the country home of the Prime Minister to consider the new situation in the Near East. Developments along certain lines, it was reported, may call for a change in the policy of the Government. In this case effective aid would be given the Greeks in the shape of munitions and the Black Sea ports of the southern littoral might be blockaded.

It was reported in Athens that British, Italian and French aid to the Greeks up to June 9 had gone much further than the respective Governments had officially ad-admitted. The Greeks were said to be particularly well reinforced in the way of tanks, airplanes and gas shells. According to a Constantinople account they had in line 120,000 men, of whom 80,000 were effectives, while the Nationalists had only 100,000, with but 60 per cent. effectives. According to M. Gounaris and other members of the Greek Government who visited the Smyrna front in the first week of May, the new situation had greatly improved the morale of the Greek Army.

King Constantine, who, it has been reported, outlined the new Greek offensive—for it will be remembered that he was a successful commander of Greek troops against the Turks in 1912 and against the Bulgars in 1913—arrived in Smyrna with a large staff on June 12. Before leaving Athens he issued the following proclamation:

I depart to put myself at the head of my army. Over there, where for centuries Hellenism has fought with the aid of the Almighty, victory will crown the combats of our race, which moves irresistibly toward its destinies. Our predominance there today will assure, as in the time of our ancestors, the realization of the high ideals of liberty, equality and justice.

The last of our race guides our arms and our admirable record of civilization lays upon us duties of which we have a profound appreciation. We have even the right to proclaim with pride that we are accomplishing our purposes. The Greek people in sacred union confers upon us this duty by its incomparable sacrifices.

Confiding in the Divine aid, in the spirit of our heroic army and in the unconquerable force of the Greek ideal, I go where I am called by our supreme national aspirations.

CHINA'S STRUGGLE AGAINST JAPAN

Plans of the Peking Government to resist Japanese aggression and to prevent Great Britain from sanctioning further encroachments—Dr. Sun Yat-sen, elected President of China by the Canton Assembly, appeals for recognition to the United States

[PERIOD ENDED JUNE 10, 1921]

CHINA, big, unwieldy and flabby, is in the hard grip of Japan, but she is struggling. A Tokio paper not long ago stated that the Chinese Government was determined to lay the Shantung issue before the next Assembly of the League of Nations. Not long ago the Peking Government cabled Mr. Wellington Koo—the Chinese representative on the Council of the League of Nations at Geneva—that China's failure at the first League Assembly to protest against the Japanese settlement had created a storm at home; he was therefore directed to pave the way for such a protest in the fullest and most careful way. The Peking Government, following its fixed policy of resistance to Japanese designs, formally warned the British Government in May that, in case of renewal of the Anglo-Japanese Alliance in July, it would repudiate any clauses tending to impair the integrity of China. The decision of Great Britain regarding this renewal, it may be said here, awaits the assembling in London of the Imperial Council. Canada is known to be opposed to embodying in the new treaty any clause which would pledge the United Kingdom to assist Japan in case she and a third nation should go to war, on the ground that this might lead to a situation in which Great Britain and her dominions would find themselves compelled to fight the United States—a possibility which Canada, loyal to American ties and traditions, considers unthinkable.

China is playing a waiting game. The boycott of Japanese goods goes on, causing the loss to Japan of hundreds of thousands of dollars. Peking is working to get a decision of the League of Nations on Japan's octopuslike encirclings in China itself and in Manchuria. The Chinese leaders are striving to prevent the renewal of the Anglo-Japanese Alliance. Bertram Lenox Simpson, a British authority on Asiatic subjects, widely known under his pen name of Putnam Weale, passed through New York in May on his way to London to oppose the renewal of the Treaty with Japan. "If China is forced by Japan to commit suicide," he told an interviewer, "she means to put up a big fight doing it!" Though Japan had lost out on most of the outrageous twenty-one demands, he added, she had made her position in Shantung and Manchuria permanent by acquiring railway concessions for ninety-nine years, and had strengthened her economic control by multiplying her own postoffices, by securing 80 per cent. of the mineral resources of the country, by fighting every effort of the Chinese Government to increase its revenue independently of Japan, by establishing a chain of garrisons on various pretexts, and these, once established, had never been known to be withdrawn. As to the consortium, Putnam Weale declared that Japan had no fear that China would derive any benefit from that, inasmuch as she knew that "the Chinese themselves dislike the proposed measure so much that they will make it unworkable." All in all, he implied, the situation is deplorable from China's standpoint, but she is resolved to publish Japan's aggressions to the world and to fight for her liberty to the end.

Dr. Sun Yat-sen was elected by the Canton Assembly President of the Provisional Southern Government of China—of all China, he himself declared in an appeal for recognition sent to the Government of the United States on May 15—and formally assumed office at Canton on May 5. In the note to Washington Dr. Sun—who was the first Provisional President of the Chinese Republic, and who has rallied to his support a number of prominent Chinese, notably Mr. Wu Ting-fang, the former Ambassador—described the present situation as follows:

> While the Peking Government is fast crumbling from sheer hollowness, foreign domination tends to spread from North to South. The existence of China as a nation

is in jeopardy. Since the unconstitutional dissolution of the National Assembly in June, 1917, no de jure Government has existed in Peking. * * * As the National Assembly which elected me represents the whole country, so it shall be my first endeavor to unite all provinces and territories of the republic under one Government, which shall be progressive and enlightened. * * * The legitimate rights of foreign powers * * * shall be scrupulously respected. * * * Foreign capital and expert knowledge in pursuance of the open door policy will be welcome. * * * I appeal to the Governments of the friendly powers to withdraw recognition from the soi-disant Government, which is avowedly no de jure Government, and which is proving itself not even a de facto Government, and in the same manner in which they recognized the Republican Government formed by the National Assembly in 1913, I request that they accord recognition to this Government, formed now by the same Assembly.

Dr. Sun's appointment elicited from the Military Governors and commanders in the North a joint declaration denouncing him for having ignored the Peking President's plans for a reconciliation of the North and South; they threatened to organize a punitive expedition against the Canton insurgents. Such an undertaking, especially if the previously announced campaign against the insurgent Mongolians takes place, means more demoralization in the vast, disorganized land, more confusion in the already bankrupt Treasury, but the Tuchuns are actuated only by present actualities.

Pankiang, the last base for defense of Outer Mongolia, fell to the Mongols and their Russian allies under General Ungern-Sternberg late in April. The Chita Government was apprehensive of the possibility that this lieutenant of Semenov seeks to build out of Mongolia an anti-Bolshevist empire, though the Mongols had sent peace emissaries to Peking. Chinese military dispatches dated June 5 reported that the Hutukhtu, or Living Buddha, had died at Urga, and that his widow and General Ungern-Sternberg were administering Outer Mongolia together. The Chinese commander on the Mongol front had asked for reinforcements to meet the new offensive threatened by General Chang Tsao-lin to retake Urga, captured by the Mongolian-Russian forces in February, 1921.

The three super-Tuchuns—Chang Tsao-lin, Tsao-kun and Wang Chan-yuan—held an important conference at Tientsin early in May. They haled before them the Prime Minister and several Cabinet Ministers to discuss military and financial policies. The conference foreshadowed important changes in the Peking Cabinet, responsive to the undoubted political power wielded by these military leaders, especially Chang Tsao-lin and Tsao-kun. These changes were announced on May 16 as follows:

Chi Yao-shan, Minister of the Interior.
Li Shih-wei, Finance.
Tsai Chen-chsun, War.
Admiral Li Mingh-sin, Navy.
Chang Chih-man, Communications.

Li Shih-wei, who is a Director of the Sino-Japanese Industrial Company, brings back Japanese influence into the Cabinet. The utter confusion of the finances, the impossibility of demobilization, and the serious situation in Mongolia make the Premier's task very difficult. The Government's lack of money has brought about the wholesale resignation of professors and teachers in the Peking University. The Government's attempts to negotiate a trade agreement with the new Far Eastern republic have been checked, mainly through Japanese opposition.

Abundant rains in Northern China have put an end to famine conditions there, according to a cablegram from the American Minister, Charles R. Crane, on June 10. Millions of lives have been saved since last September by American contributions. In March 6,000,000 people were being fed by the China Famine Fund. A month later American relief organizations were feeding 9,000,000 Chinese. Surprisingly large contributions were made also by Chinamen to the famine fund. Though the famine has abated, the relief work will be continued by church organizations, in order to provide for the thousands of orphans. Subscriptions made through the China Famine Fund totaled $4,374,206. This sum, with the million previously contributed by the Red Cross, $1,250,000 by church agencies, and $250,000 by Chinese, made the grand total exceed $6,874,000.

China's commercial treaty with Germany, signed on May 20, consists of seven articles, deals with the mutual right of appointing diplomatic and consular representatives, and gives to the nationals of both countries the right to travel and trade in

all places where the nationals of other States are permitted to do business. Nationals will be under the jurisdiction of local courts and will be eligible to equality in taxes and other imports on the same basis as other nationals. The agreement is to be the basis of a definitive treaty.

Supplementary notes exchanged specify that China is entitled to apply Article 264 of the Versailles Peace Treaty regarding import charges against Chinese goods. Germany agrees to reimburse China for internment expenditures, and also to pay in advance a portion of the indemnity equivalent to half the proceeds of liquidated German property in cash and railway bonds. Germany is to assist Chinese students.

PERILS OF JAPANESE IMPERIALISM

Alarm over the dangers of Japan's colonial out-reachings evidenced in the holding of an Extraordinary Council at Tokio—Situation in China and Siberia

[PERIOD ENDED JUNE 10, 1921]

THE various kinds of trouble emanating from the annexed or occupied regions on the mainland of Asia are in the aggregate alarming to all thoughtful Japanese. An extraordinary council was held in Tokio, beginning May 18, which discussed the measures to be taken to cope with the situation in Japan's colonial ventures. This council was attended by the highest Japanese military and civil officials of the colonial territories. The sessions were secret, and no official report of what was decided was issued; it was semi-officially understood, however, that the Japanese occupation of Siberia, the Shantung controversy with China, and the attitude of the United States toward Japanese aspirations in the Far East were the main topics of discussion.

Regarding the Siberian occupation, the Kenseikai, or Opposition Party, headed by the former Premier, Viscount Kato, has been unwearied in its attacks on the policy of the Government. Warning after warning has been issued by this leader, stressing the hostility which the presence of the Japanese troops was engendering. The Asahi, a well-known paper of Osaka, was quoted by the Japan Chronicle on April 14 to the effect that an opinion in favor of withdrawal from Siberia was gaining strength in Government circles and was finding support among officers of the General Staff. M. Tanaka, the Minister of War, soon to retire because of illness, was reported to be anxious to effect this withdrawal before his retirement. The Jiji Shimpo, however, declared that Japan would withdraw only one and a half divisions—that she had no intention to evacuate the Siberian territory completely.

This announcement antedated the Kappel coup in Vladivostok, which overthrew the Provisional Government—virtually controlled by the Chita Republic of the Far East—and extended to Nikolsk and other places (May 24). The military situation was so threatening that the people of the Maritime Province appealed to Japan for protection, and it was stated that Japan had promised to send troop contingents to certain points. This new situation, of course, made the prospect of evacuation more remote, as Japan's whole point has been that she cannot withdraw her forces until the political conditions in Siberia are stabilized.

The strained situation with China over Shantung remained in statu quo, though it was decided at the Tokio council that every effort must be made to persuade Peking to negotiate. The Government was called upon to answer a number of opposition attacks, based on the concessions allegedly made to the consortium powers regarding Japan's special privileges in Manchuria and Mongolia. The import of its answer was that though it had consented to exclude these territories nominally, it had still reserved the rights of Japan generally in all territory where she had acquired special privileges. Regarding Korea, the Nichi Nichi declared

that Japan was seeking to conclude a special agreement with China to extend consular and police control of the million or more discontented and even rebellious Koreans in Manchuria and Siberia. The Tokio Government was also considering economic measures for the benefit of destitute Koreans in Manchuria, with the object of combating their disaffection. In her opposition to Bolshevism Japan did not waver; her attitude toward the semi-Bolshevist republic of the Far East at Chita continued to be one of watchful waiting and she maintained her rejection of all trade overtures by Chita pending the attainment of greater stability. Justification of this reserve was found in the Kappel coup, which was aimed at Chita.

With regard to the controversy with the United States regarding Japan's mandate in the Pacific, notably over the Island of Yap—a situation for which Viscount Kato vigorously denounced the Government at a meeting of his party on May 26—it was authoritatively announced from Tokio on May 27 that Japan would not reply directly to Secretary of State Hughes's note to the Council of the League of Nations on the question, but would initiate a series of diplomatic exchanges with Washington in an effort to reach an understanding. The Japanese negotiators at the communications conference in Washington, which went into recess toward the end of May, let it be known that Japan was not averse to some kind of international control of the cables, provided this could be arranged without impairing Japan's political control of the Island of Yap.

Japan has found one more cause for uneasiness in the arrival at Washington of one Soon Hyun, "Diplomatic Agent from the President and Provisional Government of Korea to the United States of America," and his presentation to the State Department of a lengthy proclamation denouncing Japan's acts toward Korea and appealing for American recognition. After recapitulating the various steps by which Japan established her rule over Korea, the appeal concludes as follows:

> The autocratic and militaristic Government of the Empire of Japan deliberately spurned and broke its solemn pledge and promise to the Government and people of Korea and refused to withdraw the Japanese military and naval forces from Korea and Korean ports, when and after the war between Japan and Russia was terminated, but, instead, by unjust and cruel application of military force and arms, made captive our rulers and all our Government officials and, after first declaring a protectorate over our beloved country, finally attempted and assumed to annex Korea and make of it an integral part of the Empire of Japan.
>
> Earnest and patriotic Koreans who refuse to recognize the alleged right or authority of the autocratic and militaristic Government of the Empire of Japan to rule over Korea and its 20,000,000 people look to the United States of America as the great Republic, symbolizing in them an ever-burning beacon light of liberty which will ultimately lead the nations of the world to a universal reign of law based upon the consent of the governed and sustained by the organized opinion of civilized mankind.

In an effort to force the Government to cut down national expenditures, the Opposition Party began late in May an organized study of the possibilities of at least partial disarmament, on which the leaders expect to base the policy of the party in the next Diet. The public campaign of Mr. Ozaki Yukio is said to have done much toward focusing public interest on this question, though the more prominent men in both parties incline to the view that little or nothing can be done in the way of disarmament until the principal allied nations and Japan take up the problem at the initiation of the League of Nations.

MEXICO'S ATTITUDE ON PROPERTY RIGHTS

President Obregon and Secretary Hughes thrash out serious differences regarding the guarantees to be given to American owners of oil wells in Mexico—A proffered treaty that carries recognition with it—Increase of Bolshevism in Mexico

[PERIOD ENDED JUNE 10, 1921]

SECRETARY Hughes brought the discussion of Mexican recognition to a head on June 7 when he announced that the fundamental question was the safeguarding of property rights against confiscation. With that object in view he had proposed a treaty of amity and commerce in which Mexico would agree to safeguard property rights that had existed before the Carranza constitution of 1917 was promulgated. He did not, however, define what he meant by property rights, whether investment of American capital in useful production and development or the acquiring by American capital of vast land and other monopolies, wherever they could be had, and by whatever means. It is the latter feature to which Mexico objects and which she is trying to eliminate by the Constitution of 1917.

What the Harding Administration is seeking to achieve is a mutual accommodation between the United States and Mexico under which there would be no confiscation of legitimate American vested rights and interests. But Mexico hesitates to sign a pledge not to disturb alleged rights vested in monopolies. That is the crux of the difference between the two Governments. The making in proper form of a treaty recognizing property rights, but not monopoly rights, would at once end the controversy and would result automatically in granting recognition to Mexico.

The essential portions of Secretary Hughes's statement of June 7 are as follows:

> The fundamental question which confronts the Government of the United States in considering its relations with Mexico is the safeguarding of property rights against confiscation. Mexico is free to adopt any policy which she pleases with respect to her public lands, but she is not free to destroy without compensation valid titles which have been obtained by American citizens under Mexican laws. A confiscatory policy strikes not only at the interests of particular individuals, but at the foundations of international intercourse. * * *
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> This question is vital because of the provisions inserted in the Mexican Constitution promulgated in 1917. If these provisions are to be put into effect retroactively, the properties of American citizens will be confiscated on a great scale. This would constitute an international wrong of the gravest character, and this Government could not submit to its accomplishment. If it be said that this wrong is not intended, and that the Constitution of Mexico of 1917 will not be construed to permit, or enforced so as to effect, confiscation, then it is important that this should be made clear by guarantees in proper form. The provisions of the Constitution and the Executive Decrees which have been formulated with confiscatory purposes, make it obviously necessary that the purposes of Mexico should be definitely set forth.
>
> Accordingly this Government has proposed a treaty of amity and commerce with Mexico, in which Mexico will agree to safeguard the rights of property which attached before the Constitution of 1917 was promulgated. The question, it will be observed, is not one of a particular administration, but of the agreement of the nation in proper form which has become necessary as an international matter because of the provisions of its domestic legislation. If Mexico does not contemplate a confiscatory policy, the Government of the United States can conceive of no possible objection to the treaty. * * *
>
> The question of recognition is a subordinate one, but there will be no difficulty as to this, for, if General Obregon is ready to negotiate a proper treaty and it is drawn so as to be negotiated with him, the making of the treaty in proper form will accomplish the recognition of the Government that makes it.

President Obregon has repeatedly stated that he would sign no formal treaty or protocol as a condition of recognition. He said on May 20:

> The acceptance and signing of a convention to obtain recognition by the United

States would be equal to placing in doubt the rights that Mexico has to all the privileges international law establishes. Mexico is not a new State. Her rights cannot be doubted as a sovereign country. Mexico will evade none of her obligations, accepting, moreover, all the responsibilities of her situation.

On May 22, George T. Summerlin, Chargé d'Affaires of the American Embassy at Mexico City, left Washington with the memorandum prepared by Secretary Hughes, which, it was said, avoided any reference to the existing controversy, but affirmatively guaranteed the rights of American property and American citizens in Mexico. Mr. Summerlin arrived in Mexico City on May 27, and presented the memorandum to President Obregon. The latter's reply was received in Washington on June 3 and was considered not entirely satisfactory. He stood out for his original contention that negotiations must be conducted with both parties acting on the basis of equality. But Washington is not disposed to abandon the upper hand, and intervention to coerce Mexico into adopting the Administration view has already been suggested. It was stated that no foreign Government would object to anything the United States chose to do to Mexico. The interests in Mexico of British, French and Dutch companies are mainly concerned with oil, are similar to those of the American concerns, and look to the United States to act in their behalf. The propaganda in news dispatches on the controversy with Mexico is enormous.

The Mexican Foreign Minister on June 9 announced the willingness of Mexico to agree to some of the suggestions contained in Mr. Summerlin's memorandum after certain changes had been made by the United States Government. It was confidently expected that these changes would be made. A note from President Obregon asked for forbearance on the part of the United States until its suggestions could be carried out in a legal manner.

That there is some danger from Bolshevism in Mexico all parties admit. On May 1 communists in Morelia, the capital of Michoacan, rushed the cathedral guards, destroyed the images and raised the red and black flag of their creed on the church tower. Police easily dispersed them and restored order. On Thursday, May 12, a mass meeting was called to express indignation at the event. Some 15,000 persons assembled in the Aztec Garden and were preparing to march through the town. Suddenly they were fired on by police and soldiers, apparently under orders of the chief of police, who was present. He had attempted to persuade the paraders to disperse and on their refusal the clash followed.

Radicals among the spectators joined the police in firing on the crowd, and in a few minutes the streets were filled with fighting men, women, and children. More than a hundred persons were wounded and a score killed, among the latter being an Inspector of Police and a prominent Red leader, named Isaac Arriaga, who was also chief of the local agrarian commission, then holding hearings on land cases. Federal troops restored order and replaced the city police, patrolling the streets. A manifesto was issued from the headquarters of the Catholic women of Mexico to observe May 17, 18 and 19 as days of mourning for the victims of the riots at Morelia.

On Friday, May 13, mobs bearing red flags took possession of the capitol in Mexico City while Congress was sitting. Their leaders mounted the tribune and made subversive speeches. Some members who ventured to protest were roughly handled and were thrown out of the hall. Only the prompt arrival of Yaqui Indian battalions, it is said, saved the building from destruction and cleared out the Reds. President Obregon immediately instructed the prosecuting attorney to investigate all the facts and bring to justice those who took part in the disgraceful demonstration.

These events strengthened the Liberal Constitutionalists, who form the dominant political party, with Obregon himself as its leader. Hitherto reckoned extremely liberal, they have been joined by Catholic and independent members in the line-up against the radical groups. A memorial signed by 138 Liberal Constitutionalist Deputies and several Senators was sent to President Obregon on May 17, urging him to deal vigorously with the ultra-radicals, warning him that he might meet the fate of Francisco Madero if he fails to change his policy, and advising that Elias Calles, Secretary of the Interior, and Adolfo de la Huerta, the former Provisional President

and now Secretary of the Treasury, be dropped from the Cabinet as having encouraged the radicals.

President Obregon issued orders prohibiting mass meetings, parades and all kinds of demonstrations. Nevertheless, disorders continued. On June 4 the American Embassy was guarded by police armed with rifles following notice that a group of Italian anarchists had planned to blow up the embassy. On June 5 a bomb was placed inside the palace of Archbishop Orozco y Jimenez of Guadalajara, which exploded and destroyed the south side of the building.

The Archbishop was not at home. The Knights of Columbus called meetings to discuss measures to protect the lives of church officials and a group of young Mexicans planned to start a newspaper to combat Red doctrines.

A revolutionary plot in the State of Oaxaca appears to have had ramifications in all parts of the republic. Followers of Carranza boasted that some Mexicans and American oil men had organized a campaign in Washington to place Esteban Cantu in the Presidency, with Manuel Cahero as Vice President, and to force Mexico to return to the Constitution of 1857. Plotters planned to capture the city of Oaxaca and had established headquarters in a school building near by. It was surrounded early on June 4 and a dozen men were arrested, among them José Sanchez Juarez, grandson of Benito Juarez, Mexico's great reform President, and Jesus Acevedo, former Governor of Oaxaca. Documents seized are said to have recognized Félix Diaz as their chief. Simultaneous outbreaks were planned for June 6 in Guadalajara, Morelia, Monterey, Saltillo, Torreon, Chihuahua and other smaller cities. General Gonzalo Enrile, who was taken at Oaxaca, was shot while attempting to escape from prison. General Fernando Vizcaino was caught in Mexico City, court-martailed and shot. He was chief of staff of General Pablo Gonzales and documents found on him showed a combination between Gonzales and Cantu, the ousted Governor of Lower California.

Mexican outlaws in Yucatan sacked a hacienda owned by Edward Thompson, a former United States Consular officer, destroying valuable historical documents and antique Indian relics, the result of twenty-six years' collecting. Mexico will be asked to indemnify. Elmer Buchanan, an American on the ranch of A. M. Berkeley, was killed and another American wounded near Tampico on June 1.

General Maximilian Kloss, an Austrian in Carranza's war department, was shot and killed before his home in Mexico City on May 21. Obregon had made him Consul General at Berlin, but he had been recalled four months ago for special duty in the war office.

Mexican railways, previously under the dual management of the Treasury and the Department of Communications, were transferred directly to the Executive Department by order of President Obregon on May 30, as a result of the recent strike.

A decree was issued on June 7 announcing that petroleum companies must pay an average increase of 25 per cent. in export taxes on their products, beginning July 1. It is expected that this increase will net the Government about $15,000,000. The proceeds, it was announced, would be used solely in making payments on Mexico's foreign debts. This is the first move made to begin settlement of these debts which have been in default since 1913. The decree, which is based on the law of May 8, 1917, is aimed at the prevention of excessive production, the protection of the nation's oil reserves and at compelling exporters to pay toward the national expenses a proportionate amount of their profits. American oil interests denounced the decree as confiscation, and appealed to the State Department to interfere in their behalf. Another step in Mexican financial reform was contained in a decree of June 8 prohibiting the importation of any foreign money except gold or the circulation of any such currency after July 1.

THE CENTRAL AMERICAN UNION

[Period Ended June 10, 1921]

COSTA RICA on May 15 ratified the agreement to join the Central American Union, which thus becomes a strong federal republic, consisting of the four States of Guatemala, Honduras, Salvador and Costa Rica. Only Nicaragua held out, unfortunately cutting off land communication between Costa Rica and the rest of the new republic. She feared that entrance into the union might in some way involve her rights under the Bryan-Chamorro treaty, which provided for the possible building of an interoceanic canal across Nicaragua by the United States. There is nothing, however, in the Central American pact to sustain this stand. Article 4 is a specific pledge to carry out faithfully all previous international treaties to which the several States had bound themselves.

Speaking on June 1 at a luncheon in honor of Maximo H. Zepeda, Nicaraguan Foreign Minister, who was about to leave for Europe, Secretary Hughes gave a cordial indorsement to the Central American Federation, saying it would "in the opinion of this Government be a happy result, as it would seem that important advantages would accrue through united effort in the field of common interest." This, it was thought, would be the means of inducing Nicaragua to join the union. Nevertheless she maintains her separate legations, while Guatemala on June 5 voted to close her legations in Cuba, England and Spain.

The first gas well ever discovered in Costa Rica has been brought in at Cahunite, about 180 miles west of the Panama Canal. Gas was struck at a depth of about 800 feet, and the estimated flow was a million cubic feet daily.

GUATEMALA — A strong plea for immigrants was made by Dr. Julio Bianchi, Guatemalan Minister, at a conference on world trade in New York on May 17. The United States, he said, had the capital, Europe had the people and Latin-America had the land. The people want to leave Europe, America wants to employ her capital, Guatemala needs the development which the two together could give.

A cattle company financed by Americans is negotiating for the purchase of 17,000 acres of coast land near Puerto Barrios, on the Atlantic, now covered by a dense tropical forest containing valuable mahogany trees. These would be cleared and sold, and the land be used for raising cattle.

The United States, it was reported from Washington on June 3, was about to urge Guatemala to release from prison Estrada Cabrera, former President, who was deposed by the revolution of April, 1920.

PANAMA.—Instead of acquiescing in the settlement of the Costa Rican boundary dispute, as affirmed in Washington, Panama appealed to South American nations to intervene in her controversy with the United States, sending envoys to Peru, Argentina, Brazil and Chile to demand that final disposition of the disputed area be left to a commission from the Latin-American nations and the United States. Panama also sent her Foreign Minister, Narciso Garay, to Washington to make a final appeal to Secretary Hughes. He presented an opinion rendered by Dr. Bustamente, the Cuban authority on international law, that Chief Justice White exceeded his jurisdiction as arbiter of the dispute and that Panama is therefore justified in refusing to accept the award, Señor Garay met President Harding on June 7 and expected to have a conference with Secretary Hughes, but there were no indications of any change in the attitude of the United States.

PANAMA CANAL ZONE.—The Secretary of War on June 2 named a commission to be sent to Panama to investigate the entire civil administration of the Canal Zone. The present system, Mr. Weeks explained, was wholly one of State socialism, practically the entire population being on the Government payroll, employes being furnished with living quarters and buying provisions from Government commissaries at cost, while wages are 25 per cent. higher

than for similar work elsewhere. He believes considerable money can be saved by a thorough reorganization.

SALVADOR—Earthquakes in Salvador on May 14 were followed in June by a four-day flow of hot water from the volcano of San Miguel and a terrific storm which swept down from the mountain, destroying twelve villages and ruining crops.

American fire insurance companies were reported on May 16 to be canceling policies in San Salvador on account of the prevalence of incendiarism.

REFORMS UNDER CUBA'S NEW PRESIDENT

Dr. Zayas begins by recommending many important changes and rigid economies —Help furnished by Generals Crowder and Goethals—Other West Indian Islands

[PERIOD ENDED JUNE 10, 1921]

DR. ALFREDO ZAYAS was inaugurated as fourth President of Cuba on May 20, taking the oath of office before a brilliant assemblage in the National Palace. The ceremony marked the end of one of the bitterest campaigns in Cuba's political history. Earlier in the day General Francisco Carillo took the oath as Vice President in the Senate Chamber. Immediately after the inauguration Señor Menocal, the retiring President, boarded a steamer for Key West and New York, on his way to Europe with his family for a rest. He is going to Spain, where he will present a speed boat, the gift of the Cuban Government, to King Alfonso.

The Cuban Congress met on May 21, and President Zayas delivered his first message, urging among other things ineligibility of the President for re-election, election of President by direct vote of the people, abolition of the rule requiring a quorum of two-thirds in both houses of Congress before sessions can be opened, creation of a Federal district to include Havana and suburbs and to be governed by a commission; abolition of immunity for members of the Legislature, and authorizing larger cities to organize a new form of municipal government.

President Zayas also recommended rigid economy by reducing the budget of Government expenses for the year beginning July 1 from $136,000,000 to $60,000,000. He asked that Congress, if it did not care to undertake such revision, allow him to put into effect the budget of $64,000,000. Cuts in expenditures he called for in every governmental department except education. He urged the necessity of revising the commercial reciprocity treaty with the United States, especially regarding sugar and tobacco, and the establishment of a national bank which could issue notes and act as fiscal agent of the Government.

Reorganization of the Cuban army of 11,000 men, which now costs $6,000,000 a year, owing chiefly to the high salaries paid, is another of Dr. Zayas's proposed tasks. Elimination of sinecures was initiated on June 7 by a decree ordering the Secretary of the Treasury to investigate every case where there is reason to believe Government employes are not earning their salaries.

Many of the proposed reforms were said to have been inspired by General Enoch H. Crowder, who was sent to Cuba by President Wilson to straighten out the electoral tangle that followed the campaign there. On June 2 Enrique Maza introduced a resolution, which was adopted, asking the President to furnish Congress with information on General Crowder's mission and the powers he possessed. The Deputy declared that the United States in aiding Cuban independence had acted simply for the selfish purpose of gaining more power.

Another American, Major Gen. Goethals, has been inspecting Cuba for the purpose of improving the public roads. He left on June 9, but will return in July to attend the opening of a new highway between Havana and the eastern end of the island.

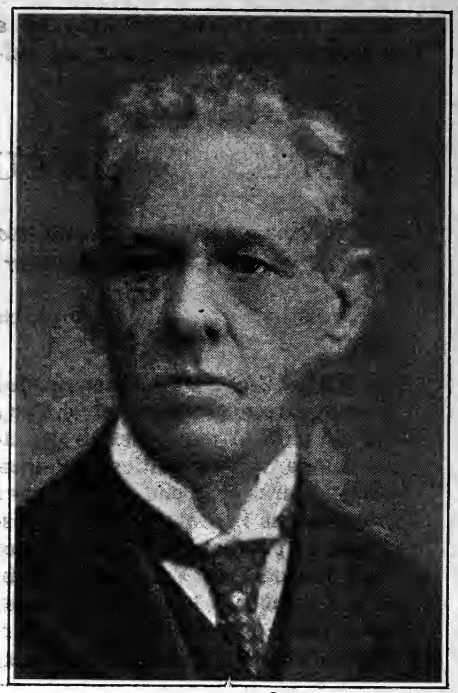
Cuban finances are very slowly emerging from the difficulties occasioned by endeav-

oring to keep up prices of sugar against declining markets all over the world. Seven large institutions have been obliged to liquidate and three small banks suspended payment owing to heavy runs. New York banks have approximately $40,000,000 tied up in Cuban sugar. On May 30 there were 139 mills grinding, while the warehouses held 1,322,000 tons, as against 661,000 last year. Expiration of the moratorium on June 16 was looked forward to with anxiety and a conference of American bankers was called for June 14 to consider the situation. Meanwhile trade in the island is stagnant and unemployment is growing, 75,000 being out of work in Havana.

General José Miguel Gomez, former President of Cuba and leader of revolutions during the Spanish régime, died in New York on June 13 at the age of 65. When still a mere lad Gomez had taken up arms against Spain, and had served with distinction in the patriot army during the Ten Years' War (1868-78). Again, in the '90s, he took the field with the revolutionists in the bitter struggle that led to the Spanish-American war. At this time he held a commission as Major General. He became a member of the Constitutional Convention during the American occupation of Cuba. Later his revolt against President Palma's administration led to American intervention and to his imprisonment. Released from prison, he was elected President in 1908 by the Liberal Party. Almost to the end of his life he was in active opposition to his successors in the Presidency.

PORTO RICO—Statehood or independence is the demand of the Porto Rican Unionist Party with which the new Governor of the island, E. Montgomery Reily of Kansas City, is confronted at outset of his term. The demand was presented to President Harding last Spring, accompanied by a request to have the Governor elected instead of being appointed. This would require legislation, and Porto Ricans were anxiously awaiting the result.

HAITI—Three Haitian delegates presented a memorial against atrocities by American marines and a demand for their withdrawal. They expressed resentment at Secretary Denby's remark that the charges are "the same old rot." The National Association for the Advancement of Colored People subsequently reported that Colonel John H. Russell, commanding the marines in Haiti, had imprisoned two native



(© Harris & Ewing)

DR. ALFREDO ZAYAS
Latest photograph of the new President of Cuba

editors, Jolibois and Lanoue, and had forbidden Haitian newspapers to publish American comments on the memorial to Congress.

SANTO DOMINGO—The State Department at Washington announced on June 7 that a proclamation would be issued soon fixing the date when the American Government forces would be withdrawn from the Dominican Republic. This proclamation was issued on June 14 in Santo Domingo City by Rear Admiral S. S. Robison, the Military Governor. It pledged withdrawal within eight months, provided that certain conditions were fulfilled, among others the following: Orderly elections for the new Government, ratification of the Military Government's acts, and validation of the republic's loan. The primary assemblies to choose the electors were to be convened by the Governor within one month.

SOUTH AMERICAN DEPRESSION

Drop in exchange and in prices of staple products reduces trade and causes severe suffering—Nearly $100,000,000 of American exports lying unclaimed in South American ports to be liquidated by a new corporation.

[PERIOD ENDED JUNE 10, 1921]

SOUTH AMERICA has suffered severely from the decline in the prices of raw materials to the production of which they are particularly well adapted. It has even become difficult to dispose of them at any price owing to the decreased purchasing power of European countries which were the principal takers of South American exports. It is estimated that American merchandise valued at almost $100,000,000 is lying unclaimed at Buenos Aires, Rio Janeiro, Montevideo and Valparaiso owing to the decline in exchange.

A determined effort is now being made to liquidate these goods. A committee of eight was appointed at a meeting of more than 300 exporters in New York on June 3 to form a corporation to take over the rejected and unclaimed merchandise in South American ports, daily depreciating in value from exposure and storage charges, and in some cases subject to sale by auction in the importing countries. The corporation will take title by assignment and determine in each case whether to sell the merchandise at a percentage of invoice where it lies or to transship it, perhaps for return to the United States.

At the second Pan American Postal Conference to be held in August in Rio Janeiro an effort will be made to lower rates on parcels and mail matter to South America and establish closer connections with the United States, such as were urged by Esteban Gil-Borges, Venezuelan Minister of Foreign Affairs, during his visit to the United States. At the same time the independent commission formed to investigate the working of the League of Nations has drafted a report recommending that the League organize a separate bureau for Latin Americans to strengthen the relations of South American members. A group of Spanish merchants intend to send a floating sample exhibition of industries to Latin American ports in an endeavor to capture the markets there.

ARGENTINA—Argentine commerce is believed to have touched bottom and the American Chamber of Commerce in Buenos Aires, on June 9, sent an invitation to Herbert Hoover to visit Argentina at an early date to assist in its revival. German manufacturers are said to be obtaining considerable orders for wire fencing, railway rolling stock, steel rails and other products at prices with which no other country can compete.

Strikes have added to the trade depression in Argentina, and several conflicts have occurred with union port workers who tried to prevent non-union men from unloading ships. The Custom House warehouse at Buenos Aires was burned on May 29, causing a loss of millions of pesos. The Government is now protecting non-union labor, and it was believed, as this issue of CURRENT HISTORY went to press, that the general strike called to support the port workers would prove a failure.

Argentina has suffered a great loss in the death, at the age of 63, of Dr. Luis Maria Drago, noted jurist and author of the world-famous Drago doctrine. He died on June 9 in Buenos Aires. He held that the collection of private loans in one country by the military forces of another implied a potential occupation of territory, and was therefore at variance with the spirit of the American policy. The occasion was the simultaneous appearance off the coast of Venezuela in 1902 of German, Italian and British warships to collect a private debt owed by the nation to individuals in their respective countries.

BRAZIL—An issue of $25,000,000 twenty-year 8 per cent. noncallable bonds of Brazil was offered to American investors on May 16 by a syndicate of New York bankers and was oversubscribed in forty-five minutes. The proceeds are to be used in the electrification of the Government railways, and all materials and supplies will be pur-

chased from American manufacturers. This is the first time Brazilian securities have been sold openly in the American market.

Two American companies have recently been organized to develop tracts of forest and diamond-bearing lands in Bahia, Brazil.

Hugo Stinnes, the German captain of industry, is reaching out for ore fields in Brazil, one of his companies, the Rhine-Elbe Union, having acquired rich deposits of iron ore in the Sabara district of Minas Geraes. A German shipping company will carry the ore to German smelters and transport German coal on the outgoing trips.

Brazil is rapidly developing her oil fields, which now number thirty-five, representing an area of 25,000 square kilometers in the States of Alagoas, Pernambuco, Bahia and Sergipe. There are more than 200,000 square kilometers of petroleum fields to be developed, with an estimated capacity in ten years of 500,000,000 barrels. Wells on Government land are property of the Government; those on private lands belong to the owner. Residents or foreigners may operate under license, but both Federal and State Governments can appropriate privately owned oil wells if public necessity justifies it.

Six American scientists, headed by Dr. Henry H. Rusby, Dean of the College of Pharmacy of Columbia University, are about to explore the headwaters of the Amazon. They intend to pick up the lost trail of Theodore Roosevelt's River of Doubt and trace it to its source. Their chief object is the discovery of new herbs and drugs for the enrichment of medicine.

CHILE—The Chilean Congress opened on June 1, and President Alessandri in his first message emphasized the necessity of reaching a solution of the Tacna-Arica question, suggesting that a plebiscite be held for the purpose of determining whether those districts should remain Chilean or become Peruvian. He asked for a conference with representatives from Peru, Colombia and Ecuador, to settle the boundaries of all the west coast nations, so that the peace of the South American Continent may not be disturbed.

He also proposed the creation of the office of Vice President, reorganization of the Foreign Office and the separation of Church and State, and also advocated woman suffrage. He included in the administration program a Government control of nitrate prices and a participation in profits in return for the abolition of export duties and the suppression of speculation.

Announcement was made on May 17 of the sale of 2,000,000 tons of nitrate by the Chilean Nitrate Producers' Association to a nitrate pool in London at £14 a ton, shipments to begin in September. Fire on June 8 destroyed 30,000 tons of nitrate stored at Iquique, causing a loss of 2,000,000 pesos.

COLOMBIA—Earl Harding, Chairman of the Colombian Commercial Corporation, in an address to the Pan American Advertising Association on May 29, announced that Colombia would use the $25,000,000 which she will receive from the United States under the treaty ratified by the Senate in public improvements and railway development. Much of it will be spent for materials to be purchased in the United States.

One of the larger islands located in the harbor of Barranquilla, at the mouth of the Magdalena River, has been acquired by the Petroleum Company, Ltd., a subsidiary of the Standard Oil Company of New Jersey, on which a refinery with a daily capacity of 25,000 barrels will be erected.

ECUADOR—Professor W. W. Rowlee and George W. Mixter are exploring Ecuador for quipe timber for the American Balsa Company. Quipe is a very light, buoyant wood, used extensively as a substitute for cork in the manufacture of life preservers and similar articles.

Messages from Santa Elena, sixty miles southwest of Guayaquil, on May 20, reported that oil had been found on the fields of the Ancon Oil Company at a depth of more than 3,000 feet.

PERU—Virtually all the nations of the world have been invited to send representatives to Lima in July to attend the celebration of Peruvian independence. Many have already accepted, and American participation was expected to be authorized by the Senate at the request of President Harding. Argentina will send a cavalry troop and an air squadron. Bolivia will send a company of infantry. An international exhibition will be opened about July 20, in

which the agricultural and mineral products of Peru will be displayed. Foreigners are planning to exhibit and Peru has agreed to admit the exhibits and permit them to be sold free of duty and consular charges. An equestrian statue of José de San Martin, the Argentine General who played a leading part in the liberation of the South American colonies from Spanish rule, will be unveiled.

With reference to the reported disturbances in Peru, noted in CURRENT HISTORY for June, Récardo Espinosa, Director of Government, cabled to The New York Times under the date of Lima, May 21, denying that President Leguia has set up a dictatorship and stating that the political exiles comprised a small body of political malcontents who had failed in a conspiracy against the Government, involving assassination.

Among the exiles was General Oscar Benavides, a former President of Peru. They were deported on the steamer Paita on May 11, ostensibly to Australia. When six days out, about 1,500 miles off Callao, they overpowered the officers of the Paita, took possession of the steamer and directed the crew to steer for Costa Rica. A dispatch from San José announced their arrival on May 25 at Punta Arenas. They were detained on board pending consideration of their appeal to the Costa Rican Government for asylum. They pledged themselves to abstain from interfering in Peruvian politics if permitted to land and remain in Costa Rica.

A partial moratorium was declared in Peru on May 14. Debts owed to banks are collectible in instalments of 10, 20 and 30 per cent. at the expiration of 30, 60 and 90 days, but the collection of foreign drafts was excepted from the decree.

VENEZUELA—According to a dispatch from London of June 9 a British company has sent two airplanes, aviators and photographers to Venezuela to prospect for oil in the Orinoco delta. It is said that wherever oil seeps to the surface of the ground the vegetation withers and dies, and photographs show this plainly.

ITALY'S NEW PARLIAMENT

Premier Giolitti's new Coalition Government apparently can count on the support of 275 Deputies, as against a possible opposition of 260—Detailed results of the recent elections

[PERIOD ENDED JUNE 12, 1921]

ALTHOUGH Article 3 of the decree of King Victor Emmanuel, issued April 7, appointed June 8 for the convocation of the Senate and of the Chamber to be elected May 15, Parliament did not assemble at Montecitorio until June 11, when the Deputies were sworn in and his Majesty delivered his Address from the Throne; they were then to adjourn until June 13 to elect the President of the Chamber.

Of the 535 Deputies composing the new twenty-sixth Legislature only about 300 were present to take the oath and listen to the address. Among them were many Socialists, all of whom rose when the King entered, as did all the Fascisti. It was expected that both parties would absent themselves in a body; the Socialists, by orders, and the Fascisti, because their leader, Benito Mussolini, had said: "No one can swear that the cause of Italy is necessarily bound to the monarchy." But it developed that the anti-monarchical interpretation put upon the phrase was due to Socialist propaganda.

The King's speech took scarcely ten minutes. His theme was co-operation and national loyalty for the reconstruction of the country — political and administrative reforms and cordial, sincere loyalty to Italy's allies and *Associato* (The United States). The matters which most needed legislation set forth April 2 in the address of the Council of Ministers to his Majesty asking for dissolution and a new election were indicated but not mentioned. At the session of June 13 Enrico de Nicola, who had been President of the twenty-fifth Legislature,

was re-elected to that office. He is a Neapolitan lawyer of great energy, eloquence and patience, who declined portfolios under both Nitti and Giolitti. Again and again he had quieted interruptions in the last Chamber by saying to the disturber—once the Hon. Orlando—"Why not show the same attention that you desire others to show when you have the floor?"

So Signor Giolitti, as President of the Council and Minister of the Interior, with a Cabinet composed of five members of his own party, three Popularists or Catholics, three Radicals, two Reformists or War Socialists, and two non-political experts holding the portfolios of Foreign Affairs and the Navy, faces the new Chamber composed of 535 Deputies, over 200 of whom have never before sat in Montecitorio, and among whom there are more doctors, lawyers and professors than at any time in recent years. What may happen has not even been indicated at the preliminary meetings of party leaders; still, certain figures and political facts will explain most eventualities. According to the official division, the parties which the Government counts on for 275 votes, thus forming the constitutional bloc, the result of local coalitions, are as follows:

Liberal Democrats (Giolitti's own party)	106
Nitti Liberals	41
Progressives, or Anti-Socialist Agrarians	26
Fascisti	28
Radicals	37
Reformists	21
Independents	16
Total	275

The Opposition is thus officially divided:

Popularists, or Catholics	107
Republicans	8
United Socialists	121
Communists	14
Slavs	6
Germans	4
Total	260

This gives the Government a majority of only fifteen, which may at any time be wiped out by the Nitti Liberals. In such an attempt to overthrow the Government, however, support, it is expected, would come from the Popularists, who have representation in the Government, notwithstanding the fact that they are listed with the Opposition, because in the past the extremists among them have voted with the Socialists. At the same time their prestige is threatened by the Socialists, whose leaders, in certain circumstances, are ready to replace the Popularists in the Government. Both parties, however, would unite against the Government should it attempt to put through an election law to take the place of the *scrutin de liste*, which, as the only organized parties, save the Republican, they have found to be to their advantage.

For two bills the Government counts on Catholic and Socialist coalition or support: A bill for the breaking up of the large estates with equitable profits for peasants and landowners, and a bill for co-operation of the workers in the large industries. If the Government is forced to make concessions, at the risk of losing the support of the more conservative elements in the bloc, it has prepared bills on a reform of the judiciary, decentralization of certain Government departments, and the yielding to Parliament of the sole right to declare war and negotiate treaties. Both the Catholics and the Socialists will support the Government if it presents its bill on free education in the right way.

The Socialists, in the late election, carried no constituency completely; their greatest return was seventeen out of the twenty-eight Deputies elected in Milan-Pavia; in fifteen they were entirely unsuccessful; elsewhere their ratio was two to seven. The four Germans in the Opposition are members of the Deutsche Verland of Bolzano; the six Slavs are members of the Slavic Unity of Gorizia-Gradisca and Istria-Parenzo. Thus of the twenty-seven Deputies elected from the former Austro-Hungarian territory ten are Outlanders. Bombacci, the prescribed communist leader, was elected from Trieste.

In the third week in May Government employes numbering 20,000 went on a "white strike"—that is, they reported for rollcall, but did not work—by which they hoped to evade the law which visits a Government employe with discharge if absent without leave. Italy's civil servants all over the country number 400,000, and a general strike would have seriously crippled or annihilated Government business. The Fascisti were appealed to by the strikers, but these modern Lictors merely advised them to return to work and let Parliament handle their grievances, which they did on June 10 after 4,000 of them had been discharged or otherwise disciplined.

WHAT IS THE MATTER WITH BUSINESS

American export trade is still suffering from abnormally high prices, but Europe is showing signs of recovery—French trade improving and Germany takeing long strides —Facts and figures that indicate a more encouraging trend in the United States

AN intent scrutiny of the past may seem a strange preparation for a glance into the future, but only an intimate knowledge of the past insures a fair judgment of the probable course of events and of present opinions of them. It is only necessary to call up memories of opinions of the present, formed when the present was yet a month or so away, to appreciate the truth of this.

When the armistice was signed, the world was thrown off balance by the tremendous relief from a conflict of years. Optimism was the common feeling. At last everything was to be well with the world. Europe was to go to work, trade was to revive, things were to return to normal. But they didn't. Instead, matters appeared to grow worse. Prices rose with a rush to points never approached in war times. Business activity became actually violent until, as unexpectedly as they had risen, prices halted, wavered, broke and fell. Business declined, trade fell off. Everywhere there were signs of deepest depression.

On every hand were heard arguments that Europe was bankrupt, that the Continent could never pay its debts, and that Germany would never pay the indemnity. Bolshevism was seen as a menace about to spread westward from Russia, engulfing all transatlantic civilization in its progress. Optimism gave way to bitterest pessimism. Failures and panics here were freely predicted. Everything seemed wrong with the world. But again sentiment was mistaken. None of the things predicted happened. Instead, the world went plodding along as though upon a pre-destined path, improving a little here and a little there, successfully overcoming an assault on this side and an attack on that, until that time which was the future has become the present, and now new prognostications are being made with no less assurance because the prognosticators have seen their earlier prophecies discredited and denied.

The head of one of this country's biggest hardware businesses, an institution with an international reputation and trade mark, was moved to comment on these facts the other day. Said he:

> I travel much throughout the country sounding out the sentiments of what you would call the little fellows, the small-town storekeepers, the country newspaper editors, the conductors and trainmen on whose cars I ride—every one, in fact, with whom I can make a contact. In addition, I am thrown much into the company of big bankers, men of international as well as national affairs, and I take an active part in the affairs of the Chamber of Commerce of the United States. With one and all I discuss the same topic: What is the country coming to? What will the future bring? What can we do or should we do to better ourselves, our country and the world?
>
> And I have been struck by the opposing viewpoints these conversations have disclosed. The bankers are perplexed, puzzled, troubled, in fact. It is clear to them that conditions present a problem which must be solved, that ways must be found to finance the trade of the world, to start up production in all countries, so that conditions may return to what they call normal. They sense the problem, but they have not sensed the solution. And they are disturbed accordingly.
>
> Opposed to this is a totally opposite view, which is typical of many of the small-town men with whom I have talked, and which is well exemplified, perhaps, in the words of a cobbler who put a pair of heels on my shoes as I waited in his shop in a Middle West city. As he worked he replied to my leading questions, practically thinking out loud and answering me by an oral marshaling of his ideas.
>
> "Europe's been there," said he, "since the days of the Greeks and Romans, and I don't know how many years before. In those years there's been a lot worse things happen than this big World War. Stands to reason there must have been. But things went right on just the same. Eu-

rope's still there, and there's still folks there, and, as near as I can see, she'll still be there when we're dead and gone. It don't seem to me to make much matter what we do or what they do. You can't destroy a continent and you can't destroy a people. What's due to happen will happen, and, when all's said and done, it won't make a whole parcel of difference what we do to try to change things."

What that shoemaker said seemed to me to have a lot of good, sound sense back of it. No matter what we do, things will certainly go on just as a good Providence has decreed that they should go on. Perhaps we can make things a little better for all hands if we do the right thing, but it seems to me we're just as likely to make matters worse trying to help them. Some day, in the ordinary course of events, the whole situation will right itself, no matter what we do, and, it seems to me, maybe the best thing for all of us would be to get right down and saw wood. By that I mean go to work and hustle, just as we were doing before war came, and count on it that, in the long run, things will come out all right.

Progress Seen in Europe

To the extent, at least, that our efforts to aid in the reconstruction of Europe have been abortive, this idea seems to have been realized by the facts. Progress has certainly been made toward a more stable condition of affairs across the Atlantic, and it is not easy to see where, in recent months at least, this progress should be attributed to any concerted effort on the part of this Government or the business community of the United States to direct the movement of events. Indeed, the movement of events has seemed not to be in response to any preconceived direction, but problems have risen and been met upon the spot, just as they were accustomed to arise and be met before the war set the thoughts of men upon the problem of reorganizing and reconstructing the world, where, before, they had been devoted to making the best of occurrences as they came up.

Questions which press for solution seem unnumbered. Political questions, economic questions, financial questions crowd each other for first place in the minds of the men who are striving to bring the world back to the condition that we call normal, though what would have been at the present a truly normal condition, had not the World War occurred, none may assert with assurance.

Yet all the problems simmer down to one problem, the problem of money, and, in international thought, money means gold. The war has not altered the needs or the desires of the races that entered the conflict. To the extent that men were lost, it has reduced the demand for goods, but this reduction has been much more than offset by the increased demands of those who are left. Not only was production tremendously reduced, but ordinary waste and destruction were greatly increased while Europe was at war.

Europe's wants are, then, as great as, if not greater than, ever before. Capacity for production is greater here than at any other period in the nation's history. But one thing is wanting to permit a resumption of trade upon a record-breaking scale and an immediate return to what we call normal. And that one thing is gold. At present we have the goods and most of the gold. Europe has very little of either. It may truly be said that we cannot afford to sell indefinitely to a customer who cannot pay. It may just as truly be remarked, however, that we cannot afford to corner all the goods and gold in the world. Too much, in such a case, would be as bad as too little. We cannot prosper if the world does not prosper, and it is unthinkable that ways will not be found by which exchange of goods may be brought about, regardless of which nations have, or have not, gold. Gold was employed at first in international transactions to expedite the exchange of commodities. It was devised to help trade, not to check it; yet today, gold, or rather the absence of it from some countries, is so far from expediting business that it is putting all but a complete stop to it.

Making Victory an Asset

A correspondent of The London Economist, in a recent letter to that publication, wrote:

> The value of a bill on London payable in gold is unquestioned, but arises from the stability of gold as a measure of value. Unfortunately the bond between our currency and gold was broken by the war. The Bank of England has failed to restore it, and admits its failure by reducing the Bank rate before the pound sterling has reached its pre-war equivalent of $4.86. We are therefore driven by the logic of events to erect a new barrier against inflation, where the old one has been swept away. What that barrier is to be must be determined by our economic health as a nation.

In a general sense inflation was produced by the fact that we spent £8,000,000,000 more than we earned during the war, the evidence of this being that we have no increase in our assets to set against that figure, but, on the contrary, a fairly palpable decrease, considering the state of the country, the neglected state of house building, roads, &c. Victory as an asset can, unfortunately, only be realized by our own industry. The process of deflation, which is the reverse of inflation, must therefore necessarily involve the payment of our debts or the creation of assets to an equivalent value. In a figurative sense we have been putting ourselves into liquidation, and, by so doing, we have been taking the resources of merchants and manufacturers—which are the very life blood of industry, as the Bolshevists are beginning to discover. Bolshevism believed that the bourgeois, the class that organizes and controls industry, could be dispensed with, and Russia has been reduced to ruin. We are not very much better ourselves, for that same class is being crushed out of existence by the heavy burdens imposed on it.

The struggle to get back to a gold basis will not be made more difficult by natural deflation. With our population in the present state of inactivity, with two million unemployed, one million on strike and a further million on short time, our progress toward paying our debts and re-establishing a gold currency is not merely slow, it is retrograde. That comes of efforts at artificial deflation by methods recommended by the Cunliffe committee.

The prosperity of industry is far more important than the immediate conversion of our debts to a gold basis. Gold is our servant; not our master.

Gold Alone No Help

But though foreign trade is difficult if not well-nigh impossible without gold, mere possession of the metal is no assurance of a prosperous foreign trade for the country possessing it. The Government report of the money in circulation in the United States on June 1 showed that our gold holdings were the largest on record, the stock amounting to $3,175,037,198, an increase of $391,202,771 over the total of Jan. 1 and of $528,421,448 over that of May 1, 1920, the low level of last year. Until this month the maximum in our history was $3,095,077,467 on July 1, 1919, and, at the beginning of the war, on Aug. 1, 1914, our total stock was only $1,887,270,664. Today the United States holds nearly 40 per cent. of all the gold in the world. Economists say no such accumulation by one nation occurred in the history of the last two centuries.

Yet all this gold seems to be doing us no good. It has not been accompanied by an increase of paper currency. In fact, up to date, there has been a decrease. Nor is it being made the basis for increased credit. The loan account of our banks has been steadily contracting while this gold importation was in progress.

And, meantime, while we have been acquiring this record stock of gold our foreign trade has been falling away from us. Latest available figures from the Department of Commerce follow:

	May.	
	1921.	1920.
Imports	$208,000,000	$451,004,944
Exports	330,000,000	745,523,223
Excess of exports	122,000,000	314,518,279
	Eleven Months Ending May	
	1921	1920.
Imports	$3,471,876,268	$4,685,746,580
Exports	6,179,603,978	7,479,611,906
Excess exports	2,707,727,690	2,793,865,326

In other words, in approximately the last year our exports fell off $1,300,007,928 and our imports $1,213,870,292. Nor has this been any sudden drop. Monthly figures show that the decline has been steady since last December. The record follows:

EXPORTS	
December, 1920	$720,286,774
January, 1921	654,271,423
February	486,281,597
March	386,680,346
April	340,338,729
May	330,000,000
IMPORTS	
December, 1920	$266,057,443
January, 1921	208,796,989
February	214,529,680
March	251,969,241
April	254,597,362
May	207,000,000

In England and France

Meantime, how has England fared? Later figures than those already published in this magazine are not available at the time of writing, but the record for the first four months of the year shows a decrease in exports and imports similar to the change which has occasioned alarmed comment in the United States. Total exports, in which are included exports of British products as well as re-exports of foreign goods, dropped from £497,302,154 in the first four months of 1920 to £323,014,213 in the first four months of 1921, a decrease of £174,287,941. Total imports fell from £697,167,383 to £397,621,757, a decrease of £299,545,626.

A readjustment of French trade figures through February of the present year shows marked changes from the figures as reported by the French Government, but, at

the same time, makes out a better case for the French than the official figures did. Here are the figures for 1920 and the first two months of this year adjusted to current values:

(In millions of francs.)

Month.	Total Imports.	Total. Exports.	Excess Imports.
January, 1920	3,040	1,099	1,941
February	4,340	2,138	2,202
March	5,420	2,330	3,090
April	5,320	2,540	2,780
May	4,110	2,400	1,710
June	3,990	2,790	1,200
July	...	...	...
August	4,116	3,528	588
September	4,047	3,314	733
October	3,737	3,360	377
November	3,608	2,543	1,065
December	3,744	2,109	1,635
January, 1921	2,258	2,241	17
February	1,501	1,766	*265

*Excess exports.

The figures published each month by the French Government are cumulative for the year, so that in July, 1920, when a new schedule was last introduced, there was added a correction to adjust the prices for the preceding six months to the new level; hence figures for July, exclusive of the correction, are not available at this time, and the month has been omitted from the tabulation.

It is to be noted that, although these corrected figures make the adverse balance of trade for France greater than the official figures showed, at the same time they disclose a more marked improvement, for in February the excess of imports is turned into an excess of exports. As a fact, the adverse French balance of trade in 1919 was 84 per cent. greater than the customs figures showed, so that the change to a favorable balance is just that much more of an accomplishment than appeared in official figures.

Germany's Tremendous Strides

Figures for Germany have not been published, so that comparisons cannot be made for the nation which, above all others, must increase its foreign trade and create a large excess of exports over imports if it is to pay off the indemnity to its conquerors in the war. There are plenty of signs, however, that Germany is making tremendous strides along the path that leads to a favorable trade balance, and in this connection it is worth quoting from a bulletin just issued by the First Federal Foreign Banking Association. Says this document:

The international trade of the whole world has been noticeably contracting in the last five months, and the effective demand for manufactured merchandise of all kinds by foreign customers has lately been falling off even faster than the fall in movement of raw materials. In this situation, a very drastic competition between the industries of several nations has developed. Germany has led off in going after business by cutting prices. Belgium's industries have also offered their output at reductions from prevailing price levels, which has been a trying matter to competing industries in England. Exporters here inform us of instances where, within a few weeks, France and Sweden have successfully negotiated competitive business which had before been regularly done with America.

The fact is very plain to anybody who keeps well acquainted with the figures of foreign trade published by our Government and others, that American export business is dropping more rapidly than that of its chief competitors, and this seems to be due to the maintenance of high export prices. It is impossible to profiteer now, in the international market. It is going to be hard enough to meet competition and keep up foreign sales by concessions in price. One of the unfavorable factors in our foreign trade situation is that, except for a few exceptionally capable and farsighted men, our people seem to have very little definite information about the prices their foreign competitors are making.

Our export prices in recent months have not only been high, out of line with the prices of the rest of the world, and seemingly out of line with domestic prices, but they are all at "sixes and sevens," in various lines, with each other. If prices throughout the whole structure of our business organization have responded to the artificialities of our drastic campaign for "deflation" in the same way, it is a very indifferent kind of testimony for the method. Our raw materials (which are holding up in volume of export movement better than our manufactures), have had a price decline that has brought cotton and metals down to the 1913 level, and the whole group to a fair relationship to a "deflation" point. This is because the organization of their marketing makes them more directly amenable to international competition. But our manufactures, the export volume of which has been cut in two since the first of the year, were in March still sticking up at 224 per cent. of the pre-war price level. And there was no consistency throughout the decline in prices, such as it was, that was beginning to appear—one line was up, another down. The whim of export movement as between different lines was just as irregular. The central fact of the situation is the glaring one that our organization of export of manufactures has been working in the dark. Everybody knows that the war-time condition of things, in which foreign merchants begged for goods, asked our banks and consular agencies to get them into touch with our manu-

facturers, and there was no finesse about prices, is past. But we haven't done much in the realization that we now have to go after business, will have to talk up for it and meet competitive prices, and to that end must find some way of knowing, as definitely as we are able, what the other fellow's prices are. From now on we are sure to meet the keenest and cleverest kind of skillful international price-making. * * *

It seems very difficult for some of our export executives to overcome the persistent delusion that it is "exchange" that is causing them to lose foreign orders.

The exchanges are a cause of increased difficulty in handling foreign business; they will be for several years a cause of difficulty, and men who have to do with export, from selling to financing, will have to develop a better quick grasp of exchange. But, as affecting the market for our goods, exchange is not now as serious a factor as the fundamental differences in costs of production and in prices that have developed in international commerce.

Money, whether it is cheap money or stable money, is only a medium of exchange. If the pound sterling goes down in value so that more pounds can be bought for so many dollars than at par, it also goes down in value in the buying and the pricing of goods, so that it takes more pounds to buy a hundred tons of fabricated steel. If the cost of production of the steel, measured in commodities of international market, do not change, it will take just as many dollars to buy the hundred tons in sterling at $3.94½ as at $4.86.

Handicap of High Prices

It is clear that profit may be made by a skillful use of the exchanges, but it should be equally apparent that "cut-rate" money will not account for all price differences. There has been a real reduction in production costs made by European manufacturers or a real reduction in percentage of profit accepted, and it behooves American manufacturers to realize that not exchange difficulties but a real price competition is taking away from them the trade which the war threw into their laps.

Evidence of the failure of our manufacturers to reduce prices in line with the deflation in the prices of raw materials is disclosed by the accompanying table, which was prepared by the statistical department of the Foreign Banking Association. In it prices and volumes in January last have been taken arbitrarily as a base, or 100 per cent., and prices and volumes in the ensuing months have been computed as percentages of these figures, as shown in the table at the foot of this page.

So much for the international situation as it affects this country. What, now, of the domestic situation?

Encouraging Signs at Home . . . .

Certainly the so-called period of deflation, into which this nation entered last year, is not at an end. Commodity and security markets alike reflect the depression which has supplanted the intense activity that was the first result of the termination of the war. There is unemployment in large measure. There is a curtailment of manufacturing enterprise. There is a lag in pro-

	Volume of Exports.					Relative Prices.			
	Jan. '21.	Feb. '21.	Mar. '21.	Apr. '21.	Year 1913.	Jan. '21.	Feb. '21.	Mar. '21.	Apr. '21.
Breadstuffs	100	85	82	88	46.5	100	93	86	80
Meats	100	101	98	78	61.3	100	87	81	77
Dairy products	100	71	67	69	59.2	100	93	89	93
Cotton	100	81	61	52	66.1	100	89	71	64
Cottonseed oil	100	56	51	30	57.3	100	93	78	67
Coal	100	62	58	*	35.3	100	96	95	*
Tobacco	100	88	96	*	26.3	100	111	115	*
Naval stores	100	109	85	*	43.6	100	82	61	*
Group as a whole	100	84	78	*	51.9	100	93	86	*
Manufacturing metals	100	109	69	*	96.9	100	91	90	*
Cement	100	37	43	*	37.2	100	101	116	*
Lumber	100	79	100	*	40.1	100	81	72	*
Leather	100	57	49	*	51.4	100	81	79	*
Paper	100	66	34	*	32.7	100	94	81	*
Glass	100	67	17	*	63.4	100	103	86	*
Chemicals	100	77	61	*	60.1	100	114	94	*
Mineral oils	100	86	69	78	38.7	100	91	89	82
Steel products	100	72	39	*	44.0	100	99	102	*
Cotton goods	100	80	76	*	26.5	100	81	72	*
Shoes	100	107	106	*	26.0	100	80	82	*
Sugar	100	68	44	*	46.3	100	89	87	*
Group as a whole	100	79	57	*	39.9	100	93	89	*
Both groups	100	82	69	*	47.5	100	93	87	*

*Data for compilation not yet available.

duction which is the more noticeable because of the fierce pace which was maintained for so long.

But all this is not to say that the times are bad, that the outlook is gloomy, that the future is filled with uncertainty and doubt. On the contrary, there is much in the situation to encourage confidence and assurance that we are approaching the end of our ordeal. After all, we have not had the wholesale failures which were confidently predicted some months ago. We have had no money panic such as those we experienced periodically before the creation of the Federal Reserve system. As a fact, we have had much less of a disaster than we predicted for ourselves, and our success in avoiding the evils which we had regarded as unavoidable should lend courage to the thought that we may be now imagining for ourselves troubles much more intense than we shall be asked to confront.

There are positive as well as negative reasons for such assurance. To be sure no general upturn in business is to be noted; the improvement lies more in a strengthening of underlying conditions, but some problems that had seemed well nigh insurmountable have been overcome

Those who are accustomed to regard the movements of the stock market as a barometer of the later moves of business have had difficulty in reconciling the continued weakness of the market with the conviction that the worst was, to a major degree, over with business and that signs of improvement were to be looked for. In such a case it is probably well to forget the old rule and to accept as a working basis the theory that, in this instance, as in previous ones, the financial markets are reflecting the psychology of the financial community itself, which is experiencing a sense of hopelessness that the downward movement can be combated, and a sentiment that it must be allowed to run its course, a state of mind which aggravates, if anything, the very condition which it would wish to see altered. The increase in building activity which has been generally reported throughout the country is certainly an omen for good. The awarding of building contracts means work for m hands.

The railroad situation has taken a tu which should be for the better. Revision of railway wages goes into effect this month together with the abrogation of the national agreements which were holdovers from the period of Government control, thus allowing the carriers to make a fresh start, so to speak. Prospects of labor for many men now among the great ranks of unemployed are held out in these decisions of the Railroad Labor Board. It is expected that the railroads will add to their forces at once, under new agreements and new rates of pay, and, in addition, will begin to undertake some of the deferred repair and maintenance work which will give employment to additional hands.

This may appear optimistic in view of the fact that the earnings of 200 railways were $1,494,000 less in April than in March. It must be remembered, however, that the troubles of the railways have been due, not to lack of business, but to lack of control of costs. These are now to be fixed again at a point which will allow the carriers a fair return on their investment and operating costs. There would be cause for dismay if the roads had been able to operate profitably and yet had been unable to obtain the business to make this possible. On the contrary, there is no lack of business other than a seasonable one, and the volume is sufficient, and will become more so, to enable the roads, with properly adjusted costs, to do business at a profit instead of a loss.

All values are relative. We appreciate heat because we know cold. We desire prosperity because we know its opposite. Judged on such a basis, should we not say that general business conditions are reasonably satisfactory just now? Certainly they are far better than some of us expected them to be, far better than they very easily could be. The movement toward normalcy is slow, perhaps, but it is steady, and today we are nearer the desired point than we were a month ago. Judged from such a viewpoint, conditions are good, and they are becoming better.

CURRENT HISTORY

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CHARLES GATES DAWES

Chicago financier and former Brigadier General in France, appointed Director of the Budget, being the first man to hold that newly created office

(Photo Underwood & Underwood)

EX-PRESIDENT TAFT TAKING THE OATH AS CHIEF JUSTICE

William Howard Taft, organizer of the American Government in the Philippines, and former President of the United States, is here seen taking the oath as Chief Justice of the United States Supreme Court. Beside him stands Attorney General Daugherty. On the extreme right, holding a paper in his hand, is Chief Justice Hoehling of the District of Columbia Supreme Court, who is administering the oath of office. Mr. Taft is the first man in the United States to hold both the office of President and that of Chief Justice

THE CALL FOR A DISARMAMENT CONFERENCE

President Harding's proposal meets with acceptance from all the powers invited to take part—Text of the Knox-Porter resolution declaring peace between this country and the Central Powers—Appointment of ex-President Taft as Chief Justice

[PERIOD ENDED JULY 15, 1921]

INTENSE interest was aroused the world over by the proposition for a conference on the limitation of armaments which was issued by President Harding on July 10. This momentous action was announced in the United States through the following official statement:

> The President, in view of the far-reaching importance of the qestion of limitation of armament, has approached with informal but definite inquiries the group of powers heretofore known as the principal allied and associated powers, that is, Great Britain, France, Italy and Japan, to ascertain whether it would be agreeable to them to take part in a conference on this subject, to be held in Washington at a time to be mutually agreed upon. If the proposal is found to be acceptable, formal invitations for such a conference will be issued.
>
> It is manifest that the question of limitation of armament has a close relation to Pacific and Far Eastern problems, and the President has suggested that the powers especially interested in these problems should undertake in connection with this conference the consideration of all matters bearing upon their solution with a view to reaching a common understanding with respect to principles and policies in the Far East. This has been communicated to the powers concerned, and China has also been invited to take part in the discussion relating to Far Eastern problems.

The invitation to the armament parley received prompt acceptance from most of the powers concerned. France and Italy were enthusiastic, and Great Britain scarcely less so. Premier Briand of France stated that he himself would head the French delegation, although later it was intimated that, as the French Parliament would be in session in November, which it was assumed would be the month in which the conference would be held, it might prove impracticable for him to be absent from this country. China, which was invited to participate in the discussion of the Far Eastern problems, also sent a formal acceptance.

It was stated in Washington on July 14 that Japan had sent formal approval of the President's proposal for a conference of the great powers, but had limited her participation to discussion of the question of the limitation of armaments. She had not accepted the President's suggestion that the conference, in addition to discussing disarmament, should devote itself to problems affecting the Far East and the Pacific.

While the text of the Japanese response was not at that time made public, it was decided to view the communication as an acceptance of the proposal, and plans were at once begun for the holding of the conference. It was stated that the next step would be to issue formal invitations to the conference in the name of President Harding. While there had been informal suggestions from London that it would better suit the wishes of the British Government and the Dominion Premiers then in session there to have a preliminary conference in London, the Washington Administration construed the communications received from the four great powers and China as ac-

ceptances of the President's suggestions that the conference should take place in Washington. There had been no opposition to the President's tentative suggestion of Armistice Day, Nov. 11, as the date of opening.

The attitude of the foreign press in countries not included in the invitation was one of approval. Holland showed indications of wishing to be a participant in the conference owing to her large interests in the Pacific. The total surface of the Dutch Indian possessions exceeds 5,000,000 square miles. The success of the conference would solve for her the vital problem of the protection of her colonies.

Prior to the issuance of the proposal the President's hands had been strengthened by the adoption of the Borah amendment, which had previously passed the Senate and was adopted in the House on June 29 by a vote of 330 to 4. Its passage followed the receipt of a letter from the President to the Republican leader, Mr. Mondell, embodying an appeal for an expression of opinion favorable to the limitation of armaments through international agreement. The large majority by which the amendment was passed was interpreted as largely due to the President's plea. The Borah amendment provided:

> That the President is authorized and requested to invite the Governments of Great Britain and Japan to send representatives to a conference which shall be charged with the duty of promptly entering into an understanding or agreement by which the naval expenditures and building programs of said Governments—the United States, Great Britain and Japan—shall be reduced annually during the next five years to such an extent and upon such terms as may be agreed upon, which understanding or agreement is to be reported to the respective Governments for approval.

Although the amendment was concerned simply with naval disarmament and applied to three powers only, its passage was significant of the general Congressional attitude toward disarmament and gave the moral backing of the House and Senate to the more comprehensive proposal of the President that followed.

The primary purpose of this Government in proposing that the conference should take up Far Eastern

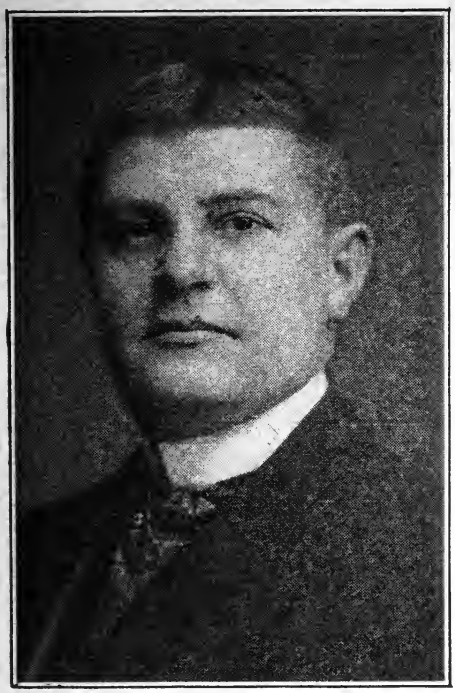
(Keystone View Co.)

CYRUS E. WOODS
New Ambassador to Spain, succeeding Joseph E. Willard

and Pacific problems, as well as the question of the limitation of armaments, was born of a desire to remove causes of friction which, unless removed, might lead to war. The suggestion was understood to have the hearty approval of Great Britain, and especially of the Dominion Premiers then in session in London, the interests of whose countries were largely bound up with problems of the Pacific. It was also felt in London that such a conference would tend to clarify the vexing problems connected with the proposed renewal of the Anglo-Japanese treaty.

The other outstanding event of the month in the United States was the

signing by the President of the joint Congressional resolution which declared the war with Germany and Austria to be at an end. This resolution passed the House of Representatives on June 30 by a vote of



WILLIAM MILLER COLLIER
Newly appointed United States Ambassador to Chile

263 to 59. On the following day the Senate adopted it by a vote of 38 to 19. On July 2 it was signed by the President in the home of Senator Frelinghuysen at Raritan, N. J., where he was spending the week-end. The text of the resolution follows:

Joint resolution terminating the state of war between the imperial German Government and the United States of America and between the imperial and royal Austro-Hungarian Government and the United States of America.

Sec. 1. That the state of war declared to exist between the imperial German Government and the United States of America by the joint resolution of Congress approved April 6, 1917, is hereby declared at an end.

Sec. 2. That in making this declaration, and as a part of it, there are expressly reserved to the United States of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed Nov. 11, 1918, or any extension or modifications thereof; or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become rightfully entitled; or which, under the Treaty of Versailles, have been stipulated for its or their benefit; or to which it is entitled as one of the principal allied and associated powers; or to which it is entitled by virtue of any act or acts of Congress or otherwise.

Sec. 3. That the state of war declared to exist between the imperial and royal Austro-Hungarian Government and the United States of America, by the joint resolution of Congress approved Dec. 7, 1917, is hereby declared at an end.

Sec. 4. That in making this declaration, and as a part of it, there are expressly reserved to the United States of America and its nationals any and all rights, privileges, indemnities, reparations or advantages, together with the right to enforce the same, to which it or they have become entitled under the terms of the armistice signed Nov. 3, 1918, or any extensions or modifications thereof; or which were acquired by or are in the possession of the United States of America by reason of its participation in the war or to which its nationals have thereby become rightfully entitled; or which, under the Treaty of Saint Germain-en-Laye, or the Treaty of Trianon, have been stipulated for its or their benefit or to which it is entitled as one of the principal allied and associated powers; or to which it is entitled by virtue of any act or acts of Congress or otherwise.

Sec. 5. All property of the imperial German Government or its successor or successors and of all German nationals which was on April 6, 1917, in or has since that date come into the possession or under control of, or has been the subject of a demand by the United States of America or of any of its officers, agents or employes, from any source or by any agency whatsoever, and all property of the imperial and royal Austro-Hungarian Government, or its successor or successors, and of all Austro-Hungarian nationals which was on Dec. 7, 1917, in or has since that date come into the possession or under control of, or has been the subject of a demand by the United States of America or any of its officers, agents or employes, from any source or by any

agency whatsoever, shall be retained by the United States of America and no disposition thereof made except as shall have been heretofore or specifically hereafter shall be provided by law until such time as the imperial German Government and the imperial and royal Austro-Hungarian Government, or their successor or successors, shall have respectively made suitable provision for the satisfaction of all claims against said Governments respectively, of all persons, wheresoever domiciled, who owe permanent allegiance to the United States of America and who have suffered through the acts of the imperial German Government, or its agents, or the imperial and royal Austro-Hungarian Government, or its agents, since July 31, 1914, loss, damage or injury to their persons or property, directly or indirectly, whether through the ownership of shares of stock in German, Austro-Hungarian, American, or other corporations, or in consequence of hostilities, or of any operations of war or otherwise, and also shall have granted to persons owing permanent allegiance to the United States of America most-favored-nation treatment, whether the same be national or otherwise, in all matters affecting residence, business, profession, trade, navigation, commerce and industrial property rights and until the imperial German Government and the imperial and royal Austro-Hungarian Government or their successor or successors shall have respectively confirmed to the United States of America all fines, forfeitures, penalties and seizures imposed or made by the United States of America during the war, whether in respect to the property of the imperial German Government or German nationals or the imperial and royal Austro-Hungarian Government or Austro-Hungarian nationals, and shall have waived any and all pecuniary claims against the United States of America.

Sec. 6. Nothing herein contained shall be construed to repeal, modify or amend the provisions of the joint resolution "declaring that certain acts of Congress, joint resolutions and proclamations shall be construed as if the war had ended and the present or existing emergency expired," approved March 3, 1921, or the passport control provisions of an act entitled "An act making appropriations for the diplomatic and consular service for the fiscal year ending June 30, 1922," approved March 2, 1921, nor to be effective to terminate the military status of any person now in desertion from the military or naval service of the United States, nor to terminate the liability to prosecution and punishment, under the Selective Service law, approved May 18, 1917, of any person who failed to comply with the provisions of said act, or of acts amendatory thereof.

It was pointed out at Washington that the next step would probably be

(© Moffett, Chicago)

CHARLES B. WARREN
New Ambassador to Japan, succeeding Roland S. Morris

the issuance by the President of a formal peace proclamation, to be followed by negotiations for a treaty of peace and amity with the former enemy powers.

Army Reduction

On June 30 President Harding signed the Army Appropriation bill, under which the regular army must be reduced to 150,000 men by Oct. 1. At the same time he sent a message to Congress suggesting that it might be necessary later on to ask for a modification of the measure to provide for the 50,000 enlisted men who

would have to be dropped. While no definite plan in discharging men from the army had been worked out, Secretary Weeks indicated that so far as possible men who wished to remain in the service would not be discharged. His department hoped to be able to reduce the army as required by favorable action on applications for discharge. The Secretary further stated that the army forces on duty in Hawaii and the Canal Zone would be maintained at their present strength.

JOHN G. EMERY
Of Grand Rapids, Mich., new Commander of the American Legion, succeeding Colonel Galbraith

Pershing Chief of Staff

General Pershing on July 1 assumed his new duties as Chief of Staff in succession to Maj. Gen. March, and at the same time Maj. Gen. Harbord took charge as executive assistant to General Pershing. The assumption of their new duties took place simply and without ceremony. Within a few hours after he became Chief of Staff General Pershing was acting as Secretary of War, Secretary Weeks having gone on a five-day visit to his farm at Lancaster, N. H., and Assistant Secretary Wainwright having departed on a trip of inspection of army posts in the South.

Airplanes vs. Warships.

In the army and navy tests to determine the efficiency of airplanes as antagonists of warships, the former German submarine U-117, which was the terror of the Atlantic coast shipping four years ago, was sent to the bottom of the ocean in sixteen minutes by naval fliers sixty miles off the Virginia Capes on June 21. Before reaching the anchored target far out at sea the planes had flown in triangular formation a distance of seventy-five miles from their bombing base at the Hampton Roads Naval Station. The only planes used in the actual assault were a single division of three F-5-L planes commanded by Lieutenant Delos Thomas. Just a dozen 163-pound bombs, each containg 117 pounds of T N T, were used. The first salvo of only three bombs fell with such precision as to bracket the submarine, port and starboard, and probably inflicted damage enough to put the vessel out of commission, though no direct hits were registered. Nine minutes later nine more bombs were dropped, and the submarine went to the bottom.

On July 13 it took army aviators twenty minutes after the first hit to sink the former German destroyer G-102 in fifty fathoms, sixty miles east of Cape Charles, Va. Fifty-one 300-pound T N T missiles were dropped on the target. The first direct hit was made at 10:20 o'clock, and eight minutes later the destroyer was seen to be sinking rapidly, her decks being awash to the funnels and her bridge a shattered heap. It was then that the fatal hit was scored by one of the Martin bombers. It struck amidships in the funnels and wrought such destruction that the destroyer lunged forward and was out of sight

in two minutes. Only a large elliptical spot of loosened oil, amid which floated splintered wreckage, was left.

Less encouraging to the advocates of airplanes as attacking craft was the test made June 29, when the old battleship Iowa, controlled by radio and steaming at a gait of only 4½ knots, was struck only twice, though eighty bombs were dropped.

U-Boats Sunk by Gunfire

With deadly precision, in which half the shots fired by two destroyers were recorded as hits, the former German submarines U-140 and U-148 were riddled by gunfire attack and sent to the bottom sixty miles east of Cape Charles, Va., on June 22. The U-140 was attacked by the destroyer Dickerson, the leading ship in a division of five destroyers that steamed in line formation past the submarine. The Dickerson's gunners fired thirty-nine shots out of a possible forty permitted by the rules for experiments, and nineteen of these were hits. From the time that the first shot was fired until the U-140 sank only 1 hour 24½ minutes elapsed. A little later the destroyers steamed in similar fashion past the U-148, and out of forty shots fired twenty were hits. The submarine went to the bottom in less than 30 minutes.

Secretary Denby of the navy took action on June 23 to check any tendency toward so-called "Sovietism" in the navy by removing Captain Clark D. Stearns of the battleship Michigan for having permitted his crew to discuss with him disciplinary matters vested only in the commanding officer. The action of Captain Stearns was said to have had the approval of former Secretary Daniels, but the action of Secretary Denby showed his emphatic disapproval of the policy of his predecessor. The order issued on the Michigan to which the Secretary took exception provided for a "ship morale" committee to consist of four petty officers and ten other enlisted men to investigate and report to the Captain on disciplinary cases, and to transmit to the Captain from the crew suggestions tending to increase the efficiency of the ship or the naval service.

Rebuke to Admiral Sims

Rear Admiral William S. Sims was publicly reprimanded on June 24 by Secretary of the Navy Denby for his remarks on Ireland and England at the luncheon of the English-Speaking Union in London, June 7. [See July Current History.] The essential part of the reprimand, after reciting the remarks to which exception was taken, was as follows:

> The department is not unmindful of your record and achievements as an officer of the navy, but the conspicuous position you now hold, coupled with the fact that you have previously offended in a similar manner, merely serves to add to the gravity of the present offense. The department deplores the fact that it is necessary to rebuke a flag officer in public, but you have made such action unavoidable. The department expresses its strong and unqualified disapproval of your conduct in having delivered a highly improper speech in a foreign country and you are hereby publicly reprimanded

The Admiral refused to comment on the reprimand except to say that he hadn't known his speech was "loaded as much as it was," and that he had got "what was coming" to him.

Allied Debt Refund Bill

A bill to enable the refunding of the obligations of foreign Governments to the United States was introduced in the Senate on June 23 by Senator Penrose of Pennsylvania, Chairman of the Finance Committee. The bill was intended to clothe Secretary of the Treasury Mellon with sweeping authority to refund the obligations of the foreign Governments and to adjust claims of the United States against them. It was broad enough to permit the Secretary of the Treasury to receive bonds and obligations of "any foreign Govern-

ment" in substitution for those now or hereafter held by the United States Government. The bill was introduced at the request of President Harding, who in turn acted at the instance of Secretary Mellon. It was announced that public hearings would begin at once on the bill.

[For details of the $11,000,000,000 debts of foreign Governments to the United States Government see Page 802.]

To Defer Bonus Action

President Harding appeared in person before the Senate on July 12 to make a presentation of the reasons why the soldiers' bonus bill, already condemned by Secretary of the Treasury Mellon, ought not to be passed at the present time lest it contribute to "the paralysis of the Treasury." He spoke forcibly of the need of appropriate action for disabled soldiers and sailors, which he urged was a primary consideration as a matter of national gratitude. The enactment of the adjusted compensation bill in the midst of the struggle for readjustment and restoration, however, he said, would hinder every effort and greatly imperil the financial stability of the country. In addition this menacing effort to expend millions in gratuities would imperil our capacity to discharge our first obligations to those we must not fail to aid. Stating that he did not wish to restrict the action of Congress, he urged the prompt readjustment and reduction of wartime taxes and the enactment as soon as possible of the pending tariff bill. After a spirited debate, the bonus bill was referred again to the Finance Committee on July 15.

The United States Labor Board on June 27 extended its wage reduction order, effective July 1, to nearly every large railroad in the country. No change from the average 12 per cent. reduction granted 104 carriers on June 1 was made. It was estimated that the general extension of the wage cut would lop approximately $400,000,000 annually from the country's railroad labor bill.

The decrease in the cost of living between June, 1920, and May, 1921, was 16.7 per cent., according to figures based on prices from thirty-two cities, made public June 3 by the Department of Labor. Except for fuel, light and housing, all items dropped in price between the periods mentioned.

Taft as Chief Justice

On June 30 William Howard Taft was nominated by President Harding as Chief Justice of the Supreme Court of the United States, succeeding the late Edward Douglass White. The nomination was confirmed by the Senate on the same day. The new Chief Justice took the oath of office on July 11. He is the only man in the nation's history who has held the office of Chief Justice of the Supreme Court and President of the United States. The nation greeted his appointment with almost universal approbation.

It was announced on June 24 that Charles B. Warren of Michigan had been chosen by President Harding as Ambassador to Japan. On the same date William Miller Collier was nominated as Minister to Chile. Mr. Warren is a lawyer of international reputation and has been prominent in Republican councils. Mr. Collier served as Minister to Spain under Presidents Roosevelt and Taft.

SANTO DOMINGO TO BE FREE

By Horace G. Knowles
Former United States Minister to Santo Domingo

How objectionable features of the American Government's plan of withdrawal were removed—The most serious blot that remains is the recent loan negotiated without the consent of the Dominican people, saddling them with an annual payment of 14 per cent. on $2,500,000

FOLLOWING somewhat along the lines of the previous Administration's announcement of Dec. 23, 1920, in which it stated its decision to put an end to our nearly five years' military occupation of the Dominican Republic, an occupation regarding which the American people had been kept in almost complete ignorance, and yielding to the appeals of the Dominican people for a fulfillment of the pre-election promise of President Harding, the present Administration, through the Department of State and Military Governor Robison, issued on June 14 a proclamation to the Dominican people, in which were stated the conditions on which the American military force would be withdrawn from Santo Domingo and sovereignty and self-government restored to the natives of that country.

[See documents, Page 813; also article, Page 809.]

Certain conditions of the plan embodied in the proclamation, notably those relating to the selection of the Dominican members of a commission to negotiate with the United States a treaty of evacuation, the ratification of "the acts of the Military Government," and a military mission to be composed of officers of the American Army, were so contrary to the promises and assurances given by both the last and present Administrations, and so very objectionable to the Dominican people, that the entire population was aroused to a pitch of patriotic indignation never known before in that country.

Meetings of protest were held simultaneously in every city, town and hamlet of the country. In Santo Domingo City, the capital of the country, over 15,000 participated actively in the demonstration, the like of which was never known before in that old city. It was not a gathering of either politicians or members of a particular party. It was patriotism of the famous Boston "tea party" kind, and not politics, that inspired the people to such intense protest. A formal document of protest and appeal was unanimously adopted by that memorable meeting and immediately forwarded to President Harding, who took due notice of it. The subject matter of the petition of protest was then taken up personally by Secretary Hughes, and without delay he so modified and clarified the plan of June 14 that the major objections to it were removed.

The status of the Dominican situation may now be said to be better than at any time since the occupation began, and there is every prospect and hope that, as negotiations proceed, it will not be long before a thorough and in every way satisfactory understanding between Washington and Santo Domingo will be reached. That now easily attainable end is the one hope of the Dominicans and the plain duty of the present Administration.

The revised proclamation by Secretary Hughes was hailed with delight by the friends of Santo Domingo, and brought great relief to its citizens. It greatly clarified our

relations with the South American countries. We were losing ground heavily in South America. Because of our doings in Santo Domingo the Monroe Doctrine was being represented in all the Latin-American countries as a diplomatic bludgeon to enable the United States to do

HORACE G. KNOWLES
Former Minister of the United States to Rumania, Serbia, Bulgaria, Santo Domingo and Bolivia

whatever it pleased—anything or all the things it prohibited European countries from doing—to the Latin-American countries, and then to prevent the Latin Americans, in case of invasion or attack, as in Santo Domingo, from receiving assistance from any European power. If the Latin-American countries are to understand that the way we have applied the Monroe Doctrine to Santo Domingo is the way we may apply it to any one of them, they will want none of it; and, sooner or later, an alliance will be formed to enable them to break away from the Monroe Doctrine or fight it. I can see no other peril to our country so great or so imminent as that, and dim of vision are our statesmen and national leaders if they cannot see it.

Soon the tariff wall will be built around our country, and this large, rich market for foreign manufactures will be closed to those nations of Europe who are now both our debtors and our foreign trade competitors. It is only with the profits on their foreign trade, in our markets or others, that they can ever pay the interest and principal of the debt they owe us. The harder we press them for what they owe us, the harder must they press us in the foreign markets of the world. Thus it is plain that the commercial Armageddon for us will be in South America. As we close our doors to European manufactured products and immigration, we shall automatically divert them to South America. There, sooner or later, we shall have to meet them in great phalanxes, first in commercial and then in political battle.

The invasion and oppression of Santo Domingo was not only a wrong to that little country, but an assault on the sovereign rights of one of the Latin-American republics. As they looked at their little Dominican sister in chains, saw her homes being burned, her people tortured and killed, her jails filled with her patriots, her public money seized and misspent, her country exploited and bankrupted, and her taxes gathered and spent to reward American politicians and job-hunters, they realized that the "great power of the North" had broken one of the links of their Latin-American chain; and feared that, sooner or later, another and then another link might be broken, and that the horrors of five years of oppression, suffered by the Dominicans, might be imposed upon one or many of them. Is it any wonder that they regard us with suspicion and fear? It will require tremendous tact for Harding and Hughes, great men as they are, to

get this terrible nightmare out of the minds of the Latin Americans.

The Dominican people, before our advent, were happy, prosperous and peaceful, save for some few political disorders, such as we have at most of our elections. They did not owe us a dollar; no American property was in peril; no American had been harmed. As a nation they were happy mostly because they believed in us and trusted us. They considered that, because of our friendship for them, as was manifested among other things by the Roosevelt treaty of 1907, they were safe from any foreign foe. From that dream of security they were rudely awakened in 1916, when, without notice, an American fleet, with frowning turrets and large calibre guns, stole into the roadstead of their capital city and dropped anchor there. Then, in the shadow of those formidable guns, an American Admiral, holding in hand an order partly in the handwriting of President Wilson and bearing his signature, landed with a large detachment of marines and began the invasion and occupation of that country—an occupation which has now lasted for over five years.

The undoing of this wrong has begun. The promise of President Harding has begun to be fulfilled, and justice toward Latin-American countries is to be practiced. Soon the Dominican Republic will be free, and her complete sovereignty will be restored to her. The latest order of Secretary Hughes, dated June 25, modifying and clarifying the previous order of the Department of State, issued on June 14, seems to give to the Dominicans the promise—if not as yet the full assurance—of:

1. The restoration of their national sovereignty, full liberty and independence, and complete self-government within eight months from June 14, 1921.

2. The election, as soon as the details can be arranged, of a National Congress, said election to be free and untrammeled and without any interference whatsoever of the American military force.

3. The right to have their National Congress select the Dominican members of the commission that is to negotiate the treaty of evacuation with the United States.

4. The withdrawal of the entire military force from the republic within the specified period of eight months.

The only acts of the American Military Government in Santo Domingo that the United States will ask to be ratified are those connected with the raising of funds which were expended by the said Military Government during the occupation.

The one fly in the ointment, now so well and carefully prepared by Secretary Hughes to heal the Dominican wound, seems to be a loan of $2,500,000 negotiated by an over-zealous American naval officer without either the consent or the aid of the Dominican people, and intended to be forced upon them regardless of their protests and of the very unfavorable criticism provoked in our country by the said loan. This loan is guaranteed by two nations—the United States and the Dominican Republic—and seems to be better secured than any bonds our Government ever issued. It is a first lien upon the customs revenues of the Dominican Republic, which are collected and controlled by the United States, and, as the proceeds of the loan will be paid to officials of the United States and will be disbursed by them, there will be a moral obligation, involving the good name and credit of our country, fully to protect the bonds.

Notwithstanding this double-barreled guarantee, the representative of the Navy and State Departments, given such a free hand to negotiate the loan with Wall Street bankers, agreed with them for an annual interest rate of 14 per cent., which, combined with other charges, makes a total cost charge of over 9 per cent., up to nearly 19 per cent. The representatives of Chile are on their way to this country to conclude an 8 per cent. loan for $25,000,000. As this article is being written there is to be seen in all the New York newspapers

the announcement by a prominent banking house of an issue of $1,000,000 Porto Rican 4½ per cent. bonds, offered at a price that will net the investors less than 5¼ per cent. For the United States-Dominican Republic bonds, a great deal better secured, why pay 14 per cent.—nearly three times as much? There must be something wrong. In the New York market there are being sold State bonds that net the investors less than 5 per cent. and scores of 8 per cent. industrial loans are being placed; yet our Government is saddling upon the Dominicans a loan with an annual interest charge of 14 per cent., plus a proportionate commission to the bankers! Who is responsible for thus throwing the poor Dominicans to the wolves of Wall Street? It is believed that this very questionable operation was slipped past Secretary Hughes, and that when he learns the details of it he will decline to give it his approval and insist upon its immediate cancellation.

It will not be long now before the final chapters in the unfortunate Dominican affair will be reached. In the crown of nations soon will be reset the brilliant Dominican Republic gem. There will be a declaration by our Government as to the meaning and value of national sovereignty, confirming our support of the principle that *sovereignty is sovereignty wherever it exists*, and that whoever is entitled to it shall never be deprived or robbed of it, if we can prevent it. We will say that there is no big and no little sovereignty; that neither the size nor condition of a nation in any way diminishes or enlarges it; that we hold it inviolate when possessed by others, as we do our own, and that in our hearts we respect it in its entirety, like honor in a man, like chastity in a woman.

DECLINE OF THE GREAT WHITE PLAGUE

DR. JAMES ALEXANDER MILLER, the newly elected President of the National Tuberculosis Association, declared before the seventeenth annual meeting of that body, held in New York in June, that the beginning of the end of the battle against tuberculosis in the United States was in sight. "After years of hard work," said Dr. Miller, "the death rate continues to go down, and this is in marked contrast to the tremendous increase in tuberculosis in Europe on account of the war." His statement was borne out by the testimony of experts from all parts of the country.

It was stated that there were 12,000 tuberculous ex-service men in various hospitals of the United States. One regulation passed by the association indicated that a certain percentage of returned soldiers were refusing to avail themselves of the facilities for treatment offered through the Public Health Service and other organizations, and urged that the Compensation act be amended so as to reduce the compensation sanctioned for such patients among the ex-service men.

The association put on record its apprehension of the growth of the disease in Europe, following the war, and adopted resolutions calling on the United States Public Health Service to see that trained examiners should be stationed at all the ports of debarkation to prevent the entrance of tuberculous immigrants from France, Italy, Russia, Germany, and other countries involved in the war.

MENACE OF THE ANGLO-JAPANESE ALLIANCE

By George L. Koehn
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How renewal of the treaty might endanger the friendship between England and the United States—Pact that forced Japan into the World War may also force Great Britain to take sides against us—How it has served Japan's ambition to dominate China

THE opening of the Imperial Conference in London late in June focused the attention of students of world politics on the Anglo-Japanese Alliance. One of the objects of that conference was to decide the momentous question of a renewal. So momentous was it, in fact, that no agreement could be reached on it before the date of the treaty's expiration; the emergency was met by a ruling that, in the absence of definite action, the alliance was automatically renewed for one year. Thus the issue is still pending. What action will Great Britain and Japan take: will they renew the compact in its present form, or will they modify it? The British dominions bordering the Pacific are vitally concerned in its renewal. So, also, is the United States.

Many Americans, especially those who live on the Pacific Coast, view with uneasiness the renewal of the alliance in its present form. They regard this pact as inimical to the safety of the United States, and feel that if it should be renewed without change British-American relations would be poisoned by mutual distrust and fear, and vitiated by a continuous anticipation of war.

To understand the issues involved, it is necessary to review the events that led up to the creation of the original alliance. In 1854, an American naval officer (Commodore Perry) opened the doors of a backward, Oriental nation named Japan to intercourse with the rest of the world, and in half a century that backward country was among the first five powers of the world. No sooner did it realize its power than it launched into a policy of economic imperialism, followed by military aggression. It adopted the policy that any territory within its proximity must be under its control as a matter of national safety; and so it began to cherish designs on Korea, a peaceful nation of 17,000,000 souls, whose country was the doorway into China.

Japan realized, however, that her designs would conflict with China and the many European nations who were just then cvarving that empire into spheres of influence, and knowing that she was unprepared for war with a European power, she sought an ally to give her the necessary financial assistance, and to protect her from European interference. It was England that first freed Japan from European interference by a treaty in which she pledged herself to prevent European nations from intervening in case of a war between Japan and China. The pact was signed on July 16, 1894, and it is significant that just one week later, on July 25, Japan picked a war with China over Korea.

Japan won a brilliant victory over China, but the fruits of that victory were stolen by the intervention of Russia, France and Germany. Japan realized that if she were to cope successfully against European powers for the control of Asia, she must ally herself with a strong European power. She remembered England's aid in the Chinese war, and decided

to make that great power her ally. Fortunately for Japan, Russia was at that time encroaching on England's interests in India, through her interests in Persia and Afghanistan, and Russia's interests in Manchuria and Mongolia were affecting England's monopoly of the Yangtse valley. Then, too, the spectre of German commercial competition in the Far East was disturbing to Britain's well-being there. The suppression of Russian aggression being a common enterprise, Japan, in exchange for England's recognition of Japan's special interests in Korea, guaranteed England's interests in the Yangtse valley and in India.

Thus the fateful alliance of 1902 was concluded. The alliance made possible the war with Russia, and Japan's consequent victory. During this war—in 1905—the alliance of 1902 was strengthened into a binding defensive alliance, in which each nation guaranteed to guard the interests of the other in its respective spheres of influence. This pact recognized Japan's special interests, and her right to do with Korea as she pleased. In 1910, therefore, Korea was definitely annexed to Japan, against the protests of its inhabitants, and also of America.

Alliance Against Whom?

In 1911 the alliance was again modified to assure England that her interests in **India** would be especially safeguarded by Japan, and to exclude the operation of the alliance from those nations with whom either England or Japan had a general arbitration treaty. As the alliance was then modified, it remains today. Since then the two nations against whom this alliance was originally aimed have been removed. Russia will not be concerned with Far Eastern affairs for a long time to come. Germany will not be a factor in Asiatic problems for an even longer time. Against whom, then, is this alliance aimed? What are the motives and reasons that prompt its continuance? Whatever the answer, the alliance as it works today amounts to this: It says to England, "Go as far as you like in the Yangtse Valley, and in India"; it says to Japan, "Go as far as you like in your sphere of influence"—which Japan interprets as the rest of China.

This alliance is an obstacle to good relations between Great Britain and the United States; first, because it is conducive to bringing about a war between America and Japan; and, second, because in case of war England would be morally bound to come to the aid of Japan.

That the Anglo-Japanese Alliance is the basis of Japan's foreign policy is indicated by the testimony of Count Hayashi, the Japanese Minister who negotiated the alliance, and that of Baron Kato, who has had more to do with enforcing it than any other man. Count Hayashi in his Secret Memoirs says of it: "**It is the basis of this country's foreign policy.**" Baron Kato says: "The Anglo-Japanese Alliance is revered and respected in Japan as long as it can be used as a stepping stone in China. It will remain in the future, as in the past, the shaft on which the wheels of Japanese diplomacy revolve." Mr. A. M. Pooley, England's most eminent authority on Far Eastern questions, declares in his book on Japan's foreign policy: "That Japan has been in a position to carry out successfully her policy of wanton aggression in China is due to the alliance of 1902." Such eminent students of Far Eastern problems as E. T. Williams, T. F. Millard, J. O. Bland, K. K. Kawakama, are all of the opinion that Japan's policy in the Far East would not have been possible without the Anglo-Japanese Alliance.

On the basis of this alliance, which associated her on terms of equality with a great European power, Japan adopted a foreign policy which involves these three aims:

1. To have repealed all legislation of a discriminatory measure, and to obtain equal privileges and rights for her people;

2. To obtain a free hand in China and to proclaim a so-called Monroe Doctrine over Asia;
3. To gain the control of the Pacific.

In every one of these ambitions, Japan's policy has come into direct conflict with that of the United States, and has led to a state of affairs which some observers believe makes a war highly probable.

Japan's first policy, that of securing the repeal of all discriminatory measures against her nationals, has an important bearing on the California issue. This issue, like that of race equality in general, is being used by Japan merely as a smoke screen to hide her actions in the Far East, and to imbue the populace of Japan with a strong hatred of America as a popular pretext for war. Her loud protestations about the California issue are answered by merely pointing to the fact that Japan herself does not allow foreigners to become citizens or hold land, does not allow them even to become laborers or engage in any business. Many Americans now realize that Japan is harping on the California issue to keep America's attention from the Far East, just as she harped on the issue of race equality at the Peace Conference to keep the world's attention from the issue of Shantung. It is over China and the Far East that American and Japanese policy must seriously conflict.

Policy Toward China

What has been our policy toward China? The United States has been the only true friend of the Celestial Empire. When China was on the verge of dismemberment by the policies of economic imperialism and "spheres of influence" pursued by the Great Powers, John Hay, the American Secretary of State, recognized the fundamental importance of the square deal in China, and devised a plan to check the progress of the spheres of influence policy in that country. He succeeded in securing the acceptance by all the major powers, including Japan and England, of those principles of the Commercial Open Door and the preservation of the territorial integrity of China which constituted the Hay Doctrine.

The Monroe Doctrine and the Hay Doctrine, which is but an extension of the same principle to the Far East, are the only two traditional foreign policies of the United States. They are both based on the same broad-minded principles: (1) The protection of a weaker nation by its stronger neighbor, and (2) the safeguarding of equal commercial privileges to all nations dealing with the weaker countries. This means that no nation, regardless of political interests or geographic proximity, can maintain special commercial privileges or monopolies to the detriment of free and open competition of the commerce of all nations. The United States has always intended to enforce these policies. She has done so in South America to the benefit of all concerned. Her military unpreparedness in the past has prevented her from doing so in China. She has had to depend on the pledges of those nations who signed the Hay Doctrine.

Japan Ignores The "Open Door"

Japan has broken her pledge, and her every move since the Russo-Japanese war has been to destroy the efficacy of the doctrine, and to substitute for it the war-breeding "spheres of influence" policy. She annexed Korea in 1910, after cruelly putting down the native revolt, and against America's official protest. She then began her policy of economic aggression and followed it up by the political subjugation of Formosa, Mongolia, and Manchuria. Wherever Japan entered, her stay was followed by the slavish subjection of the inhabitants and the suppression of all free commercial competition. To such an extent did her underhand measures and vicious discriminations prevent foreign trade, that in the port of Newchwang, Man-

churia (to cite an instance where, twenty years ago, two-thirds of all cotton goods used by the Chinese entered from the United States), there is no longer a single American firm. The Japanese Government has actually driven out every American merchant, closed the American missions and schools, and compelled our Government to recall our Consul-General. Both the Shanghai Chamber of Commerce and the American Association of China have issued formal protests against Japan's unfair discriminatory measures, which range from putting American trade marks on her own cheap imitations, to the entire exclusion of American goods by excessive taxes or railway rates. Mr. T. F. Millard, an authority on China and the Far East, in his testimony before the Senate Foreign Relations Committee stated that it was Japan's intention to force all American trade with China to pass through her hands. Thus the Japanese Government violated every principle of the Open-Door policy, if not with the active assistance of England, at least with her tacit consent. Japan would never have dared to violate a fundamental American policy had she not felt that the greatest navy in the world would at least "keep the ring" for her.

Vicious Aggressive Policy

It was not until 1915, however, that the most vicious nature of Japan's aggressive policy came to light. While the allied nations were busily engaged in the war, Japan took advantage of this situation to present to China her infamous twenty-one demands. The disgraceful method by which Japan on this occasion attempted to force her domination down the throat of a helpless people will always remain as the supreme example of the national perfidy and callousness to which a bureaucratic nation's belief in her divine mission to force her leadership on weaker peoples can drive her. When Japan's real intention to subjugate China was discovered, she made some awkward attempts at explanation. Her chief excuse was that she intended to establish a Monroe Doctrine over Asia. Let us not be deceived. To America, the Monroe Doctrine represents a check on imperialistic aggression and a protection of democracy; to Japan it means the predominance of a strong nation over weaker nations.

Suppose the United States had used the Monroe Doctrine to apply in South America a commercial and political policy like that which Japan has practiced in Korea and Manchuria, and which is embodied in her demands on China in 1915. Suppose that the Monroe Doctrine should be construed to mean that no railway could be built in South America except under conditions dictated by the United States; that no mines or material resources could be exploited without first consulting the United States; that no foreign loan would be made without United States sanction; that Americans must be employed as politicial, financial and military advisers to the South American Governments; that the South American Governments must purchase at least half of their armaments from the United States; that American goods must be given a preferential rate, and that Americans must be heads of police in important South American cities. Every one of these conditions Japan has already put into effect in Manchuria, and wherever she has established a sphere of influence. These conditions were included among her twenty-one demands, by which she intended to subjugate China. Japan remembers and cherishes an undying hatred toward the United States, because it was America's official protest which made her give up the most objectionable of these demands.

America in the Way

America realizes that she has definite obligations toward China; that those obligations are written into the fundamental policy of this nation. We

have been content in the past to answer Japan's interference with that policy by mere lip protest. But now that we are prepared, now that the leaders of our ever-increasing trade interests in China are complaining most bitterly against Japan's interference, the time is here when our protests will take a more material form. Japan realizes that America is the only country that stands in the way of her aggressive ambitions in the Far East and the Pacific. Her press convinces the people that America stands in the way of their daily bread, and that war would mean their economic emancipation; it threatens war if the United States does not recede. America will not recede. She has just fought a war for pure unselfish principle. How much sooner will she fight in this instance, where that same principle of "might makes right" is even more apparent—where a feudal yellow race is an even greater menace than was the Prussian autocracy—where not only fundamental principle but a basic foreign policy is at stake, to say nothing of the very large and legitimate interests of her Chinese trade.

We see Japan increasing her army from 1,500,000 to 4,500,000 men. We see her spending huge sums in a gigantic naval program. It is very questionable whether she will join the Great Powers in an agreement to reduce armaments. She is fanatically exploiting the raw materials of China for purposes of her own self-sufficiency. She is preparing her people for the coming war. America realizes that Japan's vast preparations are directed against her, and feels only too keenly the menace of the Anglo-Japanese Alliance.

Terms of the Alliance

Turning now to the Alliance itself, we find that Article II. of the 1911 pact reads as follows:

> *If, by reason of unprovoked attack, or aggressive action on the part of any power or powers, either high contracting party is involved in war in defense of its territorial rights or special interests mentioned in the preamble of this agreement, the other high contracting party will at once come to the assistance of its ally, and will conduct war in common and make peace in mutual agreement with it.*

This section of the treaty can mean nothing else than that, should the United States become embroiled in a war with Japan, England is bound to come to the aid of Japan. The express wording of the Alliance leaves no room for doubt concerning England's obligation. It explicitly places upon England the obligation to go to war against the United States in the event of hostilities between the United States and Japan.

Even more important than the exact wording of the Treaty of Alliance is the recent interpretation placed upon it. Treaties, like other laws, grow and expand by the interpretation placed upon them. It is less than seven years ago that occasion arose for the enforcement of the Anglo-Japanese Treaty—an occasion when this alliance was definitely and precisely interpreted by both England and Japan. Fresh within the memory of all is the incident to which I refer. In August, 1914, after Germany had sent her troops through Belgium, England, even before she formally declared war, sent a request through the British Ambassador at Tokio asking for Japanese aid under the terms of the Anglo-Japanese Alliance. K. K. Kawakami, eminent Japanese historian and political writer, describes in detail in his book, "Japan and World Peace," the conditions surrounding the Japanese entrance into the war. He states that Sir Conyngham Greene, the British Ambassador to Japan, on Aug. 3, the day before England declared war, made a formal request on the part of his Government for aid under the terms of the Anglo-Japanese Treaty of Alliance.

Baron Kato, Japanese Minister for Foreign Affairs, after conference with Count Okuma, then Prime

Minister, on the following day informed the British Ambassador that Japan would not evade the responsibilities she had assumed in entering into the alliance with Great Britain. Japan, upon the urgent request of the British Ambassador, decided to act at once, and on Aug. 14 sent an ultimatum to the Imperial German Government demanding the immediate release of all German connections in the Far East. In this ultimatum Japan officially set forth as the reasons for her demands the "safeguarding of the general interests as set forth in the agreement of alliance between Japan and Great Britain, and in order to secure a firm and enduring peace in Eastern Asia, which is the aim of said agreement." It must be borne in mind that this ultimatum refers in exact words to the Anglo-Japanese Alliance, and that it expressly states that such action was being taken in fulfillment of the Japanese treaty obligations.

Why Japan Declared War

On Aug. 23, Japan issued a formal declaration of war, in which she again referred to the Alliance as the reason for her action. I quote the exact words of the Imperial Rescript declaring war which was issued at Tokio on Aug. 23, 1914. It says:

> *We, on our part, have entertained hopes of preserving the peace of the Far East by the maintenance of strict neutrality, but the action of Germany has at length compelled Great Britain, our ally, to open hostilities against that country. Accordingly, our Government and that of his Britannic Majesty, after full and frank communication with each other, agreed to take such measures as may be necessary for the protection of the general interests contemplated in the agreement of alliance. We, in spite of our ardent devotion to the cause of peace, are compelled to declare war, especially at this early period of our reign.*

This document explicitly states that such action is being taken in fulfillment of the Anglo-Japanese Treaty of Alliance. Baron Kato, in an official address before the Japanese Diet, explaining why Japan was forced to enter the war in 1914, said:

> Great Britain was at last compelled to take part in the contest. The British Government asked the Imperial Government for its assistance under the terms of the Anglo-Japanese alliance. Therefore, inasmuch as she is asked by her ally for assistance at a time when the commerce of Eastern Asia, which Japan and Great Britain regard alike as one of their special interests, is subjected to constant menace, Japan, which regards the alliance as the guiding principle of her foreign policy, cannot but comply with such request and do her part. The Government, therefore, finally agreed to take such measures as may be necessary to protect the general interests contemplated in the agreement of alliance. Japan had no desire or inclination to get herself involved in the present conflict. She only believed that she owed it to herself to be faithful to the alliance and strengthen its foundation by insuring the permanent peace of the East by protecting the special interests of our two allied powers.

The statement of Baron Kato was further affirmed by his successor to the post of foreign affairs. Viscount Motono, in an official address to both houses of Parliament in 1918, said:

> Our alliance with Great Britain always has been the fundamental basis of our foreign policy. It was above all things the reason why the Japanese participated in this war. Since then Japan has spared no effort to assist her ally.

In view of these facts, any open-minded student will be forced to the conclusion that Japan's entrance into the war was under a fair and frank interpretation of the provisions contained in the Anglo-Japanese alliance. England, by her formal request for Japanese aid, showed by that act that she regarded Japanese aid as a necessity for carrying out the provisions of this alliance. Japan, by her immediate action upon that request, left no doubt as to the interpretation of her obligations under the agreement of alliance. There can be no mistake, therefore, in saying that both England and Japan regarded the Japanese entrance into the war as an act in compliance with her undoubted

obligations under the provisions contained in the Anglo-Japanese alliance.

England Legally Bound

This being true, it must necessarily follow that England is in the same way both morally and legally bound to aid Japan in the event of a probable war between the United States and Japan. England is thus bound not only by the specific wording of the treaty itself, but also by the legal interpretation placed upon that alliance in 1914. The World War originated in Europe. It was entirely removed from the continent of Asia. It had not, in fact, touched the Japanese nation in any respect. Yet England and Japan both regarded Japan's entrance into the war as the only logical interpretation which could be placed on the Anglo-Japanese treaty of alliance. England's legal obligation also is plain.

The American people have been lulled into a feeling of security in regard to the alliance by the statements of a misinformed press. We have been told that Article IV., which was inserted into the treaty in 1911, obviates the obligation of England to participate in a Japanese-American war. Such a contention arises from a misunderstanding of the treaty obligations between the United States and Great Britain, and has absolutely no foundation in fact. Article IV. of the treaty states:

> Should either high contracting party conclude a treaty or general arbitration with a third power, it is agreed that nothing in this alliance shall entail upon such contracting party the obligation to go to war with the power with whom such a treaty of arbitration is in force.

Article IV. does not in any way impair England's obligation to go to war against the United States under the terms of this alliance unless it can be definitely shown that a treaty of general arbitration exists between the United States and Great Britain. Such a treaty, however, does not exist, nor is such a treaty being considered by the United States. It is true that a treaty of general arbitration was formulated in 1911, but the United States Senate refused to ratify that treaty in March, 1912, with the statement that it would "never consent to a treaty of general arbitration between the United States and Great Britain." The only treaty concerning arbitration now in existence between the United States and England is one of the eleven so-called "Bryan treaties." This merely provides that before the United States and England declare war they must first submit their differences to a commission of inquiry. The treaty contains no provision that would prevent either power from declaring war after an inquiry has been made. It is, therefore, in no sense a treaty of general arbitration, and has never been interpreted as such. Since the treaty of general arbitration failed of ratification in March, 1912, there is nothing whatsoever in the form of a treaty that would fall within the meaning of Article IV. of the Anglo-Japanese Alliance.

It is evident, therefore, that Article IV. of the Treaty is inoperative as far as the United States and Great Britain are concerned. England's moral and legal obligation to go to war against the United States in the case of war between the United States and Japan remains unimpaired.

It is for these reasons that the Anglo-Japanese Alliance menaces the future friendly relations between the United States and Great Britain. The fact itself that England has pledged her honor and respect among the nations of the world to the fulfillment of an alliance with a potential enemy of the United States—an agreement which, by its express wording and explicit interpretation, obligates England to go to war against the United States—is a menace to British-American relations. It is realization of this fact that has caused so many members of the British Empire itself to come out in open opposition to the

Anglo-Japanese Alliance. As the Hon. Earnest G. Theodore, Premier of Queensland, recently remarked:

> My recent visit to America has convinced me that much of the regrettable misunderstanding between this country and England is due to the Anglo-Japanese alliance. The treaty will never be understood by our cousins across the Atlantic, who have adopted the maxim of trusting to God and keeping their powder dry.

Picture the situation, with the United States situated between the two greatest naval powers of the world, who are bound in an alliance to the fulfillment of which they have pledged their national honor, an alliance which specifically binds them to the conduct of a war in common against any third power, an alliance which drew Japan, without hesitation, into the European war on the side of England, an alliance which leaves no room for doubt concerning England's obligation to go to war against the United States in the case of Japanese-American hostilities. Situated as we are between these two great naval powers, beholding the rising power of Japan, and realizing that England is bound to Japan in such a treaty of alliance, we can never regard England as a friend or even as a neutral in the causes of friction which now exist, or in those which are likely to exist, between the United States and Japan. As long as this alliance continues we must regard England, even as we regard Japan, as a potential enemy of the United States.

SOVIET RUSSIA'S TREATIES WITH AFGHANISTAN AND PERSIA

A TREATY of amity and alliance between Soviet Russia and Afghanistan was signed at Moscow on Feb. 28, 1921, and thereby the Bolshevist leaders acquired one more means of influencing or controlling events on the border of British India. Russia agrees to hand over to Afghanistan certain frontier territory which belonged to her in the last century, and guarantees the independence of Bokhara and Khiva. Russia promises to give Afghanistan financial and other help, and a supplementary clause pledges the payment of a yearly subsidy of 1,000,000 rubles. This clause has been interpreted to mean that Afghanistan is now to all intents and purposes a dependency of the Moscow Government, and will be compelled to obey the dictates of Lenin and Trotzky. As the British have already had serious trouble from the aggressive spirit of the Afghans on the Indian border, the new treaty has a special importance for them. A clause binding both Russia and Afghanistan not to enter with any third State into a military or political agreement which could damage one of the signatories, is evidently aimed at Great Britain.

The treaty of peace and alliance concluded by Soviet Russia with Persia on Feb. 26, 1921, is of somewhat wider scope. The characteristic Bolshevist declarations against monarchists and capitalists run like a red line through the text. All Czarist treaties, concessions, and loans are abjured. Russia gives up the grip which the Czar's Government had acquired on northern Persia. Each signatory acknowledges the sovereignty of the other, pledges itself not to harbor parties or forces hostile to the other, and agrees to come to the aid of the other if attacked by a third power. In case Soviet Russia is compelled to throw its armed forces into Persia in fulfillment of this agreement, it promises to withdraw such troops as soon as its military operations are concluded. Persia pledges herself not to transfer to third parties any concessions which Moscow has returned to her. A curious stipulation is contained in Clause 15, which declares that Russian Orthodox religious missions in Persia, as in other countries of Islam, were merely part of the "rapacious intrigues of Czarism;" the treaty withdraws all missionaries from Persia and hands over the mission properties to the Persian Government.

THE PLIGHT OF CHINA

By Jesse Willis Jefferis

Nation torn between two contending Governments—That at Canton, headed by Sun Yat-sen, has the higher democratic ideals, while that at Peking has the greater strength and recognition—Danger of a coalition of Japan and China to fight Western imperialism

THE recent return of Dr. Sun Yat-sen, father of Republican China, to the Presidency of the Southern Chinese Government, was disconcerting to the militarists at Peking and displeasing to the monarchists at Tokio, who realize that the strange doctrines of republicanism introduced by "foreign devils" will continue relentlessly to gnaw away the foundations of political principles and traditions 4,000 years old. On his assumption of office, Dr. Sun issued a manifesto to all foreign powers and a special appeal to the United States, setting forth the abuses of the Peking Government, the state of anarchy into which the country had fallen, and the patriotic aims of the Southern leaders. [The full text of these documents will be found on Pages 749-753.]

In the past, Peking officials have viewed with contempt the struggles for liberty of the revolutionaries in South China, who had the temerity to secede from the Central Government; but now Peking's financial plight is so serious as to dislocate the arm of her military power and to result in the dissolution of her Parliament, the liberal members of which have voted to join the Extraordinary Assembly convened at Canton under the leadership of President Sun Yat-sen.

The present outlook is worrying Japan, which has effectively used Peking as a pawn, but is now threatened with a checkmate by Canton. A Government genuinely republican is likely to prove unmanageable. To direct the policies of a Manchu monarch, or to bribe the military Governors of Chinese provinces, would not be an insuperable task; but the seeds of democracy planted in the Flowery Kingdom threaten a political upheaval so momentous, irresistible and far-reaching as to be felt around the world.

To meet this critical situation, a conference of Inspector Generals was hastily summoned by Premier Chin of the Peking Government to assemble at Tientsin. The program proposed to further the reunification of China was as follows:

1. The military supression of the Mongolians, who are fighting for the restoration of autonomy.
2. Reorganization of the Peking Parliament.
3. The arrest of President Sun Yat-sen.

Although Sun Yat-sen was elected to the Presidency by the National Assembly of South China in April, congratulations have not been received thus far from the provinces of Huan, Szechuan, Yunnan and Kweichow. This is owing to the fact that General Wang Chan-yuan is organizing a separate federation of six neutral provinces, which have agreed to establish their capital at Hupeh, to pool their finances, to raise an army for "driving out bandits," and to prevent Peking from forcing these provinces to accept military Governors.

Thus the Peking Government hopes to reunite China by refusing autonomy to Mongolia, by centralizing so far as possible the military power and resources of the refractory provinces, and by crushing out democracy, for which, it is said, the provinces are totally unfitted both by

nature and by tradition. In view of the difficulties which beset the citizens of the American Commonwealth in their efforts to realize the principles of true democracy, the militarists of Peking and the monarchists of Tokio perhaps have some reason for the conviction that 400,000,000 Orientals—Manchus, Chinese, Mongols, Mohammedans and Tibetans—who have been self-governing only in local communities, cannot at present be welded into a national union under a republican form of government.

This was the view taken by Professor Goodnow of Columbia University, who, in 1915, as constitutional adviser to President Yuan Shih-kai, published a pamphlet to show that a monarchy was more suitable to China than a republic. Advice from so authoritative a source was cheerfully adopted by President Yuan Shih-kai, who declared his intention to ascend the throne as "The Son of Heaven," despite the fact that he had cast hundreds of Chinese into filthy jails for daring to suggest such an unpopular idea; for the revolution in favor of a republic had swept thirteen out of a total of eighteen provinces.

A retrospect of the political anarchy which has prevailed in China since the outbreak of the revolution in 1911 is likely to lead to the conclusion that the awakening of the "Sleeping Dragon" from its 4,000 years' state of suspended animation was entirely too rude and abrupt, resulting in a reaction of racial ill-humor which only time can mollify. The sudden transition from a paternal despositism to a republic has been followed by an upheaval comparable almost to that which resulted from Russia's leap in the dark from Czarism into Bolshevism. If the Manchus and the present Peking Government had been willing to follow the constitution proposed by the Chinese liberals, the Flowery Kingdom would never, like Gaul, have been divided into parts, waiting for a conqueror. The natural political evolution of China should have been from a despotism to a constitutional monarchy, and finally to a republic.

The independence, arrogance and venality of the Tuchuns, or provincial military Governors of the North, are today the chief impediment to the reunification of China. Controlling, as many do, not only the finances, but the military power of the provinces, they are often able unduly to influence the policies of Canton and Peking; for without the support of these ambitious Generals comparatively nothing can be accomplished. It would seem that only such a civil war as was fought in America for the preservation of the Union can solve the problem of State rights in China and guarantee the sovereignty of the republic.

The "White Peril."

Reunification must be realized without delay, or China will suffer the fate of Turkey and the Holy Roman Empire; for the yellow race is confronted as never before with the "white peril," more ominous and overwhelming than the terror inspired among the inhabitants of the Pacific Coast by the peaceful invasion of the little, almond-eyed men from the Kingdom of the Rising Sun. The militarists of Japan realize that only a solid yellow front can withstand the imperialism of the Western nations. "Without China, Japan would have lost her independence," says Dr. Uesugi of the Imperial University of Tokio. "The establishment of friendship between Japan and China is the question of the whole Asiatic continent."

The overthrow of the Government of Sun Yat-sen and the restoration of the monarchy in China is openly espoused by Japan, which sees in such restoration its hope fo the reunification of China and the formation of an Asiatic League of Nations. "We sincerely hope that under the leadership of General Chang Tso-lin of Mukden the monarchy will be restored," says The Herald of Asia, a leading Japanese weekly published in Tokio. "China needs now nothing so ur-

gently as a period of strong discipline under centralized authority."

A union of the yellow race for protection against the imperialism and commercial exploitation of Western nations is no more impossible than the long-discussed British-American alliance to preserve world peace; for China, of which Japan was formerly a dependency and from which she received her early culture, is just as truly the mother country of the Kingdom of the Rising Sun as England is the mother country of America. "China has three enemies, of which Japan is *not* one," says Dr. Wang Chung-hui, Chief Justice of the Supreme Court of China. These three enemies, he says, are:

1. Article XXI. of the League of Nations, laying down the doctrine of regional understanding—a direct challenge to China's integrity.
2. The Anglo-Japanese Alliance, which will lead to war, with China on the side of America.
3. The Lansing-Ishii notes, upholding the doctrine that geographical propinquity confers rights.

The Anglo-Japanese Alliance, which may ultimately be renewed, though with modifications, is viewed with apprehension by the Chinese, who regard this pact as a "robbers' agreement," by which England and Japan will protect each other in the exploitation of the Far East. If, however, the alliance is not renewed, Japan and China are likely to be drawn closer together than they ever have been since the close of the Chinese-Japanese War in 1894.

Sino-Japanese Solidarity

"We should make the control of China's foreign policy and the management of her internal financial and military affairs our goal," says Mr. Uchida, member of the Japanese House of Peers, "thereby establishing an Eastern Asiatic Federated Empire, with Japan as its leader."

But Japan must return to China Germany's former rights in the Province of Shantung, together with the control of the Tsinanfu-Shunteh and Kaomi-Hanchow Railroads.*

Japan must also relinquish the special privileges procured under duress from China; they are wholly inconsistent with the policy of the "open door," which guarantees equal opportunities for the commerce of all nations. By securing an abundance of China's raw materials, Japan, with her cheap labor, would be able to underbid the merchants of the Western world.

Left alone, China will be unable to withstand the overwhelming pressure brought to bear upon her by Japan, which now has a preponderating influence in South Manchuria, East Mongolia and other coastal provinces. No Napoleon is needed to warn us of the danger that Japan's militarization of China might lead eventually to an Asiatic invasion of Europe, already prostrated by the most destructive war in history. Accordingly, the relations between China and Japan may largely decide the future of civilization.

The policy of an "open door" in China for the commerce of all nations, as enunciated by President McKinley in 1908; the proposal by Senator Knox in 1915 to neutralize the railroads of Manchuria, when threatened with domination by Japan; President Roosevelt's act in returning to China America's share of the Boxer indemnities, to be used for the education of Chinese youth in the colleges of the United States, and President Wilson's plea for the political unity of China at the outbreak of an armed conflict between North and South over the Manchu restoration—all these have tended to create the conviction among the Chinese people that America is a genuine and disinterested friend.

Not until the dispatch of the Lansing-Ishii note, Nov. 15, 1917, recognizing the principle that terri-

*China's firm refusal to negotiate with Japan over Shantung, or to accept other than an unconditional restoration of Shantung and all rights previously enjoyed by Germany, was again emphasized by China through Dr. W. W. Yen, Chinese Minister for Foreign Affairs, on June 22.

torial propinquity creates special interests for Japan in Chinese territory, and President Wilson's acceptance under protest of the "Shantung infamy," a dagger aimed at the heart of the Chinese Nation, did America's influence in China begin to wane. The fact that both countries have repudiated the Versailles Treaty remains, however, a hopeful sign that they will stand together when the real test comes regarding the justice of the provisions governing China and the islands in the Pacific.

Status of the Consortium

Commercial competition, which many concede was the cause of the last great war, will probably result in a conflict between the white and yellow races, unless it is superseded by economic co-operation. The dismemberment of China will continue until her political entity and national sovereignty are sufficiently secure firmly to resist foreign encroachments.

Undoubtedly, the most efficient measure for the reconstruction of China is the new financial consortium of Great Britain, France, Belgium, Japan and the United States, through which loans may be advanced to the Chinese Government, not for special privileges, not for further disorganization of the struggling republic, but for the building of railroads, highways, &c., and for the reorganization of China's decentralized banking system. This international consortium, headed by Thomas W. Lamont, may not only enable America to treble her trade with China, which now totals $400,000,000 a year, but, best of all, will tend to relieve China from the pressure of external interests and from the civil strife within, both of which are now threatening her very life as an independent nation.

But this program of fair play can never be put into operation until it has the support of the Chinese Government, which now realizes that it has been sadly demoralized by Japanese loans, made ostensibly for industrial development, but actually for political disorganization, in order that Japan might fish in troubled waters. Neither can China ever function as a nation so long as it is divided into warring factions.

At the present moment, President Sun Yat-sen of South China is anathematized in the North as the Jefferson Davis of the Southern secessionists. Premier Chin, the recognized head of the Peking Government —said to be the puppet of General Chang Tso-lin, the Military Governor of Manchuria, and of General Tsao Kun, the Military Governor of Chi-li —is denounced by the liberals of the South as a hopeless reactionary. Only a Chief Executive approved by both factions and powerful enough to force into line the Governors of the provinces, most of which are practically independent, can restore the political unity of China.

SUIT OF THE INVENTOR OF MELINITE

YEARS ago a French inventor named Turpin filed a copyright with the Patent Office of his Government for the invention of a picric acid explosive. The process was rediscovered by two French army officers and used by the French Army under the new name of melinite. Four years before the war the French courts admitted M. Turpin's claim to the invention of melinite, and ordered the Government to pay him $20,000 damages, plus an annual income of $4,000. Not satisfied with this, M. Turpin has now brought suit against the Government, demanding royalties on every recoiling cannon manufactured in France for either national or foreign use. He asserts that he is the original inventor of every high explosive, every cannon, shell and bomb used by the belligerent armies in the World War—even trinitrotoluene, the French seventy-five and the universal detonators—and gives proof that he has covered all these inventions by patents in the last thirty years. If the French courts recognize his contentions, he may yet become a multimillionaire.

CHINA AND THE ANGLO-JAPANESE ALLIANCE

By Sao-Ke Alfred Sze*
Chinese Minister to the United States

Why the United States and China should be consulted in arranging any renewal of the pact between Japan and Great Britain—The only guarantee of peace in the Far East —Avowed objects of the alliance summarized in clear terms

It has been said that an agriculturist is one who can make two blades of grass grow where only one grew before. So a banker may be defined as one whose business it is to produce two dollars with one. Where can money be placed to the best advantage? Economists tell us that materials, labor and capital are the essential elements of production. Capital is what bankers deal in. In order to make capital productive they have to seek a combination of materials and labor. Like Alexander, they are always seeking more worlds to conquer. What country presents a more alluring prospect for the investment of capital than China? Within its limits may be found everything that satisfies human wants. It has all the raw materials that are essential to industrial progress.

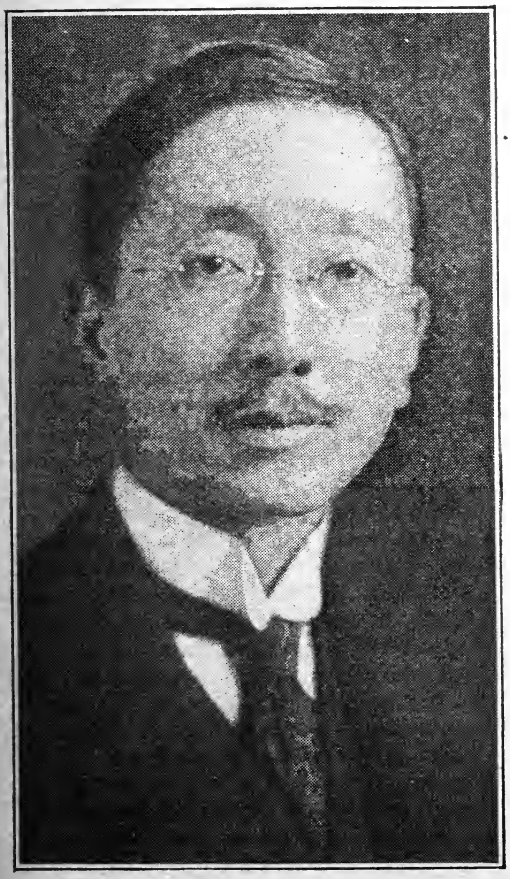
Take the Province of Shansi, for example. This province lies just north of the Yellow River. It is an immense coal bed. With modern methods of development, this region may some day rival Eastern Pennsylvania in anthracite production. There is the Province of Sechuen. This is a western province of the republic, bordering upon the Tibetan plateau. It is walled in on all sides by lofty mountain ranges. It has always been known as the treasure house of China. Salt, petroleum, gold and other metals are found in sufficient quantities to meet a constant demand. Its vegetable products, such as wood oil, are growing in commercial importance. I might go on and tell of the products of the other provinces, but this is enough to show what opportunities American capital has in China's development. It is hardly necessary for me to say that China can furnish all the labor required for all industrial purposes. In fact, her economic strength lies in her labor. To provide employment for Chinese labor at home may solve a great many problems that are confronting other countries. China may be said to be a country of the future, and as such it presents immense possibilities and great opportunities for all.

The Anglo-Japanese Alliance

I have been asked to say something about the Anglo-Japanese Alliance. This is treading on very treacherous ground for a diplomat. When John Hay was Secretary of State, it was the custom for a newly appointed Minister to come to Washington some time before proceeding to his post, for the purpose of receiving instructions. One newly appointed Minister came to Washington and went to the State Department every day for a month to receive instructions, but got none. At last, when it was about time for him to leave, he called on Secretary Hay to say good-bye, and as he was about to go he asked the Secretary about

*This article by the Chinese Minister at Washington is based upon a speech which he delivered before the New York State Bankers' Association in Atlantic City, June 24, 1921.

his instructions. For the moment the Secretary did not seem to understand what he meant. The Minister then explained that he had been in Washington for a month to receive instructions and had not yet got them. The situation began to dawn upon the Secretary, and he simply answered: "Make no speeches." This is good advice for all public men to follow. Many have disregarded this advice and got into trouble. One reason is that a speaker is apt to be misquoted. Another reason is that words when detached from their connections often take on different meanings. You will recall a very recent instance of this with reference to a very distinguished American naval officer. But on questions of the day it is sometimes desirable for public men to make their views known in order to clear the atmosphere. Among friends I have no hesitation in speaking my mind freely on the Anglo-Japanese Alliance, but it must be understood that I am speaking now not as a representative of the Chinese Government, but only as a private citizen of the Chinese Republic.



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SAO-KE ALFRED SZE
Chinese Minister to the United States

What is the Anglo-Japanese Alliance? It is a warlike measure designed by England and Japan to protect their interests in the Far East. Its avowed object, as set forth in the premable of the agreement, has a threefold aspect, namely: (1) The consolidation and maintenance of the general peace in the regions of Eastern Asia and India; (2) the preservation of the common interests of all powers in China by insuring the independence and integrity of the Chinese Empire, and the principle of equal opportunities for the commerce and industry of all nations in China; (3) the maintenance of territorial rights of the high contracting parties in the regions of Eastern Asia and of India, and the defense of their special interests in the said regions. The alliance has a ten-year term, which expires in July. Accordingly, the question is now before the two countries for the third renewal.

China Not Consulted

You observe that this alliance has a good deal to do with China, but China has nothing to do with it. Here is an agreement vitally affecting China, but China has not even been consulted in its making. You will agree with me that any nation would resent such treatment.

The Chinese people, therefore, have good reasons to object to the renewal of the alliance. They regard the situation as intolerable. The sentiment against a renewal is growing in intensity and strength all over the country. The press has taken the matter up, and the Provincial Gov-

ernments have made official inquiries of the Central Government in regard to it. The Chinese people are aroused as a nation and have raised their voice against it.

The preservation of peace in the Far East is a matter of such supreme moment that it concerns not only England and Japan, but other countries as well. China and the United States ought to have something to say in the matter.

With the possession of the Philippine Islands and Guam the United States may be considered as an Asiatic power. China occupies a large portion of the Continent of Asia. Under the circumstances, China and the United States have certain rights to be consulted in all matters pertaining to the Far East. An agreement for guaranteeing peace in the Far East, therefore, should include China and the United States as parties. Unless China and the United States become parties to the agreement, I cannot see how peace in the Far East can be made enduring.

Some years ago the A B C powers were instrumental in promoting peace on the American Continent. You may be interested to know that there are A B C societies formed in China for international co-operation, A representing America, B Britain and C China. The object is to secure Anglo-American co-operation in the development of China. Such co-operation the Chinese people welcome.

As I have been so long in England, I know pretty well the general sentiment of the British people on the subject. It is fortunate for the world at large that the same guiding hand that led the British Nation through a successful war is still at the helm of British affairs. Mr. Lloyd George, who has seen so much suffering and misery inflicted by war, will not permit the peace of the world to be again disturbed. I feel sure he will in time find a way to get China and the United States into his confidence in affairs of the East. With Mr. Lloyd George at the head of the British Government the problem of the Pacific will be solved, I believe, with the same statesmanlike wisdom that has marked the handling of other momentous questions in the last few years.

THE PASSING OF THE DREADNOUGHT

IT was announced by the British Admiralty on June 1 that the old battleship Dreadnought, first of a famous class, was to be broken up. The Admiralty has sold the once mighty vessel, which blocked all the Kaiser's naval ambitions, together with over 100 other obsolete battleships, cruisers, monitors, destroyers and torpedo boats. Launched on Feb. 2, 1906, with her ten 12-inch guns, her complete armored belt and her speed of twenty-one knots, she not only made the rest of the British fleet obsolete, but also the rapidly growing fleet on which the Germans were building their hopes. The Dreadnought meant that the Kiel Canal had to be widened, the locks enlarged and the docks rebuilt. German time and money that might have been spent on constructive work were wasted on mere alterations. Though the design was varied, every capital ship laid down by every country since then has been built on the all-big-gun model of the Dreadnought. This new battleship type, initiated by the late Lord Fisher, was a stroke of genius. When the great conflict began in 1914, Great Britain held an unquestionable advantage on the sea. And now, only fifteen years after King Edward VII. launched the great vessel at Portsmouth, with Lord Fisher standing at his side, the Dreadnought goes to the scrap heap, hopelessly obsolete. Such is the speed of naval progress: sic transit gloria. The advocates of a naval holiday—a period of lessened activity in battleship building—have here an argument on their side.

DOCUMENTS BEARING ON CHINA'S DESTINY

Dr. Sun Yat-sen's proclamation against the Peking Government, with his special appeal to the United States for recognition of the Canton Government—South China's charges against Japan—Peking speaks on Shantung—Important declaration of the United States regarding the "open door"

THE split between North and South China was accentuated by the return of Dr. Sun Yat-sen, the first Provisional President of the Chinese Republic, to the office of President under the new Canton régime, on May 5, 1921. On his assumption of office Dr. Sun issued a proclamation addressed to all the foreign powers. In this he set forth the deplorable state into which China had fallen, bitterly attacked the Peking Government as illegal and undemocratic, declared himself the constitutional leader of the whole country, laid down his program for reunification, and appealed to all the powers to recognize his Government. The text of this proclamation follows:

During the last four years the patriots of China have been waging war against the militarists and traitors of the country for the cause of constitutional government and for national existence itself. It has been no war between the North and South of China, but a struggle between militarists and democracy, between treason and patriotism. That the people in the North are sympathetic with the purposes and aims of the South has been demonstrated by the fact that they have spontaneously organized demonstrations and boycotts for the same purposes and aims.

The Government at Peking has lost the last vestige of its control over the provinces—even those nominally within its jurisdiction—where the military satraps are plundering the people and ruining the country. These militarists wage war among themselves in the struggle for power. One of them has lately gone to the extent of treacherously leaguing himself with the Russian monarchists, and aiding and abetting them to attack and capture Urga.

While the Peking Government is fast crumbling from sheer hollowness, foreign domination tends to spread from north to south. The existence of China as a nation is in jeopardy. Since the unconstitutional dissolution of the National Assembly in June, 1917, no de jure Government has existed in Peking. New election laws may have been made and new National Assemblies may have been elected, but they all lack legal basis. Confirmation of this has come from an unexpected quarter—from Hsu Shih-chang himself, when he issued the order in October last for the holding of a general election, based, not on the new election law which is the basis of his own title, but on the old election law, which is incompatible with his claim to the Presidency. The extraordinary spectacle is thus presented of the self-styled President of the republic confessing that he has no legal right to that title. Thus in this hour of crisis, when the national existence itself is imperiled, there is in Peking no Government which is legally constituted or able to discharge the functions of Government.

Under these circumstances the National Assembly, the only body of legally elected representatives of all the provinces and territories of the country, has established a formal Government and has elected me to be President of the republic. Being the founder of the republic, I cannot afford to see it in danger without making an effort to save it. Having been summoned once before—in 1911—to the Presidency, from which I resigned after a short tenure, in order, as I thought, to bring about unity to the country, I intend now to do all in my power to discharge those duties and functions honestly, faithfully and to the satisfaction of my fellow-citizens.

As the National Assembly which has elected me represents the whole country, irrespective of north or south, so it shall be my first endeavor to unite all provinces and territories of the republic under one Government, which shall be progressive and enlightened.

The legitimate rights of foreign powers and their nationals, duly acquired by treaty, contract or established usage, shall be scrupulously respected. The vast resources of the country, natural and industrial, shall be developed so that the whole world, suffering from the disastrous effects of long years of war, will be benefited. For this purpose foreign capital and expert knowledge will, in pursuance of the open-door policy, be welcomed. There is little doubt that with the Southern provinces enjoying good government and prosperity under honest administration and a constructive program, other provinces will be only too ready to throw off the yoke of militarism and misrule, and, acknowledging the authority of this Government, bring about the much-desired unification of the country. I believe my task is lightened by the fact of the illegality and incompetency of the Peking Government. That Government is not recognized by the Chinese people themselves, but is being propped up solely by its possession of the historic capital of the country and its consequent recognition by the foreign powers.

I appeal to the Governments of the friendly powers to withdraw recognition from the soi-disant Government which is avowedly no de jure Government, and which is proving itself not even a de facto Government. And, in the same manner in which they recognized the republican Government formed by the National Assembly in 1913, I request that they accord recognition to this Government formed now by the same Assembly. This is the only Government of the republic actuated by no desire of selfish gain, but by the sole motive of serving the republic to the best of its ability. Members of this Government represent those ideals and those principles which, if the republic is to survive and take its rightful place in the family of nations, as they firmly believe it will, must necessarily triumph, viz.; liberalism, constitutionalism and devotion to the common weal.

Special Appeal to America

To the United States, however, Dr. Sun made a special appeal for recognition, believing that the American Government, pre-eminently, was the friend of democratic China and her protector by virtue of the Hay doctrine of the open door, which is characterized as the "Monroe doctrine of China." The text of this appeal, dated May 17, 1921, was obtained for Current History from Ma Soo, the unrecognized representative of the South China Government at Washington. It is addressed to President Harding and reads as follows:

Your Excellency:

I have just issued a manifesto to the Friendly Nations, but I am impelled, on behalf of my countrymen, to make a particular appeal to your Excellency, for the reason that we regard America as the Mother of Democracy and the champion of liberalism and righteousness, whose disinterested friendship and support of China in her hour of distress has been demonstrated to us more than once. China is now in the most critical time of her existence. Whether democracy triumphs or fails, much depends upon the decision of America. This time we look again to America to support righteousness and to help uphold the will of the Chinese people.

As I have shown in my manifesto to the Friendly Nations, the so-called war between North and South China is not a war between the different sections of the country, but a national struggle between militarism and democracy, between treason and patriotism. That the people in the North are sympathetic, and are working in co-operation with the South, has been demonstrated by the fact that they have spontaneously organized demonstrations and boycotts in order to fight against the foreign opressor who supports these traitors.

When, at the end of the great war, the powers advised us to cease fighting and bring about the unification of the country, the South complied by meeting the North at a conference in Shanghai. The South was ready, for the sake of early restoration of peace, to yield in practically everything, on one condition, namely, that the Peking Government should repudiate all the secret treaties and, in particular, the Twenty-one Demands of Japan, which were contracted after the illegal dissolution of Parliament, and which were merely the bait offered by the Emperor Yuan Shih-kai for the recognition of his abortive empire. But this simple and just demand of the South was rejected. The South being unwilling to sacrifice national independence for a nominal unification, the Peace Conference came to a deadlock, and the state of war continued.

Furthermore, it was simply the weight of public opinion in China that forced China's delegates to the Peace Conference at Paris to present an appeal for the restoration of Shantung to China. The Northern militarists, however, worked secretly against this appeal, for should Japan be forced to re-

turn Shantung, they would lose the material support of Japan.

The internal condition of China has gone from bad to worse. While the people of North China are dying by the millions from starvation, food in abundance is "cornered" by these militarists around the famine districts for the sake of self-gain. This is proved by the fact that when some foreign philanthropists offered a large quantity of rice to relieve the famine situation, the Chinese Famine Relief Society declined the offer in kind, but requested in its stead the equivalent in money, on the ground that plenty of food can be gotten even in the famine areas.

Such is the state of affairs in China that unless America, her traditional friend and supporter, comes forward to lend a helping hand in this critical period, we shall be compelled, against our will, to submit to the Twenty-one Demands of Japan. I make this special appeal, therefore, through your Excellency, to the Government of the United States to save China once more; for it is to America's genuine friendship, as exemplified by the John Hay Doctrine, that China owes her existence as a nation. The John Hay Doctrine is to China what the Monroe Doctrine is to America. The violation of this Hay Doctrine would mean the loss of our national integrity and the subsequent partitioning of China. Just as America would do her utmost to keep intact the spirit as well as the letter of the Monroe Doctrine, so we in China are striving to uphold this spirit of the John Hay Doctrine. It is in this spirit, therefore, that I appeal to the author of the John Hay Doctrine to befriend the Chinese Nation again in this hour of her national peril, by extending immediate recognition to this Government. (Signed) SUN YAT-SEN.

Japan Arms North China

The new South China Government shortly after its inauguration found itself called upon to renew actual fighting with its northern opponents, and according to charges made by Dr. Wu Ting-fang, the Foreign Minister in Dr. Sun Yat-sen's Cabinet, these continuers of civil war were armed and even officered by the Japanese. Ma Soo, the Washington representative of Dr. Sun, received a long dispatch from Dr. Wu on July 7 in which an account was given of the circumstances under which the militarists of Kwangsi, the province bordering on Kwangtung, invaded the latter territory and how they were finally repelled. The dispatch, which made serious charges against Japan, reads as follows:

War has been forced upon the people of Kwangtung. We have been at pains to preserve peace in South China, so that industry might be developed and business prospered, but we are not permitted to go on with the peaceful development of the province. The Kwangsi militarists, urged by the war lords in North China and aided by funds from Tokio, have been for the last three months harassing the borders of Kwangtung. In several places they have crossed the boundary line and disturbed the peaceful inhabitants.

Instead of repelling the marauders by force, we withdrew our troops further into the province, hoping that time and reason would lead them to see the injustice of their actions, but our patience has been mistaken for weakness, and on May 22 a large force of Kwangsi militarists boldly marched across the border line and many miles into Kwangtung, plundering the city of Ling Shan, in the southwestern part of Kwangtung. Our soldiers urged them to withdraw, but in answer they fired upon them. Then our soldiers drove them back, and since then there has been fighting in many places along the border line. On June 30 our troops met the Kwangsi forces near Wuchow, the most important commercial city in Kwangsi, situated about 100 miles from the City of Canton.

We succeeded in capturing that city after a severe battle, but in the struggle we discovered that we were not fighting against the Kwangsi militarists alone. There were many Japanese fighting in their ranks. The Japanese Captain Nagamura directed the Kwangsi forces in that campaign, and many of the arms and munitions that fell into our hands with the capture of the city were of Japanese manufacture. We have also just discovered that the Japanese steamer Kogawa Maru, laden with arms and ammunition destined for Kwangsi, is now in the Port of Shanghai ready to sail for South China.

As there is an understanding among the different powers not to permit the importation of arms and ammunition into China for internal warfare, call their attention to this flagrant violation of that understanding. The people of China cry for justice. They hope their cry will be heard by liberty-loving people of America.

Shantung Parley Refused

Despite the charge of the Canton Government that the Peking Government is in league with the Japanese in their encroachments on China, the Peking leaders continue to give signs that they have no intention of yielding to Japan in the matter of Shantung. The sending of Mr. Simpson ("Putnam Weale") to London to organize a whole campaign against Japan and the Shantung settlement demonstrated this quite recently. For many weary months Japan has used every persuasion to induce China to enter into discussions of the conditions under which the Shantung Peninsula might be returned to China. These invitations have been continuously refused. An official statement on the subject—the first in many months—was issued in Peking on June 22 by Dr. W. W. Yen, the Chinese Minister of Foreign Affairs. After asserting that China had always lost territory or prestige as a result of negotiations over international questions, Dr. Yen explained the Chinese view regarding Shantung as follows:

> If Japan intends unconditionally to restore the German leased territory in Shantung and the inalienable rights and privileges formerly enjoyed by Germany, she should announce that fact to the world in unequivocal terms. If she proposes to make conditions for such restitution, she should likewise frankly announce those terms for all nations to pronounce jugment upon them.
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> China does not want an empty restoration, but wishes to know in advance what restoration is meant—what Japan proposes to do with all public buildings, docks, railway terminals, railways, mines, the property seized by Japan since her occupation by forced sale; the salt industry, and the revenues from the railways collected by Japan during her occupation. Let Japan go on record as to what she intends to do with these and other questions, and there will be no need for negotiations.
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> Furthermore, China does not wish to jeopardize her right to carry the Shantung question to the League of Nations by entering into direct negotiations. China does not purpose to permit Japan to cite such negotiations in support of possible opposition to submission of the question to that body.
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> China also would be lacking in proper consideration for the nations which have interested themselves in the Shantung settlement should she undertake to negotiate directly. This is particularly true with reference to the Senate and people of the United States, who have evinced a friendly desire to see China's interests safeguarded.
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> Internationalization of the port of Tsing-tao would meet with approval by China. It is in line with China's declared policy and action in throwing open various ports to international trade, and it is realized that it would be greatly to China's interest. The initiative in this direction, however, lies with China and not with Japan.

[*For further details of Japan's foreign policy, see Page 887.*]

Insisting on the Open Door

The Peking Government was much elated by a new declaration for the open-door policy in China, issued by Secretary Hughes in answer to a letter from Sao-ke Alfred Sze, the Chinese Ambassador at Washington, inquiring as to the attitude of the United States Government on the various complaints made by the British, Japanese and Danish Governments against wireless concessions granted by China to an American wireless company. The full correspondence was given out subsequently by Mr. Sze. The Ambassador's note, dated June 9, referred to the agreement made on Jan. 8 between the Chinese Minister of Communications, representing the Peking Government, and the Federal Telegraph Company, an American corporation, "for the erection and operation, as a joint enterprise of the Chinese Government and the American company, of stations for wireless communication." It further referred to the protests made by several of the powers, on the ground that previous rights granted to their respective nationals were thereby violated. The reply of the American Secretary of State was sent on July 1, 1921. Here is the official text:

> I have the honor to acknowledge the receipt of your note of June 9, and in reply assure you that it is not the intention of this Government to withdraw

from the position hitherto taken by it in support of the rights accruing to the Federal Telegraph Company under the contract of Jan. 8 last. In its view, the communications which it has received from the other interested Governments, in reply to its inquiries as to the reasons for their protests to the Chinese authorities against this contract, tend only to confirm this Government in its belief that the adverse claims which have been urged as excluding the Federal Telegraph Company from participating with the Chinese Government in establishing wireless communications are founded upon assertions of monopolistic or preferential rights, in the field of Chinese Governmental enterprise, which cannot be reconciled either with the treaty rights of American citizens in China or with the principle of the open door.

Your reference to the principle of the open door affords me the opportunity to assure you of this Government's continuance in its whole-hearted support of that principle, which it has traditionally regarded as fundamental both to the interests of China itself and to the common interests of all powers in China, and indispensable to the free and peaceful development of their commerce on the Pacific Ocean. The Government of the United States has never associated itself with any arrangement which sought to establish any special rights or privileges in China that would abridge the rights of the subjects or citizens of other friendly States; and I am happy to assure you that it is the purpose of this Government neither to participate nor to acquiesce in any arrangement which might purport to establish in favor of foreign interests any superiority of rights with respect to commercial or economic devolopment in designated regions of the territories of China, or which might seek to create any such monopoly or preference as would exclude other nationals from undertaking any legitimate trade or industry or from participating with the Chinese Government in any category of public enterprise.

HUGO STINNES, THE GERMAN CROESUS

TO say "Stinnes" today in Germany is to pronounce the German equivalent for "Rockefeller." This comparison is true, however, only as regards the enormous fortune which Hugo Stinnes, coal magnate, steamship owner and newspaper controller, has by a chain of fortunate circumstances, depending mainly on the war, but also on the man's undisputed commercial ability, been enabled to amass. Aside from his vast interests, or rather by means of the power they give him, this sinister-looking figure has become a political force. The Economic Review of June 10 describes him as follows:

> He has the somewhat squat figure of a country parson; his swarthy complexion and black hair and beard have earned him the name of "the Assyrian," the gaze of his narrow eyes under heavy eyebrows is penetrating, his mouth is hard and long, with thin lips. * * *

The leader and financier of the German Popular Party, he is now, from both the economic and the political standpoint, a central figure of public life, and it is even said that the Fahrenbach Cabinet did not dare to reach any decision without hearing his views. While his vast industrial undertakings spread further and further through Germany, and his numerous newspapers give the law to the rest of the press, he is proclaimed by the ultra-pan Germans as the legitimate successor of Bismarck. To the Socialists, naturally, he is anathema as the incarnation of capitalism and reaction.

Stinnes has reached his present position within thirty years. Only 50 years of age, he started his career at Mülheim on the Ruhr with a capital of 50,000 marks. The stages of his rise were through the sale of coal to the acquisition of mines, from iron and steel production to shipping. The chief purveyor of military supplies for the German Government during the war, he charged and received fabulous profits, plunged into politics, bought newspapers (including the official organ of the Government, the Deutsche Allgemeine Zeitung) and even the Hirsch Telegraph Union, indispensable for the lesser German press. Today he seems to be on the way to buying up all Germany.

MUSTAPHA KEMAL AND THE GREEK WAR

By Clair Price

An American newspaper correspondent who has lived in the Near East

What the Turkish Nationalists under Mustapha Kemal are fighting for, and how the fate of Europe may hang upon the decision of their war with the Greeks—Why the struggle centres about the Treaty of Sevres—Constantinople the key of the situation

THE new campaign begun about the middle of July by King Constantine and his Prime Minister against the Turkish Nationalist forces under Mustapha Kemal Pasha may justly be said to involve the fate of Europe. The danger of this new war for control of Asia Minor is fully realized by some of the allied Premiers.

The war in Asia Minor between the Turks and the Greeks centres about the Treaty of Sèvres, which originally was wholly favorable to Greece and unfavorable to Turkey. The first trouble came when that treaty was modified at the London Conference held in February, 1921. Greece, seeing herself threatened with loss of the advantages gained under the original treaty, rejected the modifications decided upon by the Allies, and rushed into another war with Turkey, a war devised to enforce the Sèvres Treaty on a strong Turkish Nationalist Government, for whom that treaty is "suicide 400 times over." It is a war of peculiar futility, inasmuch as its outcome, whatever it may be, has yet to receive the consent of Russia—the senior partner to all settlements in Turkey, a senior partner temporarily laid up with troubles of his own. Until Russia guarantees a new régime over the Straits of Constantinople it is difficult to consider any such new régime as permanently written into Near Eastern history. The Russian Government has already repudiated the Near Eastern settlement which the Sèvres Treaty proposes. In its treaty of last March with the Turkish Nationalists it announced its own policy respecting the Straits in the following language:

> In order to secure full freedom of trade on and around the Black Sea, a conference of the neighboring States shall be called to draw up the necessary, detailed and authoritative statutes, which shall, however, in no way tend to diminish the absolute sovereignty of Turkey, or the security of the country and its capital, Constantinople.

Greece's disregard of such a pronouncement can hardly be accidental. One can look upon the blow which Greece has dealt the Turkish Nationalist Government only as an attempt to rush the imposition of the Sèvres Treaty during Russia's absence. In the light of France's coolness toward the Sèvres Treaty and of Italy's known hostility; in the light of the century of worry which Constantinople has occasioned the British Government, one may infer that the British are not disinterested spectators of this attempt to present the future Russia with a Greek *fait accompli* in the region of the Straits. One may go further and find in the present Greco-Turkish war a circumstance of the highest importance in connection with Great Britain's failure thus far to summon the general peace conference provided for in the Anglo-Russian Trade Agreement.

The Religious Issue

But the Anglo-Russian struggle for the mastery of the East, a struggle

which has raged for more than a century from the Balkans to Burma, is not as historic an aspect of the Greco-Turkish war as the mediaeval religious issue which still abides between the Ecumenical Patriarch of Orthodox Christianity and the Caliph of Sunni Mohammedanism.

Judaism, Christianity and Mohammedanism have all sprung from the same corner of the earth. All three are monotheist religions with many elements held in common. Just as Christianity may be looked upon as Judaism plus the Messiahship of Jesus, so Mohammedanism may be looked upon as Christianity plus the sword of Mohammed; for Mohammed did not come to reveal a new religion, but to convert the world to the religion revealed before him by Moses and Jesus. Yet, closely related as they are, the respective believers in Christianity and Mohammedanism probably hate each other more than the devotees of any other two religions on the face of the earth; the memory of the great Mohammedan conquest is too green in Christian minds to permit of peace.

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MUSTAPHA KEMAL PASHA
Commander-in-Chief of the Turkish National Army

It is idle to point out that Europe no longer lives in the Middle Ages, that wars arise nowadays out of politics rather than religion, that the Sign of the Cross has been somewhat eclipsed of late by the Sign of the Factory Chimney. It is a waste of breath to point out that there are as good brains in Mohammedanism as in Christianity, and that the Near East has abundant need of both, if its broken pieces are to be picked up and put together again. For Europe is still a small continent completely surrounded by Mohammedanism and the sea. Good Europeans know what to expect of the sea, but not even the shrewdest of them looks upon Mohammedanism as a dependable force. Twice in the last dozen of centuries Mohammedanism has ripped and torn its way deeply into Europe. Once it was Charles Martel who flung the Arabs back from Tours; nothing now remains of that raid except the memory of the great days when Cordoba ranked with Bagdad as a seat of Arab learning. Later it was Vienna which twice stood like a rock in the path of the Grand Turk—and Constantinople is still a Turkish bridgehead. The Ecumenical Patriarch still wanders homeless among the churches he lost in Stamboul on the afternoon of May 29, 1453. Now that Russia for the moment is out of it, Greece has become the spearhead of Christian Europe, and the Greeks are ready to sound the Last Post over the Mosques of Stamboul.

No move in the history of Christendom has hurt Mohammedanism so much as the Treaty of Sèvres, and the association of Great Britain's name with that treaty is in marked contrast to the benevolent tradition which characterized British policy in Mohammedan countries down to 1914. Great Britain's historic enemy at

Constantinople has been Russia, and one may infer that the greatest Mohammedan power in the world would not have put its name to the Sèvres Treaty without a very urgent motive.

For the present, Greece has undertaken the imposition of the treaty on the Turkish Nationalist Government, and the Greco-Turkish war is being waged in the small ring of a world arena, an arena in which far greater issues are at stake than were settled in the great war. If, however, we may cut sharply away the endless ramifications of the Greco-Turkish war, we shall find that the Turkish end of the war presents a remarkable story in itself.

The British Occupation

The crash of the last three years' events in Europe still obscures the fact that the old Turkish Empire has at last been partitioned. When General Townshend, of Kut-el-Amara fame, led a Turkish delegation down to a British battleship off the Dardanelles at midnight of Oct. 30, 1918, what was left of Turkey consisted of about 300,000 square miles stretching from Bulgaria to Baku. The separate armistice with Great Britain, which the Turkish delegation signed that night, stipulated the withdrawal of the unbeaten Turkish armies in Transcaucasia behind the old Turco-Russian frontier, and Turkey thereafter, pending the signing of peace, occupied an area of some 250,000 square miles, with a population of some 10,000,000. Turkey then included only Turkish territory proper. The Arab countries from the Persian Gulf to Libya were lost.

The armistice was followed by one of the important events in the history of Europe, but amid the din of a world war which was smashing to its close it slipped by almost unnoticed. The Anglo-French Saloniki force marched into Constantinople; the greatest naval force Constantinople had ever seen, a force which included a large proportion of the British Grand Fleet itself, steamed up the Dardanelles and anchored off Dolma Bagtsche Palace; and, temporarily at least, Constantinople had been returned to Christian control.

The British command in Constantinople took over the policing of the Pera section, detailed control officers to operate the Bagdad Railway to Konia, whence British expeditionary forces operated it all the way to Mesopotamia, and dispatched heavier forces to Batum for the occupation of Transcaucasia. The French command policed the Stamboul section of the capital, operated the railways of Turkey in Europe, and garrisoned the principal towns. The Italian command policed Scutari, on the Asiatic shore of the Constantinople area, and later occupied a large area of Turkey in Asia, extending from Adalia to Konia. The rest of Turkey in Asia was not occupied; the British command did not have troops available. Here the war had broken down the whole fabric of ordinary intercourse. Banditry and typhus were laying waste what was left to lay waste; whole provinces lay in weed-grown ruins; and in large areas across which the Turkish and Russian armies had surged neither man nor animal could be found alive. Throughout this great stretch of primitive Alpine country the allied command in Constantinople permitted the Sultan's Government to police the larger towns in an effort to bring such order out of the appalling chaos as it could.

The Sultan's Government had now returned to the British influence, which had dominated it from 1810 to 1888. Purged of its Russian alliance and traditionally linked to the Sultan-Caliph by reason of India's 60,000,000 Mohammedans, Great Britain was Turkey's inevitable refuge as long as the Turkish Government should be too weak to stand alone against the powerful influences which make a perpetual battleground of Constantinople. For the time being the Turks looked to the Mohammedans of India to produce a British

peace treaty as easy in its terms as the British armistice had been, and, in so far as the broken-down means of communication in Asia Minor permitted, the Sultan's Government obeyed the allied demands to the letter, demobilizing such forces as the terms of the armistice demanded, and surrendering large quantities of war material to British units on the fringes of the Constantinople area. Further than that, the Turks sought in the United States an escape from permanent British domination. Turkey's demand to be taken under an American mandate became unanimous, despite the fact that the Allied Board of Censors in Constantinople had forbidden the publication of "news from Russian Soviet or American agencies" in the Turkish press.

Then came the Greek occupation of the great Turkish port of Smyrna on May 15, 1919, which alienated Turkey from the British and compelled her to stand or fall by her own strength.

Mustapha Kemal's Defiance

Because the Greek disembarkation had been preceded by a small British landing, the Turks rightly or wrongly interpreted it as a British move. It caused such amazement that every shop in Stamboul shut its doors for three days, and the British command across the Golden Horn in Pera mounted machine guns on Galata Bridge. The Turks claimed that, since Greece had not been one of the Allies, the Greek occupation of Smyrna was a violation of the armistice they had signed with Great Britain, and was equivalent to a new declaration of war on Turkey. Even now, in little Turkish villages far away in the mountains of Asia Minor, one may see Turkish men mumbling over their coffee about the "dirty English," and Turkish women passing with the red brassard inscribed in black Turkish script: "Remember Smyrna until it is avenged."

The armistice with Great Britain was torn up, and thereafter not another bullet was surrendered to the Allies. Thrown on their resources, the Turks were able to find a strong man in the person of General Mustapha Kemal Pasha, then Commander of the Turkish Third Army Corps stationed at Sivas in Asia Minor. In view of the sort of government which Constantinople has forced upon the Turkish Nation for the last century, a system of government in which nearly every strong man whom Turkey could produce was sooner or later assassinated, Mustapha Kemal's rise at this desperate moment evidences the soundness and virility of the Turkish people. Mustapha Kemal declared his allegiance to the person of the Sultan, whom he regarded as a prisoner in enemy hands, but he repudiated the Sultan's Government, which he declared was incapable of registering the decrees of the Turkish people, by reason of the pressure of the allied command in Constantinople.

Disregarding Constantinople's demand for his resignation, he hastily began extemporizing a Turkish Government in Asia Minor which should represent the Turkish Nation until such time as the Sultan's Government in Constantinople would be able to function freely. In the meantime the Sultan's Government preferred charges against the Greeks of atrocities committed during their occupation of Smyrna, and the allied command in Constantinople sought to ease an increasingly difficult situation by dispatching a commission, consisting of the British, French, Italian and American High Commissioners, to conduct an investigation at Smyrna. The result of the investigation was that four Greek officers were sentenced to long terms of imprisonment, but the commission's report was officially suppressed. One who looks upon the old Turkish Empire as one of the major scandals of Christendom may be permitted to point out that it is by such suppressions of the truth that hatred of the

Turkish Nation has been manufactured.

Mustapha Kemal's efforts brought some 300 delegates from the Turkish provinces of Asia Minor trekking into the ruined town of Erzerum. The Congress of Erzerum in July, 1919, was followed by the still larger Congress of Sivas in September, at which the Grand National Assembly was organized to sit at Angora as the provisional Turkish Government. The final inauguration of the National Assembly was, to any lover of Turkey, the most hopeful event which has occurred in Turkey for more than a century. It is impossible to visualize its vast promise for Turkey without knowing something of the old days of the empire, and of a Turkish Government in Constantinople which, in fact, was anything but Turkish.

The old Turkish Empire occupied the military centre of the world. It was the junction of three continents. The trade routes of Asia, Africa and Europe crossed and crisscrossed it. With the rise of the mechanical revolution Europe began to reach out along the trade routes after the raw materials of Asia and Africa. From a continent of castles and serfs, Europe became a continent of blast furnaces and trade unions, driven by industrial hunger into that terrific competitive search for raw materials which goes under the name of imperialism. Europe's reach for the raw materials of Asia and Africa, along with the control of the trade routes to fetch home these materials, inevitably brought it into touch with Constantinople. The medieval religious feud which has centred for centuries in the Mohammedan bridgehead of Constantinople became inextricably interwoven with the powerful industrial influences of European imperialism. Although an Eastern and a non-industrial nation, Turkey endeavored to drop into step with the new industrial march of Europe; but the young Russian Empire was already feeling the bars of its Black Sea jail, Great Britain was finding it imperative to bar Russia from the Straits, and Constantinople had already become the battleground of the most powerful political forces in the world.

One can indicate only a few typical results for Turkey. The capitulations were forced on the Sultan's Government by which every unscrupulous rascal who could show a foreign passport was placed beyond the reach of the Turkish courts. Treaties were forced on the Sultan for the "protection" of his minorities, treaties which were not enforced and which had the single effect of stimulating his minorities against the empire. Money was loaned to Turkey by bankers who, in return, took over a mortgage on every piaster of the Turkish Government's revenue, making the Government a helpless subsidiary of its foreign bondholders. The time finally came when Turkey needed everything necessary to a modern industrial country, railroads, harbors, ships, good roads, water power, factories, but even its salt and tobacco were already foreign monopolies. So completely was its income tied up that when the Sultan built the Hedjaz Railway he had to call for popular subscriptions, and Turkish women stripped the jewels off their fingers and even cut off their hair and sold it. The Turkish Government long ago ceased to rule in Constantinople, and the European embassies, each with its court of concession hunters, permitted nobody to succeed it. The empire became an insane asylum of jangling races and religions, while Constantinople became such a cesspool that its future, a British doctor once said, has become not a political, but a medical problem.

A Patriotic Movement

It was a bitter and an unaccustomed position for Turkey. The result was a slow but substantial growth of a Turkey-for-the-Turks movement, a sound nationalist movement which envisaged a Turkey standing again erect among the na-

tions by its own strength. For the moment, however, Turkey was tied hand and foot. In order to preserve her life she was compelled to rely on the great British Embassy in Constantinople which saved her from Russia in 1856 and again in 1876. But the British Embassy refused in 1880 to accept concessions for the construction of a railroad from Constantinople to Bagdad, and Turkey's need of such an elementary highway was so urgent that she finally broke with Great Britain and let the first of the Bagdad concessions in 1888 through the German Embassy, relying on the Berlin-to-Bagdad scheme to afford her the same protection from Russia as the British Embassy had previously afforded. Turkey's position remained as humiliating under German domination as it had been under British influence, but the completion of the Bagdad Railway was expected to hasten the day when Germany could be dismissed as Great Britain had already been dismissed.

When in 1907, however, Great Britain unexpectedly signed a truce with Russia in Persia, and King Edward VII. met the Czar at Reval in 1908 preparatory to lending his powerful support to Turkey's great enemy, an electrical shock ran through Turkey. Any agreement between Great Britain and Russia, Turkey reasoned, would inevitably mean her own partition (and the secret Anglo-Russian agreement of 1915, by which Russia "annexed" Constantinople, showed how shrewdly Turkey reasoned); if Turkey was to break her bonds it was now or never.

Turkish nationalism broke surface at once in the Young Turkish revolution of July, 1908. Throughout the empire this movement was hailed with the wildest enthusiasm, but it flickered and went out in the foul air of Constantinople. The great war came, and although Germany was compelled to drag the Turk into it by the heels, Turkey's interests lay inevitably with Germany, for it was Germany who was fighting Russia. Once in the war, Turkey rescinded the capitulations and Turkish nationalism rose again to meet its supposed opportunity.

But Germany's collapse in 1918 only returned Turkey to the British influence, and allied garrisons in Constantinople itself (the only enemy capital which the Allies have occupied) now fastened a more rigorous control than ever on the Sultan's Government. But beneath the surface the current of Turkish nationalism still flowed so strongly that, with the Greek occupation of Smyrna, it was able to take the utterly unprecedented course of throwing up at Angora a free Turkish Government in flat defiance of Great Britain.

Angora Formidable

At Angora Turkish nationalism found at least its long-denied opportunity. Throughout the Autumn and Winter of 1919 the Angora Government attracted increasing numbers of Turkish leaders from Constantinople, and its growing prestige stiffened the hands of the Sultan's Government. From the British point of view the situation became intolerable, and early in March, 1920, the British command in Constantinople withdrew the British control officers from the Bagdad Railway and the allied command withdrew the Italian forces of occupation from the region about Konia. Having evacuated Asia Minor to the Angora Government, early on the morning of March 16 the British command in Constantinople seized the Constantinople telegraph and telephone system, effectively cutting off the Sultan's Government from Angora, and deported to Malta every Turkish leader in the capital who was suspected of the nationalist taint and who had not yet succeeded in making good his flight to Angora.

Meanwhile, Mustapha Kemal's Government at Angora was hemmed in on all sides by enemies.

The Armenians, who had set up the Republic of Erivan in Transcau-

casia, were gathered along the old Turco-Russian frontier awaiting repatriation into the eastern Turkish provinces—a repatriation which the Turks believed would be the cover for the detachment of a large area of Turkish territory and its incorporation in the Erivan Republic. The Angora Government continued to hold the old Turco-Russian frontier with a strong garrison, and still holds it.

The Greeks had occupied Smyrna city, Smyrna province, and a ragged area greatly overrunning the boundaries of Smyrna province. Greeks were also flowing into Trebizond and Kastamuni provinces on the Black Sea, and a propaganda was rife for the detachment of these provinces from Turkey and their elevation into the Greek Republic on the Pontus. Here the Angora Government also assigned garrisons, and still holds uncontested its Black Sea frontier, but the Smyrna theatre is still the scene of military operations.

The British Egyptian Expeditionary Force had evacuated the plain of Adana, Syria, and the fringes of Upper Mesopotamia to the French, and here Mustapha Kemal launched a campaign which pressed back the Franco-Armenian forces until the French command at Beirut was forced to sue for an armistice. Further negotiations between Angora and Beirut recovered for Turkey all the Adana plain and extended the Turkish frontiers in Syria and Upper Mesopotamia down to the line of the Bagdad Railway.

These operations compelled France to evacuate most of Turkey in Europe, and the Turks of Adrianople (European Turkey) immediately began an isolated nationalist movement under the leadership of Colonel Jaffer Tayer Bey. Angora at once moved on the Straits to link up with Adrianople. This precipitated such a crisis at Constantinople that the British command was compelled to evacuate Batum and to recall to Constantinople every British and Indian soldier it could lay its hands on. The Greeks were hurriedly loosed against Jaffer Tayer; his nationalist movement was snuffed out, and with Greece holding Turkey in Europe in Constantinople's rear, the British command was able to throw its strength upon the Asiatic shores of the Constantinople area, where British battleships were now shelling the Angora troops in the very suburbs of the capital.

Effects of Sevres Treaty

While this situation had been developing, the Treaty of Sèvres was handed to the Sultan's Government on May 11. Except that German and Russian interests were excluded, the Sèvres Treaty proposed to fasten officially and permanently on the Sultan's Government the same outside control which had slowly rotted that Government during the old days of the empire. It proposed to make over immediately to Greece all of Turkey in Europe except the Constantinople peninsula; to deprive Turkey of military access to Constantinople, and to make her retention of the capital contingent upon her observation of "the provisions of the present treaty, or of any treaties or conventions supplementary thereto"; to transfer Smyrna and its hinterland to Greek administration within the Greek customs system, and to place what remained of Turkey under the permanent financial, military and economic control of Great Britain, France and Italy. Its final proposal was to commit the peculiarly Turco-Russian problem of the Straits to an international commission to be "composed of representatives appointed respectively by the United States of America (if and when that Government is willing to participate), the British Empire, France, Italy, Japan, Russia (if and when Russia becomes a member of the League of Nations), Greece, Rumania and Bulgaria and Turkey (if and when the two latter States become members of the League of Nations)."

A delegation of elderly Anglophile Turks representing the Sultan's Government in Constantinople finally signed the treaty on Aug. 10, but the Angora Government had already denounced it, and with its denunciation France tacitly and Italy openly had associated themselves. The Russian Government had also repudiated it, and at the Conference of London last February the British Government itself offered to modify it by evacuating Constantinople and instituting allied investigations into the wishes of the inhabitants in the Smyrna area, and in Turkey in Europe. But the proffered modifications were rejected by the Greek delegates, and within a week Greece had launched a blow from Smyrna which was intended to smash Angora, to hurl Turkey back into Asia Minor, and to erect in her place a new Greek Empire across the Straits. Angora broke the Greek drive at Eski-Shehr, however, and extinguished the last lingering spark of life in the Sèvres Treaty.

Now the Turks and Greeks are again fighting for a settlement of the great issues at stake. The immediate issue is Smyrna. The future of Constantinople depends on the fate of Smyrna—and the future of Europe, perhaps, depends upon the fate of Constantinople.

WHY THE GREEKS ARE FIGHTING TURKEY

By Adamantios Th. Polyzoides
Editor of the Greek Daily, Atlantis

A war for the rescue of millions of Greeks from intolerable Turkish persecutions—Historical evidence to prove that Asia Minor always has been Greek territory—Appalling facts of recent massacres, which are among the causes of the present war

WHAT is the essential character of the Greek struggle in Asia Minor? Is it an imperialistic campaign such as the Socialists consider it to be, or is it an assignment given to Greece by Great Britain in order to strengthen and maintain the British hold on the Near East; or is it an effort of King Constantine to preserve his popularity with the Greek people?

All these explanations and many more of a similar character have been given to the events that we are witnessing in the war now going on in the region that was the cradle of Greek and Christian civilization. And yet no one seems to know, or dares to say, that this whole Greek campaign is purely a struggle of self-preservation, conducted by the same nation that sent the first settlers and that has always furnished most of the inhabitants of the extended territory known as western Asia Minor.

The most superficial reading of history will show to what an extent the Near East is Greek territory. That previous to the Greeks there may have been other races in those lands no one denies. But even in that case, those aborigines have been so completely absorbed by the Greek element during the last thirty centuries, that no trace of them remains, save perhaps, in some grotesque forms of prehistoric ruins—ruins which, even to this day, have not given us the secret of the races that

built those walls, temples and palaces of so long ago.

On the other hand, Greece, both ancient and modern, has left the imprint of her culture and civilization over all that vast territory in which Hellenism has never ceased to predominate for three thousand years.

Asia Minor, making the westernmost end of the Asiatic continent, forms an extensive peninsula, stretching between the waters of the Mediterranean and the Black Sea, from the Gulf of Issus (the present Alexandretta) to the shore of Trebizond, and advances as if to meet the European continent. Thus we consider Asia Minor the first stop of Asia, in the same way as the Asiatic peoples consider Greece the first sentinel of Europe. Here we have two names, Greece and Asia Minor, which by nature are inseparable. Here we have two opposing elements that must live together. * * *

There, notwithstanding the differences in geography, in racial features, in religions and habits, the will of nature has always been stronger than human prejudices. Greece and Asia Minor have always been destined, willy-nilly, to be provinces of the same State * * * In this continuous struggle, which began historically with the Trojan war, Greece and Asia have been alternately the victors, and for the last 400 years the Turks were the masters of both lands. It is a fact, however, that long before the Ottoman conquest the Greek element was fighting and winning for so many centuries that the Christian world became used to consider Asia Minor as an integral part of Greece. Anatolia in those years was simply Asiatic Greece.

How long will this arrangement last? God alone knows. And yet we must acknowledge that European civilization is daily making new progress in the redemption of its lost territory. Asia Minor, always leaning to Europe, whose waters bathe its three sides, turns its back to Anatolia as if to show that it does not belong to it. It is therefore for this reason that we have always considered Asia Minor as an annex to Europe and as the necessary complement of the Constantinople Empire. This is shown by the fact that, notwithstanding its temporary subjection to the Asiatics, Asia Minor has never remained under their mastery, except only the period of 400 years when this mastery was extended to cover Old Greece itself.

These are not the words of a Greek imperialist, nor the arguments of a politician. They are the sober thoughts and findings of a learned Frenchman, Dr. Ph. le Bas, author of probably the best historical book on Asia Minor.

According to the same historian the country was first mentioned as Asia Minor in the fourth and fifth centuries, A. D. But it was in the middle of the tenth century, A. D., when the Greek Emperor Constantine VII., known as Porphyrogenitus (the one born in purple) stated that Anatolia was the name given to the territory east of Constantinople, while the same territory was known to the inhabitants of greater Asia, to Hindus and Ethiopians, and to those living in Syria and Mesopotamia, as the Middle West or Asia Minor. From the Byzantines the Turks inherited the name of Anatolia, which they gave to the entire territory known today as Asia Minor.

According to the division made by the Turkish Sultans after their conquest of that territory, Asia Minor, which is separated from the rest of Asia by a straight line drawn from the Gulf of Alexandretta to Trebizond, was split into the following named provinces or vilayets: Aidin, with Smyrna as capital; Houdavendikiar, with Broussa as capital; also these, known under the names of their capitals: Konieh, Angora, Kastamoni, Sivas, Trebizond and Adana. In addition, the Asiatic territory adjacent to Constantinople was made part of the Province of Constantinople, while the independent counties or Sandjaks of Ismid and the Dardanelles formed what is now known as the Zone of the Straits.

Persecution by Turks

More than three million Greeks lived in this vast territory in 1914. These Greeks were the remaining population after 400 years of continuous persecution by the Turkish conquerors. It is estimated that nearly two million Greeks made their

escape to Russia and other lands after the fall of Constantinople. That an equal number were massacred in all parts of the empire during the four centuries between the Turkish conquest and the Greek revolution of 1821 is a conservative estimate of the Greeks' national loss under the Turks. But to this must be added the Greek youths that were snatched from their families at the tender age of ten, to be brought up by the State and become the Janissaries, the backbone of the military organization of the Empire. In the beginning a thousand of these boys were taken each year, but afterward the number was greatly increased; as the Janissaries were maintained for 200 years, it is believed that upward of a million Greeks were lost that way. An equal number was forced to adopt Islam, while the number of those who renounced their faith voluntarily in order to share the spoils and the privileges of the ruling race can only be guessed at. Thus one is not far from the fact when placing at five to six million people the net loss of the Greek nation under the domination of the Turk.

This systematic extermination or Turkification of the conquered race was based on very solid reasons—from the Turkish point of view. The founder of the Turkish dynasty, Ertogrul, had only 400 families with him when he settled around Broussa in the latter part of the tenth century A. D. This small Turkish group for the next hundred years was continually occupied with efforts to gain the support of the chieftains of various barbarian bands that were coming from Turkestan and Indo-Chinese borders and settling on the fringes of the Byzantine Empire. The paramount object of the Turks was the creation of a strong army, and this could not be formed except at the expense of the conquered population.

Being the strongest element in Asia Minor, the Greeks naturally paid the largest toll of suffering exacted from the Christian peoples of the Near East after the Turkish invasion. That they survive today is due to the tenacity of their superior civilization, and their religious, cultural and communal organization, which they preserved under the most trying circumstances.

Against this hard-headed and morally strong element the Turk, notwithstanding his fighting qualities and his fanaticism, had to give way. He had some very significant victories in Europe, and for a moment his victorious armies threatened Vienna itself. But aside from his military prowess, and his contempt for death, the Turk lacked the attributes of a civilized and civilizing people, and when he abandoned Europe he left behind him nothing but the memory of a hideous nightmare. Travelling over what for five centuries has been the Ottoman Empire, one looks in vain for such landmarks as the Moors left in Spain, and the Arabs in Bagdad and Jerusalem. No more backward nation ever invaded Europe from the East, and the invasion was made with the avowed purpose of destroying all that Greek and Christian civilization had accomplished in twenty-five centuries.

Asia Minor was first colonized by Aeolian, Ionian and Doric settlers, who established themselves along the coast of the Aegean and all the way up to the Black Sea. Even before the campaign of Alexander the Great, it was one of the most highly developed centers of Greek culture and civilization, as well as of commerce and business. It was scarcely less so after the premature death of Alexander, and after the Hellenic Empire fell under the heel of the legions of Rome.

Greeks Saved Christianity

Greece fell, politically and militarily, just about the time when Christianity made its appearance in the Near East. That fact explains the marvellous Hellenic revival of Byzantium. It was on ground previously prepared by the teachings of Greek philosophy that the Sermon on the Mount fell, and it was the eager adoption of the Christian doctrine by the

Hellenized portion of the Roman Empire that gave Christianity its first and only chance for development and stability in the world. With the Jewish world holding strictly to the traditions of the past, and the Roman Empire firmly upholding the ancient pagan gods, who but the Greeks of Asia Minor saved Christianity in those early years?

The Orthodox Church was originally Greek; the seven general councils whose canons had fixed its doctrines were Greek. And, as Finlay says in his marvellous history of the Greeks under the Romans, "from the moment a people, in a state of intellectual civilization in which the Greeks were, could listen to the preachers, it was certain that they would adopt the religion." In Athens Paul was listened to with great respect by the philosophers. Constantine the Great was probably the first Roman to understand that the destinies of Christianity and Hellenism were closely interwoven, and when he made Christianity the official religion of his Eastern Empire he sealed the fate of the old Roman imperialism, which gave place under Emperor Leo III. to the Hellenized Byzantine Empire.

For a thousand years this Byzantine Empire made itself the bulwark of Greek and Christian civilization against the hordes of Asia. When this empire fell in 1453, after being treacherously abandoned by the whole of Europe, the whole world awoke to the danger threatening it from the East. With the fall of Constantinople Greek culture became the common possession of Europe. The Reformation, followed by the discovery of printing, made the treasures of Greek philosophy and Christian literature accessible to all, and this spiritual movement, crowned by the discovery of America, gave the whole world the new aspect, which, with some slight variations, is continuing to our day.

Greece was the victim sacrificed on the altar of Christianity and Civilization. But for five hundred years the civilized world took little interest in the fortunes and the never-ending struggles of this gallant people of the Near East.

Thus we come again to the main purpose of our story, which is to explain the present Greek campaign in Asia Minor. That campaign is simply a continuation of the same old struggle between a highly civilized people and a barbarian invader, who after five hundred years has remained as much a stranger to the culture, the morality and the ideals of Greek-Christian civilization as he was when he first came to oppress Europe ten centuries ago.

The Greek today cannot reconcile himself with the idea that he is to continue to live under the shadow of Turkish domination. A nation which refused subjection to the Turk when the Turk was in the prime of his power will not suffer itself to be placed now at the mercy of so backward and so barbarous an alien element.

When it becomes more widely understood that Asia Minor, or, rather, the westernmost part of Asia Minor, along the Black Sea, is nothing less than a portion of Greek territory held by a foreign oppressor; when it becomes known that the presence of the Turk there dates only from the fall of Constantinople, while the Greek was there long before the fall of Troy; when the world realizes that the millions of Greeks in Asia Minor, suffering through long centuries, have never given up the thought of ultimate liberation, then and only then will it be understood why the present struggle can never end until the Turk shall have ceased to be the master in that land hallowed by the martyrdom of a noble people.

Fighting for Greek Cities

The Greek soldiers that are fighting for possession of Eski-Shehir know that this is the ancient Doryleaum, while next to it stand the ruins of old Hierapolis, the hallowed city. But is not Angoria a city with a splendid Greek past, as is proved by its name and by the ruins surround-

ing it? Is not Smyrna the birthplace of Homer, and is it not on its ancient Acropolis that the tomb of the mythical Tantalus is shown to the present day? And Ephesus, excavated by Austrian scientists; and Priini, excavated by the Germans; and Pergamus and Militus—are these not all cities of immortal splendor, now once more open to the admiration of the world? And are not Laodicea and Tralles and Nicaea and Kyzikos and Nicomedia and Chaldea and Neokessareia and Elioupolis and Philadelphia proof enough that all over that territory it is the Greek who is at home, and not the invader?

The Turk has always known that the success of his political organization depended mainly on the good will of his Greek subjects, as is shown by the fact that there were times when he tried to win over the friendship of this race. Thus he allowed the religious organization of the Greeks to remain intact during all the long years of the Ottoman régime. The Sultan Mohamet II., who conquered Constantinople, was the first to inaugurate a policy of tolerance toward the Orthodox Church, his object being to win the predominating Greek element of his newly acquired empire by means of favors to the old State Church. The Greek accepted the favor, but refused to sell their birthright and their ideals; what they wanted was their freedom and a Government of their own, and this the Turk could not give without jeopardizing the entire fabric of the Empire.

The Turk gave position, wealth and standing to any Greek who would become a renegade; but such Greeks were few, and they soon found out that by rejecting Christianity and Hellenism in favor of Islam and Turanism they became wholeheartedly despised and hated by both elements.

Another reason why the Turk needed the Greek in the management of his empire was his utter incapacity to govern so highly developed an organism as the Byzantine empire was when it fell under the Ottomans. And it was the same reason that made the Turk turn to Armenians and Arabs, to Syrians and Kurds, to Albanians and Jews in quest of helpers and advisors in the management of his imperial estate. But none of these elements accepted as a definitely established fact the domination of the Turk. Thus the struggle between the conqueror and the conquered has continued, until we are witnessing today the more or less complete emancipation of these racial elements.

Intolerable Persecutions

That so many Greeks still remain under the Turks is due to the fact that they have always formed the predominant element in the region of Constantinople; and it is against these Greeks who have done so much toward undermining Turkish power that the Turks are aiming their last arrow.

It was against this uncompromising Greek element that the fury of the Turk was let loose after the second Balkan war. During that period the Greeks still living under the Sultan suffered persecutions for the like of which we have to go back at least a hundred years to the massacre of Chio.

Over 300,000 Greeks were violently deported from their homes between January, 1914, and the middle of 1917. Over 400,000 were deported, massacred, or otherwise injured from 1917 to the end of the war, at a time when the anti-Greek and anti-Armenian persecution reached its climax. And the bloody record of Turkish barbarism continued even after the armistice, until, according to estimates of the Greek Government and the Ecumenical Patriarchate, more than 730,000 Greek civilians were made to suffer at the hands of the Turkish authorities in the last seven years. That more than 500,000 of these victims have been massacred or died as the result of their sufferings is only a detail in the appalling record that is marking the last days of the Ottoman Empire.

I have before me a copy of the "Black Book of the Sufferings of the

Greek people in Turkey from the Armistice to the End of 1920." This pamphlet, published under the authority of the Ecumenical Patriarchate, and bearing the official seal of the double-headed Byzantine Eagle, ought to be in circulation in every civilized country.

Here we have a report of the Bishop of Amassia. A certain Ali Ghalib, Prefect of Tsarshamba, near Bafra, where some of the best Turkish tobacco comes from, completely annihilated the whole district, setting fire to it, and exiled to Castamoni all the male population between the ages of 14 and 90. The carrying away and raping of fifty girls and married women by the Turkish soldiery is one item of the tragic episode. Another is the hanging of 178 young men in the market place of Samsoun for no other reason than that they were Greeks. The destruction of 210 villages in that same diocese and the deportation and subsequent massacre of more than 70,000 Greek men, women and children are covered in a single paragraph of this most interesting and singularly plain narrative. Two hundred Greek schools destroyed, three hundred and fifty Greek churches plundered and smashed to pieces. What more does a nation need to go to war against the perpetrators of such deeds?

Thus the tragic report continues. Bishop after bishop and diocese after diocese send in their reports, covering hundreds of cases in hundreds of villages, all *after the armistice*, Amassia reports 228 killed, and Elioupolis 494, Philadelphia 230, and Chalcedon 610, Nicomedia 37, and Heraclea 54, Angora, 23, and Ephesus 35, Ancon 100, and Chaldia 24 * * * and so on in an endless story.

These reports cover only a very small part of what has happened in Turkey between the armistice and the end of 1920.

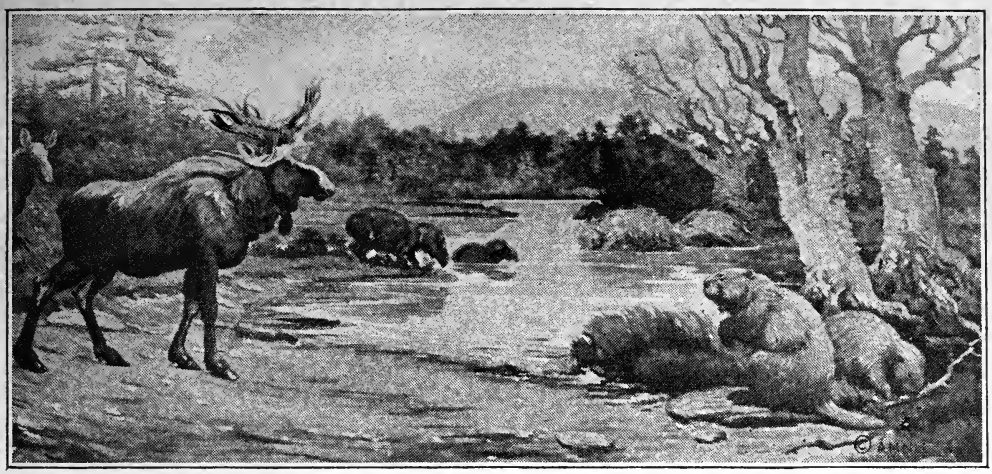
When one has the facts before him, as the Greek nation has them, one does not ask why Greece continues the war in Asia Minor. It is not a question of Greek imperialism, because it is not imperialism to demand what has always been yours. It is not a question for or against this or the other leader of the Greek nation, because personalities have nothing to do with this all-absorbing Greek problem.

Those who light-heartedly ask that Greece comply with the sober advice of her friends—or, rather, her supposed friends—and abandon Asia Minor after shaking hands with Turkey, not only betray a complete lack of understanding of the issue, but they also fail to see beyond their diplomatic monocles.

For Greece the maintenance of her army in Asia Minor until such time as her persecuted sons and daughters are freed from the Turkish yoke is not a question of national pride or of royal prestige. It is a question affecting the very life of more than 2,500,000 people who have the same history, the same religion, the same language and the same aspirations, and who help to make the totality of the Greek nation. These Asia Minor Greeks who for five long centuries have kept the faith, and never lost the hope of liberation, are entitled to their overdue freedom.

Unpopular as the war in Asia Minor may seem to many, it is the only way open to the Hellenic people in their struggle for national unity, for the preservation of their national life, and for the honor and the property of those Greeks who, after so many sacrifices and so many sufferings, were left unredeemed when the great war ended.

In her campaign Greece will welcome the help of all those who believe in the righteousness of her cause, and who wish to see the Greek and Christian civilization victorious in its ancient cradle. But, even should she be abandoned by the powerful and civilized peoples of the world, Greece, faithful to that ancient oath of the youth of Athens, will not shame her arms, and will defend her patrimony, whether with the help of the many or entirely alone.



(Photo American Museum of Natural History, New York)

EXTINCT ANIMALS HUNTED BY PREHISTORIC MAN, INCLUDING A GIANT MOOSE AND GIANT BEAVER. FROM A PAINTING BY CHARLES R. KNIGHT

THE QUEST FOR THE "MISSING LINK"

By Frank Parker Stockbridge

Object of the expedition sent out by the American Museum of Natural History to explore the regions of Central Asia, believed to be the cradle of the human race—The "missing link" and the types of "sub-man" now extinct

WHEN and where lived the "Missing Link"? How shall we find conclusive evidence that will enable us to connect the species of animals to which we belong, and to which scientists have given the name of Homo Sapiens (Man of conscious thought, or knowledge), with earlier and more primitive forms of life? Who or what were the beings from which humanity sprang?

This was the problem that Charles Darwin, the English scientist, expounded to his startled contemporaries in the '70s of the nineteenth century, when he demonstrated his now generally accepted theory of the evolution of mankind from a long series of antecedent lower forms. Darwin's "Descent of Man" appeared on Feb. 24, 1871. On the fiftieth anniversary of this publication, almost to a day, viz., on Feb. 19, 1921, the American Museum of Natural History sent out from San Francisco a scientific expedition to the Far East in an attempt to solve Darwin's riddle by discovering traces of the first human progenitors of the race. This expedition, headed by Roy Chapman Andrews, the explorer of the great desert of Gobi, at the time this article was written, was still outfitting at Peking preparatory to a five years' search in Central Asia for the fossil remains of primitive man on what scientists now incline to believe was the ground of his origin. This particular part of the whole investigation will be under the direction of Walter Granger, a distinguished paleontologist of the Museum's staff.

It is naturally impossible to predict the result of this well equipped, adequately financed search, with trained scientists at its head. They

may spend five years and come back empty handed. The laws of probability are all against any particular individual or group, working within a time limit, discovering anything so elusive as, let us say, the skeleton, or even the skull of any creature that can be identified as in any sense a progenitor of humankind. Human remains, doubtless, may be found in great numbers and variety. Here, above all, the words of Bryant are applicable:

Take the wings of the morning,
And traverse Barca's desert sands,
Or lose thyself in the continuous woods
Where rolls the Oregon, and hears no sound
Save its own murmurs, yet—the dead are there!

THE "RECENT" RECORDS

Dead men's bones a-plenty, dating as far back as the end of the Fourth Glacial Age, or somewhere from 25,000 to 50,000 years ago—these might be turned up almost anywhere, given time, money and will to dig for them. Europe's ancient caves have yielded many specimens of Neolithic man—that is to say, man of the New Stone Age—and Asia, Africa, America and Australia were inhabited by men of this period of development down to historic or even recent times; the North American Indians, most of them, had not progressed beyond the Neolithic stage when the first white settlers came.

Here and there, even, have been found remains, a few bones and many implements, of Paleolithic man—man of the Old Stone Age. These were human beings who inhabited this earth during the last glacial epoch. How long they had existed as human beings before that time when the polar ice cap thickened and spread, from year to year, under the influence of some great cosmic digression from the normal, we do not know. The record stops there; more properly we might say that the record of humanity, of man as we know man today, of Homo Sapiens, in short, *begins* under a sheet of ice more than a mile thick that covered the northern part of our globe down to Southern England and Middle Germany in Europe, down to New York in America, probably 50,000 years ago and for perhaps ten, twenty or thirty thousand continuous years prior to that.

We do not even know what caused the glacial epochs, of which this latest was the fourth to leave its record graven in the rocks; it may have been the oscillation of the Poles, the same gradual shifting of the earth's position in space that astronomers tell us is still going on and that, in another 20,000 years or so, will make Vega instead of Polaris the "pole star." Perhaps there will come another glacial epoch; perhaps a hundred thousand years from now scientists will discover, under the detritus or glacial drift, rolled down from the flattened Rocky Mountains to the plains of Nebraska, fossil skulls, fragments of pottery and inscribed stones to prove that man lived in the period we call "now," and try in vain to link these poor relics with an earlier past! We do not know. We only know that any cause sufficient to reduce the mean annual temperature by only ten degrees on the Centigrade scale would surely bring on another glacial epoch, for then the reduced heat of the short arctic Summer would never be great enough to melt all the ice formed by the increased cold of the long arctic Winter, and year by year the ice would pile up at the Poles, and year by year slip toward the Equator, progressing perhaps only a foot a year, but relentlessly gaining that foot, until once more all the seats of civilization and centres of human life save those fringing the tropics would be buried under the same sort of rocks, gravels and sands as now overlie the earliest traces yet found of the human race. This we know, for what has just been suggested as a possibility of the future is a fact of the past, and of the not very distant past, as geological time is reckoned.

The Prehistoric Period

We have just swung the pendulum of imagination a hundred thousand years ahead; now let us swing it back half a million years or more. We must go back through the period that elapsed between the Third Glacial Epoch and the Fourth, a period that stretched, perhaps, from 150,000 B. C. down to 50,000 B. C.; back of that, back through the Second Glacial Period, that may easily have been as long ago as 400,000 years; then we must go back another 100,000 or 150,000 years, before the time when the earliest record was carved in the rocks by the drifting ice of the First Glacial Period. In every one of these ages or periods of geological time, if the geologists have read the riddle of the rocks aright, there lived upon earth beings like men, implement-using animals with skulls and skeletons similar to those of the human race.

And yet we do not know when human life began, nor where!

For these earlier forms, scientists now quite generally believe, are relics of a race or species today totally extinct; they are not our ancestors, any more than the apes and the monkeys are our ancestors. Who or what these were, the beings from which humanity of today, or much of it, *did* spring— that is the quest upon which Darwin set the world of science in 1871, and it is the quest upon which the Natural History Museum's expedition into Central Asia set out early in 1921.

In the short half-century between these two events the deepest-rooted beliefs of the civilized world have been overturned. Evolution is accepted as universally today by pulpit and public as it was rejected and ridiculed fifty years ago. It is no longer a "theory" to be argued against, but a definite, scientific fact, demonstrated a thousand times over in the case of plants and animals and, by analogy, in the case of man. But there is yet to be found tangible evidence of the existence of an earlier form of being than the men who lived about the end of the last Glacial Age, say 50,000 years ago, a being of whom, or of which, it can be predicated, to the complete satisfaction of anthropologists, that it was the creature that came between man and his earliest progenitor, which, in turn, may well have been also the progenitor of the anthropoid apes and of the pre-human types that lived half a million years ago.

If the expedition of the American Museum of Natural History finds the remains of such a creature it will be the rarest of accidents. Much more probable, traces may be found of completely developed human beings of an older period than any we now know, for nowhere but in Europe and around the shores of the Mediterranean has extensive scientific research for such remains been made, and all the evidence these have yielded, as I have said, points to Central Asia as the common centre from which humanity came.

Darwin's Theory

Darwin, in 1859, in publishing his great work, "The Origin of Species," predicted that "light would be thrown upon the origin of man and his history." In 1871, thirteen years later, his "Descent of Man" threw that light upon the human race, a light that has not only not been extinguished, but that has burned for half a century with ever-increasing brilliancy. As to the import of this revelation, Darwin expressed himself as follows:

> It gives man a pedigree of prodigious length, but not, it may be said, of noble quality. The world, it has often been remarked, appears as if it had long been preparing for the advent of man; and this, in one sense, is strictly true, for he owes his birth to a long line of progenitors. If any single link in this chain had never existed man would not have been exactly what he is now. Unless we willfully close our eyes we may, with our present knowledge, approximately recognize our parentage; nor need we feel ashamed of it. The most humble organism is something much higher than the inorganic

PITHECANTHROPUS ERECTUS
The Ape-Man of Java, lowest known type of prehistoric man, whose antiquity is estimated at 500,000 years

(By permission, after McGregor's model in Museum of Natural History)

dust under our feet; and no one with an unbiased mind can study any living creature, however humble, without being struck with enthusiasm at its marvelous structure and properties.

To review here the truly marvelous reasoning, backed up by incontrovertible facts marshaled in tremendous array, by which Darwin traced the common origin of man and all other vertebrates to the lowest form of marine life, through the fishes and the amphibians to the land mammals, would be tedious and is unnecessary for the purpose of the moment. It is important to note his positiveness, as when he said, referring again to the conclusion that man is descended from some less highly organized form:

> The grounds upon which this conclusion rests will never be shaken, for the close similarity beetween man and the lower animals rests on facts which cannot be disputed. * * * The great principle of evolution stands up clear and firm. * * * It is incredible that all these facts should speak falsely. * * * Man is the co-descendant with other mammals of a common progenitor.

Two questions immediately stirred the thought of the world. "If these things are true, what becomes of the doctrine of the immortality of the soul?" was the first question and the one that pressed most urgently for an answer. "Where are the ceatures that came between the ape and man?" was the second.

PILTDOWN MAN
With some characteristics of the ape and some of man. Antiquity variously estimated at 100,000 to 300,000 years

(Restoration by McGregor, Museum of Natural History)

We can now, after fifty years, answer neither of these questions except as Darwin himself answered them: "I do not know." But the research that was already under headway when Darwin wrote, and that gained new impetus from the sudden rise of his theme into the commanding position of humanity's most important problem, has disclosed such a series of previously unknown facts as to strengthen immeasurably the beliefs that the "Descent of Man"

expressed, and to shatter forever a mass of belief and dogma that had been held to lie at the very foundations of the social order. We can sum up the facts as to man's origins as these have been disclosed in the last fifty years and state, with some reservations, the beliefs as to man's future held by scientific thought today, but we cannot produce the "missing link," nor demonstrate either the mortality or the immortality of the human soul.

The Fossil Remains

A review of the half century's evolutionary research would begin with

NEANDERTHAL MAN

Type of man inhabiting Central France 25,000 to 40,000 years ago

(From a restoration by McGregor, Museum of Natural History)

the reconstruction—one of tremendous interest, though perhaps inconclusive to the unscientific mind—of the fossil remains of the extinct species that lived before the Fourth Glacial Period, and that resembled man, yet was not man, as we use the term. It would concern itself, first of all, with the discovery in 1856 of part of the skull, two leg bones and a few other fragments of a presumably human skeleton in a glacial deposit in the Neander Valley in Germany; it would also consider the Piltdown skull found just before the war in a geological formation of the Thames Valley in England that must have been present *before* the last Ice Age, and it would take cognizance of about half a score of other specimens of manlike creatures having a geological age greater than that of the earliest known remains of true or modern man. For example, in the caverns of Spy, in Belgium, two skeletons precisely like the remains of the Neanderthal man were found; near Heidelberg a jawbone of a different type; at Trinil, in Java, in 1892, a leg bone, two teeth and the brain-cap of still another type were discovered.

CRO-MAGNON MAN

Highest type of prehistoric man, with great increase of brain power over earlier types. Antiquity about 25,000 years.

(By permission, after McGregor's model in Museum of Natural History)

These, with a few other relics obviously of the Neanderthal type, are all, apart from the evidences of the situations in which they were respectively found, and the remains of other animals and primitive tools or weapons found near them, that we possess to build upon for even a fragmentary picture of earlier human types.

The very lowest type of these is that represented by the Java remains, which scientists have refused to classify as of the genus Homo, and which they have defined as the Pithecanthropus *erectus,* or "ape-man who walked erect." Somewhere around the end of the time that geologists call the Pliocene Period, or in the beginning of the succeeding Pleistocene, this ape-man walked erect in the tropical forests of Java. Reduced to years, we may safely say that it was more than half a million years ago; it may have been fifty million years. Hailed at first as the "missing link" between humanity and that direct ancestor of man which Darwin described as "a hairy, tailed quadruped, probably arboreal in its habits, and an inhabitant of the Old World," scientists have now reached the conclusion that this creature was neither human nor sub-human; that he was the product of evolution in a direction that would not have led to the sort of human beings we are if the evolutionary process had not been terminated by the extinction of his species; in short, that it was but one of the millions of Nature's experimental failures, a few of which still survive in the monkeys and apes of today, which, it is probable, are themselves the product of evolutionary processes that began long after the strain that produced man had become established. It should not be forgotten that this evolution is continuous, that it is still going on, in man as in all other forms of life. From these very monkeys and apes of today, unchecked by outside influences, there may yet be evolved beings equal or superior to the men of today. But from the weight of scientific evidence it is clear that we may drop the Pithecanthropus out of consideration when we go hunting for traces of humanity's ancestors.

Traces, indeed, we find scattered all through the geologic periods that

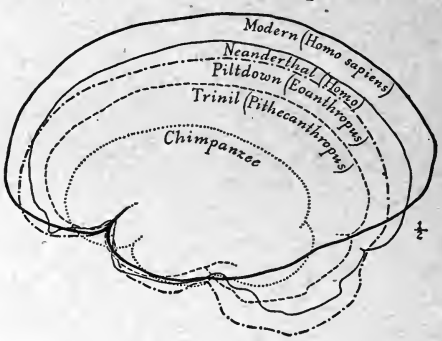


Diagram showing evolution of the brain, from pre-human to modern human form. Note early development of back of brain, as compared with late development of forehead, the seat of higher mental faculties

(From Osborn's "Men of the Old Stone Age")

overlie the time when the bearer of the Java skull stood erect among his crouching cousins. Down through half a million years or so some sort of creatures that *made and used stone implements* lived in many parts of the world, and we can study these implements, each with relation to the geological age of the rocks and gravel among which it was found, and note a steady development from the crudities of the earliest to the refinements of the later forms, and so reach some fairly definite conclusions as to the physical and mental development of the species of beings that made and used these things. And we know that we are dealing with a human type, with the genus Homo, in these conclusions and speculations, because the human animal is the only one that has ever acquired the ability to *make* implements. The higher apes may on occasion *use* implements—clubs, stones as missiles or for cracking the shells of cocoanuts or shellfish—but man alone *makes* either tools or weapons. We find still further proof that these implements were the work of a human-like being when we find

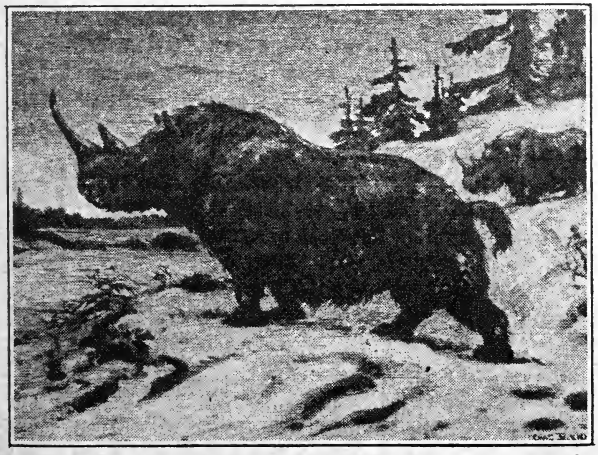
them associated with traces of fire in places and under conditions where the fire must have been deliberately kindled; for only human beings make or use fires.

But until we come down to the Third Interglacial Period—the age preceding the last Ice Age—we find no remains of these creatures themselves, if we except the Heidelberg skull, the precise geological period of which is subject to some question. Here, in the warm period that lasted perhaps 100,000 years and ended possibly as long ago as that, when the last great polar ice cap was formed, we find the Piltdown skull in England; and in the period simultaneous with the last era of ice and immediately following it, a possible 50,000 years ago, we find the Neanderthal man and his contemporaries, the men of Spy. Were either or both of these our progenitors? Scientific thought today tends strongly toward the rejection of this assumption.

The Neanderthal Men

The Neanderthal men, Professor Henry Fairfield Osborn of the Museum of Natural History believes—and most, if not all paleontologists have reached the same conclusion—were merely another experiment in evolution, an experiment that reached an immensely higher stage of development than poor Pithecanthropus ever attained, but that came to an end when the last of the Neanderthalers perished, possibly in conflict with the first of the true men to invade Europe.

The preponderance of scientific weight, therefore, is behind the conclusion that in the Neanderthal man evolution produced not Homo Sapiens, but a different species of Homo; that these beings, like ourselves but of a different species, were almost but not quite human in our modern sense; sub-men, "gorilla-like monsters, with cunning brains, shambling gait, hairy bodies, strong teeth, and possibly cannibalistic tendencies," who, if the suggestion of Sir Harry Johnston be accepted, are the germ, through "dim racial remembrance," of the ogre in folklore; creatures of enormous muscular power, with almost no nose, no forehead, no chin, and a thick ridge of hair that may have grown down the back of the neck and along the spine in a mane that bristled or stood erect when they were enraged; it is more than probable that the whole body was covered with hair, thicker in Winter than in Summer, and almost concealing the brownish skin; doubtless, too, the males had heavy beards growing from lips, cheeks and throats.



THE WOOLLY RHINOCEROS, ONE OF THE ANIMALS HUNTED BY THE NEANDERTHAL MAN ABOUT 30,000 YEARS AGO

(By permission, from a painting by Charles R. Knight for the Museum of Natural History, New York)

Naked they roamed through the valleys of the Alps, across the wide plain that is now the bed of the North Sea, and so over the British Isles and Norway. The Glacial period probably drove them south. Small-brained, they could yet think and reason better than any of the apes, though they probably possessed no articulate speech. They used flint knives and wooden clubs as weapons. They knew the use of fire, in all probability, but used

it to keep off enemies, and continued to eat their food raw.

Before the last of these Neanderthal men had disappeared, Europe began to be invaded from the south, as the ice cap began to melt, by an entirely different type of man, the product of a different chain of evolution, the earliest specimen of Homo Sapiens of which we know anything at all, and which had reached, at least 25,000 years ago, a stage of development higher than that of many of the savage tribes now living. But science is still without evidence that will connect either these or the Neanderthal species of man, or the species of which the Piltdown skull is all we have to go by, with distinctly lower forms of life.

Evolution and Religion

We do know now, however—science has proved it conclusively—that Darwin's words, received with such skepticism when he wrote them fifty years ago, were true:

> To believe that man was aboriginally civilized, and then suffered utter degradation in so many regions, is to take a pitiably low view of human nature. It is apparently a truer and more cheerful view that progress has been much more general than retrogression; that man has risen, though by slow and interrupted steps, from a lowly condition to the highest standard as yet attained by him in knowledge, morals and religion.

How shocking such a hypothesis seemed to the average thought of Darwin's day, rooted and grounded in the dicta and dogmas of the Hebraic-Christian religious teachings, it is impossible for any one of today to realize. Archbishop Usher's chronology, which gave the world a life of but 4,004 years before the birth of Jesus Christ, was but one of the least important of the rooted beliefs and convictions accepted by the whole civilized world as absolute truths that had to be thrown overboard if what Darwin wrote were true. The whole structure of religion seemed to be tottering. Darwin himself recognized this when he wrote:

> He who believes in the advancement of man from some low organized form will naturally ask, how does this bear on the belief in the immortality of the soul? * * * Few persons feel any anxiety from the impossibility of determining at what precise period in the development of the individual, from the first trace of a minute germinal vesicle, man becomes an immortal being; and there is no greater cause of anxiety because the period cannot possibly be determined in the gradually ascending organic scale.
>
> I am aware [he went on] that the conclusions arrived at in this work will be denounced by some as highly irreligious; but he who denounces them is bound to show why it is more irreligious to explain the origin of man as a distinct species by descent from some lower form, through the laws of variation and natural selection, than to explain the birth of the individual through the laws of ordinary reproduction. The birth both of the species and of the individual are equally part of that grand sequence of events which our minds refuse to accept as the result of blind chance. The understanding revolts at such a conclusion, whether or not we are able to believe that every slight variation of structure, the union of each pair in marriage, the dissemination of each seed, and other such events, have all been ordained for some special purpose.

And here we are, fifty years later, still seeking the link in the chain of evolution that connects our own species with primitive life-forms; still asking for proof of immortality. We may never find either. To say that either quest is futile would be foolish; to say that the discovery of either is essential to human progress or human happiness would be even more so.

Evolution goes on, slowly in the individual, with accelerating and almost breath-taking speed in the species. In the fifty years since Darwin wrote his "Descent of Man," doubtless not a single child born into the world has within his physical structure a single cell or combination of cells which in its formation and grouping is not precisely like those of a thousand of its direct ancestors, as far as the most powerful instruments of the biologist can determine; yet we know that there *are* differ-

ences, from generation to generation, and that in a million generations these divergences, so slight that, seen from any one point, they appear parallel, will have evolved a new and different kind of being from those of which the writer and his readers are individual specimens. But we know—we have the evidences all around us—that in the same fifty years since Darwin wrote the human species has made longer and swifter strides toward the goal of happiness and comfort for all of its component individuals, toward the conquest of its environment and the power over life and death that is, perhaps, man's nearest approach to Divinity, than in any five-hundred-year period of the past.

Immortality of the Race

Perhaps the great fruit of the seed Darwin sowed is the concept, now gaining wide acceptance among biologists, that immortality, like evolution itself, is not individual but racial; that the organism destined to survive forever is the species, not the unit; that it only needs that all the dominant individuals of the human family should realize this for man to proceed with even greater speed toward the fulfillment of the millennial dreams that lie at the roots of all religious philosophies.

"The biologist says," remarks Vernon Kellogg, himself one of the foremost investigators in that field of knowledge, "if he is not a bigoted biologist, that he has no right to say, and will not say, that there cannot be a human spirit-life. He cannot authoritatively, and hence will not try to, affirm that there cannot be human immortality. He simply remains agnostic. He does not know."

But hear him a little further. "If evolution is carrying man forward—and we do not doubt it—it is doing it in a different way. This way seems to be the way of social evolution, based on man's social inheritance and the biologic factor of mutual aid. * * * That means, in the ultimate analysis, that future man can be consciously determined by man today; that human evolution has been turned over to humankind itself to direct. What an opportunity, but, at the same time, what a responsibility! * * * The soundest of science leads us to the conclusion that man has in his own hands a great instrument for determining the fate of himself as a species, the future of mankind."

We may well rest here. Nothing that the Andrews expedition is likely to bring back from Asia can do much more than cement still more strongly man's intimate kinship with every other form of life. No new discoveries of man's origins can alter the fact that our race is, as the eminent French scientist, Mr. Boule, points out, one body with the world that carries it. We are the product of causes so remote, of the interplay of forces so prodigious, of actions and reactions so complex, that they may well be said to have constituted the chief and only important steps in the development of the earth itself, and to have had as their sole purpose, if we concede a purpose at all behind it, the creation of man out of the substance of earth itself by the process we call evolution.

MASTODON AND ROYAL BISON, ANIMALS OF THE OLD STONE AGE, AS RESTORED IN A PAINTING BY CHARLES R. KNIGHT OF THE MUSEUM OF NATURAL HISTORY, NEW YORK

THE JEWISH PROBLEM IN POLAND

By James Jay Kann

Late Treasurer of the American Relief Administration's Mission to Poland

A dispassionate view of both sides of the case, showing that Polish hatred of the Jews is due to an intense desire for national unity, to the Jews' unfair commercial methods and to their pro-German and pro-Bolshevist leanings—Possibilities of a solution

THERE have been many articles and statements written concerning Poland's Jewish problem, some of them for ulterior motives and others from sincere conviction, but for the greater part they have all been either pro-Polish or pro-Jewish in intent. In the following article I shall present the facts as I saw them, and in such a manner as will please neither the one extremest nor the other. It should not be forgotten that two parties to a bitter struggle have seldom a monopoly of righteousness on either side.

Since the report of the Morgenthau Commission it is almost unnecessary to waste space with a denial of the vivid and exaggerated stories of atrocities which have been disseminated for one reason or another, as the various allegations of this kind were fully investigated and properly disposed of by that body of men. During four months' residence in Poland, including visits to many parts of the country, I saw no such atrocities.

In approaching this problem from an unprejudiced viewpoint, it is necessary, first of all, to rid one's self of the misconception that it is a religious problem. The truth of the matter is that the basis of friction between the Poles and the Jews is not Judaism, but Polish nationalism, combined with an economic cause which is probably secondary in importance.

The Poles are a people of intense patriotism, which reaches a degree of almost fanatical fervor. The disintegration of their country and the major share of their political misfortune have been due to the factional differences among themselves. After years of dismemberment Poland has finally been reunited, but the lessons of the past have taught them the value of cohesion, and reunion of the country in spirit and culture has become the goal of their ambitions.

The years of subjection to foreign Governments have left the particular imprint of each of the governing countries upon the portion of Poland under its rulership. These marks are not easy to eradicate. German Poland today is as different in many respects from Russian and Austrian Poland as one nationality of the same race of mankind is from another. To bring these dismembered parts together in a strong union is a task demanding the statesmanship and ability of a Bismarck.

Why Jews Are Hated

When the intensity of desire for unification in a people is so inherent, any body of men opposing the fulfillment of this desire are naturally bound to incur hatred. Hatred is essentially based on fear, and it is fear that the Jews will thwart them in their national ambition that has brought forth the enmity of the Poles to as great a degree as their hatred for the Germans and the Russians.

Thanks to the protection of the Allies, for the moment Poland's fears from external aggression are allayed. All the more have they been concentrated upon the possibility of internal disruption. For, living among them, scattered throughout their country,

with the exception of the Duchy of Posnan (German Poland)—forming a large part of the population of the cities, the strategic points of the country's economic and political life—is a people not only of a different race, but claiming a different nationality.

The Jews who live today in Poland are mainly the immigrants of recent years who have come westward from Russia. These late arrivals, or *Littvacs*, as they are called, are the leaders of Jewish life, barring, of course, the small but highly cultured and intelligent group of Assimilators, who are completely disowned by the great mass of their co-religionists. These *Littvacs* are as orthodox in their belief and customs as were their forefathers generations ago. They stand stalwart in their resistance to any suggestion which will tend to modify their ghetto life. They are Jews, first, last and always, and they will not assume Polish nationality or Polish culture, whatever persecution may be brought to bear to make them conform to the will of the majority. Their language is a jargon called Yiddish. They will not speak Polish, though they teach Hebrew in their schools. Their lives are lived in that part of the city called the ghetto. Their schools, their social life and their interests centre around the synagogue.

Let the reader consider what his feelings would have been if he had learned during the World War that there were schools in this country wherein the pupils were taught the German language, or even what he would think today, were it discovered that there were institutions of learning solely employing a foreign tongue and not even demanding of their students the study of the English language. Certainly no more unfair treaty was ever signed than that which forced the Polish Government to permit the Jews resident within its domain to conduct schools of their own, using their own language. This interference in a strictly internal question, which was prompted by the American Jewry, and to a lesser degree by the Jewry of other countries, will cause a lasting resentment, far outbalancing the good which might be accomplished by such a privilege. It constitutes a wound to national pride and dignity, which has brought forth a protest even from the Polish reformed Jews.

Is it not possible for us, who are confronted by the great problem of Americanization, and who comprehend so well the necessity of melting the various races and nationalities that come to our shores into a homogeneous body of American citizens, to understand the impossibility of permitting a people to live among the citizens of any nation, and yet not be of them.

The Jewish Bloc

The Jewish population of Poland is a small minority (5,000,000 out of a total of 30,000,000), and not integrally resident in one section of the country, but permeating the entire population. If the cardinal principle of republican government is that the minority shall conform to the will of the majority, it certainly does not befit us to preach to a sister republic the doctrine of allowing the minority not only all the rights enjoyed by the majority, but added privileges as well.

And this is what the Jews in Poland desire, and, to a certain extent, have theoretically gained. They have elected to the Polish Diet, members of the Jewish Nationalist Party, whose sole political efforts are devoted to safeguarding their own interests and securing further concessions. The mere fact that such a party exists proves to the Poles the complete lack of interest which the Jews have for the national welfare. No more striking evidence of the absolute separation of the Jew from his fellow-countrymen is his voluntary assumption of a distinctive appearance. He insistently wears a long black smock, a tight-fitting black cap, and high

black boots, which, coupled with his refusal to shave or cut his hair, marks him unavoidably for what he is, and permits him to present as unattractive a personal appearance as could be accomplished if prompted by intention.

To a foreign observer such determination is quite impossible of understanding. To the Pole it is unmistakably the badge of a secret fraternity conniving for the downfall and possession of his country. With equal determination, the Jews insist on crowding together in ghettos, where filth and disease cannot possibly be prevented. True, both the garb and the ghetto are the products of hundreds of years of oppression and compulsion, and it is perhaps fittingly ironical that the descendants of their oppressors should find these former means of subjection a source of discomfiture and worry.

Offers of Polish citizenship and nationality hold no attraction to the Jew. He will have none of them, for he distrusts the Pole, and he has no interest in the wars, problems or prosperity of a country he will not call his own. To the great majority, the brilliant dream of Zionism is the only future worth having, and of a certainty, if all the Jews of Poland could be transported to Palestine the solution of the problem would be reached —for Poland.

The complete lack of patriotic and public spirit among the Jews cannot fairly be attributed to their absence of faith in the promises of the Poles that they will be granted full citizenship and political equality. For those Jews who have deserted the ghetto and given up their secular peculiarities, though still maintaining their independence of thought and religious belief, have prospered in their various occupations and professions. Some of the most prominent bankers, merchants, manufacturers and professional men of Poland are Jews, and the textile mills of the great manufacturing City of Lodz, the largest industrial metropolis of Poland, are owned for the greater part by capitalists of the Jewish race. These successful men have surrendered no more of their racial individualism than have the modernized Jews in any other country in the world, and the application to them of the name "Assimilators" should not mislead one into the fallacious belief that assimilation necessarily means a surrender of religious conviction. Of all the leaders of Polish life and thought with whom I discussed this problem, I never met one who expressed the hope that the Jews would desert their creed.

Foreign Sympathies

The impression that the ambition of the Jews is anti-nationalistic in strengthened by the unfortunate preference of great numbers of them for the rulership of the Germans or the Russian Bolsheviki. Their leaning toward the Germans is explained by the fact that during the German occupation of Poland there was a strong and efficient Government, which provided greater security to person and property than does the present weak and recently organized administration of the Poles. The Germans, being administrators of an enemy country, had no more prejudice against the Jews than against the Poles, and it is also true that business was far better under their sovereignty than it is now.

Among the poor Jews—and the great majority of them are in a pitiable state of poverty—there is also a strong radical feeling, which tends to create a sympathy for Bolshevism, encouraged by the presence of many Jews in highly responsible official positions in the Russian Soviets. In Eastern Poland, where the battle with the Bolsheviki has been waged with such intensity, there are many alleged cases—founded on varying degrees of truthfulness—of connivance between the Jewish population and the attacking enemy. Were it to be

granted that these stories as an entirety are false, the fact would still remain that the Jews, by their passive attitude and lack of interest in the success of the Polish armies, have laid themselves open to the charge of anti-patriotic sympathies.

The rare instances of violence to the Jew arise from suspicion of his giving aid to the enemy, from indignation against his profiteering and usurious methods of business, or from crude desire to indulge in the practice of so-called Jew-baiting; the cases of Jew-baiting have been instigated almost entirely by Polish-American soldiers of General Haller's army, who are unaccustomed to the freakish appearance of the Jew, and find it provocative of an ignorant and brutal sense of humor. The failure of the Government to protect the Jews against such harm and humiliation is not due to any predetermined policy of the officials, but rather to the general weakness of the administrative system, which is equally powerless to prevent smuggling or graft.

We Americans, who possess one of the most efficient governments of the world, protect the person of our American negroes with such laxity that they are daily the unfortunate victims of mob license. Scarcely a morning passes that one does not read in the newspapers of the hanging of one or more negroes, and occasionally of their being burned alive. The number so put to death immeasurably exceeds the total number of Jews in Poland who have suffered physical violence of any kind at the hands of the populace.

The Economic Cause

To understand the economic cause of the violent prejudice against the Jews, one must be conversant with present and past conditions of Poland. The Poles are divided into two classes, the aristocratic landowners and peasants. The absence of a large and powerful bourgeoisie, such as exists in every modern country, is a great weakness to the social structure. The organization of commerce on a scientific and respected basis is as yet in its infancy, and trade is, therefore, still conducted mainly in the old manner.

The Jews, inclined by heredity toward a mercantile life, having for centuries been forbidden the ownership of property, form the great class of merchants. Their business is run in a small bargaining fashion, undeniably lacking in the principles of fairness or equity, and the ignorant, naive Polish peasant is at their mercy for the securing of the goods he needs. Today, when instability is so universal in all material things, the peasant is at an even greater loss to determine whether or not he is being charged a fair value for the article he purchases. There can be no denial of the fact that the Jewish merchant is guilty of shameless profiteering, and also of the smuggling of forbidden goods, tempted by the large profits he can obtain for the sale of them. If the Polish Government is as yet unable to protect the peasant from such injustice, can it be surprising that in turn it is incapable of protecting the Jew from the occasional outbursts of anger aroused by his unfortunate occupation?

The anti-Semitic party does not wish for a better understanding between the Jews and the Poles, but strives to increase existing ill-feeling, to aggravate the unpleasant friction in every instance, and to fan the smoldering flames of prejudice into a conflagration before which the Jews will flee never to return. The historic example of the expulsion of the Jews from Spain teaches them no lesson in political shortsightedness. To them the Jew will never be anything but what he is today, and they will not grant the remotest possibility of his becoming an asset to the community. It is their conviction that material prosperity will only give the Jews the means to control the State to the exclusion of the Poles, and it is futile to point out

the examples of France, England and America, where the Jewish immigrant, granted equal opportunity and equal rights, has within the space of a generation or two become completely nationalized, and has developed into the finest type of patriotic citizen.

That the Polish Government permits the violent agitation and insidious propaganda of the anti-Semitic party to persist is greatly to be regretted, and it only serves to make a wise and practical solution of the racial problem more difficult. The widespread publication in newspapers and periodicals of articles preaching such prejudiced and untruthful doctrines causes indignant protest from many people in this country; but can we as a nation condemn the Polish Government for failure to suppress the printing of such matter when we tolerate Mr. Henry Ford's literary efforts in The Fort Dearborn Independent?

The first step toward solving the Jewish problem in Poland is for the radical parties on both sides to become reconciled to the fact that the Jews are a permanent part of the population of the country, and that their future destiny is identical with that of their fellow-countrymen. If they both cling to the idea of the eventual migration of the Jewish residents, no improvement in the existing conditions can be hoped for. But if the two extremists can be brought to acknowledge the impossibility and undesirability of their ambition, a great stride toward a basis of mutual co-operation will have been accomplished.

The Poles, on their side, must realize that prosperity breeds patriotism, and that a prosperous Jewish community will be loyally grateful to the State and will be an economical and political asset to the country. They must never forget that the Jew to a great extent is the resultant product of centuries of oppression and persecution. They must endeavor to contradict the untruthful stories concerning the character and habits of the Jews, and to dissipate the feeling of prejudice. They must be convinced of the potential ability of the Jew to become a devoted patriot, and they should take the first step toward inducing the Jews to believe in their sincerity.

The Jews must be persuaded to forsake their secular peculiarities. They must be educated in the modern conception of religious practice, taught that devotion to State is as paramount as devotion to creed. They must also be taught that surrender of ghetto life and of its attendant habits and customs does not in any way imply diminution of religious devoutness. The true meaning of the word assimilation must be made clear to them, and they must be shown that if they accept the benefit of equal political and economic rights and privileges they must also assume the duties and obligations of national citizenship. They must seek in every possible way to show their Catholic neighbors that the sole difference between them, aside from one of blood, is that of a religious belief.

Peculiar as it may seem, the hope for a future solution of this problem depends on the outcome of the Russian situation. For Russia once more open to the world will provide Poland's Jewish merchants with an unrivaled opportunity for profitable trade. Let there be sufficient legitimate work for Jew and Gentile alike, and a great part of the discontent and ill feeling would subside. By a process of mutual concessions the leaders of both parties must adopt a program of rapprochement leading to a common goal, and thus strive to fuse the two races into a strong, united and progressive nation.

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[American Cartoon]

THE ONLY WAY TO DISARM

—*Tacoma News-Tribune.*

[English Cartoon]

THOSE GERMAN WAR CRIMINALS

—*London Opinion.*

THE HUN (apropos of the Leipsic court's inadequate sentences): "But you can't expect a German to punish a German for behaving like a German!"

[American Cartoon]

"THEY COME DOWN TWO BY TWO"

—*Los Angeles Times.*

[German Cartoons]

The Entente Situation

—*Wahre Jakob, Stuttgart.*

The Entente as Seen by Germany

ENTENTE: "I am getting old. I wonder whether the paint will hide the cracks and wrinkles."

—*Kladderadatsch, Berlin.*

[American Cartoon]

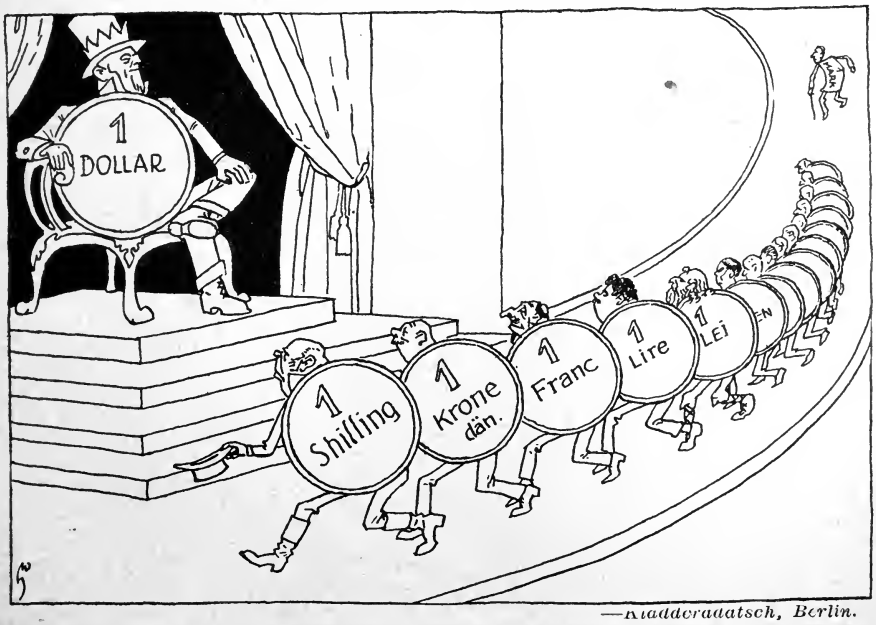
The Lost Dog

The United States has a greater amount of the world's wealth than any other nation. Gold has been pouring in to an extent that has aroused the apprehension of financiers. But, despite this surplus, business has continued to shrink and unemployment is prevalent in all industrial centres. Credit must be advanced to impoverished nations in order to make it possible for them to become again our customers.

© New York Tribune.

[German Cartoon]

THE PROCESSION BEFORE THE AMERICAN DOLLAR



—Kladderadatsch, Berlin.

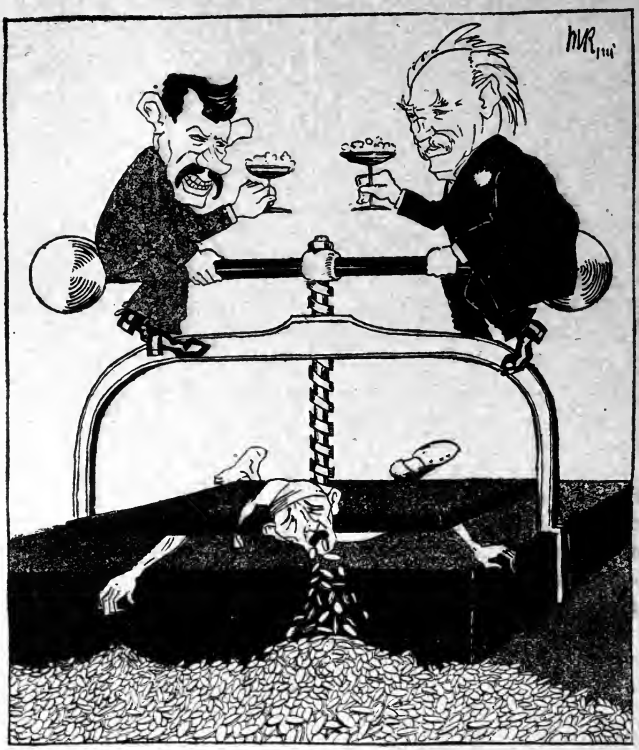
[German-Swiss Cartoon]

After Germany's Acceptance of the Ultimatum.

LLOYD GEORGE: "Health! Here's to Justice and Freedom!"

BRIAND: "Health! Here's to Fraternity and Humanity!"

[It is but natural that the vanquished should think the terms of the victor unbearable. Germany protests against what she thinks the excessiive indemnities demanded by the Allies. They on the other hand point to the reduction from the original demands as a proof of their moderation.]



—*Nebelspalter, Zurich.*

[Polish Cartoon]

—*Mucha, Warsaw.*

Germany's Idea of Reparation

GERMANY: "Perhaps I am technically wrong, and I will pay nominal damages—on condition that I may retain Upper Silesia."

[One of the things that irritated the Allies, and among other reasons caused the brusque rejection of the German reparation proposals at the London Conference, was the insistence that the payments proposed should be conditioned on the retention of Upper Silesia by Germany. At that time the plebiscite had not been taken.]

[American Cartoons]

—*Ohio State Jodrnal.*

The Bolshevist Predicament

"If you're going anywhere, you have to have oars."

Having Consumed All the Golden Eggs—

[Lenin in his address at the Moscow Congress practically acknowledged that the Bolshevist experiment had proved a failure and that the only hope of restoring moribund Russia lay in concesions to capitalism.]

—*Dallas News.*

[Austrian Cartoons]

Briand's Triumph

For decades Germany will now have to work for France.

—*Kikeriki, Vienna.*

The reparation terms, which require Germany to pay $35,000,000,000, are here typified by the magic ring of the Nibelungen, which, in the hands of Alberich the dwarf, (Briand,) makes slaves of all within reach of its power.

Waiting for Help from the Entente

AUSTRIA (gazing westward): "Hang it all, when will the sun rise again?

The plight of Austria has been more severe than that of Germany, for, although her obligations are less, her resources have shrunk to the vanishing point. Help has been extended, however, by the Allies, and there is no disposition to press her beyond her ability to pay.

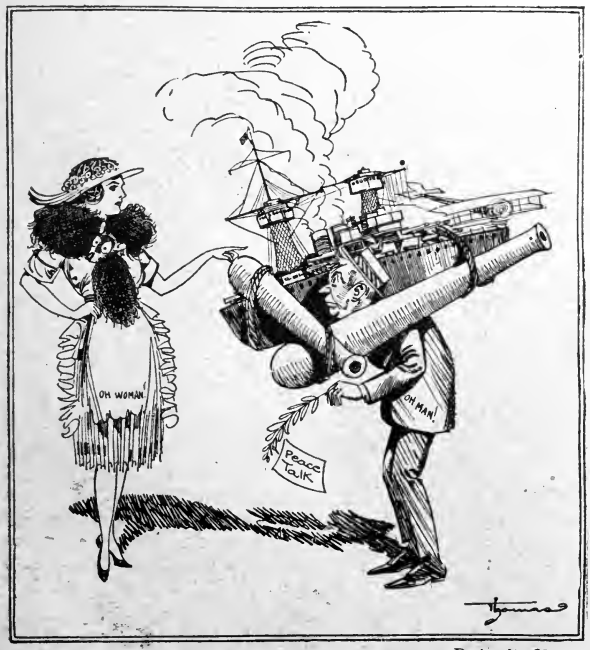
—*Kikeriki, Vienna.*

[American Cartoons]

WHY?

The increase of the Japanese Navy in number of vessels and in fighting strength is viewed, if not with deep concern, at least with a certain gravity on this side of the Pacific. The Japanese immigration problem and the mandate over Yap have not yet been settled, although it is hoped that these can be adjusted by diplomacy.

—*New York Evening Mail.*



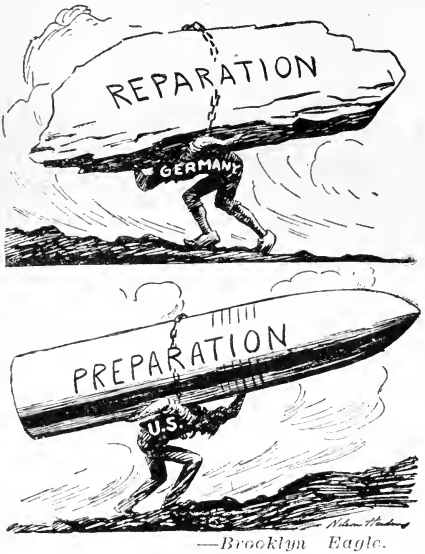
—*Detroit News.*

"And you laughed at Summer furs"

Although talk of disarmament is in the air, the nations still adhere to their naval programs. Taxes are staggering, not only in the United States, but in Great Britain and Japan. All profess to be willing to curtail warlike preparations, but none is willing to set the example.

[American Cartoons]

Victor and Vanquished.

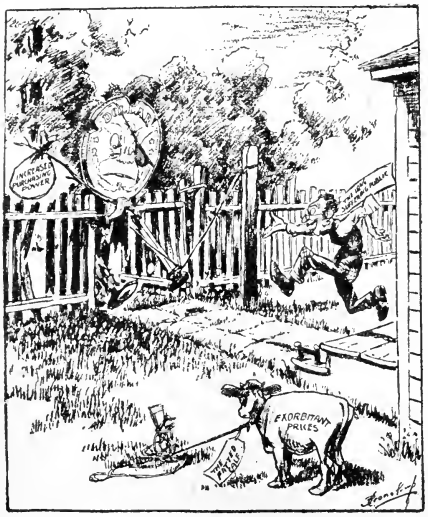


—*Brooklyn Eagle.*

Hurry up! It's getting heavy.

—*Detroit News.*

The Prodigal's Return



—*San Francisco Chronicle.*

Cheering to the public is the fact that the American dollar, which at the peak of high prices was worth only 37 cents compared with pre-war values, is now worth 65 cents by the same standard.

About Face!

—*Detroit News.*

The general reduction that has taken place in prices and wages has not yet been reflected to any marked extent in the charges for public utilities, which in many cases have advanced.

[American Cartoon]

"IT LOOKS FINE, BUT I CAN'T MAKE IT BREATHE"

—*Dayton News.*

[Dutch Cartoon]

LLOYD GEORGE'S SILESIAN SPEECH

—*De Amsterdammer, Amsterdam.*

J. BULL (to Poland): "Stop trying to climb in. Wait till we open the door."

Upper Silesia

The robber (Poland) and his lookout (France.)

The attempt of Poland to forestall the decision of the Supreme Council and to seize the disputed Upper Silesian territory by force of arms has ended in failure. The raid of Korfanty and his Polish irregulars irritated the British and Italians, who hinted that the French had been lukewarm in opposing it. Lloyd George declared that the Allies could not permit the "unruly children" of the treaty to "break crockery" in Europe.

—*Kladderadatsch, Berlin.*

[American Cartoon]

DANGEROUS BUSINESS

—*New York Evening Mail.*

The Sinn Fein agitation in Ireland has many sympathizers in the United States, and these have been active to an extent that might under certain conditions create tension between this country and Great Britain. A shipment of arms designed for the Sinn Fein was recently seized in New York.

[German Cartoon]

THE AMERICAN LIFE PRESERVER

—*Kladderadatsch, Berlin.*

"That life belt, after all, was made of thorns"

[Referring to America's refusal to recommend Germany's indemnity scheme to the Allies]

HOW TRADE UNIONS ARE RUINING BRITISH INDUSTRY

By J. Ellis Barker

Startling facts and figures regarding the union policy of restricting output in mines and factories—Why British coal costs three times as much as American coal—Five English miners do only as much work as one American miner—Labor itself injured.

THE British trade unions are organizations which pursue simultaneously economic and political aims. The study of their activities in the economic field reveals the fact that they have inflicted the greatest injury upon England's industry and trade, and upon the nation as a whole. The uncritical defenders of British trade unionism tell us that, owing to the activities of the unions, British labor conditions have been greatly improved and British wages have risen considerably. It is true that during the last few decades British labor has been benefited by shorter hours, higher wages and the improvement of factories, houses, &c. However, it is a mistake to ascribe this advance to the trade unions. In the United States, where the power of trade unions is small, labor is far better off than in England, and the highest wages are paid in those industries, such as the United States Steel Corporation and the Ford works, where trade unions are not recognized. Labor conditions throughout the world have vastly improved in the last few decades, and the reason for that universal improvement is obvious. The remuneration of labor depends upon its productiveness. Improved machinery and organization have created that abundance of useful and necessary things which constitute prosperity. Labor organizations by themselves create nothing. The British trade unions, far from benefiting the workers by increasing the supply of goods, have restricted it to the utmost. They have kept the English workers in relative poverty by preventing the expansion of industries. They are principally responsible for the backwardness of industrial England, and for the economic stagnation of the country.

The industries of Great Britain are extraordinarily backward, if compared with those of the United States. England's inferiority is startling. The facts of the position are glaringly shown by a comparison of the British and American censuses of production. The only census of production taken in the United Kingdom refers to the year 1907. The American census of production nearest in date was taken in 1909. The two years are so close together that the results of the two investigations are fairly comparable. From these two documents we learn that in 1907-1909 British and American production compared as follows:

	Number of Workers.	Value of Products.
United States, private manufacturing industries only, in 1909....	6,615,046	£4,134,421,000
United Kingdom, industries of all kinds, including the production of public utilities, such as gas and waterworks, &c., in 1907.....	6,019,746	1,617,340,000

It will be noticed that, taking the industries as a whole, production per worker was two and a half times as great in the United States as in the United Kingdom—that in 1907-1909 two average Americans produced as much as five Englishmen. This comparison is strictly fair. In both censuses wholesale prices formed the basis of calculation, and in 1907-1909 British and American wholesale prices for similar goods were approximately equal. Hence British and American wares competed freely in British, in American and in neutral markets. Since the time of the two censuses American production per worker has increased, while British production per worker has declined considerably. We may, therefore, safely estimate that production per worker is at least three times as great in the United States as in England. Under these circumstances we cannot wonder that American wages are from two to three

times as high as are British wages, and that, measured by their consumption, savings, &c., the American workers are from two to three times as well off as are the British workers.

In the industries taken as a whole, American production per worker is three times as great as is British production per worker. In the more efficient British industries, such as the cotton industry, America's advantage in production per worker is relatively small. In others, such as the iron and steel and engineering industries, which are very backward in England, America's superiority in output per worker is absolutely startling. In the British Government report on the engineering trade, which was published toward the end of the war, we read:

> Nearly every employer who appeared before us had the same story to tell. While alleging that the British mechanic stands second to none of the mechanics of the world—that his skill, initiative, and adaptability enable him readily to cope with all engineering manufacturing difficulties— each employer in turn complained of two things. The first complaint was that the workman deliberately restricts his output below that which represents a reasonable day's work, and that this deliberate restriction does ultimately have a serious effect on his character and makes him physically incapable of producing a reasonable day's work, through habit which this restriction engenders.
>
> The second complaint was that the restrictions imposed by trade union rules class as skilled work (a definition which can be determined by the rate of pay) that which is in fact unskilled work. These two points seem to include the main difficulties with which employers have to contend, and which present a most grave aspect if they are to continue after the war, in face of the great national problems which will then demand solution.
>
> We are satisfied that both these allegations are founded on fact. * * *
>
> The trade unions have, in the past, been very reluctant to admit piece rates. Indeed, even now, some of the unions forbid their members to accept piece rates where these have not previously been in force, and, where piece work has been started, the members are asked to discourage it as much as possible. It has also been evidenced to us that cases have occurred wherein, should the men earn more than time and a half, they have been fined by their unions. * * *

Experienced and authoritative foreign observers likewise have frequently ascribed the extraordinary stagnation of many British industries, and especially of the iron and steel industry, which not so long ago dominated the world, to the fatal influence of the British trade unions and to their policy of restricting output. The final report of the American Industrial Commission of 1902 stated:

> That the tendency of workingmen is to restrict the output of their labor within more or less definite limits, which they have come to consider right and just, is undeniable. * * * The trade unions of Great Britain, for instance, have always been relatively stronger than those of America, and at the same time the tendency to fix definite limitations to the performance of each workman has been stronger there. One standard contrast between industrial conditions in Great Britain and in the United States is the greater freedom of the American workman from restrictive rules. To it is often attributed, in a large degree, his greater activity and effectiveness. The alleged decline of British industry is often laid at the door of the unions, by reason of their limitation of the product of their members.

Judge Gary, the President of the United States Steel Corporation, which produces per year about twice as much iron and steel as the whole of the United Kingdom, stated before the United States Senate Committee on Education and Labor in October, 1919:

> I think it is immoral for a small minority of men, organized, if you please, to compel by force a large majority to yield to their desires and to submit to their control. Because, if the industries of this country or any other were controlled by union labor it would mean decay, less production, higher cost; and this country could not succeed in its contest with other countries for the world's business—it would be in the condition that, I fear, England is in today, but which, I hope, it will come out of. * * *
>
> Labor unions are practically in control of the industries in England today, I am inclined to think. I am afraid they are. And if they have control, I believe it is a very great hindrance to the progress, prosperity and happiness of England. Of course, I may be mistaken, but that is my belief. I think England is dealing not only with conditions of unrest, but with conditions which compel her to do things which are not the best things to be done. And I firmly believe, whether I am right or wrong, if labor unions had control of the industries of this country it would not only mean the closed shop, but it would mean the imposition and enforcement of conditions which would restrict output and increase cost and add to the expenses of living.

Previous to the war the production of iron was almost stagnant in Great Britain,

while it rapidly increased in Germany, as the following figures show:

	Production of Iron: In Germany.	In the United Kingdom.
1890	4,658,000 tons	8,033,000 tons
1913	19,292,000 tons	10,260,000 tons

Between 1890 and 1913 English iron production increased by 20 per cent., while German iron production increased by more than 300 per cent. In 1890 England produced almost twice as much iron as Germany, while in 1913 Germany produced almost twice as much iron as the United Kingdom. In steel the position had changed no less strikingly to England's disadvantage. Commenting upon the rapid expansion of the formerly insignificant German iron and steel industry, and upon the utter stagnation of the English iron and steel trade, which used to dominate the world, an authoritative German technical handbook, "Gemeinfassliche Darstellung des Eisenhüttenwesens," (Düsseldorf, 1912,) stated:

> No land on earth is as favorably situated for iron production as is England. Extensive deposits of coal and iron, easy and cheap purchase of foreign raw materials, a favorable geographical position for selling its manufactures, reinforced by the great economic power of the State, made at one time the island kingdom industrially omnipotent throughout the world. Now complaints about constantly increasing foreign competition become from day to day more urgent. These are particularly loud with regard to the growing power of the German iron industry. * * *
>
> The German trade unions, with their Socialist ideas, are opposed to progress. If their aspirations should succeed, the German iron industry would be ruined. An attempt on the part of the German trade unions to increase the earnings of the skilled workers by limiting the number of apprentices, the imitation of the policy which has been followed by the British trade unions, would produce a scarcity of skilled workers in Germany, as it has in England. The British iron industry should be to us Germans a warning example. The English trade unions, with their short-sighted championship of labor, with their notorious policy of "ca' canny," (the limitation of output), and with their hostility to technical improvements, have seriously shaken the powerful position of the British iron trade.

Owing to the restrictive policy pursued by the trade unions, the British industries have suffered severely. The great organizations of the workers have in many cases refused to employ improved labor-saving machinery, arguing that its use would put men out of work. In other cases they have produced no more with the best modern machinery than with old and out-of-date machines previously used, thus discouraging employers from modernizing their plants.

The basis of England's wealth and power is the coal industry. A few decades ago Great Britain produced more coal than all the nations of the world combined. England was at that time the most efficient nation in the world, both in manufacturing and in mining. However, of late the coal output per man has rapidly declined in the United Kingdom, while it has equally rapidly increased in the United States and elsewhere. Since 1880 the following extraordinary change has taken place in England and in America:

COAL PRODUCED PER MAN PER DAY.

	United Kingdom. Tons.	United States. (Bituminous). Tons.	United States. (Anthracite). Tons.
1880	1.33	...	...
1885	1.28	...	...
1890	1.08	2.56	1.85
1895	1.18	2.90	2.07
1900	1.10	2.98	2.40
1905	1.08	3.24	2.18
1910	1.00	3.46	2.17
1915	0.98	3.91	2.19
1918	0.80	3.78	2.29

During the years under consideration coal production per worker per day has very greatly increased in the United States, owing to the improved machinery and organization introduced into coal mining. In the same period British production per worker has disastrously declined, notwithstanding the extraordinary mechanical progress made. About 80 per cent. of the coal mined in the United States is bituminous. Comparison of the British and American statistics shows that production per worker is almost five times as large in the United States as in Great Britain—that one American miner produces as much coal as five British miners. The British miner works, as a rule, five shifts per week. It follows that an American miner produces approximately as much coal per day as his British colleague produces during an entire week. We can, therefore, not wonder that British coal is three times as dear as American coal, to the ruin of British trade and indus-

try, although the American miner receives higher wages than the British miner. The representatives of the British coal mining unions frequently assert that America's extraordinary superiority in output per worker is due to the possession of thick seams lying close to the surface. That is one of the reasons, but not the principal one. The extraordinarily low production per worker in England is due mainly to the restrictive policy pursued by the workers and by their hostility to labor-saving machinery. Before the Royal Commission on the Coal Industry an eminent engineer, Mr. Forster Brown, stated:

> Mechanical appliances for coal cutting and getting are employed to a greater extent in America than in this country. * * * I think it is due to two main causes: Partly the physical conditions under which coal is worked in America are better, but also I am of opinion that American labor has grasped to a far greater extent than labor in this country has grasped the fact that the soundest route to improve its position and its employment is to get the maximum output per unit of labor employed compatible with health and safety, either by direct manual labor or the help of machines.

Before the same Commission Lord Gainford of Headlam, the eminent coal owner, complained:

> The terms demanded by miners have frequently prevented and retarded fair trials being given to coal-cutting and labor-saving appliances which managers have been keen to introduce.

Coal-cutting machines are only used very little in Great Britain, as compared with the United States. In 1916 only 26,303,110 tons of coal were mined by machinery in the United Knigdom, and no less than 253,285,962 tons of coal were machine-cut in the United States. The fact that the British miners deliberately reduce output may be seen by comparing the British and the American record of coal produced per machine. In this respect the two countries compare as shown at top of the next column.

Output Per Coal-Cutting Machine.

	In the United Kingdom. Tons.	In the United States. Tons.
1903	8,158	10,457
1910	8,039	11,722
1916	7,601	15,638

Production per machine has rapidly increased in the United States and rapidly declined in the United Kingdom, and the result has been that, per machine, production was in 1916 twice as great in the United States as in the United Kingdom.

The defenders of the British mining unions habitually assert that natural conditions and the greater use of machines, which the British miners refuse to employ or deliberately prevent running at a reasonable speed, are solely responsible for America's extraordinary superiority in coal production per worker. That might possibly be true with regard to the bituminous mines, but cannot be correct with respect to the American anthracite mines. The United States has only a little anthracite. It occurs in a circumscribed area, and is found in seams which are so thin, irregular and broken that coal-cutting machinery cannot be used. Many of the American anthracite mines are exhausted, partly exhausted, or waterlogged. Nevertheless, the American anthracite miner produces per day almost three times as much as the British miner, who is aided by a good deal of machinery, as shown by the figures previously given. Even in the best-equipped pits of South Yorkshire, which have only recently been opened, and which exploit very thick seams, the British coal miner produces only about a ton of coal per day—less than half as much as the American anthracite miner, and one-fourth as much as the American bituminous miner.

In the course of his speech to the General meeting of Bolckow, Vaughan & Co., Limited, at Manchester, on Sept. 30, 1920, Sir J. E. Johnson Ferguson, Bt., the Chairman, gave the following figures, showing the fall in output and increased wages at the company's collieries:

	Men employed.	Total Wages. £	Average Wages Per Man. £	s.	d.	Coal Raised. Tons.	Average Coal Output Per Man. Tons.	Wages Cost Per Ton. s.	d.
Year ending June 30, 1914..	8,844	735,236	83	2	8	2,320,410	262.37	6	4
Year ending June 30, 1920..	9,487	1,589,036	167	10	0	1,616,233	170.36	19	7¾
Increase or decrease.....	+643	+853,800	+84	7	4	—704,177	—92.01	+13	3¾

Coal is the principal source of power used for industrial and commercial purposes, and it is at the same time the most important raw material of industry, especially in the iron and steel and engineering industries. We cannot wonder that British industry and commerce are stagnating, and that unemployment is unprecedented, in view of the fact that British coal costs three times as much as American coal. That disastrous handicap of England is due not so much to natural conditions as to the action of the misguided trade unions.

The harmful effect of restriction of output is unfortunately not limited to the British coal, iron and steel and engineering industries, but is general. Lord Askwith, who was Controller General of the Commercial, Labor and Statistical Department and Chairman of the Fair Wages Advisory Committee, and who has had an unrivaled experience of British labor, wrote in his book, "Industrial Problems and Disputes":

> It would be useless to calculate how much talent and how many rising hopes have been dashed down in the atmosphere of insistence on time work, with its watchword, "Keep your time by the slowest," or in the absolute command of foremen or colleagues that the number of rivets, the tale of bricks, the lasting of boots, the cuts of clothes, or the output of articles of every kind must be kept within or below the rule of the shop.
>
> A discharged soldier, who returned to work for a motor car firm at Birmingham, found that in turning cylinders he could do a job in forty-three minutes, and he maintained this speed for three weeks. The man was warned that the official time was seventy minutes. The warning being ignored, on Nov. 4 last the union stopped the shop until the man was moved to other work. The same kind of intervention seems to take place on most engineering work on which piece rates are paid.
>
> In the collieries the restriction is exercised indirectly. If a miner exceeds a certain output per day, varying from four to seven tons, he finds himself delayed by the "shunt" men, who cut down his supply of tubs and props. In South Wales and Lanarkshire the output laid down is a fixed number of tubs per day, called a "stint," and if this were regularly exceeded the pit would be stopped to enforce it. The same applies to the docks. Recently a ship discharging grain in bulk in Birkenhead was stopped because the union considered 150 tons a day was an excessive rate, though the rate was laid down both in the ship's charter-party and the sale contract. The result is that the elevators are now running at 23 per cent. below full speed. In Cardiff and elsewhere carters are not now allowed to load more than one tier on team wagons. On Nov. 10 last a team-lorry was stopped in Bute Street, Cardiff, by the union delegate, and the carter made to unload eight bags which were in a second tier. At Immingham a motor-lorry was stopped because it had a full six-ton load. The driver asked the delegate what the limit was, and he said: "I don't know, but you have got too much on there, anyhow."
>
> The restriction is of special moment when we find it applied to house building. At Huddersfield, during the building of an extension, four men were stopped by their union for three days because they laid 480 bricks in a day of eight hours. A slater was warned at the same place because he fixed a gutter—a plumber's job—in order that he might get on with his own work. Instances might be multiplied indefinitely.

To the more enlightened trade unionists it is perfectly obvious that the policy of limiting output is bound to be disastrous to the workers themselves. G. N. Barnes, M. P., stated in The Evening Standard of July 9, 1920:

> There is a fundamental error in the supposition that increased production leads to unemployment. The idea that less work for one man means more for another is entirely wrong. A worker who adopts the "ca' canny" policy is doing no good to himself or any other human being, and is simply paying homage to a stupid fetish which is a curse of the workshop.
>
> First of all, the idea of more production, less employment, is entirely opposed to the facts as they have revealed themselves in the last generation. During that period there has been an ever-widening extension of production, and at the same time a steadily diminishing proportion of unemployment * * *
>
> Increased production at the present time would have swift effect in lowering prices. The more clothes or boots that are produced the less chance has the profiteer for high prices. That, however, is but an incidental advantage. At the moment food is very high in cost, a dominant cause being that we are importing vast supplies from America without being able to send equivalent values in manufactured articles. The result is that the value of the sovereign in America has gone down * * * The policy of "ca' canny" is the policy of high prices for the necessities of every working-class household.

Mr. J. H. Thomas, M. P., stated at a gathering of railwaymen at Kentish Town, on March 15, 1921:

> I want you to get clearly into your minds that in return for a fair day's pay you must do a fair day's work. Nothing is more vicious and more uneconomic or more calculated to react upon you than the assump-

tion that you are providing work for some one else by doing as little as you can.

The idea of men benefiting themselves by making their production scarce and dear is perfectly correct within limited scope. Diamonds owe their great value to their scarcity. If they were as common as paving stones no one would wear them as jewelry, and they would be worth no more than paving stones. If the makers of certain indispensable goods, such as boots or clothes, succeed in establishing an artificial scarcity value for their productions, they may be able to exploit the community for their personal benefit, but if all the workers in a country pursue the policy of making their goods scarce and dear, no one will be any better off, but all will suffer from the general shortage. That is, unfortunately, the position in Great Britain. Limitation of output, far from benefiting the British workers, is injuring them most seriously. Owing to their policy they suffer, in the first place, from a general scarcity and dearness of goods and from the high cost of living, which creates widespread dissatisfaction; in the second place, they suffer from widespread unemployment. The goods which the British workers turn out grudgingly at high prices and in totally insufficient quantities are produced in large quantities and at cheaper prices elsewhere. These more cheaply produced goods naturally undersell similar British goods, both in foreign markets and in the English home market, and the result is unemployment and poverty among the workers.

The medieval guilds were closed corporations. The members of every guild strove to keep the special kind of work in which they were engaged to their own members, and jealously prosecuted those guilds which endeavored to encroach upon their privileges. A maker of hats was not allowed to make caps, and a maker of caps was prohibited from making hats. Every locality had privileges of its own, and entrance into a guild was made exceedingly difficult. The result was that labor ceased to be fluid. Men who had lost their employment in an occupation, the productions of which were not in demand, could not engage in the making of other goods because of the jealousy of the established unions, even if there was a great shortage of labor. The result was disastrous to the workers. Goods were made artifically scarce and dear, and unemployment became great and general.

The French Revolution of 1789 was principally due to economic causes. France swarmed with workers who could not find employment. The great Turgot endeavored to save the situation by freeing industry from its shackles. He prevailed upon the King to issue the celebrated Edict of 1776, which abolished the privileges of the guilds. Unfortunately, the power of the established interests was too great. The Edict was revoked. The sufferings of the people became ever greater. The Revolution broke out in 1789, and one of its first acts was the destruction of the ancient guilds, which aroused the jubilation of the people. The British trade unions are creating a state of affairs which resembles that of France before 1789. An unemployed worker, no matter how skilled, may not enter another trade which is short of workers. Some time ago a lengthy labor dispute occurred in the piano trade. The unemployed piano case makers wished to find work in the furniture factories, which suffered from an acute shortage of workers. However, they were turned away because the furniture workers meant to keep the making of furniture exclusively to themselves. The United Kingdom has been suffering severely through the shortage of houses. The number of workers in the building trades had declined between 1910 and 1920 to almost one-third, as shown by the following figures from the People's Year Book:

	1019.	1911.	1914.	1920.
Masons	73,012	52,188	34,381	19,310
Slaters	9,796	8,391	4,154	3,673
Plasterers	31,300	25,082	19,479	12,067
Joiners	265,000	208,995	126,345	108,199
Bricklayers	115,995	102,752	73,671	53,063
Totals	495,103	397,408	258,030	196,312

At the end of the war the demand for houses was unprecedented. The representatives of labor asserted that a million working class houses were wanted. Besides, hardly any painting and repairing had been done since 1914. At least 5,000,000 houses were in urgent need of painting, patching

and redecorating. Nevertheless, the building trade unions restricted their previously low output very greatly and refused to receive 50,000 ex-soldiers whom the Government had trained. The building trades could at the time have absorbed 200,000 unemployed workers, and the expansion would have vastly improved employment in other affiliated trades, such as furniture making, brick making, &c. Notwithstanding widespread unemployment and the most extraordinary shortage of bricklayers the building trade unions would not abandon their policy of short-sighted selfishness. George Barnes, M. P., who was General Secretary of the Amalgamated Society of Engineers for ten years, stated in the House of Commons on Feb. 16, during a debate on unemployment:

> I say, and I say it with extreme regret, that you will get no better world until you have made a better use of the world you live in. Taking things as they are, there seem to be three causes for the present unemployment. The first is that the world has been disrupted by the war. * * * The second cause of the present paralysis of industry is, I would suggest, the lack of confidence due to industrial disputes and conflicts within the past two or three years. I wonder if it is as fully appreciated as it should be that during the last twelve months 27,000,000 days have been lost by strikes, 27,000,000 days at a time when the world is starving for goods, and when every man should be doing his best to get the world on its legs again. * * *
>
> We were told that there were 6,000 applicants for bricklayers. It is very well known that the number of bricklayers wanted is not merely 6,000 but 60,000. * * * There are no bricklayers available, although, as is well known, there is work for hundreds of thousands of them if only they could be found. It is not right. I deplore the fact that there has been so little fellow feeling on the part of the bricklayers for the men who went to the war and fought on their behalf. Everything, in fact, was done to safeguard the interests of the men in the industry and to ensure that there should be no underpayment; yet nothing whatsoever has been done by the bricklayers to welcome these men as they deserve to be welcomed. * * * We are not producing things in their right proportion.

Rigid trade unionism in England has destroyed the fundamental right of men to earn their living by the work of their hands. Starving men may accept charity, but they must not work at a trade which is short of workers but which jealously closes that trade to all outsiders in order to preserve for its members a profitable monopoly. That state of affairs cannot last.

During and especially after the war the British trade unions followed the policy of raising wages while keeping output low. From the official statistics we learn that in certain trades and industries the following wage advances were secured between 1915 and 1920:

	Workers Affected.	Weekly Advances in Wages.	Annual Amount.
1915....	3,470,000	£677,700	£35,240,400
1916....	3,593,000	637,000	33,124,000
1917....	5,029,000	2,307,000	119,964,000
1918....	5,998,000	2,988,000	155,376,000
1919....	6,160,000	2,432,000	126,464,000
1920....	7,600,000	4,693,000	244,036,000
Total			£714,204,400

The official table by no means covers the whole increase of wages. In the first place, millions of workers whose wages have been raised do not come under the purview of the department which looks after labor. In the second place the enormous increase in wages has been accompanied by a drastic reduction in working hours. Lastly, during the years for which figures are supplied a vast number of overtime hours at specially high rates were worked. During the years under review at least £1,000,000,000 were added to the yearly labor bill. We cannot, therefore, wonder that the prices of all British goods rose enormously, partly through the deliberate scarcity created by the trade unions, and partly through the huge addition made to the wages bill. Nevertheless, labor agitators have accused the capitalists, the profiteers, and have pilloried them because of the high cost of living for which the trade unions themselves are chiefly responsible.

The British trade unions have not only made all goods scarce and dear, thereby doing almost irremediable damage to the industries and commerce of the country and to the people as a whole, but they have destroyed the pride of the workers in their work by rewarding slackness and penalizing ability. In many industries payment by results has been abolished by trade union pressure, and time payment regardless of results has been introduced in its stead.

Moreover, the payment of unskilled workers has been raised to, or near to, that of highly skilled workers. Lastly, increase in payment is no longer the reward of ability, but is automatically acquired because the workers in many trades are paid in accordance with their age. For instance, in the perambulator and invalid carriage trade the following wages were fixed for male workers per week of forty-eight hours:

Workers 15 to 16 years old	20s.	per week.
Workers 16 to 17 years old	26s.	per week.
Workers 17 to 18 years old	33s.	per week.
Workers 18 to 19 years old	40s.	per week.
Workers 19 to 20 years old	47s.	per week.
Workers 20 to 21 years old	54s.	per week.

Hundreds of similar wage rates could be given. Age, not ability, being rewarded by higher pay, we cannot wonder that both manufacturers and customers complain about shoddy work.

DEBTS OF FOREIGN GOVERNMENTS DUE TO THE UNITED STATES

AN official statement issued in July, 1921, gave the complete schedule of foreign debts due to the United States at that time as follows:

OBLIGATIONS HELD FOR ADVANCES UNDER LIBERTY BOND ACTS—INTEREST AT 6 PER CENT.

Country.	Amount.
Belgium	$347,691,566.23
Cuba	9,025,500.00
Czechoslovakia	61,256,206.74
France	2,950,762,938.19
Great Britain	4,166,318,358.44
Greece	15,000,000.00
Italy	1,648,034,050.90
Liberia	26,000.00
Rumania	23,205,819.52
Russia	187,729,750.00
Serbia	26,175,139.22
Total	$9,435,225,329.24

OBLIGATIONS RECEIVED FROM SECRETARY OF WAR AND SECRETARY OF NAVY ON ACCOUNT OF SALE OF SURPLUS WAR MATERIALS.

Country.	Principal Amount Payable.	Date of Maturity.
Belgium	$19,000,000.00	Apr. 10, 1922
	8,392,097.57	Aug. 5, 1922
	196,483.57	Aug. 21, 1922
Total	$27,388,581.14	
Czechoslovakia	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	4,902,994.94	June 30, 1924
	2,464,950.38	Oct. 14, 1922
	1,291,903.85	Jan. 28, 1923
	1,962,145.37	June 30, 1925
Total	$20,621,994.54	
Esthonia	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	2,213,377.88	June 30, 1924
Total	$12,213,377.88	
France	400,000,000.00	Aug. 1, 1929
Latvia	2,521,869.32	June 30, 1922
Lithuania	4,159,491.96	June 30, 1922
Poland	10,000,000.00	June 30, 1922
	10,000,000.00	June 30, 1923
	10,000,000.00	June 30, 1924
	10,000,000.00	June 30, 1924
	7,890,939.27	June 30, 1924
	5,536,867.71	Oct. 1, 1925
	3,941,803.61	Oct. 15, 1925
	2,266,709.66	Mar. 27, 1926
Total	$59,636,320.25	
Rumania	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	2,922,675.42	June 30, 1924
Total	$12,922,675.42	
Russia	406,082.30	June 30, 1922
Serbs, Croats and Slovenes	5,000,000.00	June 30, 1922
	5,000,000.00	June 30, 1923
	10,000,000.00	June 30, 1924
	50,350.28	June 30, 1924
	281,205.51	Apr. 15, 1924
	4,646,465.20	June 30, 1925
Total	$24,978,020.99	
Grand total	$565,048,413.80	

OBLIGATIONS HELD BY THE UNITED STATES GRAIN CORPORATION.

Country.	Principal Payable.	Date of Maturity.	Int., %
Armenia	$3,931,505.34	June 30, 1921	5
Austria	24,055,708.92	Jan. 21, 1925	6
Czechoslovakia	2,873,238.25	Jan. 1, 1925	6
Hungary	1,685,835.61	Jan. 1, 1925	6
Poland	24,353,590.97	June 30, 1921	6
Total	$56,899,879.09		

OBLIGATIONS RECEIVED BY TREASURER FROM AMERICAN RELIEF ADMINISTRATION.

Country.	Principal Payable.	Date of Maturity.	Int., %
Armenia	$8,028,412.15	June 30, 1921	5
Czechoslovakia	6,428,089.19	June 30, 1923	5
Esthonia	1,785,767.72	June 30, 1921	5
Finland	8,281,926.17	June 30, 1921	5
Latvia	2,610,417.82	June 30, 1921	5
Lithuania	822,136.07	June 30, 1921	5
Poland	51,671,749.36	June 30, 1923	5
Russia	4,465,465.07	June 30, 1921	5
Total	$84,093,963.55		

The grand total of original obligations, as enumerated above, is $10,084,367,706.59. To this is to be added the unpaid interest, which on July 1 aggregated in excess of $1,000,000,000, making the entire obligation on July 1 in excess of $11,100,000,000.

A bill has been introduced in Congress to empower the Secretary of the Treasury to fund these obligations at his option.

SWITZERLAND'S DISPUTE WITH FRANCE

By M. E. de Gourmois

[A Swiss citizen, formerly a student at the University of Neufchatel, who did military service on the Swiss border during the war]

Story of the controversy caused by France's proposed abolishment of the "Free Zones" adjoining Geneva—How the treaty of Versailles has upset an age-old arrangement between the two countries—A storm of Swiss protests leads to new negotiations

NEGOTIATIONS begun at Berne, Switzerland, toward the end of April, 1921, have called attention to an unpleasant issue between France and Switzerland. The controversy has to do with the so-called "free zones" of Upper Savoy and Gex, on the Franco-Swiss frontier, adjoining Geneva. Both districts are French territory, but ever since feudal times they have been economically, and even, at certain periods, politically united with Geneva. The present status of affairs, under which Switzerland has all the advantages of trade and exchange, while French business interests are protesting, dates back to 1815 and the Treaty of Vienna, under which France agreed not to place its customs line on the frontier in the neighborhood of Geneva, but to leave certain "free zones."

This situation was left unquestioned until the end of the war with Germany, when the French Government, influenced by home business interests, caused to be inserted in the Versailles Treaty a clause (Article 435) which declared that the stipulations of the treaty of 1815 were no longer consistent with present conditions, and that it was desirable "for France and Switzerland to come to an agreement together, with a view to settling between themselves the status of these territories under such conditions as shall be considered suitable by both countries."

As Switzerland was not a member of the Peace Conference, and had no part in discussing and signing the treaty, this clause of Article 435 was tantamount only to a wish for negotiations, and could not in any way be considered as compulsory. On May 5, 1919, however, the Swiss Federal Council notified the Peace Conference that it was willing to comply with the wish expressed, but that it made all reservations regarding the new status to be adopted, and that no modifications could be made in the present régime "until new arrangements had been agreed upon between France and Switzerland to regulate matters in the territory."

To understand why the Swiss Government was so cautious in the wording of this note, it is necessary to consider, behind the apparent simplicity of the phraseology of Article 435, the historical, geographical and economic questions involved.

A map of this small part of Europe, which is not as large as Greater New York, shows that Geneva, situated at the end of the lake of the same name, is the only important town of the whole region. One cannot help being struck by the fact that Geneva is the natural centre of the district, which is cut off from the main part of France by high mountains, the Jura to the west and the Savoyan Alps to the south, the only natural way of communication being the narrow break in the mountains which the Rhone River channels.

Passing over the feudal period, when this ground was a bone of contention between the overlords of the Houses of Savoy and Geneva, one notes that it was in the sixteenth century that the first mention of the "free zones" appeared. Geneva had seized the Pays de Gex, then a "fief" of the House of Savoy. The city, however, did not retain its conquest, but turned it over to King Henry IV. of France, on the guarantee that free trade and free communications between that district and Geneva should exist permanently. That district of Gex remained French until the second period of the French Revolution, when Geneva also was annexed to the French Republic (1798).

The district of Upper Savoy, on the other

hand, after having been conquered by the Republic of Berne, was subsequently turned back to the House of Savoy, and according to the Treaty of Saint Julien in 1603 the Duke of Savoy established a free zone in Upper Savoy and granted to the Republic of Geneva trading privileges. At the time of the Directory, Savoy was also annexed to France, so that the whole territory, now partly French and partly Swiss, which is limited by the mountains, was united and formed the " Departement du Léman " (another name for Lake Geneva), with Geneva as capital.

After the downfall of Napoleon, that arrangement, which seemed the only practical one, was broken again. Nobody at the Congress of Vienna (1815), or at the Congress of Paris (1814), seemed opposed to having the Districts of Gex and Upper Savoy (Chablais and Faucigny) united to Geneva. Only differences in religion between the town, which was Protestant, and the agricultural districts, which had remained Catholic, can be blamed for the failure of the desired fusion to take place.

The Congresses of Paris and Vienna were respectful, however, of the principle of the free zones which had been in existence for over two centuries, and, while incorporating the Canton of Geneva into the Swiss Confederation, both Congresses clearly specified that the customs lines of France and of the Kingdom of Sardinia would be placed behind the surrounding mountains. This decision is recorded as follows: In the last part of the third paragraph of the first article of the Treaty of Peace of Paris, Nov. 20, 1815: " The French customs line will be placed to the west of the Jura, so that the whole district of Gex shall be outside of that line." Again, in the last part of the second paragraph of the treaty between the King of Sardinia, the Swiss Confederation and the Canton of Geneva, Turin, March 16, 1816, " * * * also that the customs line be placed at least one league from the Swiss border and beyond the mountains mentioned in the said protocol."

The Treaty of Vienna, which is the complement of these two treaties, has created Switzerland as it is today, and is for that country the fundamental basis of its rights, freedom and constitution. It is perpetual in its dispositions regarding Switzerland, and was acknowledged as such by the Peace Conference when the case of Swiss neutrality was submitted.

When Upper Savoy finally became French in 1860, as a result of a plebiscite, the Imperial French Government issued a proclamation confirming the existence of the free zone in that department, and recognizing the perpetual neutrality of Upper Savoy, thus endorsing the Treaty of Vienna in that respect.

The régime thus instituted has been a great factor in the prosperity of Geneva and the zones. Outside of the city, which has a population of about 130,000, the territory of the canton is very small, and by far inadequate to supply the town with the vegetables and dairy products it needs. The additional supply comes mostly from the free zones. The French people of these districts, before the World War, came to town to sell their products and to buy in the numerous stores of the city all the manufactured articles and wearing apparel they needed. The Savoyard was feeding the Genevois, and the Genevois was in turn clothing and entertaining the Savoyard.

The disturbances caused by the war have somewhat modified that picture. Passport regulations, the closing of the border, big differences in the exchanges, have hampered relations between Geneva and the free zones. The Savoyard is still selling his dairy and garden products in Geneva—the town needs them and pays a good price for them—but the Frenchman is no longer buying clothes and manufactured articles in the city. The exchange is prohibitive; he would have to give from two to three of his French francs for one Swiss franc's worth of goods, and so he now prefers to make his purchases in his own village or in some more remote French town. Stores in these districts have had a prosperous period, they do not feel any longer the competition of Geneva's merchants. They want to retain their clientele and fear that, when the exchange between France and Switzerland becomes normal again, they will lose their customers if the régime of the free zone is still in existence.

The business associations of these French territories, as well as the customs authorities of France, who have been losing an appreciable amount of taxes under the present status, have brought pressure on the French Government, asking it to cancel the

free zones. It is to be noted that the free zone privileges are not reciprocated by the Swiss authorities; while any kind of Swiss products can enter the French zones without paying duty, the Swiss customs are on the political border. The French food products would be liable to duty if there were

EDMUND SCHULTHESS
New President of Switzerland

any, and the French manufactured articles of the zones must pay the regular duties when entering Swiss territory. It thus appears that Geneva has every interest in the maintenance of the free zones, whereas opinion in France is divided; the farmers want the free zones, and the business men want the customs line at the political border.

One would expect that, as a consequence of the age-old friendship between France and Switzerland, particularly Geneva, the negotiations foreseen by Article 435 of the Treaty of Peace would have been conducted along amicable lines, and that a compromise would have been easily found. This has unfortunately not been the case, and the French note of May 18, 1919, in answer to the note from the Swiss Government mentioned at the beginning of this article, took the stand that Article 435 implied the opening of negotiations with a view to canceling the free zones. Such an interpretation was, of course, utterly inacceptable to the Swiss Federal Council. Unsatisfactory negotiations have slowly proceeded ever since. On March 22 the French Government issued a note announcing that a law canceling the free zones was about to be introduced in the Chamber of Deputies and the French Senate; this note further stated that the French Government "could not contemplate submitting to a court of arbitration a question of sovereignty." Such a bill was actually introduced, but even before it was passed the Paris Government announced that the change would be made and the free zones abolished as from April 26.

This created a storm of protest in Switzerland, and France lost several of her best friends in the Swiss Confederation as a consequence of the issuance of that unfortunate note. Such newspapers as Le Journal de Genève and La Gazette de Lausanne, which had defended the cause of France during the war even beyond the safe limits of a strict neutrality, were for once in complete agreement with their colleagues of German Switzerland, and criticised sharply the attitude of France.

A question of principle was raised: Was France going to break the Treaty of Versailles on a minor point, and thus create a precedent which would be a powerful lever in the hands of the adversaries of that treaty, and perhaps induce Germany to evade some of her obligations? It was to the best interest of France that such a thing should not happen. As a consequence of the sharp criticisms uttered by the Swiss newspapers and a large portion of the French papers, among them the Journal des Débats, the question was reconsidered, and on May 20, 1921, the French Government sent a note to the Swiss Federal Council stating that France was prepared to reopen negotiations and was sending a delegation to Berne for that purpose.

The French and Swiss delegations began their sessions at Berne on May 27. The Swiss at the very outset issued a statement, addressed to the French delegates, in which they emphasized the conciliatory spirit with which, in accordance with their instructions, they were prepared to conduct the discussions, and implied that they were prepared to yield to the French desire to remove the customs line to the frontier. The statement, however, went on to say

that so vital a concession must be rewarded by suitable compensation, and that the provisions contained in the French project must be altered accordingly. The statement added:

> In these circumstances the Swiss delegation must regard the French preliminary project merely as the starting point, reserving the right to formulate any proposals for its modification which may seem necessary, and possibly to present a draft convention of its own.

It is to be hoped that a solution by mutual agreement will be reached, as Switzerland undoubtedly has treaties and justice on her side when she says that no one-sided solution can be accepted. It has been suggested that the case be submitted to the League of Nations, or that a plebiscite be called for in the free zones. If, however, both the French and Swiss delegates have the sincere desire to avoid complications and are ready to make the necessary concessions, a satisfactory solution can be found. France would then not be accused of having broken a treaty the fulfillment of which means everything to her.

In addition to the question of the free zones, the negotiations between France and Switzerland will have to include another point: the neutrality of Upper Savoy, which was established in 1815 for the benefit of Switzerland. The settlement of this question is, however, not likely to create complications, as the Swiss Government and Swiss public opinion seem to agree that the neutrality of Upper Savoy is a part of that status "which is no longer consistent with present conditions."

GEORGE WASHINGTON HONORED IN ENGLAND

HIGH honors were paid by England to the memory of George Washington in June. Sulgrave Manor, the ancestral home of the Washingtons, was rededicated on June 21, 1921, with elaborate ceremonies following its restoration, at a cost of $50,000, to the form in which it existed three centuries ago. The exercises were arranged by the Sulgrave Institution, organized in 1912 to foster friendship between Great Britain and the United States; it was this organization which initiated the movement for restoration and conducted the necessary work from the first. Lord Mayors and other great dignitaries, robed in their most picturesque regalia, participated in the ceremonies. The exercises began with short services in the Sulgrave Parish Church, where lie buried Laurence Washington and his wife, with their eleven children, and were concluded on the lawn of the Manor House, where the Marquis of Cambridge, brother of Queen Mary, delivered the principal address. Letters were read from Calvin Coolidge, Henry Cabot Lodge, Samuel Gompers and Charles W. Eliot.

A second ceremony was held in London on June 30. The bronze copy of Houdon's statue of George Washington—the original of which stands in the rotunda of the Capitol of Virginia, at Richmond—was unveiled at Trafalgar Square as the gift of Virginia to Great Britain. The unveiling was witnessed by a large and distinguished company, including Earl Curzon, Viscount Bryce and other notables, and the members of the Virginia delegation headed by Professor Henry Louis Smith, President of Washington and Lee University. The gift was accepted by Earl Curzon on behalf of the British Government. Friendship between Great Britain and the United States was emphasized. Ambassador Harvey was absent from both ceremonies.

[OFFICIAL]

THE POLISH LEGISLATURE AT WORK

BY PRESTON LOCKWOOD

THE Legislature of the Republic of Poland began its labors two years ago without any foundation of law and government on which to build. Elected on Jan. 26, 1919, the Legislature met for the first time on Feb. 10 of the same year. There was no Constitution, and no provisional organization of the country. The three parts of the new republic, formerly under the sway of Russia, Germany and Austria, respectively, sent Deputies to this Parliament so far as they were sufficiently free from the German and Ukrainian invaders to be able to hold elections.

The new Legislature, elected by all men and women of 21 years or more (between 90 and 100 per cent. of the voters went to the polls), faced four groups of problems:

1. The taking of immediate measures to cope with the prevailing conditions—starvation, epidemics, &c.—and to meet the need of organizing the defense of the country against Germans, Ukrainians and other invaders, including brigands.

2. The task of reconstructing a country devastated by Russians, Germans, Austro-Hungarians and Turks, more than, perhaps, any other European country.

3. The urgent obligation of realizing the century-old wishes of the Polish people to unite, to do away with the undemocratic laws of the countries which had governed Poland, and to reform the educational and social system quickly enough to satisfy the hopes of the population, whose nerves had been sorely tried by the war.

4. The universal need of Poland, as of all countries, to carry on the ordinary business of Government as smoothly as possible.

In every one of these directions, the Parliament, which has not yet finished its sittings, has made some progress, and though some of the laws may seem imperfect, and others have already been changed, there is reason to believe that the complexity of its problems and the way in which they have been met will be a matter of interest to the future historian, who will probably have no reason to blame the Legislature for lack of wisdom or zeal.

In the first place, it was necessary to provide for the whole country a new Constitution. But, before that was enacted, the Legislature, though itself assuming the sovereign power, entrusted Joseph Pilsudski with the office of Chief of State and Commander in Chief of the armed forces, laying down rules as to his responsibility to the Diet, as well as that of the Cabinet appointed by him with the co-operation of the Legislature.

The Legislature had, of course, to adopt at once rules of its own procedure, and these, very liberal from the first, have been changed as need arose and experience dictated. The Constitution was finally adopted, as the result of a series of compromises between the main groups of the Legislature, on March 17, 1921, and it is believed that it is one of the most democratic and liberal Constitutions in the world. In the meantime, steps have been taken to co-ordinate the organization of the three parts of Poland by creating new territorial divisions and by giving these a reasonable measure of home rule. In some parts, particularly in what was formerly Russian Poland, there had been very little home rule; in others, mainly in Prussian Poland, the country was organized so as to give preponderance to the Germans over the Polish majority. In Austrian Poland the Government had been very undemocratic.

The Polish Legislature at once began to democratize the franchise and to introduce a unitary system of organization. It then proceeded to take up the matter of civil law, the law governing family relations, contracts, damages, real and personal property, &c. A commission was appointed to draw up a Polish system of law in place of the four systems actually prevailing. The necessity for this is obvious, for, at present, in what was the Austrian part, the Austrian Civil Code of 1811 is in force; in what was German Poland, the German Civil

Code of 1896 prevails; in what was formerly Russian Poland, around Warsaw (the Congress Kingdom), the Napoleonic Civil Code (as in Louisiana, South America, France and Belgium); and in other parts of late Russian Poland, the Russian civil law. The Commission of Codification, composed of leading professors, judges and practicing lawyers, has been holding frequent meetings and is working out a new legal code.

To meet the immediate needs of defense, many laws have had to be passed organizing the army and assuring its supplies. In this starved and overcrowded country, where over a million houses were destroyed during the war, and where practically no building is going on, because of its high cost, laws on billeting had to be passed, as well as laws devised to supply the army with food and other necessary articles. Similarly, there has been a need of laws protecting tenants against eviction by landlords. Evictions are today very rare. Also provision had to be made against the raising of rents.

All such legislative measures, conceived in the interest of the poor, have sometimes been so far reaching as to make property a burden, rather than a privilege. Laws had to be passed to provide for exceptional criminal proceedings in invaded or upset territories, but most of these enactments have now been abolished. It may safely be said that whenever a law restricting personal liberty was under consideration, the debates were very thorough and every possible angle was considered. The Polish people have submitted to these restrictions, though they believed some of them to be unreasonable. They are, however, very impatient to get rid of them, and since the signing of the Peace Treaty with Soviet Russia, the most burdensome restrictions have ceased to exist. Steps have been taken to improve the material situation of low-salaried Government officials.

Elementary instruction was at once made compulsory in the whole of Poland, and the Legislature gave an earnest of its determination to do away with illiteracy by making the situation of elementary school teachers particularly attractive, providing that teachers should be given land plots enabling them to raise vegetables and grain either for their own use or for purposes of sale. In an agricultural country, this is an important endowment. Later on, a law was passed organizing on a liberal basis the universities and other academic schools. There are in Poland five universities, two polytechnic schools, a mining academy and an academy for veterinary science. The system of high schools was unified, and laws have been passed fixing in a liberal way the status and income of professors, teachers, judges and other public servants.

Poland has always represented an economic unity, although, for a time, it was artificially divided by political boundaries and unnatural customs barriers. Its reunion as an independent country makes for a revival of destroyed industries, and encourages the creation of new ones. It has large mineral deposits, but the main production of the country is still agricultural. Most of the land in Poland—from 60 to 70 per cent. of the surface—belongs in freehold to owners, whose shares do not exceed 200 acres, and are sometimes as small as a quarter of an acre. The remainder—from 30 to 40 per cent.—forms estates and belongs to the State, to various public and private corporations, and to private individuals.

Since the population of Poland is very dense (about 200 to the square mile), there is a strong demand for land. According to a decision of Parliament, made in 1919, and finally embodied in a statute of 1920, large estates are to be broken up, leaving a prescribed maximum for individual cultivation, the rest being sold in small plots. This "agrarian reform" has already assumed concrete shape, and some estates have been actually purchased from their owners.

The conquering Governments had imposed various disabilities on Poles for Polish patriotic activities. All these have been removed. Moreover, a special statute was passed granting amnesty even to persons who had offended against the military or political law and order of Poland.

Such is the bare outline of what the Polish Legislature has done in the first two years of its existence. Many of the ordinary problems of finance and administration also have been dealt with. It should be remembered that all these things have been accomplished despite invasions by Germans, Ukrainians, Bolsheviki and other neighbors. Only in the light of that fact can one realize how much energy and devotion the Legislature has given to its difficult task.

SANTO DOMINGO'S TITLE TO INDEPENDENCE

By H. P. Krippene

The author of this fair-minded survey of the situation in Santo Domingo is a graduate of the University of Wisconsin, who served as an officer in the United States Army until the armistice. Since then he has been engaged in business in Santo Domingo. His statement of the mistakes of the American Military Administration and of the capacity of the Dominicans for self-government is written from the viewpoint of an observer who has lived among these people for several years.

THOUGH the Dominicans have always maintained that the American occupation of Santo Domingo was unjustifiable, it is probable that in the beginning the majority did not consider it an unfriendly act. Wearied with strife and starvation, in the throes of their last and most vicious revolution, they inwardly welcomed the arrival of the American forces that were to bring them peace and order. As a result of war conditions, Santo Domingo almost at once entered upon the greatest business era of her history, and the American Government, in the rôle of "big brother," had every prospect of creating an excellent and lasting impression. With the coming of peace and business and the promise of a program of construction, the Dominicans had impressive evidence that we were going to be their friend and benefactor; and we were launched upon a policy which would have done more to further friendly relations with the Latin-American republics than the costly balm recently accorded Colombia.

It is evident, after four years of military administration, that the great advantage we once held in this republic has been lost. The Dominicans now ask nothing more of us than "to get out." The good that the occupation has actually done has been lost sight of in a maze of maladministration and extravagance, and it is difficult to find many instances where we have shown the Dominicans a way to better government.

During the month of November, 1916, Admiral Knapp issued a proclamation stating that the occupation was undertaken with no immediate or ulterior object of destroying the sovereignty of Santo Domingo, but simply to assist the country to return to a condition of internal order which would enable it to assume again its obligations as one of the family of nations. A few months later, however, the Dominican Government ceased to function, and the American Military Government assumed control. The latter at once began laying plans for the general improvement of the country. Roads were to be constructed; schools and hospitals were to be built; education was to be extended to the masses; land was to be surveyed, titles cleared and taxes levied: in short, it appeared that Santo Domingo was soon to rival Porto Rico and Cuba in all the higher works of progress.

The Road-Building Fiasco

In order to appreciate one of the difficulties which confronted the Military Government and one of the first great mistakes which it committed—viz., in respect to road building—a knowledge of the geographical complexion of Santo Domingo is necessary.

The Dominican Republic is more than five times the size of Porto Rico; yet its population is less than a million inhabitants. Most of the people are living in the six natural seaports, or in the outlying districts. This is due to various causes, the most important of which is that the interior is still wild and uncultivated. The republic is divided into a north and south watershed by a chain of mountains running east and west across the centre of the island. The capital, Santo Domingo City, is the largest outlet of the southern watershed, and Puerto Plata, lying almost directly north of the capital, a distance of about 130 miles, is the largest port on the northern slope. Almost directly back of Puerto Plata and in line with Santo Domingo City, is the largest inland city, Santiago, which lies in the most fertile agricultural region of the northern slope. San-

tiago occupies the same strategical position with relation to Puerto Plata on the north and the capital on the south that Chicago does to New York and to the West.

It can easily be seen that a thoroughfare connecting the capital and Puerto Plata, and passing through Santiago, would be of the utmost importance to the rapid development of the island; for the vast uncultivated interior, with Santiago as a centre, would then have both a northern and southern outlet, without considering the various eastern ports, also more or less in touch with Santiago. Before the occupation, considerable work had been done in enlarging the trails which still connect these cities, but a lack of funds had always been responsible for the failure of the Dominican road-building program.

An Obras Publicas, or Public Works organization, was established under the control of the Military Government, and work on these roads was begun. When one considers that the trails in many places of the interior are mudholes and swamps for the greater part of the year, and, where they cross the dividing range, difficult mountain passes, it would seem that the Military Government should have placed a contract with some experienced road-building firm, instead of endeavoring to handle this difficult undertsanding itself. It has been stated that bids were solicited, but that they were all considered prohibitive. There can be no doubt that the Obras Publicas has proved the more expensive experiment, and the roads are not yet built. This body has been severely criticised by the Dominicans; and the criticism, on the whole, is just; for extravagance and incompetence are everywhere in evidence. Many of the men who made up the personnel were young, inexperienced engineers, and the men who had expert knowledge had gained their experience upon the thoroughfares of American cities. As a result, thousands of dollars were expended upon machinery and labor-saving devices, which, when put into operation on the jungle passes of the interior, were found impracticable and were left to rust. Millions of dollars have been expended by this branch of the Government, which has now stopped operations for lack of funds, and there is very little to show for it. Had these roads been completed, Santo Domingo would now be a new field for the American automobile exporter. A great many cars have already appeared in the republic, though there is still little use for them, and a horse continues to be the only means of travel in the interior. Furthermore, thousands of acres of extremely fertile land would now be open to cultivation.

The Land Tax

The revenue of the republic has been derived in the past from customs receipts and from internal taxes. The latter are collected from licenses issued mainly to business houses for the privilege of operating. The Military Government at once proceeded to work out and levy a land tax. Very few Dominicans have ever questioned the value of a land tax, but they almost unanimously question its wisdom at this time. With thousands of acres of land in the interior unsurveyed, some of it very difficult to approach, and with much of it of uncertain ownership, they concur in the opinion that it has worked more injury than good. The natives were asked to acknowledge and assess their own land, a thing difficult in itself, not only because of the reasons mentioned, but also because undervaluation carried a penalty with it, and as many of the people feared the Military Government, some of them probably overvalued their land for the sake of security. In a pamphlet issued by one of the City Councils, they agreed that the land tax would be of great value to the Dominican Government; but they asked that it should not be put into operation for a period of from three to five years, so that landowners could prepare themselves to make intelligent returns. The tax, however, was put into operation at once, and it appears that the revenue derived from it did not reach expectations, for the Military Government immediately began an investigation of the reported valuations, and in most cases raised them. The land tax, however, will work one immediate result. Many of the politicians and land holders have held in the past large tracts of land to which they had little or no just claim. The tax will force some of them to open the lands to the public, for it will be impracticable to hold them idle and non-productive.

Though some schoolhouses have been built, the teachers are very poorly paid and

the schools poorly equipped; yet thousands of dollars have been spent on equipment bought at wartime prices and stored here for use. The crowning disappointment in the development of education came a few weeks ago, when the Military Government announced that the schools would be closed indefinitely because of lack of funds—and this despite our boast that the landmarks we leave are pre-eminently schools and education.

No Civil Government

One of the most serious disappointments the people of this republic have experienced arises from the fact that no effort has been made to re-establish a civil government under American control. This work should have been begun some time ago, for there is no reason to assume that a military government is necessary in any country during times of peace. Conditions have been normal in the island for at least the last three years, so there has been ample time to hold an election under the supervision of the marines and to establish a civil government, which would now be working harmoniously with the American officials. Conditions, laws, and the people are so different in these Latin-American republics that the Americans can never succeed in governing a nation of this type by military rule. If these circumstances had been recognized, and the power to rule themselves under the guidance of the United States had been given the Dominicans at least two years ago, much of the criticism to which we are now subjected could have been avoided. If the Military Government had carried on without the earmarks of absolute military control; if it had given regularly to the public a statement of the expenditures of Dominican moneys; if it had taken the Dominicans into its confidence and told them more of its projects for improvements, it might not even have been necessary to establish a civil government.

The attitude of the American military authorities, on the whole, has been that of conquerors. They have made little effort to know the Dominicans, to learn their language or to understand their customs. They have been told that the Dominicans are lazy and immoral; that Dominicans can never learn to govern themselves; that they are a worthless, shiftless people, incapable of reasoning or understanding: and the majority of the American officials, though there are some noteworthy exceptions, have accepted these statements as facts, and acted accordingly.

Promise of the Future

The island of Santo Domingo requires only time and money to become the centre of the West Indies. With a climate which is mild but not enervating, a rich and virgin soil, and a degree of "personal liberty" no longer known in the States, Santo Domingo will of a certainty surpass Porto Rico as a sugar country and Cuba as a Summer resort. When highways have been built, when land has been cleared, and a stable government has been established, this island will assume a position second to none in the West Indies; and that time is not far distant.

In the eyes of the world, Santo Domingo has had a turbulent history. She has been called "the land of blood and revolution," but an examination of the facts proves that this charge is unfounded. It is true that progress has been retarded by the various revolutions, and that the present conditions are due mainly to the fact that the Treasury, in times of peace, found itself so depleted by past purchases of arms and ammunition that public works could not be financed on a large scale. The revolutions themselves, however, were usually more of a strategical than of a bloody nature. Victories were more often gained by a display of a superior military force than by a crushing attack. Civilians were seldom harmed, foreigners never. In fact, fighting was often stopped on both sides so that foreign business concerns could pass goods on to ports for shipment. The Dominican business men, however, now fully realize that revolutions are a serious detriment to business, and the country people know that fighting always means loss of stock and men, so it appears reasonable to believe that any future government established by the republic will show greater stability. Undoubtedly there is still need of American supervision, but the Dominicans are ready for a much greater degree of self-rule than they now have.

The retarding effects of instability are everywhere in evidence, but this country is

not a wilderness, as many Americans believe. The capital on the south is a flourishing city of 60,000 people, the centre of many beautiful homes; and the number of automobiles that can be seen on the streets discountenances the idea that the Dominicans are a shiftless people. La Romana, on the southeast, is a modern tropical town. Santiago is a commercial centre of great promise, and as soon as there are sufficient funds to lay the newly planned sewer system the streets will be widened and improved to equal those of any modern city in these latitudes. Many of the towns have electric light, waterworks and telephone systems.

Puerto Plata, on the north, is one of the most beautiful ports in the West Indies. Of an early morning, as one comes into an emerald harbor, with the sun rising from the ocean on the left, one sees the majestic outlines of Isabella del Torres rising in the background. In the depression between it and the sea the sparkling red roofs of the houses peep from the foliage of the royal palms. As the visitor leaves the wharf and walks up the clean white streets of the city he is impressed with the fact that he is not mingling with a "degenerate people." Squalidness and dirt and carelessness are everywhere in evidence, but these are not peculiar to Santo Domingo; they prevail more or less in all of these tropical islands. It is disappointing to note that many of the writers who visit Santo Domingo select only the flaws, while from the neighboring islands they take only the romance.

The greatest injustice has been done the Dominican people themselves. This may be due, in part, to the fact that many low-caste Haitians are always wandering through the country in search of work and that the critic making only a superficial examination considers them Dominicans. However, when the hostile critic says that the Dominican people are inferior to the Haitians he insults their race; when he says they are lazy and shiftless, he misrepresents their character; when he states that they are ignorant and puerile he minimizes their intelligence. The Dominicans are not, primarily, a black race, as is commonly believed, for they are descendants of the Spaniards who came here as conquerors, and of the Indians whom they found living here. The Spaniards brought with them at a later period a number of slaves, and these, together with some of the Haitian immigrants, mixed their blood with that of the Dominicans, but to a much lesser degree than is ordinarily supposed.

In Santo Domingo, as in Mexico, there is no middle class. If this is detrimental to the country, it is difficult to see how it works a hardship. The educated class is made up of land owners, business men and politicians and as a whole it is a refined, cultured, progressive type. Many of its members have been educated in foreign schools and universities, have traveled more or less extensively and are cosmopolitan in ideas and customs. They read widely, discuss present-day problems with a keen insight and intelligence, and socially they carry themselves with a grace and refinement which prove them equal to the highest types of any nation.

The peasant class, on the other hand, is extremely poor and illiterate. Although the law requires children to go to school until they are 14 years of age, many families are forced by poverty to send their children to work at an early age. This implies a condition much worse than it actually is, for as a rule the people are well nourished, happy and contented. Living here is not a struggle as it is in a more highly developed country, and the majority of the poor people easily earn enough to buy their rice and beans and to supply their simple luxuries. They usually build their own "casitas," and plant enough to supply their wants throughout the year. They are quiet, peace loving and hospitable; a stranger never fails to find a welcome wherever he may stay. They cannot be considered progressive when compared with the working class of northern countries, but this is more or less true throughout the tropics.

The peons, as a whole, have favored the intervention, for it has enabled them to work in peace and preserve the fruits of their labor. They ask nothing more of any Government. This is their desire: "My cigarrillo (cigarette), a drop of rum when I wish it, and always peace to enjoy the great out-of-doors." An empty philosophy, we may think it, but it is possible that we may not be right.

THE AMERICAN EXIT FROM SANTO DOMINGO

Text of the Proclamation by which the United States pledges itself to withdraw its military forces from the island within eight months—Assurances by the Washington Government in response to Dominican protests

AFTER five years of military rule over Santo Domingo, culminating in extreme discontent among the Dominican people, the United States Government has at length pledged itself to withdraw all military forces within a period of eight months. The occupation of the island by United States Marines occurred on May 15, 1916; the proclamation issued by Admiral Robison in Santo Domingo City on June 14, 1921, implies that it will end in February, 1922, provided that certain essential conditions are fulfilled.

This proclamation is an effective answer to the many bitter complaints of Dominicans in regard to alleged abuses and maladministration. For many months the Dominicans have maintained a commission in the United States, headed by the deposed President, Dr. Francisco Henriquez y Carvajal, which has been indefatigable in presenting their case to the Government and people of the United States. President Harding's decision, embodied in the proclamation, represents a radical departure from the policy of his predecessor.

The proclamation itself, prepared by the State Department, and made public by Secretary Hughes, outlines a systematic plan for the withdrawal, which is to occur within eight months, the time deemed necessary for an orderly winding up of the Administration, and for the establishment of a native Government. All acts of the Military Government are to be validated, especially the final loan for $2,500,000 now being raised in order to complete the public works still in process of construction, and the duties of the general receiver are to be extended, so as to afford a guarantee for the payment of this loan and the whole foreign debt. The primary elections are to be called within one month after the date of the proclamation, the Board of Electors to choose the necessary officials and magistrates, and the new President to be elected. A Guardia Nacional, or Civil Guard, is to be constituted, and every assurance is to be given that the withdrawal will be followed by an era of peace and order. The proclamation calls on the Dominican people to give their helpful co-operation to the plans outlined.

Text of the Proclamation

The proclamation issued on June 14 by Admiral Robison, recently appointed Military Governor to succeed Admiral Snowden, reads as follows:

> Whereas, by proclamation of the Military Governor of Santo Domingo, dated Dec. 23, 1920, it was announced to the people of the Dominican Republic that the Government of the United States desired to inaugurate the simple processes of its rapid withdrawal from the responsibilities assumed in connection with Dominican affairs; and,
>
> Whereas, it is necessary that a duly constituted Government of the Dominican Republic exist before this withdrawal of the United States may become effective, in order that the functions of government may be resumed by it in an orderly manner;
>
> Now, therefore, I, S. S. Robison, Military Governor of Santo Domingo, acting under the authority and by direction of the Government of the United States, declare and announce to all concerned that the Government of the United States proposes to withdraw its military forces from the Dominican Republic in accordance with the steps set forth herein. It is the desire of the Government of the United States to assure itself before its withdrawal is accomplished that the independence and territorial integrity of the Dominican Republic, the maintenance of public order, and the security of life and property will be adequately safeguarded, and to turn over the administration of the Dominican Republic to a responsible Dominican Government, duly established in accordance with the existing Constitution and laws. To this end it calls upon the Dominican people to lend to it their helpful co-operation, with the hope that the withdrawal of the military forces of the United States may be completed, if such co-operation is extended in the manner hereinafter provided, within a period of eight months. The executive power

vested by the Dominican Constitution in the President of the Republic shall be exercised by the Military Governor of Santo Domingo until a duly elected proclaimed President of the Republic shall have taken office, and until a Convention of Evacuation shall have been signed by the President and confirmed by the Dominican Congress.

Within one month from the date of this proclamation the Military Governor will convene the primary assemblies to assemble thirty days after the date of the decree of convocation in conformity with Articles LXXXII. and LXXXIII. of the Constitution. These assemblies shall proceed to elect the electors as prescribed by Article LXXXIV. of the Constitution. In order that these elections may be held without disorder, and in order that the will of the Dominican people may be freely expressed, these elections will be held under the supervision of the authorities designated by the Military Governor.

The electoral colleges thus elected by the primary assemblies shall, in accordance with Article LXXXV. of the Constitution, proceed to elect Senators, Deputies and alternates for the latter, and to prepare for the Justices of the Supreme Court, of the Appellate Courts and the Tribunals and Courts of the First Instance, as prescribed by Article LXXXV. of the Constitution.

The Military Governor, performing the functions of Chief Executive, will then appoint, in accordance with Article LIII. of the Constitution, certain Dominican citizens as representatives of the republic to negotiate a Convention of Evacuation. In order that the enjoyment of individual rights may be insured, and in order that the peace and prosperity of the republic may be conserved, the said Convention of Evacuation shall contain the following provisions:

1. Ratification of all of the acts of the Military Government.

2. Validation of the final loan of $2,500,000, which is the minimum loan required in order to complete the public works which are now in actual course of construction, and which can be completed during the period required for the withdrawal of the military occupation and are deemed essential to the success of the new Government of the republic, and to the well-being of the Dominican people.

3. Extension of the duties of the General Receiver of Dominican Customs, appointed under the convention of 1907, to apply to the said loan.

4. Extension of the powers of the General Receiver of Dominican Customs to the collection and disbursement of such portion of the internal revenues of the republic as may prove to be necessary, should the customs revenues at any time be insufficient to meet the service of the foreign debt of the republic.

5. The obligation on the part of the Dominican Government, in order to preserve peace, to afford adequate protection to life and property, and to secure the proper discharge of all obligations of the Dominican Republic, to maintain an efficient Guardia Nacional, urban and rural, composed of native Dominicans. To this end, it shall also be agreed in said convention that the President of the Dominican Republic shall at once request the President of the United States to send a military mission to the Dominican Republic, charged with the duty of securing the competent organization of such Guardia Nacional; the Guardia Nacional to be officered by such Dominican officers as may be competent to undertake such service, and, for such time as may be found necessary to effect the desired organization, with American officers appointed by the President of the Dominican Republic upon the nomination of the President of the United States. The expense of said mission will be paid by the Dominican Republic, and the said mission will be invested by the executive of the Dominican Republic with proper and adequate authority to accomplish the purpose above stated.

The Military Governor will thereupon convene the Dominican Congress in extraordinary session to confirm the Convention of Evacuation referred to above.

The Military Governor will then assemble the electoral colleges for the purpose of electing a President of the Dominican Republic, in accordance with Article LXXXV. of the Constitution, and, simultaneously, officials other than the Senators and Deputies elected at the first convocation of the electoral colleges, will be installed in office.

The Dominican President so elected will then take office, in accordance with Article LI. of the Constitution, at the same time signing the Convention of Evacuation as confirmed by the Dominican Congress.

Upon this ratification of the Convention of Evacuation, assuming that through the cooperation of the people of the Dominican Republic a condition of peace and good order obtains, the Military Governor will transfer to the duly elected President of the Republic all of his powers, and the Military Government will cease, and thereupon the forces of the United States will be at once withdrawn.

The further assistance of the Advisory Commission appointed under the proclamation of Dec. 23, 1920, being no longer required, it is hereby dissolved, with the expression of the grateful appreciation of the Government of the United States of the self-sacrificing services of the patriotic citizens of the Dominican Republic of whom it has been composed.

Withdrawal Plan Protested

It soon became evident that the Dominicans were opposed to the conditions of the withdrawal as laid down in the proclamation. Cable after cable was sent from the island republic to Señor Carvajal in Wash-

ington, one signed by the various newspapers of Santo Domingo City, exhorting him to "protest energetically against the proclamation before the State Department, the Senate and the American people." Similar messages were received from the Presidents and other officials of the "juntas" in other parts of the Dominican Republic. Other dispatches intimated that the popular storm was about to break in the form of a mass demonstration, to be staged in the capital. This demonstration occurred on June 20. An enormous throng gathered at a meeting, in which participated the Archbishop, members of the Supreme Court and the Faculties of the universities. Demand was voiced at the meeting that the offer of conditional withdrawal be refused. A letter embodying the protests and declaring that the Dominicans would assume no further obligations than the convention of 1907, providing for assistance by the United States in the collection and application of the customs revenues of the country, was handed to the Military Governor by the leaders of the demonstration.

Moved by these protests, the State Department instructed the American Legation at Santo Domingo to make public a supplementary statement, setting forth the exact meaning of the proclamation. The Government held that the terms of the withdrawal were extremely liberal, and that all the conditions laid down were necessary for the best interests of the republic itself. In order, however, to put the minds of the protesters at rest on certain points, it issued this new statement on June 28. The main points clarified were: (1) The Dominican representatives to be empowered to negotiate the Convention of Evacuation will not be appointed by the United States, but by the Dominican Congress, as soon as that body shall be elected; these appointments will merely be ratified by the Military Governor. (2) The condition laid down in the proclamation providing that the Convention of Evacuation shall validate all the acts of the Military Governor was intended primarily to insure the recognition of the Dominican debt, including the loan now being negotiated, and in no way implied that the laws and regulations passed by the Military Government must continue without repeal by the new Government. (3) The proviso for extension of the powers of the general receiver was merely a further guarantee for the payment of the last loan. The statement added: "Financial conditions throughout the world are at present on such an unstable basis that it is necessary, in order to obtain funds at this time, to give additional guarantees to those which were demanded in the past. Should the customs revenues, as is anticipated, prove more than sufficient to meet the service of the public debt of the republic, this provision will never become operative."

NEW CANCER X-RAY IN LONDON

MME. CURIE, after a seven weeks' visit, left the United States for France on June 24, 1921, laden with honors and bearing with her the precious gram of radium which the women of the United States had presented to her. Before her departure she expressed her firm hope that cancer, that scourge of the race, would yet be vanquished by radium. At the very time of her departure, a London dispatch reported that the West London Hospital had installed a new X-ray treatment for cancer—one invented by the Bavarian physician, Dr. Wintz—and had already recorded remarkable results. A demonstration of this new process was given by the hospital on June 24. The apparatus, which cost $10,000 to install, was attached to the outstretched arm of an upright standard machine, and projected over the patient's bed. The controlling switches were in an apartment shut off by a lead partition. A funneled base was lowered into close contact with the patient's body, and around it were spread leaded rubber wrappings. The rays worked invisibly, and there was no heat, no danger and no discomfort. The intensity of the rays, it was said, was such as had never before been available for practical work. The hospital authorities, on the basis of results already attained, stated it was their hope to effect cures in 80 per cent. of the cases treated, one condition being that the patient had undergone no previous operation.

THE RAPID INCREASE OF DIVORCE

By Gustavus Myers

A survey of the phenomenal growth in the number of American marriages that end in shipwreck—A historical summary of the phases through which the movement has passed—Official figures on the subject for the last fifty years

"AMERICA'S black spot is the divorce court; America's disease is divorce," said the Rev. Dr. Mark A. Matthews of Seattle, Wash., recently. Addressing a convention of the Episcopal Diocese of Long Island, on May 17, 1921, Bishop Frederick E. Burgess recounted how the fall of the Roman Empire was produced by the laxity and rottenness of the laws of marriage, and he commented, "This low standard of morality in Roman society would seem to be fast approaching in America."

These are only two of the many clergymen who have been trying to fix national attention upon what they consider our most serious social evil. The outcry against the enormously increasing divorce rate is not a sudden one, nor has it been confined to ministers. Many public men and women have uttered warnings of its growing enormity. In 1918 an important hearing on the subject was held by a committee of Congress, but the war absorbed public interest, and the facts and statements there produced received but little publicity. It was at that hearing that the Rev. (now Bishop) William T. Manning of Trinity Church, New York City, made this declaration:

> The happiness, the safety, the well-being of our nation depend directly upon the stability and well-being of our home. Now, there is one menace more than any other threatening the life of that institution, and that is the appalling increase of divorces. The menace of that, the danger of that, to the life of our nation, I believe we all feel. * * * It was true recently, and I believe it is true today, that the number of divorces, the proportion of divorces to marriage, is greater in our country than in any other country in the world that calls itself civilized.

Are such expressions of alarm impelled by casual or exceptional conditions? Is the huge divorce rate in the United States chronic, or has it, as in some countries, been largely brought about by extraordinary war dislocations?

In England and Germany the Great War is authoritatively represented to have been responsible for a great impetus to divorce. A recent dispatch from England said that the courts were overcrowded with divorce cases, a chief cause of which was the loneliness of women during the long absence of their husbands at the front. A cable from Berlin tells how Germany, not so long ago pluming herself as a country of solid domesticity, has become a land of divorce; statistics now show one divorce in every eight marriages, the majority of divorces being granted for breach of marriage vows. A judge of the leading divorce court in Berlin attributes the rush for divorces largely to war causes; he specifies how, during the war, there were many hasty marriages followed by the long separation demanded by army service; and how in the absence of husbands many wives living in a general atmosphere of wartime frivolity and immorality went recklessly to excesses. This judge verifies what many observers of German war methods suspected: that the unmorality of the German Government was accompanied by a widespread breakdown of private morality. Among other ways in which this manifested itself, the judge says, was in "the shocking lack of moral restraints and the trend toward pleasure and luxury" shown by many women.

Such an explanation may be largely true of European countries engaged in a long, desperate war tending to displace all normal standards. But can it be applied to the United States? Our participation in the war was brief, and neither our national nor our private life can be said to have been disarranged. Moreover, there is the striking fact that long before the war divorces were steadily, ominously increasing, and that the process has been continuing uninterruptedly.

To trace the growth of divorce in the United States it is necessary to go far back. Some investigators, and illustrious

ones at that, have, in their veneration of the past, been misled into thinking that divorce is a fairly modern American practice. Even Bancroft, the historian, wrote of New England: "Of divorce I have found no example." Bancroft was wholly mistaken. Had he carefully examined the records of the Massachusetts General Court during the Puritan régime he would have found that a number of divorces were granted, mainly for desertion and bigamy, and that in settlement and Colonial times some divorces were allowed in Connecticut and Rhode Island and others in New York.

In that era, however, and also for some decades after the Revolution, divorces were not numerous. European observers traveling in this country noted the remarkable sense of independence American women had, compared with European women. In many European countries divorces were forbidden or discouraged by church canons, and in such of those countries as allowed them, they were expensive to obtain. But in addition there was a state of mind on the part of European women in general which prevailed to a much less extent in America. So long as the husband did not complicate matters by desertion and nonsupport the European woman was inclined to overlook her spouse's lapses from virtue, and to a considerable degree this view is still evidenced in Europe. The American woman never tolerated this condoning. If poor and friendless, she would yield to the exigencies of the occasion and continue a union that she resented, for the one reason that there was no other course that she could follow. If well-to-do or rich, she would seek relief in separation. Divorce was then an unpleasant extreme because of the general standard of the times, which viewed it as disgraceful. Church influence also was strong, though not predominant, and its tendency was to regard sternly, even to the point of social ostracism, both those responsible for divorces and the divorcees themselves.

Two events, however, brought a great change in the attitude of many American women toward the problem of marriage and divorce. The entry of women into industry gave them opportunities for self-support; they were no longer wholly dependent, and had greater control over the question of whom and when they should marry. If, when married, they had good cause for sundering the tie, they could often return to their industrial jobs. This, of course, was not conveniently practicable where there were young children, but, on the whole, the fact that many women had the opportunity to win their own living gave them a greater field of independent action.

In the "Woman's Rights" Era

The second event was the movement for woman's rights. Manhood suffrage had been generally gained in the United States by 1828, by which time laws restricting the right to vote to propertied men had been abolished. Immediately thereafter came the movement to establish woman's political and social rights. One of the pioneers of this was Frances E. Wright, who, in 1829 and 1830, gave a series of lectures in many American cities. As in the case of many radical movements, this movement went to extremes of agitation. Miss Wright did not believe in marriage; she proposed free sex unions; urged that children be separated from their parents, and called for the establishment of State institutions in which the children were to be placed and reared. The American people were not at all receptive to any proposals for the disruption of family life, and, in fact, Miss Wright herself later virtually repudiated her earlier views by marrying. But underneath this movement there were ideas which increasingly appealed to many thinking American women.

One of these ideas was the right of women to have a direct voice in politics. Another was the control by women over their property and wages. Still another was the effacing of the double standard of morality. Miss Wright and other agitators pointed out that men were an inexcusably privileged class; that no matter what their moral transgressions were they retained standing, whereas when a woman committed an infraction the whole crushing weight of social proscription fell upon her. "Why this discrimination?" asked the woman's rights leaders of that day. They denounced it as thoroughly unjust and demanded its removal.

Intelligent men of the day realized that a new era was setting in, threatening the overthrow of "man's domination." A writer in the Knickerbocker Magazine, published

in New York City (issue for August, 1834), told, in a spirit of trepidation, how women were beginning to demand the vote; how colleges were beginning to admit them, and how they were on the point of achieving other rights hitherto held by men as exclusive privileges. "My nerves," he wrote, "already begin to tremble in view of the momentous revolution which the evidence I have presented seems to indicate. A war of rights is pending, and every man will soon have to come out in defense of his ancient prerogatives!"

In the following years the agitation to abolish negro slavery became increasingly the dominant issue, tending to obscure other questions. Still, the revolt of women against what they thought existing injustices went on energetically, for many of the leaders, such as Lucy Stone, were at the same time agitators against slavery and advocates of woman's rights.

In 1852 and 1853 there was another organized attempt—chiefly on the part of men radicals—to discredit the marriage institution and to substitute free love. In a notable debate then published in The New York Tribune, Henry James and Horace Greeley effectively exposed the free-love propaganda, although their points of attack differed.

Divorce statistics were then unknown; in all Government and State reports the subject was completely ignored. In fact, it was not until 1842 that Massachusetts—the first State to do so—established a general system of marriage and death statistics, and it did so only after urgent petitioning by the American Academy of Arts and Sciences and the Massachusetts Medical Society. But no provision was made by any official body anywhere in the United States until many years later for reporting divorces.

Conditions Seventy Years Ago

Those who are inclined to disparage overmuch the state of our times may find matter for thought in Henry James's statement in 1852 that there was, undoubtedly, "a very enormous clandestine violation of the marriage bond; careful observers do not hesitate to say an unequaled violation of it." James's argument was that this arose from the difficulty of obtaining divorce, and that by freely legitimizing divorce—that is, by making it easy and inexpensive—this immorality would be reduced. Greeley's opinion was strongly the opposite. He contended that if marriages could be contracted and dissolved at pleasure it would introduce a reckless facility and wild levity. His further comments present interesting facts as to forces then busily engaged in trying to discredit the established marriage institution.

If divorce on mere application were permitted, he wrote, the innocent would be sought in marriage by those who under strict marriage laws plotted ruin outside marriage. "How many have already fallen victim to the sophistry that the *ceremony* of marriage is of no importance—the *affection* being the essential matter? How many are every day exposed to this sophistry? * * * The free-trade sophistry respecting marriage is already on every libertine's tongue; it has overrun the whole country in the yellow-covered literature, which is as abundant as the frogs of Egypt and a great deal more pernicious. It is high time that the press, the pulpit and every other avenue to the public mind were alive to the subject, presenting, reiterating and enforcing the argument in favor of the sanctity, integrity and perpetuity of marriage."

What immediate influence the campaign against marriage had it is not possible to say. Evidently not much. It was the agitation making divorce an acceptable idea, and the demand for laws allowing a greater latitude in breaking matrimonial bonds, that then had the practical effect. There was a tendency on the part of legislators to relax the strictness of ancient laws concerning marriage and divorce. Even when these laws came, however, there was no importunate rush for divorces. An article on the subject in The North American Review for April, 1860, said that divorces were still rare.

It was after the Civil War that the doctrines for woman's emancipation began to show results. Such leaders as Victoria and Tennie C. Claflin demanded not merely the suffrage right for women but the complete enfranchisement of the sex. What they chiefly meant was that women should no longer be "man's chattel," but should be invested with full rights as human beings. But their views were often distorted, and they were made to appear as full-

fledged proponents of a free-love campaign. So unpopular was their campaign that they were ridiculed and ostracized; influential people of that time were not disposed to tolerate any views impairing the marriage relation. Both of the Claflins, it may be said, later married.

But the fashion of publicly making light of marriage began to spread. So-called comic papers having wide circulation and vaudeville shows abounded in jokes and alleged witticisms on marriage, while serious writers professing to have a mission wrote books and plays either openly or adroitly attacking and mocking marriage. A witness who had made a study of divorce testified before the House of Representatives Judiciary Committee in 1918 that one of the leading provocations of divorce had come from the writings of extreme radicals on the sex question. He instanced Ellen Key, Bernard Shaw and others "who write in all sorts of unreason their story screeds of heathenish devilment against the permanence of homes and against personal purity." If he meant to imply that such writings had more effect upon women than upon men he was entirely mistaken, for official statistics show that on an average twice as many—and often more than twice as many—divorces have been granted to the wife as to the husband; and although it is true that a greater percentage of divorces for adultery are granted to men than to women, yet this is a cause in which men have the evidential advantage. And he should have added, in justice to Ellen Key, that some years before he testifed she had written an article virtually repudiating her former ideas and explaining that the originators of the woman's movement never imagined that the ideals they had in mind would degenerate to a low basis.

Government Investigations

By 1881 the divorce question had become such a scandal that the New England Divorce Reform League was organized by leading Protestants and Catholics. It was made a national organization in 1885, and its stated purpose was "to promote an improvement in public sentiment and legislation in the institution of the family, especially as affected by existing evils relating to marriage and divorce." It was at the solicitation of this body that the United States Government made its first investigation of marriage and divorce. This report was issued in 1887-1888 by the Department of Labor and covered the years from 1867 to 1886. Another report was issued in 1906-7 by the Bureau of the Census, covering the twenty years from 1887 to 1906. In July, 1917, Congress provided the funds for another investigation from 1906 to 1916; unfortunately it was decided, because of war conditions, not to cover the previous years, but to limit the report to the year 1916.

From these three reports accurate figures are obtainable for the forty years from 1867 to 1906, and for the year 1916, while the figures for other years have been estimated by members of the International Committee on Marriage and Divorce. This, then, is the result:

DIVORCES IN THE UNITED STATES.

Year.	Number.
1861, estimated	7,114
1862-1866, estimated	42,979
1867-1870, counted	43,850
1871-1888, counted	949,746
Total for thirty-seven years	1,043,689

The further progressive increase of divorce year by year since 1889 is here shown:

Year.	Number.	Year.	Number.
*1889	31,735	*1905	67,976
*1890	33,641	*1906	72,062
*1891	35,540	†1907	77,600
*1892	36,579	†1908	81,700
*1993	37,468	†1909	85,000
*1894	37,568	†1910	91,600
*1895	40,387	†1911	94,600
*1896	42,937	†1912	100,000
*1897	44,699	†1913	103,000
*1898	47,849	†1914	105,000
*1899	51,437	†1915	107,000
*1900	55,571	*1916	108,702
*1901	60,984	†1917	120,000
*1902	61,480	†1918	125,000
*1903	64,925	†1919	129,000
*1904	66,199	†1920	132,000
Total 1889-1920			2,349,419

*Counted. †Estimated.

Thus, from 1861 to 1920 there were granted in the United States a total of about 3,393,000 divorces. It is estimated that, as a result of these, there were perhaps 1,350,000 divorce orphans. The increase of divorce compared with population was, according to the 1916 Government report published in 1919:

Year.	Divorce Rate Per 100,000 Population.	Year.	Divorce Rate Per 100,000 Population.
1870	28	1900	73
1880	39	1906	84
1890	53	1916	112

In particular States the increase in divorces in 1916, as compared with 1906, was enormous. In Oregon it was 109 per cent., in New Jersey 120 per cent., in Idaho 150 per cent., in Arizona 186.4 per cent. and in California 207.4 per cent. Except in the District of Columbia and Colorado, South Dakota, West Virginia, Maine, Mississippi, Alabama and North Dakota the divorce rate for 1916 was higher than for 1906. Recent statistics privately gathered show a continuous increase in divorces. In New York City about 500 more divorces were granted in 1920 than in 1919. In Providence, R. I., 962 divorces were granted in 1920, as compared with 718 in 1919 and 556 in 1917. New Jersey and Pennsylvania report a great increase in divorces in recent years; in Pittsburgh there was a 25 per cent. increase in 1920 over 1919. In Detroit 3,715 divorces were granted in 1920, an increase of 700 over 1919. In Atlanta, Ga., 880 divorces were granted in 1920, as against 770 the previous year. Seattle has become a notable divorce centre, with nearly 2,500 cases a year. These are but a few examples of increases. Only a few cities, such as Baltimore, Toledo, Portland, Ore., and some others report decreases in divorces.

Chief Grounds of Divorce

Government figures show that desertion is the principal ground of divorce, with cruelty second in the list; these two causes account for nearly two-thirds (65.1 per cent.) of all the divorces granted. Of divorces granted to the husband, desertion has been the cause in practically one-half the cases; adultery the cause in one-fifth, and cruelty in a little more than one-sixth of all cases. But of divorces granted to the wife, the most frequent cause has been cruelty, with desertion next. Divorces granted to the wife because of the husband's adultery constituted 7.5 per cent. of all the cases, as against 20.3 per cent. granted to the husband for the same cause. Drunkenness as a cause for divorce has been a minor factor. A little more than one-half of all divorced couples had no children.

Two generations ago there was a general although not invariable reluctance to label oneself as a divorced person; the idea was personally and socially repugnant, and a permanent stigma was supposed to attach itself to any seeking rupture of marriage ties. But, according to Bishop Manning and others, a wholly different concept now largely prevails. In his testimony on causes of divorce, Bishop (then Rev. Dr.) Manning thus described the change:

> Under our present system we have really reached the point under which marriage among our people is no longer a permanent contract. As things stand under our present law, it is a contract terminable almost at will.
>
> Further than that, the present state of law has a worse influence. It tends to tempt people to procure divorces and produce situations in which they can procure divorces; and with numbers of people the marriage contract is entered into with that in mind. Divorce is made so easy that great numbers of people enter into the marriage contract with the thought of divorce already in mind, and they are in a state of mind under which on the most trivial grounds and for the most passing reasons they are prepared to break up the home and seek relief in the divorce courts.

Bishop Manning pointed out that another great evil was the practical effect of law in allowing the rich and well-to-do to create a domicile in whatever State it was easiest to get a divorce. This the poor could not do. He urged the need of laws applying equally to rich and poor and making it difficult to obtain divorces.

Bishop William H. Moreland of Sacramento has expressed the same thought as to a certain state of popular mind. "Our young people," he said, "knowing that the law permits a consecutive polygamy, enter the marriage state with the idea that if disappointment results they may break it off—and draw another ticket in the lottery." Bishop Moreland proposes that there should be a uniform divorce law, a ten days' notice of application for marriage licenses, and he urges the education of public opinion.

At present our forty-eight States have more than forty different codes of law on the subject of marriage and divorce. These codes allow a wide range of grounds for divorce, ranging from violation of the marriage vow to bad temper and religious belief. South Carolina has been the only State that has not recognized absolute divorce for any cause. Under the incongruous and conflicting divorce laws in operation many cases occur in which a couple, married in one State before the divorce decree allows it, are branded bigamists in another State.

Though the increase in the number of divorces in the United States has its disquieting aspects, it cannot justly be taken as a proof of a corresponding decline in morality. When it is recalled that in former times few people, whatever grounds they had for doing so, sought legal relief from marital unhappiness, the reflection upon the moral standards of our day becomes lessened. There is good evidence that previous to fifty or sixty years ago there were abundant lapses from domestic virtue, but they did not culminate in legal action so as to leave public records of the fact. On the other hand, in more recent decades, it has been the almost invariable practice to apply to the courts for release. It is this fact which gives our age the appearance of having degenerated, when, if we make a real comparison with other times, present conditions are not so discreditable as they seem.

THE STORY OF A HISTORIC HOAX

IN a London charity hospital on June 9, 1921, there died a man of 74 years who was registered as Louis Redman. This white-bearded old man, who died impoverished and forgotten, was no other than Louis de Rougemont, notorious twenty-three years ago as the perpetrator of one of the most colossal hoaxes of modern times. This French adventurer arrived in London at the beginning of March, 1898. He had worked his passage from New Zealand. Before many days he was telling an astonished and admiring world of his marvelous adventures in Australia.

De Rougemont's story was substantially as follows: He had been wrecked among the South Sea Islands in 1864. By a series of accidents he reached one of the most desolate places in Northern Australia, a spot where no white man had ever been. There he was captured by a cannibal tribe, among whom he lived for thirty years. By sheer force of personality he dominated the tribe, became the chief and married a native woman. Adventure after adventure followed; he rescued two white women from a fate worse than death, he had narrow escapes from crocodiles, he rode turtles, he refused a harem of proffered wives in favor of his "Wamba."

England was impressed. Popular magazines published his amazing adventures. De Rougemont lectured before the British Association. The French traveler became a personage. Fluent and ready witted, he underwent the ordeal of questions without losing his composure. Meanwhile, however, expert students had begun to find flaws in his "facts." One of the chief skeptics was an Australian, Louis Beck, author of books on the South Seas. De Rougemont's story, he declared, was a wonderful work of imagination and nothing more. Some of its features, such as the "flying wambats," were grotesquely and obviously false. De Rougemont was called to the office of The Daily Chronicle, which describes the interview as follows:

> He was a remarkable figure. Slight, gray-bearded, hair brushed up from a high, wrinkled forehead, wonderfully bright eyes under rather heavy lids, he was a man who would have been notable in any gathering. He was invited to tell his story, and he did so. Then came the cross-examination. It was conducted by a member of the staff, a barrister who had the subject at his fingers' ends. De Rougemont broke down. He became confused, burst out into a passionate asseveration of the truth of his story, then faltered miserably and refused to say more.

Meanwhile the paper had kept its Australian wires busy. M. H. Donahoe, a journalist in Australia, began a searching investigation of de Rougemont's movements and brought the truth to light. The man's real name was Henri Louis Grin. He was born of respectable parentage in the Canton Vaud, Switzerland. He began his career as courier to the English actress Fanny Kemble. In a like capacity he went to Australia, where he drifted about from one employment to another, and finally worked his way from New Zealand to England, where he enjoyed his short-lived fame.

Those who knew him declare that he was no vulgar adventurer. He told his amazing falsehoods with no desire of personal gain. The student of French literature recalls at once the famous Tartarin de Tarascon of Daudet, whose exaggerations were the effect of that "mental mirage" so often encountered in the South of France. The exact processes by which de Rougemont conceived his colossal hoax would furnish an interesting study to the psychologist.

AMERICAN CLAIMS AGAINST GERMANY

An official tabulation showing the claims and losses of American citizens against Germany—A total of $221,000,000, exclusive of Shipping Board vessels

THE Secretary of State reported to the President of the United States on March 2, 1921, a summary of the claims of American citizens against Germany. The claims number 1,253, aggregating in amount $221,231,465.69, and, in addition, a total of 672,618,713.46 Rumanian lei; this latter sum represents claims for military requisitions and damage to property of American citizens in Rumania at the time of the German invasion of that country in 1916. [The lei, the nominal value of which is 19.3 cents, is quoted now in New York exchange at about 1 2-3 cents.]

This amount does not include any claims of the United States Government for the loss of Shipping Board vessels, for the pay of soldiers in the army of occupation or any other strictly Government claims.

The report also shows that the American property located in Germany which was sequestrated by the German Government aggregates in value $190,000,000. To offset this the United States Alien Property Custodian has in his custody property of Germans sequestrated during the war amounting to a total of $400,000,000. In addition, the Shipping Board reported to the Hon. Tom Connolly, Congressman from Texas, under date of June 16, 1921, that it now holds 40 Germans ships of a total of 352,887 tons—16 cargo, 24 passenger vessels.

The official report of the State Department is as follows:

Statements of alleged losses and claims arising from loss of life.

	Number.	Amount.
Pre-war, mainly Lusitania claims	135	$15,865,756.02
Belligerents	15	205,346.74
Total	150	$16,071,102.76

Statements of alleged losses and claims arising from personal injuries.

	Number.	Amount.
Pre-war	46	$1,761,316.41
Belligerent	40	634,237.23
Total	86	$2,395,553.64

Statements of alleged losses and claims of private owners arising from the sinking of vessels.

	Number.	Amount.
Pre-war	11	$6,604,487.96
Belligerent	89	23,807,276.17
Total	100	$30,411,764.13

Insurance losses: Losses by American insurance companies or organizations (including the Bureau of War Risk Insurance), as reported to the department up to the present time, are as follows:

Pre-war	$34,349,900
Belligerent	50,734,713
Total	$85,084,613

The Treasury Department has notified the Department of State that it is desired to make claim to reimburse the Government of the United States for losses paid on business written by the Bureau of War Risk Insurance.

Among the heaviest pre-war losses of this character were those sustained by several American corporations which had valuable property interests in Rumania.

GENERAL LOSSES OF THE UNITED STATES GOVERNMENT.

Various items have been communicated to the department as losses sustained by the Government of the United States as a result of the war which are not included in the general summary of losses and claims as set forth above. These items may be briefly summarized as follows:

	Pre-war.	Belligerent.
Cargoes, United States Government owned	....	$36,185,890
War vessels of United States Navy	....	12,958,394
Armed vessels requisitioned as Naval auxiliaries	....	1,566,964
Department of Labor expenses in caring for German officers and sailors	....	900,000
Expenses of United States Navy re same	$26,477	.....
War Department expenses in caring for prisoners of war in the United States	....	3,305,300
Expenses Department of Justice in handling enemy aliens in United States	....	1,032,656
United States Navy expenses in restoring damaged interned German ships	....	6,961,285
United States Navy demurrage charges in re damaged German vessels	....	8,762,433
Shipping Board expenses in repairing damaged German ships	....	8,584,942
Relief and repatriation of submarined American seamen	50,000	200,000
Total	$76,477	$80,457,864

Grand total, pre-war and belligerent $80,534,341

Property belonging to many Americans was seized by the German Army at the outbreak of the war, both in Germany and in the countries invaded by the German Army. A great deal of valuable American property in Belgium was either seized for military purposes or damaged or destroyed during the German occupation of Belgium. Much valuable American property available for war purposes, such as automobiles, machinery and supplies, was promptly taken by the German Army. American property in Northern France was also lost or damaged.

CLAIMS OF AMERICAN CITIZENS AGAINST GERMANY

Claims and losses which may be readily classified are herein set forth in summary, indicating the items into which the claims and losses may be conveniently classified, the number of claims which has been filed, the number which is prospective, and the amounts of the claims and the alleged losses.

Summary of losses—statement of alleged losses or communications indicating intention of filing claims (without accompanying proof).

	Number.	Amounts.	Claims Filed— Number.	Amounts.
Submarine warfare	451	$110,254,058.69	411	$23,321,243.65
(Including loss of life, personal injuries, loss of hulls, cargoes and personal effects, war-risk insurance, losses due to submarine, raiders and mines. These figures do not include hull losses for which the United States Government may be liable through requisition, nor insurance claims on hulls, except by Bureau of War Risk Insurance).		23,500 pesetas	...	£7,908
		22,909.25 lire	...	.....
		17,709.55 francs	...	.....
		£13,701	...	.....
Military requisitions of and damage to property, including that in occupied territory	77	$10,299,279.69	35	$5,439,539.41
		6,842,599.05 marks	...	£2,932
		1,419,388.91 francs	...	161,850 francs
		13,580.05 rubles	...	9,680.16 guilders
		55,650 pesos	...	4,500 marks
		£11,868	...	*1,016,422 taels
		63,000 kronen	...	.....
		†672,618,713.46 lei	...	.....
Personal injuries, arrests, detentions, expulsions.	2	$200,000	2	$52,500
Sequestration cases, damage to property in Germany, including loss, use, sale liquidation, forced loans	82	$46,066,419.28	65	$6,075,986.05
		59,000 francs	...	42,000 francs
		29,744,866.40 marks	...	496,874.95 marks
		£135,259	...	£2,800
		443,970.33 kronen	...	.....
Miscellaneous, not included above	23	$2,539,420.81	5	$5,238,646.85
				186,698.28 marks
Total of above, as stated in dollars		$169,359,178.47	...	$40,127,915.96
Other items mentioned above if converted into dollars at ordinary value of the respective coins, about		107,390,560.10	...	1,057,815.25
Complete total	635	$180,098,234.48	518	$41,133,231.21
		672,618,713.46 lei		
Grand total of 1,253 claims and statements of loss or communication indicating intention of filing claims			...	$221,231,465.69
				672,618,713.46 lei

*A weight of silver. †Claim for German destruction of property in Rumania at time of German invasion of Rumania in 1916. Stated in lei, a coin of Rumania.

Claims in which no amounts have yet been stated 37

Statements of losses and statements concerning property in Germany in which no amounts have been given. Many of these may become claims, particularly those based upon submarine warfare 858

The items included in the foregoing summary, which comprise the principal part of the amounts claimed or losses alleged, are loss of life, personal injuries, vessels sunk in submarine warfare, cargoes lost in submarine warfare, insurance paid, and premiums paid on war risk insurance. Further information regarding these losses and claims is set forth below under their respective headings. In the statements which follow, the term "pre-war" relates to losses which occurred prior to the entry of the United States into the war. The term "belligerent" relates to losses which occurred during the participation of the United States in the war.

No account is taken in this report of the expenses of the American Army in occupied territory in Germany.

Monetary losses sustained by the Shipping Board on account of sinkings due to submarine warfare are comprised in three principal classes: (1) Vessels owned by Shipping Board and not in service of army or navy, (2) requisitioned American steamers, and (3) requisitioned Dutch steamers. (See Exhibit 10.)

EXHIBIT NO. 11

Recapitulation of American steamships and sailing vessels destroyed by submarines, raiders or mines since the beginning of the war.

Type.	Number.	Gross Tons.
Steamships:		
Freight steamers	66	251,302
Tankers	14	66,335
Freight and passenger	5	51,303
Total	85	368,940
Sailing Vessels:		
Ships	3	8,282
Barks and barkentines	7	7,271
Schooners	58	43,019
Barges	4	2,971
Total	72	61,549
Grand total	157	430,489

AMERICAN INTERESTS IN GERMANY

The treatment of American-owned property of various descriptions in Germany is a possible source of further claims. Several thousand American citizens have filed with the department statements describing their property in Germany, and giving an estimate of its value. An abstract of information furnished the department regarding American interests in Germany follows:

Character of Property.	Estimated Values.
Real estate	$10,271,449.48
Debts, including accounts and bills receivable	29,267,147.27
Securities	67,183,750.55
Deposits	30,951,549.20
Miscellaneous property	49,910,371.10
Inheritances, real, personal and miscellaneous	3,563,079.16
Total	$191,147,346.76

By an ordinance of Jan. 11, 1920, various war measures adopted by the German Government relating to enemy property in Germany were repealed.

Consequently, while American citizens since Jan. 11, 1920, have been abl eto obtain the possession of real estate and certain classes of personal property which had been sequestrated by the German Government, they have been unable to obtain the release of credits, cash and deposits.

The amount of claims which may be expected to result from sequestration of American property in Germany is as yet uncertain.

Losses by American prisoners of war: By reference from the War Department some 613 cases

EXHIBIT NO. 19.

United States Shipping Board losses in dollars.

Vessel.	Deadweight Tons.	Value.	Date of Accident.	Location.
(a) Owned—Total losses:				
Council Bluffs	4,200	$840,000.00	Nov. 13, 1919	Sunk by mine off Terchelling.
Florence H	5,500	962,500.00	Apr. 17, 1918	Explosion at Quiberon Bay, France.
Lake City	4,000	800,000.00	Oct. 3, 1918	Sunk in collision off Key West.
Lake Placid	4,200	840,000.00	May 19, 1919	Sunk by mine off Bingo Light, Sweden.
West Arvada	8,800	1,760,000.00	June 19, 1919	Mined near Dutch coast.
(a) Owned—Partial losses:				
Englewood	7,323	1,464,600.00	Aug. 18, 1919	Struck mine mouth of Thames River.
Liberty Glo	7,500	1,500,000.00	Dec. 5, 1919	Struck mine off Terchelling.
(b) Requisitioned—total losses:				
Alamance	5,300	1,103,883.33	Feb. 5, 1918	Torpedoed off Maiden Head, Ireland.
Atlantic Sun	3,800	626,728.77	Mar. 18, 1918	Torpedoed, Atlantic Ocean.
Carolina	4,100	937,500.00	June 2, 1918	Sunk off Delaware Capes by submarine.
Pinar del Rio	4,060	776,071.23	June 9, 1918	Submarined off United States coast.
Santa Maria	8,300	1,483,529.73	Feb. 25, 1918	Torpedoed off Lorne, Ireland.
Tyler	4,200	915,457.51	May 2, 1918	Sunk by submarine off French coast.
Winneconne	3,200	590,912.60	June 8, 1918	Sunk by submarine off Jersey coast.
(c) Chartered from Dutch—Total losses:				
Merak	5,250	1,304,675.03	Aug. 6, 1918	Sunk by submarine off Diamond Shoals.
Texel	5,600	1,405,864.68	June 2, 1918	Sunk by submarine.
Yeselhaven	6,293	1,524,069.77	Feb. 14, 1919	Sunk by mine.

in which American prisoners of war lost property in Germany or suffered other injuries or losses while prisoners, have been brought to the attention of the Department of State. The losses submitted by the War Department were compiled from data contained in the affidavits of the American military prisoners who were held in various prison camps and hospitals in Germany. In addition to the complaints regarding loss of personal property, other grounds of complaint are cruelty, neglect, lack of food and medicine, ill treatment, insanitary living conditions and enforced labor. These cases may be summarized as follows:

Number of cases in which value of property is reported	296
Total value of property lost as reported	$12,560.08
Cases in which miscellaneous injuries are reported, but no amounts of claim or loss alleged	464
Cases involving loss of property in which estimates or statements are incomplete	116

GREEK MOBILIZATION NOT SUSPENDED

To the Editor of Current History:

In your June issue, under caption "Greece in New Difficulties," you state that "in Greece * * * mobilization has been suspended and martial law declared." This statement should be accepted with a reserve similar to that with which the news of Mr. Venizelos's triumph should have been received. Every intelligent newspaper reader is aware of the fact that Greece, since the outbreak of the war, has been the victim of shameless misrepresentation. Reports that in after-election demonstrations in Athens pictures of the former Kaiser were in evidence; that Queen Sophie invited the former German Emperor to Corfu, &c., filled the columns of both the American and European journals during the last few months. One does not have to be a genius to understand that such publications constitute pitiless murder of the truth.

When reading a dispatch from Athens one should bear in mind that, so far as is known, every foreign newspaper correspondent in Athens is either a Greek Venizelist or a Frenchman. Of course, to be a Greek Venizelist or a Frenchman is no crime. The fact is worth mentioning, however, for it shows that the news these correspondents send is not reliable. Those who read Athenian Venizelist or Paris newspapers know this. They know that under the guise of a narrative of events, false information is being presented to the public. For example, the Athenian Daily Patris, the leading Venizelist organ in Greece, publishes frequent accounts of alleged mistreatment of Venizelists, only to publish their denial on the day following, as the Greek law demands that a refutation be given as much publicity as a charge. It is amusing occasionally to see denials made by the very persons who, according to the Patris, have been the victims. By thus butchering the truth the Venizelists—and only a few militants, for the great majority of Mr. Venizelos's followers are patriotic men—aim at the overthrow of the present Greek Government. Mr. Venizelos does not approve of such methods. Certainly no one with a grain of patriotism would approve of his country's betrayal for the sake of political advantage, and the slanders we see dispatched from Athens are scarcely less than treasonable acts.

No, the mobilization in Greece has not been suspended. On the contrary, if the entire Greek press and the letters I receive from Greece can be relied upon, the Greeks have responded to their country's call enthusiastically. Though it is true that martial law has been declared, its application was made necessary not by the Greeks' unwillingness to fight, but by the suspicious movements of the Turkish followers of Mustapha Kemal Pasha in Greece.

The report that "Greece has asked Italy to intervene at Angora" is not "worthy of consideration," as you seem to believe (P. 520). Mr. Gounaris, asked to confirm it, vehemently denied it, adding that "such rumors are the products of machinations calculated to impede the Government's task." (Athens Politeia, April 25, 1921.)

EFTHYMIUS A. GREGORY.

Aiken, S. C., June 11, 1921.

THE WAR WON ON THE EASTERN FRONT

By Gordon Gordon-Smith
Captain, Royal Serbian Army

A clear view of colossal blunders in strategy committed by both sides—Violation of Belgium was Germany's chief error, and that of the Allies was their delay in striking on the eastern front—Truth emerging from the dust of battle

As the World War of 1914 recedes into the distance, much that has hitherto been obscure is becoming clear. The dust of battle is dying down, and the main points of strategy and policy are beginning to stand out more clearly. But so, at the same time, are the colossal errors committed on both sides becoming more apparent. On the side of the Allies the great, the cardinal, error, was the theory that the war could be won only on the western front. It is now becoming clear that this is the front on which the war could *not* be won. It was this error of judgment on the part of the French and British staffs which made the war drag on for over four long years.

This, of course, is not conceded, even today, by the "westerners," who still refuse to admit the capital error they made in rejecting any other solution of the problem than one obtained in France and Flanders. But, as the months pass, the "easterners" are slowly but surely coming to their own. Their numbers are not great in the United States. This is only what might be expected, as the American forces, from the time they entered the war, fought only on French soil. It is, therefore, only natural that the western front should exercise a sort of hypnotic influence on their consideration of the war.

But in spite of this the easterners are beginning to find partisans in the ranks of the American Army. Not the least of these is Colonel H. H. Sargent, the well-known authority on strategy, whose latest book, "The Strategy of the Western Front" (A. C. McClurg & Co., Chicago), is a powerful indictment of the errors in policy and strategy made by the Allies. Colonel Sargent's works on the campaigns of Napoleon are classics in American military literature, and the present volume will undoubtedly add to his reputation.

In order to realize the astounding errors made by the Allies, and the almost equally extraordinary mistakes made by the Central Powers, the causes of the World War must be kept in view. The curious thing is that these were not realized by the Allies, especially the British, at the time war was declared, and many people fail to grasp them even today.

The cause of the war, or at least the *causa causans*, was the ambition of Germany to be the master of Europe, the first step toward the mastery of the world. In order to realize this ambition; the first thing necessary was the creation of "Mittel Europa," an empire under German leadership running from the Baltic and the North Sea to the Persian Gulf. There was nothing impracticable in the idea; in fact, it came within a hairsbreadth of being realized. What, then, was necessary to realize it? The union of Austria and Germany, the support of the Balkan States and an alliance with Turkey. The union between Germany and the Austrian Empire in 1914 was already a *fait accompli*; the Austrian Emperor was practically the vassal of his powerful German neighbor. The Ottoman Empire had also joined the combination, so that the two main parts of the future world empire were already created.

All that remained to be done was to link them up by bringing the Balkan States into the combination. In order to accomplish this, Carl von Hohenzollern had been placed on the throne of Rumania, and Ferdinand of Saxe-Coburg-Gotha on the throne of Bulgaria. The Kaiser had made sure of the support of Greece by giving his sister in marriage to King Constantine. Through thirty long years this edifice of the future

grandeur of the German Empire had been built up, slowly but surely, by William II. The Kaiser and those around him completely realized the enormous possibilities of this grandiose scheme. Once it was realized, Germany would be master of the entrances to the Baltic and the Black Sea, the Kaiser's fiat would run from Koenigsberg-in-Preussen to the Persian Gulf, Europe would be cut in two, and Russia completely isolated from the rest of Europe. Without the permission of Germany the Russians would be unable to hold any communication with the remainder of Europe, except by airplane. The creation of such a situation was equivalent to German domination of Europe. As soon as it was effected, France, Great Britain and Italy would fall to the rank of second-class powers, accepting the dictation of Berlin and allowing the Wilhelmstrasse to impose its policy on them.

But a chain is strong only in the ratio of its weakest link, and one link was weak in the Pan-German chain. To be precise, it was missing. That link was Serbia. This little country lay right athwart German ambitions, completely barring the route to the Near East. For thirty years nothing was left undone to crush Serbian resistance to the German scheme and to force her to enter the Pan-German combination. Every kind of pressure, diplomatic, economic and financial, was brought to bear on her. But the statesmen in Belgrade saw the danger. They knew that once the Pan-German combination was complete, each of the States composing it would be completely under the thumb of Germany. "Mittel Europa" could be created only at the expense of the liberty and the independence of the smaller States. Serbia, therefore, resisted every effort to force her to enter the combination, and as long as she held out she brought the whole grandiose scheme to naught. Her destruction was therefore resolved upon. When this was accomplished, "Mittel Europa" would be achieved, and Germany would be master of the Eastern Hemisphere.

Of course, no one in Berlin or Vienna for one moment believed that this could be brought about without a general European war, and for this war Germany was preparing through forty long years. But what will amaze future generations is the fact that the remainder of Europe looked on without realizing whither German ambitions were trending. Still more astounding is the fact that Germany made no effort to conceal her plans and ambitions. Not one volume, but a whole library exists, stating the aims of her national policy. It was perhaps this very fact that caused the blindness of the other powers. If Germany really had such intentions, they argued, she would take good care not to proclaim them from the house-tops. This was an immense error. The German Government had to have the whole nation solidly behind it in its schemes, and for this public opinion had to be educated to understand them and accept them. Hence the mass of Pan-German literature.

Official Germany, of course, on the rare occasions when some statesman of the Entente became anxious, always washed its hands of such propaganda, declaring that the various writers expressed only their personal views, and that these views were in no way inspired by the Government. The ever-increasing strength of Germany, both military and economic, rendered the possibility of relegating her to her proper place without a European cataclysm less and less likely, and all the European statesmen shirked the task; none of them were willing "to bell the cat." They accordingly "carried on," hoping, like so many political Micawbers, that "something would turn up"—preferably some kind of internal revolt in Germany against militarism and exaggerated Pan-German ambitions. And so Europe moved, slowly but surely, to the inevitable catastrophe.

Meanwhile Germany and Austria carefully scanned the political horizon, watching for the favorable moment to strike. This, they decided, had come in the Summer of 1914. In the last fateful days of July they unmasked their batteries and the World War was on.

Why Germany Failed

The German plan was simple. It was to send an Austrian army down to Serbia to crush and seize that country. This victory would have the effect of bringing Rumania (with which country Austria had a military convention almost equivalent to an alliance), Bulgaria and Greece in on the side of the Central Powers. The Turkish ally would join the movement, and "Mittel Europa" would be realized. This would, of course,

immediately bring France and Russia into the war. It was the rôle of Germany to mass her armies at once on the French and Russian frontiers to prevent these countries from interfering with the realization of the "Mittel Europa" plan. The Serbian campaign, it was expected, would be over in four weeks' time. A huge empire, running from the Baltic to the Persian Gulf, with a population of 200,000,000 would at once come into being. By damming back the military forces of France and Russia behind two lines of entrenchments, complete peace would reign in the newly created "Mittel Europa." This area, behind the rampart created, would then be taken in hand and organized, politically, commercially, industrially and militarily, with the usual German efficiency and thoroughness. With a monopoly of the commerce of this huge territory, German mills and factories would find enough trade to keep them busy. Life would, therefore, go on almost normally behind the bulwark of the German and Austrian entrenchments.

Once Germany had established her thorough grip on "Mittel Europa," she would gather together her forces for the final victory. Every available man would be concentrated against France, and her resistance crushed. Then it would be the turn of Russia, and the Central Powers would be masters of Continental Europe and confront Great Britain on her island stronghold, but a Britain without an army, with nothing but her fleet between her and destruction. That the German plan was not only possible but feasible is beyond all doubt. In fact, when it is realized how near the German project came to accomplishment, the world may shudder at its narrow escape.

Why, then, did it fail? For this there were three reasons: a military miscalculation, diplomatic incompetence and national Prussian arrogance. The military miscalculation was the misjudging of the military strength of Serbia. Instead of the Austrian invasion being, as Berlin and Vienna expected, a mere "promenade militaire," it resulted in two Austrian defeats. Twice the army of Field Marshal von Potierek crossed the Danube, and twice it was hurled back in confusion. And so, instead of "Mittel Europa" being achieved in the first four weeks of the war, it was, thanks to the bravery of King Peter's troops, still unachieved twelve months later. There is not the slightest doubt that Serbia, by her gallant resistance, saved Europe. If she had given way in the first four weeks of the war Europe would have been doomed.

The second cardinal error was made by German diplomacy, which assured the Great General Staff that if the German armies invaded Belgium, the Belgian Government would confine itself to a protest, but would offer no active resistance. Not only did the German Army find itself face to face with the forts of Liége, but her action at once brought Great Britain into the war. If the Germans had not invaded Belgium, there is little doubt that Great Britain would not immediately have entered the war. The British people argued that since 1870 France had foreseen the possibility of a fresh conflict with Germany, and had taken her precautions to meet the danger. Her well-equipped and well-trained army was on a war footing almost equal to that of Germany. In addition, she had her alliance with Russia.

If, then, Germany had not gone through Belgium, Great Britain would not have entered the war at once. It is quite certain, of course, that she would never have permitted the defeat of France, and would have come to her assistance if this threatened. But this intervention might have been too late, and France might have been crushed before Great Britain was able to throw her weight into the scale.

Germany's Chief Blunder

Germany's action in invading Belgium was not only a mistake politically, but, as Colonel Sargent points out, was also a military error. Her proper strategy was not to invade France, but was, on the contrary, at once to go on the defensive, dig herself in, and shut France up within her frontiers while, in conjunction with Austria-Hungary, she overran Serbia and crushed Russia before that power had time to mobilize her immense but slow-moving forces.

Colonel Sargent explains this solution as follows:

> When Napoleon made war in a single theatre of operations, it was his invariable rule to take the offensive, but to take it along but one line at a time; and had Germany followed this rule and held defensively the French front, from Luxemburg to Switzerland, and then united the remainder of her forces with those of Austria offensively, first

against Russia and then against Serbia, she could have defeated and crushed the armies of both in a short while, and then could have returned to the western front and with overwhelming forces, flushed with victory, have speedily invaded France via Belgium, as she had originally planned, or overrun both Belgium and Holland and conquered France. And in the meantime, while she was disposing of her enemies outside of France, had Great Britain and Belgium declared war against her, she could easily have held her western front against them, since neither, at that time, had any army of consequence; and then, upon her return, could have gone through Belgium without bringing upon herself the odium of violating a neutral country.

Since the front between Germany and France was only 150 miles in length, and was protected, on the German side, by the River Moselle and the fortifications of Metz, and just back of them by the River Rhine and the fortresses of Strassburg; and since the front could not have been turned by France without her violating the neutrality of either Belgium or Switzerland, or both, which it is certain she would not have done, it could have been held by Germany with a small part of her combatant force while she was destroying her enemies in other parts of Europe.

Had she followed this plan, the war at most would have lasted but two years, and probably not so long as that. Had she followed this plan, Great Britain, in all probability, would not have declared war against her at the beginning; for it was the violation of Belgium's neutrality which brought Great Britain immediately into the war. Had Germany followed this plan, she would not have turned the good opinion of the world against her at the start. And it was all so easy, had Germany had any strategical foresight; but, being obsessed with the idea that she must take the offensive at the very start against France, and having worked out plans along these lines for years, and believing that she could conquer France in this way as she had done in 1870, and failing to see that Russia's entrance into the war in 1914 made the strategical situation vastly different from what it was in 1870, she swept forward to her ultimate defeat.

This mistake, this lack of strategical foresight, this stupendous blunder by the German General Staff was appalling, calamitous, for the Central Powers. It turned what should have been a short war into a long one. It cost the Central Powers billions of dollars and millions of men. It brought the young giant, America, into the war against them, and arrayed against them a world in arms. And, what from a German point of view is most catastrophic of all, it has, along with several subsequent strategical blunders, resulted in Germany's practical annihilation as a great military power.

This mistake in strategy was the direct result of Prussian national arrogance. At the beginning of the war, the German military authorities announced that they were going to capture and occupy Paris. This spectacular but strategically quite unnecessary exploit proved Germany's undoing. Instead of halting her armies at the frontier, digging herself in, and turning her attention to more pressing affairs, she pushed on —to the battle of the Marne. There she got a "wolf by the ear" and dared not let go. So, when Austria proved unable to overcome Serbia, Germany, in death grips with the armies of General Joffre, could not spare the troops necessary to go down and "clean up" Serbia. She had lost the direction of the war, and did not regain it for twelve long months.

The immediate realization of "Mittel Europa" had, for the moment, to be abandoned, until Germany had so developed her strength as to be able to resume the execution of the plan. But the Allies should have understood that its execution was merely deferred and not abandoned.

Blunder of the Allies

It is true that the British had one sound strategic inspiration. Having forced Germany to the defensive in the west, the Allies prepared to strike at the other extremity of "Mittel Europa," and attacked Turkey. Though the execution of the Gallipoli attack was faulty, the strategy was sound. It was obvious that if Turkey could be put out of business and free communication with Russia established via the Black Sea, an allied victory was in sight. So obvious was this that one would have thought it equally obvious that Germany, her very life threatened, would leave nothing undone to prevent the success of the attack on Gallipoli, and would herself drive down through the Balkans to the help of Turkey.

Here once more Serbia was called upon to play her heroic rôle. But this time the effort was beyond her unaided strength. She therefore appealed to the Allies for help, asking them to send 250,000 men to the Danube front to help to oppose the German Army then massing in Hungary. This request was refused, the astounding reason being given that no reinforcements were necessary, as *Bulgaria was coming in on the side of the Allies, and would march on Constantinople to administer the coup de grâce to Turkey. Serbia,* with her 300,000 men,

could always hold the Danube front against the German attack.

And so, by this extraordinary aberration of allied diplomacy, the destinies of the world came to Sofia for decision, and the German-born Ferdinand of Saxe-Coburg-Gotha, King of Bulgaria, was the arbiter. If he joined the Allies, Germany's doom was sealed; if he declared against them, "Mittel Europa" loomed large and the Allies would have their backs to the wall and would be fighting for their very existence. The story of the months of July, August and September, 1915, forms the most shameful page for the Allies in the whole history of the war, as it reveals an infirmity of purpose, a want of political knowledge and a diplomatic incompetence unique in history. Then followed von Mackensen's short but brilliant campaign in Serbia; King Peter's armies were driven into the desolation of Albania, and Germany joined hands with Bulgaria. This instantly and automatically led to the abandonment of the Gallipoli expedition, followed by General Townshend's surrender in Mesopotamia. The German plan for "Mittel Europa" was, at last, almost triumphant.

I say "almost," because there was still one menace to its existence. This was the army on the Saloniki front. There the Allies still maintained a precarious footing, and as long as the Army of the Orient was in being, Germany's lifeline, the Berlin-Constantinople Railway, was menaced. Any successful offensive by the Saloniki force would once more isolate Turkey.

One would have thought that the great, the overwhelming results of a successful campaign on the Saloniki front would have been patent to the meanest intelligence. But it was not so. To the British Imperial Staff the Saloniki front was anathema, and though the French General Staff realized its possibilities, there was at that time no unity of command, and the French were unable to shake the British opposition. France could spare no men to reinforce the Saloniki front, and as Great Britain refused to furnish them, the Army of the Orient for two long years melted away from malaria in almost complete inaction.

Of course, a certain number of men who understood the real situation realized the colossal error that was being committed, but so long as General Sir William Robertson was Chief of the Imperial Staff, they had no opportunity of making their views heard. The Imperial Staff got rid of all the newspaper correspondents at the Saloniki front, except two, who were practically official, and made ruthless use of the censorship in London to suppress all reference to Saloniki.

And yet, as Colonel Sargent points out, the Balkans were the "Achilles heel" of the Central Powers, the one point where they were vulnerable. While at the Army War College in Washington Colonel Sargent addressed a series of memoranda to the War Plans Division of the General Staff, advocating a strong reinforcement of the Army of the Orient by American troops, with a view to an energetic offensive. His views, as was to be expected, were combated by the British Imperial Staff.

War Won in the East

But he was brilliantly vindicated. After the appointment of Marshal Foch to the supreme command, and the elimination of General Sir William Robertson and the out-and-out "westerners" from the British Imperial Staff, the Saloniki front came to its own. The Army of the Orient was strongly reinforced and placed under the command of General Franchet d'Esperey, who undertook a strong offensive. And then took place what everybody who knew the situation had foretold. On Sept. 15, 1918, the Second Serbian Army attacked the Bulgarian centre at Dobra Polie and drove it in. Through the breach thus made poured the whole of the Army of the Orient, and in ten days Bulgaria was out of the war.

Colonel Sargent describes the effect of the allied successes thus:

> The allied victory in the Balkans not only disposed of Bulgaria, but it separated Turkey from Germany and Austria, severed the Berlin-Constantinople-Bagdad Railway, cut in two the great theatre of operations of the Central Powers, and laid open to attack the communications of the Austrian Army in Italy and of the Germany Army on the western front. Coming as it did right on the heels of General Allenby's great victory in Palestine against the Turks, and just at the time when Foch, on the western front, was beginning to make great breaches in the Hindenburg line, it was a lethal blow to Germany which sealed the fate of the Central Powers. It meant that Germany had lost the war; for, from the beginning, the strategical and vital centre of the whole theatre of war

had been in the Balkans; and just as soon as the Saloniki army was sufficiently reinforced to make a successful campaign against the Bulgarians and cut the Berlin-Constantinople-Bagdad Railway, over which the Turks were obtaining munitions of war from Germany, while Germany and Austria were getting cotton and other supplies from Asia Minor, the entire scheme of the defense of the Central Powers fell to pieces like a house of cards.

The reasons were these: With the Turks deprived of munitions of war, and this deprivation coming immediately after General Allenby's masterly movements against them in Palestine, they had no alternative but to withdraw from the war and seek such favorable terms as they could obtain. This left the Saloniki army free to move northward into Austria, where it was certain to be reinforced by many Jugoslavs and Rumanians, who were ready and anxious to join with the Allies in striking a powerful blow against Austria and Germany. Such an advance into Austria through Budapest to Vienna would cut the communications of the Austrian Army in Italy—the only army of any consequence left to Austria—deprive it of its supplies and compel its surrender. Indeed, the mere threat of such an advance upon its communications kept it in such a state of demoralization that, when attacked about three weeks later by the Italian Army, it was easily driven from its strong defensive positions and almost destroyed.

In this connection, it is worthy of notice that Napoleon's march down the Danube in 1805 and seizure of the Austrian capital, after capturing an Austrian army under General Mack at Ulm, paralyzed the operations of the Austrian Army under the Archduke Charles in Italy and caused him to fall back before Masséna upon Vienna; and that Napoleon's great victory over the Austrian and Russian Armies at Austerlitz a few days later, not only resulted in the reconquering of Italy, but compelled both Russia and Austria to sue for peace. So in this war, as in the days of Napoleon, a successful battle fought by the Allies in the vicinity of Vienna would have conquered for them all Northern Italy.

Austria once defeated and out of the war, the way would be left open for the Saloniki and Italian armies to unite and attack Germany from the south. Such an attack would not only deprive her of the wheat, oil, platinum and other supplies which she had been obtaining from Rumania and the Ukraine, but, when pushed northward, would destroy or threaten the communications of her army on the western front with Berlin and other important German cities. Moreover, an advance from Vienna through the friendly territory of Bohemia would bring the allied army almost to Dresden and within 125 miles of Berlin. Such an invasion of her territory would mean, of course, the destruction of her railways, canals and cities; the blowing up of her bridges and munition plants and the laying waste of her fields. And there would be no way to prevent it, for she could not detach for this purpose any troops from the western front, since she was not then able to hold her own there. Even had troops been available, she could not continue to feed them and her own people with the British blockading her northern coasts and her sources of supply to the south destroyed. Seeing that all this would mean the bringing home to her people the ruin and desolation of war and, finally, the inevitable annihilation or capture of her great army on the western front, she realized that there was nothing to do but to make terms with the Allies.

On Sept. 28, the day following the request made by the Bulgarian Army for an armistice, Field Marshal Hindenburg and General Ludendorff considered the situation and decided that the need for immediate action had become imperative. Accordingly, on Sept. 29, they dispatched Major Baron ven dem Busche to Berlin to acquaint the German authorities with their decision. On Sept. 30 the Major met the Chancellor, Prince Maximilian of Baden, and the Vice Chancellor, von Payer, in Berlin and explained to them Hindenburg's and Ludendorff's views. On Oct. 2 he appeared before the assembled Reichstag leaders and in a speech made clear to them the military situation and concluded with these words:

"We can carry on the war for a substantial further period, we can cause the enemy further heavy losses, we can lay waste his country as we retire, but we cannot win the war.

"Realizing this fact, and in view of the course of events in general, the Field Marshal and General Ludendorff have resolved to propose to his Majesty that we bring the fighting to a close in order to avoid further sacrifices on the part of the German people and their allies.

"Just as our great offensive was brought to a stop on July 15, immediately it was seen that its continuation would involve undue sacrifice of life, so now we must make up our minds to abandon the further prosecution of the war as hopeless. There is still time for this. The German Army has still the strength to keep the enemy at bay for months, to achieve local successes and to cause further losses to the Entente. But each new day brings the enemy nearer to his aim and makes him the less ready to conclude a reasonable peace with us.

"We must accordingly lose no time. Every twenty-four hours that passes may make our position worse and give the enemy a clearer view of our present weakness.

"This might have the most disastrous consequences both for the prospects of peace and for the military position.

"Neither the army nor the people should do anything that might betray weakness. While the peace offer is made you at home must show a firm front to prove that you have the unbreakable will to continue the fight if the enemy refuse us peace or offer only humiliating conditions.

"If this should prove to be the case the army's power to resist will depend on a firm spirit being maintained at home and on the good morale that will permeate from home to the front."

On the next day, Oct. 3, Hindenburg himself appeared before a meeting of the German Cabinet at Berlin and in the following signed statement set forth the views of the General Headquarters of the German Army:

"General Headquarters holds to the demand made by it on Monday, the 29th of September, of this year, for an immediate offer of peace to the enemy.

"As a result of the collapse of the Macedonian front and of the weakening of our reserves in the west, which this has necessitated, and in view of the impossibility of making good the very heavy losses of the last few days, there appears to be no possibility, to the best of human judgment, of winning peace from our enemies by force of arms.

"The enemy, on the other hand, is continually throwing new and fresh reserves into the fight.

"The German Army still holds firmly together and beats off victoriously all the enemy's attacks, but the position grows more acute every day and may at any time compel us to take desperate measures.

"In these circumstances, the only right course is to give up the fight, in order to spare useless sacrifices for the German people and their allies. Every day wasted costs the lives of thousands of brave Germans."

Accordingly, on Oct. 4, 1918, just five days after Bulgaria withdrew from the war, the German Government requested "the immediate conclusion of an armistice on land and water and in the air."

This, then, was the situation: Bulgaria had been defeated and had withdrawn from the war, Turkey, as the result of the annihilation of her Palestine army and the victory of the Allies in the Balkans, had become absolutely powerless to continue the struggle and was making preparations to surrender. Austria, with her whole southern boundary open to attack and the communications of her army in Italy seriously threatened, was on the verge of complete collapse. There was needed only one more thrust of the Italian Army against her already partially demoralized troops on the Piave to defeat, rout and dissipate them and force her, too, out of the war. And Germany, her armies short of food and her people threatened with starvation, her supplies from overseas and outside countries cut off and her territory open to invasion from the south and no available troops with which to stop it, knew that she was beaten, not through the defeat of her great army on the western front, for that was still fighting without showing the least signs of demoralization and was to continue to fight desperately, for a period of five weeks through a most skillfully conducted retreat, but nevertheless beaten—beaten by the collapse of her rear, brought about by the great blow in the Balkans.

Thus the World War, which began in the Balkans, for the possession of the Balkans, ended in the Balkans.

WHY FRENCH CANADA FEARS THE CENSUS

THE main reason why the French Canadian population fears the decennial census, which was being taken when these pages went to press, is well known to all Canadians. Under the British North American act, which established the Constitution of the Dominion, it was provided that the Province of Quebec should have sixty-five seats in the House of Commons, while the representation of the other provinces was to depend on the electoral quotient of Quebec, or, in other words, on the total population divided by sixty-five. It is no secret that the other provinces, especially those in the west, are gaining population at a much more rapid rate than the provinces in the east. But whatever the increase in Quebec, it will not increase the French representation. An increase of representation for the other provinces, however, spells danger to French interests, and it is knowledge of this fact which makes many Canadians anxious that the census returns should show the full population. In this—according to a Montreal correspondent of The New York Globe—they are seconded by the French Canadian Church, which holds property interests rivaling those of the Mother Church in medieval Europe, and which fears that any change of representation may injure the Church.

A complication, however, has arisen from the peasants' fear of conscription, to which they are constitutionally opposed. Fearing that the census is merely a recruitment device, many of these peasant families either avoid making a complete census report or falsify the report so as to make it appear that no member of the family is of military age. The French political advisers are endeavoring to combat this tendency in the press, seconded in this by the exhortations of the clergy from the pulpit. But the French peasant, at home or abroad, is an obstinate mortal. The French leaders, therefore, fear that the census may bring a diminution of their Parliamentary power.

MME. CURIE'S FAMILY

To the Editor of Current History:

After reading "The Story of Radium in America" in the June issue of your magazine, I could not help feeling that it was my duty to correct a statement contained therein. I have reference to the statement attributed to Dr. Robert Abbe that Mme. Curie's father was a Polish Jew named Ladislaus Sklodowski and her mother a Swede. Being a personal friend of Mme. Curie's sister, Dr. Dluska, I affirm that both the father and mother of the illustrious scientist are Christians and Poles. For the information of Dr. Abbe I may give the following sketch of the family of Mme. Sklodowska Curie:

The Sklodowskis came from the village of Sklody, Province of Lomza, Poland. Her grandfather was a man of learning, and held the position of President of the gymnasium at Lublin. His eldest son, Wladyslaw, was the father of the future discoverer of radium. Her mother was Bronislawa Boguska—not a particularly Swedish name, it will be admitted. There were five children, the eldest of whom, Sofia, died during childhood; the next in line, Bronislawa—Mme. Dluska, my personal friend—after completing her medical studies at Paris, established and is still managing with her husband, Dr. Kazimierz Dluski, the famous sanatorium in Zakopane, Poland. The third child, Helena Szalayowa, is a prominent educator, and Joseph, the brother, is a very well known physician in Warsaw. The youngest of the five children was Mme. Marja Sklodowska Curie.

Evidently CURRENT HISTORY is not the only publication that has printed uncritically erroneous statements about Mme. Curie. I now see that Mme. Curie has found it necessary personally to take up the cudgels against the falsehoods disseminated about her. I herewith give a translation of a letter written by her in Polish to one of the papers in Chicago, namely, The Daily News:

> My Dear Mr. Czarnecki: Due to the fact that frequently there appear in the American press articles which are not in accord with the truth so far as my nationality and religion are concerned, I herewith request that you make public the fact that I was born in Poland, and that *both my parents are Polish by nationality and Roman Catholic by religion.* Both my father and mother are of purely Polish descent. I was born in the village of Sklody, Province of Lomza, Poland.
> (Signed) MARJA SKLODOWSKA CURIE.

If you will kindly publish the foregoing facts in CURRENT HISTORY your courtesy will be appreciated.

MRS. LOUIS CZAJKOWA.

80 Garfield Avenue, Detroit, Mich., June 23, 1921 (care of Polish Consulate).

THE DJAMBI OIL CONTROVERSY

To the Editor of Current History:

With reference to the Djambi oil controversy between the United States and Holland, as exposed in the June issue of CURRENT HISTORY, Page 405, permit me to observe that the last sentence of the penultimate paragraph contains a mistake, which is probably due to wrong translation. It should read, "The majority of the managers and of the directors are to be Netherlands subjects or *residents* of the Netherlands East Indies." This latter term includes aliens. (See third paragraph on Page 19 of Senate Document No. 11 of the Sixty-seventh Congress, First Session, which annuls the fourth paragraph of the American note No. 62 as printed on Page 24.) There are no restrictions as to the nationality of the stockholders.

You may be interested to know that the Djambi question in Holland has never been made so much an international issue as a point in domestic politics. When the petroleum companies operating fields in the Netherlands East Indies began to pay their comfortable dividends, attention was drawn to the desirability of keeping those profits within the country. The same question had turned up already in connection with tin concessions operated by purely Dutch interests, so that this movement has nothing to do with the protection of Dutch capital to the detriment of foreign capital. On the contrary, for various ventures the collabora-

tion of American capital has been invited, but with the exception of the splendid rubber plantations on the east coast of Sumatra, American participation has been very disappointing.

There exist three political parties, roughly speaking, which advocate the reservation of the mining profits for the Colonial Government, viz.: (a) the ethical party, which preaches that the Dutch have assumed a guardiansip over the natives; (b) the fiscal party, whose standpoint is that the best method for the Government Treasury to follow is to exploit domestic resources itself, and (c) the Socialist Party, which is in favor of State operation.

The result of the activities of these parties has been the closure of the Djambi territory to private exploration and the intrusting of researches to a Government geologist. As it was considered rather difficult for a Government to enter into the intricacies of the oil trade in the Far East, a harmonious solution was proposed by a contract in which the Government would obtain a certain part of the net profits. Tenders were invited; among others one Dutch company offered 62½ per cent. for a certain district, and the Bataafsche Company 50 per cent., while the Standard Oil Company merely proposed to allow 40 per cent. This shows that there was no discrimination against foreign capital; the American company considered itself automatically out of further consideration.

The bill embodying the two contracts—for 62½ and 50 per cent., respectively—was tabled because of a slight majority accepting a motion in favor of complete State exploitation. This decision was a general surprise, as the competition had been held on the understanding that it would enjoy the sanction of Parliament. The matter was taken up again by the Minister in 1915. As the option of the tenders had lapsed, the highest Dutch bidder withdrew its offer. This resulted in a suggestion from the Colonial Minister in 1917 that the Government should establish the Djambi Mineral Oil Company with the participation of the Bataafsche Company. In 1918 the preliminary written parliamentary reports were published.

To a neutral observer it is not quite clear why a foreign company which had been a lower bidder—just as there were other national lower bidders whose offers were rejected—now asks the intermediation of its Government in order to obtain a place next to the higher bidder. The bill as passed by the Second Chamber embodies and is the result of the original principles.

The Bataafsche Company will act as a producer and as a technical partner with the Government. In how far the sister institutions will benefit by the distribution is not certain, as the Government is and will become an important consumer for its various enterprises, such as the State railroads, which are already experimenting with American oil-burning locomotives, the Government scrap-metal foundry operated by liquid fuel, and the automobile services in the interior.

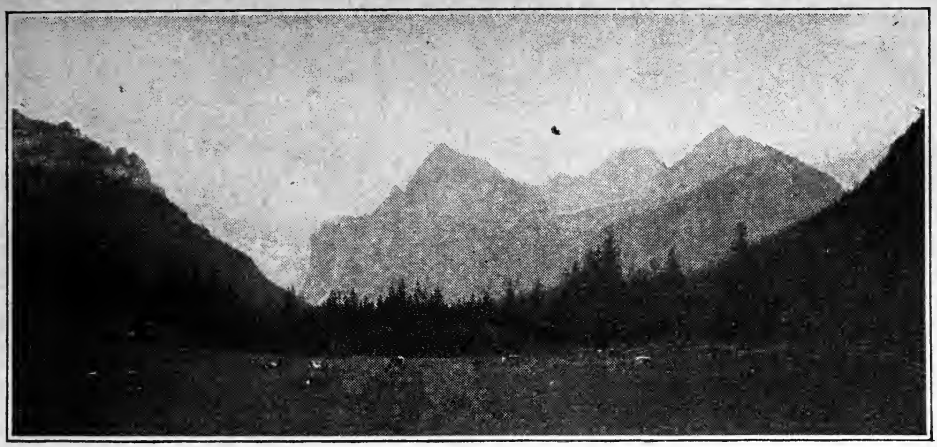
J. H. MUURLING.

Netherland Indian Government Intelligence Office and Produce Sample Room, 44 Beaver Street, New York, June 14, 1921.

Djambi Oil Bill Passed

The First Chamber of the Dutch Parliament, by 27 to 8, passed the Djambi Oil bill on July 1, providing for exploitation of valuable oil fields in Sumatra, Dutch East Indies, for forty years, by a combination of the Dutch Indian Government and the Batavia Oil Company, an offshoot of the Royal Dutch Shell combine, which is controlled in London. The measure is now a law, the Second Chamber having passed it on April 29. Under the bill the combination will have a capital of 10,000,000 guilders ($40,200,000 at parity), to be divided equally, but the company will be under the control of the Dutch Government, and the Directors must all be Dutchmen.

By adoption of the bill American interests are excluded from exploitation in the Djambi fields. This is Holland's answer to Secretary Hughes's notes in behalf of the Standard Oil Company. (See CURRENT HISTORY for June, p. 404, and July, p. 687.) In reply to the note of May 27 the Dutch Government denied that its act closing the Djambi fields to American participation was contrary to the principles of reciprocity. Moreover, the Dutch Government objected to the representing of its policy toward foreign nations as less liberal than that of the United States. The contrary, the note declared, was rather the case.



GLIMPSE OF BEAUTIFUL MOUNTAIN SCENERY IN ONE OF THE PICTURESQUE PROVINCES OF CZECHOSLOVAKIA

THE UPBUILDING OF CZECHOSLOVAKIA

By J. H. Wallis
Of the American Relief Administration

Rapid recovery of the new republic from the depression following the war—Problems with which it still has to cope—President Masaryk the Czech George Washington—Present status of industry, transportation, finance and commerce—The racial problem

TWO years ago in Prague (or Praha, as the Czechs call their capital city) there was a building known as "The Dead House." Its function was to house dying babies. Into this "Dead House" were put sick babies from 1 to 2 years old, whose condition appeared hopeless. There the little ones, who had had but a brief glimpse of human life, lay till death took them; lay without food, without medicine, cared for by nurses who could endure for only a few days at a time the deep, continual horror of "The Dead House." There was not enough food, not enough medicine, for those who had a chance; it would have been waste to give it to those condemned to death. That is one picture—a picture of Czechoslovakia early in the year 1919.

Here is another picture. It is Sunday, May 15, 1921. Through the streets of Prague flows a great parade. A hundred and fifty thousand farmers make up the vast procession. They are members of the Agrarian Party, the second largest political party in Czechoslovakia, and are in Prague to attend the great agricultural fair and exposition. That exposition lasted for five days and was visited by at least 2,000,000 people. It is said that the total number of visitors who came from outside Prague for the occasion was 300,000.

These visitors came from all parts of the Czechoslovak Republic and beyond. Two thousand Ruthenians from Pod Karpatka Rus, the tailpiece of Czechoslovakia, the section which Hapsburg misrule left greatly benighted, were in attendance—an encouraging sign. I saw a large group of swarthy Bulgarians inspecting the machinery exhibit, and many other European nations were represented in the vast throngs which attended the exposition. Americans who have seen a big State fair can visualize the appearance and nature of this Czechoslovak exposition. Animals, grains and machinery were the principal exhibits.

The exhibit of machinery was particularly significant. The larger machinery was exhibited in the open air, the smaller in a huge hall. Americans, who thoughtlessly believe that all the world's modern farm machinery is manufactured in the United States, would have had their eyes opened if they had visited the exposition at Prague. Power plows, gasoline tractors of various makes, thrashing machines, big and little, mowers, reapers, corn planters, potato diggers, new forms of harrows, disks and soil pulverizers, potato planters with an attachment for dropping the needed amount of fertilizer with the seed potato, rakes, stationary engines, road machinery, were among the items on exhibit. Practically everything needed for modern farming was included in the scope of the exposition—and it was all manufactured in Czechoslovakia. Many Americans do not realize that this new republic is a great manufacturing nation. A visit to the Prague exposition would have convinced them of the fact. And it would further have convinced them that a part, at least, of the life of this nation had returned to normal.

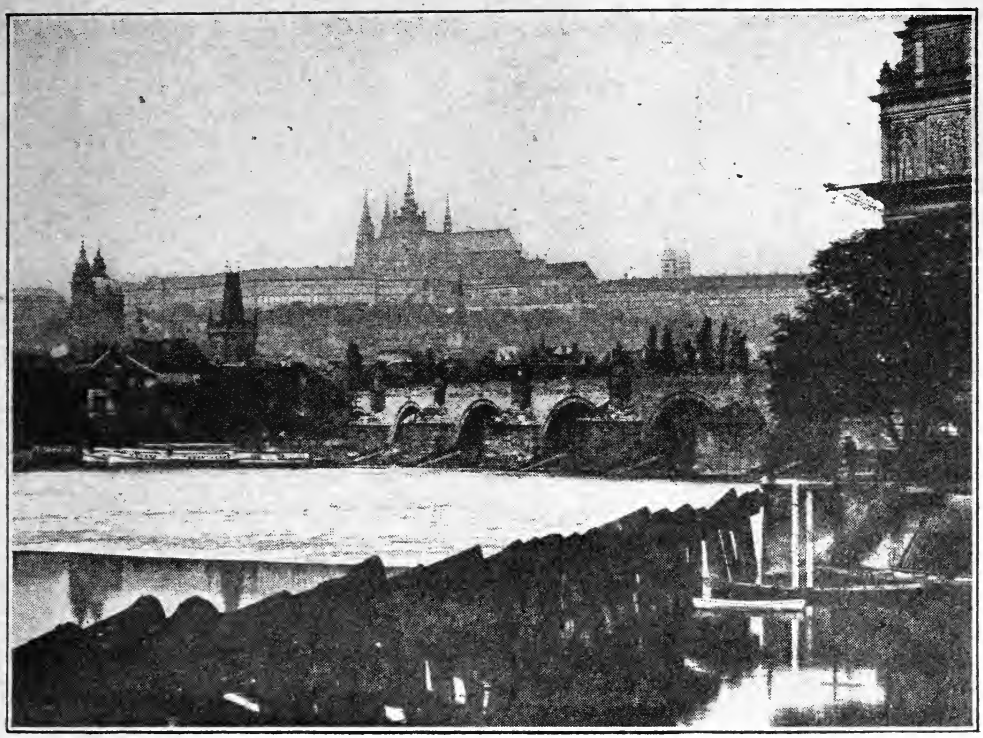
These two pictures are significant. The story of Czechoslovakia of today is a story of recovery. It would be ridiculous to say that the economic life of Czechoslovakia is normal, that things are as they ought to be or as the people want them to be. Czechoslovakia is affected by the world depression in business. It is unable at present to find satisfactory markets for its manufactures in other countries which it would naturally supply. The plight of Austria injures Czechoslovakia. The transportation problem is acute. There is still a serious shortage of milk. There is still considerable hardship in certain districts. Tests now being conducted by the American Relief Administration to determine scientifically the condition of the children being fed by that organization are disclosing a poorer state of nourishment than had been anticipated.

Yet the factory chimneys in Czechoslovakia are emitting smoke in a way that contrasts strikingly with the chimneys of Austria. The people have confidence and purpose in their attitude; they go about their business in a normal way, without fear, sure of the future. Most of them have enough to eat. Except in certain lines there is no food scarcity. "The Dead House" has disappeared so completely as to seem impossible; it seems a hundred years away instead of two. No longer is it necessary for the American Relief Administration to feed 500,000 children—nearly one-fifth of the entire child population—as it did for a year and a half. The American Relief Administration program extends now to less than 200,000 children, and this number will doubtless be greatly reduced during the Summer and Fall. That it is necessary at all is due more to the present lack of completely satisfactory social agencies for child-care and to the inequitable distribution, arising from the republic's newness as a nation, than to any positive lack of food supply in Czechoslovakia.

The Economic Situation

In Prague I sought out the leading banker of Czechoslovakia, Antonin Tille of the Zivnostenska Bank, to get his views on the economic situation and prospects of Czecho-

THOMAS G. MASARYK
President of Czechoslovakia, at a review of troops in Prague



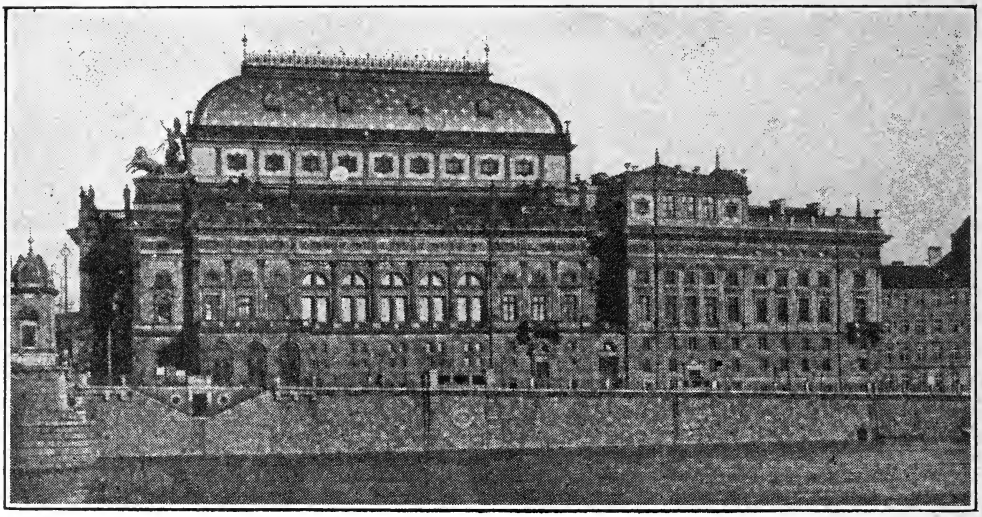
VIEW OF PRAGUE, THE CAPITAL OF CZECHOSLOVAKIA, SHOWING THE GREAT CASTLE AND CATHEDRAL ON THE HILL, WITH THE CHARLES BRIDGE OVER THE MOLDAU RIVER

slovakia. Mr. Tille was optimistic. He was confident of the future of the nation. He saw clearly enough the unsatisfactory elements in the present situation, the difficulties the new republic has to face, but he pointed out to me numerous items of strength possessed by Czechoslovakia and some very satisfactory features in the present situation:

The condition of industry in Czechoslovakia [he said] is not so bad as might be thought. Some branches are suffering from overproduction because they can find no markets for their goods. These are the industries depending mainly on export. For them the difficulties of transport and of exchange are acute. All our industries which depend upon foreign markets are suffering on account of the difficulties of transportation. There is a great lack of freight cars. Freight cars shipped into other countries are a long time in coming back, and some do not come back at all. Even though we repaint our cars and indicate on them in big letters that they belong to Czechoslovakia, they do not always come back. We are now manufacturing a good many cars, but this does not supply all our needs when cars remain so long on the way.

Exportation of goods is also hampered by the artificial restrictions placed in the way of business by some of the States of Central and Eastern Europe. The prosperity of our industries depends upon settlement of arrangements for commercial intercourse between countries. Czechoslovakia now has entered into commercial treaties with a number of States and is negotiating with others. We are in favor of agreements between States for free transit between non-contiguous countries across intervening countries without interference or restriction. The unsatisfactory financial situation in Austria is an injury to our trade. The action of the Austrian Government in issuing so many billions of unsecured paper has depreciated the value of the Austrian crown to such an extent that Austria is unable to buy our goods. For example, we formerly exported clothing to Austria, but the exchange situation prevents that at present. In general, however, our industrial condition is improving in ratio with Europe's adjustment to the new political arrangement, the removal of artificial barriers between States, and the establishment of freer intercourse between nations.

Dr. Alois Rashin, Czechoslovakia's first Finance Minister, to whose wisdom and



THE NATIONAL THEATRE IN PRAGUE, CENTRE OF THE CITY'S ARTISTIC AND SOCIAL LIFE, AND SCENE OF SOME OF THE EARLIEST ACTIVITIES FOR CZECHO-SLOVAK INDEPENDENCE

foresight is largely due the nation's relatively strong financial position, happened to be in the bank during my interview with Mr. Tille. Mr. Tille called Dr. Rashin into the conversation. Upon his arrival our discussion naturally turned to the financial position, plans and prospects of the Czechoslovak Government. I mentioned to Dr. Rashin the fact that the countries of Europe had not only abandoned the gold standard, but had really no definite standard at all at present, since one could get from any European Government for a piece of paper currency, on demand, not only no gold, but not even a definite amount of wheat or potatoes. I asked the former Finance Minister what plan or prospect there was of establishing the gold standard in Czechoslovakia.

Dr. Rashin replied as follows:

It was my hope on becoming Finance Minister of Czechoslovakia to be able at once to establish our currency on a gold basis, but I found that conditions made impossible the immediate or very early establishment of the gold standard. The chief cause of our inability to maintain a gold standard at once was the fact that Czechoslovakia had to take over about 9,000,000,000 crowns of old Austrian notes without any security back of them. This huge issue of notes made it impossible for us to secure a gold loan of sufficient size to establish a gold standard. We did not, however, give up the idea of a gold standard; we merely accepted the inevitable, and postponed the date of establishing such a standard.

Meanwhile we put into effect a system of heavy taxation, so that our money would not be further depreciated. Our currency above the 9,000,000,000 old and unsecured notes is secured by commercial paper, various other securities and some gold, the gold being about 265,000,000 crowns. Our banking office of the Ministry of Finance is not allowed to issue more notes without security. Our budget for 1921 more than balances. Our financial program calls for the reduction of our unsecured note issue through retirement by means of the application of a property tax. This property tax, or tax on capital, is a general one. Fortunes of 25,000 crowns or less—the present value of the crown being taken—are exempt. On fortunes above that the tax is graduated from 5 per cent. on small holdings up to 35 per cent. There are to be six semi-annual payments, so that the whole tax will be paid in three years. We estimate the entire sum to be received from this property tax at 12,000,000,000 crowns. So, in three years we expect to pay off the unsecured 9,000,000,000 of Austrian notes. Our remaining currency would then be fully secured by gold or securities, and our financial position would be such that we could approach the United States and get a gold loan, with which we could establish our currency on a gold basis.

It is interesting to note that Dr. Englis, successor to Dr. Rashin as Finance Minister, does not desire to bring the crown back to par. Yet he is, in general, following the sound financial policy laid down by Dr.

ENTRANCE TO THE GREAT CASTLE AT PRAGUE, PART OF WHICH IS NOW OCCUPIED BY PRESIDENT MASARYK

Rashin. His budget for 1921 more than balances with the receipts conservatively estimated; his postal and railroad budgets show a profit on account of higher rates, and he proposes to create a reserve of 1,000,000,000 marks with which to stabilize the crown.

What I wish to emphasize is the fact that the Government of Czechoslovakia is now, and has been, taking a wise and sound course in national finance. It is doing exceedingly well under the circumstances. Outside of England, it was the first European nation to "stop the printing presses," as the current phrase puts it; that is, to stop the inflation of the currency further by increased issues. These financial matters are of genuine importance in considering the situation and the outlook of Czechoslovakia.

In addition to the matters discussed above, I asked these two well-informed men about the political situation in Czechoslovakia. They agreed entirely on the following matters:

The Government of Czechoslovakia is stable and secure. Every one is satisfied with the republic; no one wants a monarchy, and no one wants Bolshevism. The present Government is strong, energetic, able and businesslike. The heads of the various Government departments, the Ministers, are now experts, specialists in their lines. They are not political figures, but men who understand the business of their offices and are giving a business administration. These men work in connection with a committee of five, named by the leading parties, with which committee all important matters are discussed. In this way the Government is certain of decisive support in its measures. Mr. Tille and Dr. Rashin further agreed that the relief work conducted by the American Relief Administration in feeding hundreds of thousands of children—560,000 being the high figures—had favorably affected the political situation of the nation.

"Where misery is, the people are easily influenced," said Mr. Tille, and this view was borne out by Dr. Rashin, who stated that the American relief work had made for political stability and security, diverting the people from following extreme leaders.

Industry and Commerce

Another important interview which I had was with Dr. Hodach, President of the Chamber of Commerce. Dr. Hodach told me that Czechoslovakia was working back to normal industrial conditions. "The spirit of the people is getting better," he said. "Prices are going down; the people see that the crown has value, and is not merely paper. Now that the people have more to

eat, they are naturally better satisfied." Speaking of industrial life, he said:

Our industries are suffering to some extent from high cost of production, which causes our costs in some lines to be greater than what the products will bring, greater than prices determined by world-demand. Our industrial problem is to reduce our costs of production. Our manufacturers are making all possible economies to meet the lower price level. They are cutting the number of workers to those absolutely necessary, they are accepting smaller profits. [Mr. Tille had told me that wages would have to be reduced sooner or later and, in this, Dr. Hodach seemed to agree.] In most industries our manufacturers are now able to operate and sell at lower prices.

It is difficult for us, however, to compete with our neghbors, whose costs of production are so low. Those of our industries which get their raw materials from abroad are in trouble, particularly those which had on hand large stocks of materials bought at high prices, for most of those materials have declined sharply in the international market, thus making the cost of the finished product greater for us than for those whose industries benefited sooner by the lower prices. Our cotton industry was an example of this, but in cotton the trouble is nearly over, for most of the dear cotton has been worked up, and we are now buying cheap cotton. The industries which get their raw materials in our own country, such as the sugar, malt, beer, starch, alcohol, ceramics and china industries, have had an easier time of it. Our industrial possibilities are good, but we had to have an adjustment. We are now liquidating the war. We are going through a crisis, not a crisis which goes to the root of industrial life, but a crisis of prices. I hope to see this price crisis ended this year.

Dr. Hodach confirmed the statement of Mr. Tille concerning the gravity of the international transport situation. He said the transport question in Western Europe had been settled, but not in Eastern Europe. "The cars of the old Austrian empire have not yet been divided among the successor States," he said. "The steamers on the Danube have not been divided. For us, the international situation has been distressing, but it is improving. We are building up our Danube port of Bratislava (Pressburg), and are improving our railways. Since the revolution we have built 25,000 cars, but it is not enough. We are building more all the time, and have bought about 2,500 abroad. We must have new railway lines to serve and develop the country, particularly in Slovakia." Dr. Hodach continued, as follows:

We must complete a system of commercial treaties. We now have such treaties in effect with some countries and are negotiating with the others. We must come to an arrangement to keep down duties. It is not possible for one country to have all the needed industries. We must get satisfactory international relations and have reasonable freedom of commercial intercourse. Czechoslovakia now has a system of duties in self-protection because the other countries have. It is the residue of the war spirit. During the war, a belligerent had to be self-dependent, but such is not now the case.

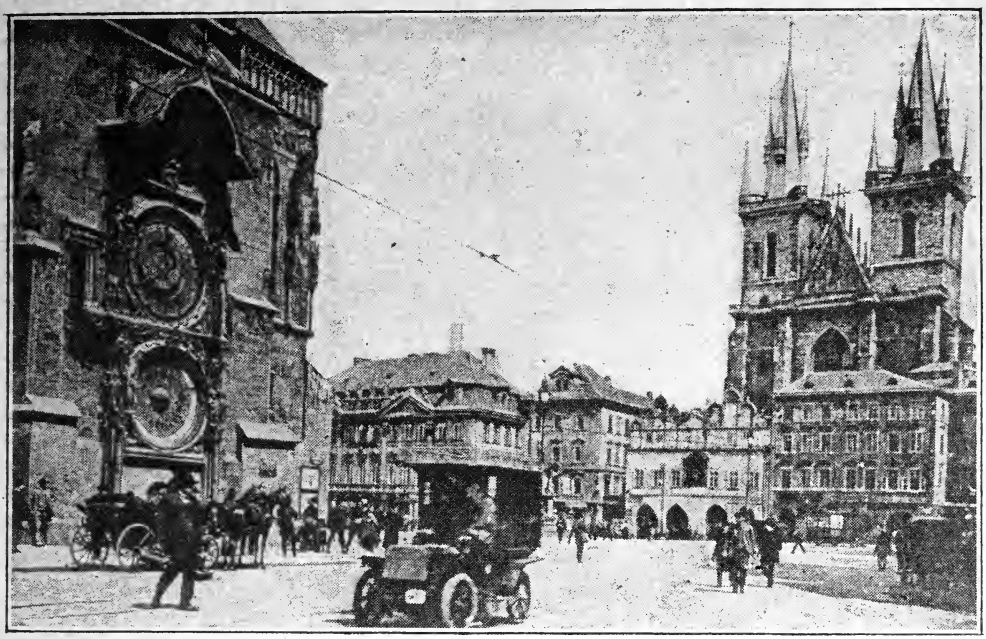
Czechoslovakia will go to the Porto Rosa Conference, the conference between the so-called Successor States, to be held for the purpose of removing unnecessary economic barriers, &c. Every conference bringing the new nations together is good. But we do not have exaggerated hopes. The biggest work is to be done through treaties between countries. We must have a satisfactory economic organization of Central and Eastern Europe through commercial treaties, but we will not have a political federation. We have the utmost interest in settling the international situation.

I give Dr. Hodach's views at some length because he represents the attitude of the responsible business men of Czechoslovakia. This attitude is clearly the expression of a rational spirit of conciliation, looking toward international freedom of intercourse and progress.

The Czech's George Washington

It was, lastly, my good fortune to have an interview with President Masaryk, the idol of every Czech, in very fact a present-day father of his country. When I saw him —on May 18—the President was convalescing from a severe and dangerous illness which had kept him in bed for three months, and which had alarmed all those who realize how necessary his presence still is for the success of his republic. He was to leave in a few days for a long rest in Italy. President Masaryk is more than 70 years old. On the occasion of our conversation he looked frail, and it was slowly and with some difficulty that he walked about the great room in an upper floor of the enormous castle—formerly royal—which spreads so mightily over the ridge that looks down on the great city of Prague and the beautiful Vltava [Moldau] River.

Dr. Masaryk spoke with happiness of the present relatively satisfactory condition of the Czechoslovakian Republic, and with confidence concerning the future. Naturally,



THE GREAT SQUARE IN PRAGUE, WITH THE FAMOUS FIFTEENTH CENTURY CLOCK (ON THE LEFT), IN WHICH FIGURES OF CHRIST AND THE TWELVE APOSTLES PARADE AND BOW AT THE STRIKING OF THE HOUR

much of our conversation was of America. The President expressed the deepest appreciation of America's part in the war, which had made the Czechoslovakian Republic a reality, and also of the work done by the American Relief Committee.

I asked the President for his photograph for use with this article. When he autographed it and gave it to me, I felt as if George Washington had returned from the days of America's infancy to do me such a favor, for I realized that the simple, modest, gracious man with whom I had been speaking is one of the great figures of today and destined to occupy a real and a large place in the history of Europe. He invited me to one of the windows of the castle from which can be obtained a wonderful view of the ancient and picturesque city of Prague. Leaning on the window sill, he pointed out a number of places of beauty and historic interest, in the towered city lit with sunlight, along the river spanned by noble bridges far below us and on the adjoining hill.

Thomas G. Masåryk is accepted universally in Czechoslovakia as a national hero. If he were dead a hundred years, he could not receive more undisputed homage. It is well that Czechoslovakia, in its infant years, has such a national figure, such a rallying point, as Masaryk. He is a unifying force of the first magnitude for the new republic.

Foreign Policy

Czechoslovakia has another strong, able and patriotic statesman in Dr. E. Benesh, the Minister of Foreign Affairs. Like Masaryk, Benesh is not aligned with any of the parties; he is a national, not a political, figure. Under his wise guidance Czechoslovakia has been carefully keeping out of international trouble, and, if his policy prevails, will continue to keep out of trouble. He is the father of the so-called "Little Entente," as the protective alliance between Czechoslovakia, Rumania and Jugoslavia is called. There is nothing secret about the understanding between these three States. Dr. Benesh says that the "Little Entente" is a natural and essential arrangement for peace and stability in Central Europe. One good job the "Little Entente" performed speedily and satisfactorily was the squashing of ex-Emperor Karl's attempt to regain the throne of Hun-

gary. Hungary and Karl were warned that the three allied nations would not permit his return to power. A time limit for his departure from Hungary was set—and he departed.

This hostile attitude toward the Hapsburgs, justified abundantly by remembrance of centuries of oppression and cruelty, is the only warlike note in Czechoslovakia's foreign policy. Except for that item, this policy, as set forth fully in a speech delivered by Dr. Benesh in January, is one of peace and amity with all Czechoslovakia's neighbors, including Germany, Austria and Hungary; of neutrality between all belligerents, and of close collaboration with the Entente powers. Czechoslovakia is for peace and economic reconstruction in Central Europe, for international co-operation and good mutual relations. Her behavior has proved the sincerity of her declarations. Her policy and her behavior alike offer bright hopes for the future.

The Racial Problem

Czechoslovakia, like the other newly established nations, has her own internal race problem. There are in Czechoslovakia about 6,700,000 Czechs, about 2,000,000 Slovaks, about 3,800,000 Germans, about 900,000 Magyars, about 400,000 Russians or Ruthenians and about 130,000 Poles. The Czechs and Slovaks are Slavs and feel themselves akin. Their languages are variants from the same source, the Slovak being the archaic Bohemian dialect. Dr. Nikolau states that "the Czechs and the Slovaks, without any special studies, can read newspapers and books written in each other's literary language, and when speaking understand each other better still." Statements from hostile sources to the contrary, it is most probable that the Czech and Slovak sections of the population of the republic will work in satisfactory harmony together, becoming more, rather than less, unified with the years. The Czechs and Slovaks together won liberty and nationality for Czechoslovakia, and it is not likely that their naturally racial and mutually advantageous bond can be broken.

The Ruthenians are Russians dwelling south of the Carpathians. They are, of course, of the same great Slav origin as the Czechs and Slovaks. Their speech is not greatly different from the Slovak, but in religion they adhere to the Russian Church. They are very illiterate, about 95 per cent. being unable to read or write. It is said that they became part of the Czechoslovak Nation of their own free will, but it seems doubtful that they have any genuine attachment of a nationalistic sort to Czechoslovakia. Their gaze is toward Russia. Formerly they suffered under the despotism of Hungary, and their illiteracy is due to that despotism. Dwelling south of the mountain range, they find union with a genuine Russian State geographically difficult, and in joining with Czechoslovakia they perhaps came as close to political union with their own kind as circumstances permitted from a practical point of view. They furnish something of a political problem for Czechoslovakia, a problem not yet settled. Czechoslovakia proposes to solve the problem by education.

In contrast with the Ruthenians, occupying homogeneously a distinct geographical section of the republic, and classifiable as unassimilated rather than hostile, the Magyars may be called a hostile element. But they do not occupy so distinct a geographical section as do the Ruthenians in the eastern tail of Czechoslovakia. The Polish element is a minor matter.

The German Problem

The big racial problem which Czechoslovakia has to solve concerns the German element of nearly 4,000,000. Only a short time ago the Germans in Czechoslovakia were members of the ruling race, while the Czechs and Slovaks were the subject peoples. It was hardly to be expected that the Czechs, oppressed and exploited for centuries, were going to clasp to their bosoms at once the remnants of the oppressor race who continued to reside among them after the winning of freedom. Not only do the Czechs recall centuries of oppression; they also remember that, in the great war, the rulers of the Central Powers compelled the Czechs to fight for their oppressors against those who would liberate them. Further, the Czechs remember how they were used as the work horses of the old Austrian Empire, and taxed for the benefit of Austria, particularly of Vienna. It would have been more than human had the Czechs, immediately after gaining their independence, be-

gun to love their enemies. Nor was it to be expected that the German element, suddenly become the underdog after centuries of superiority, would feel quite pleased about the matter.

The feeling between the two elements, however, is growing better. Whereas, a year ago, a Czech to whom a question was put in German would refuse to answer, German is now used without especial notice, even by some of the clerks in the Government offices. This language question appears a hard one. The Czechs certainly do not intend to give up their language, nor do the Germans intend to give up theirs. The Czechs are not attempting to extirpate the German language. The Germans have separate schools for both primary and higher education. German representatives in Parliament, of different political faiths and different economic views, all belong to a German party group, or Central Parliamentary Organization of the German parties. The fact that they are German is, thus far, of greater strength than their differences of party; thus far, they are unitedly German first, and Social Democrats, Agrarians, Clericals, or National Democrats afterward.

Recently President Masaryk invited the German Party group to discuss with him their relations with the Government. Upon communication of the invitation to the different German parties, it was discussed among the German clubs and it was decided to accept, provided the "full meeting" of the Central Parliamentary Organization raised no objection. When that organization met, the radical wing opposed accepting the invitation. Upon a vote being taken, the result was a draw, which was decided against accepting by the vote of the Chairman.

But before the meeting, the German League of Farmers had, without consulting the other parties or waiting for a group meeting, sent a representative to see President Masaryk. To this representative President Masaryk promised that a place would be made in the new Cabinet for a German and that Germans would be called to important posts in the Government. When the German representative asked the President what concessions would be demanded from the Germans in return, President Masaryk said that nothing would be demanded, but that a relaxation of the tension would be expected. Mr. Masaryk's spirit of humanity and conciliation—a spirit worthy of Abraham Lincoln—made a favorable impression upon the Germans, and the German press severely criticised the refusal of the German Parliamentary group to accept the President's invitation.

America, through the work of the American Relief Administration, has done something to bring Czechs and Germans together. The co-operation on committees and the impartiality in distribution have been effective in creating mutual confidence, respect and sympathy.

It must be admitted that the German problem is a large one for Czechoslovakia. America has different races to weld, but she is not trying to weld them into one of their own old races. Yet, if the Masaryk spirit of fair play and humanity prevails, the problem is not too big a one for Czechoslovakia to solve. The Welsh are not the same race as the English, yet there seems to be racial harmony in the largest of the British Isles.

The Czechoslovak People

Czechoslovakia is a land of great natural resources. But after all, or before all, a nation's greatest wealth is its citizens. Not fat lands, rich mines, vast forests or favorable climate constitute the fundamental strength of a nation; a nation's strength, or weakness—a nation's hope, or despair—lies in its sons and daughters. Then, what of the people of Czechoslovakia? Do these people possess the character which, above material resources, promises success for the nation? I think they do. The Czechs are physically strong and healthy. They are mentally purposeful, confident in themselves, energetic, determined, industrious. They are almost entirely without illiteracy. They are reasonably intelligent. They are willing to learn from others, especially from America and England. They are not afraid to work. The Slovaks are Czechs less developed. They have more illiterates; about 30 per cent. of the Slovaks are illiterate. Slovakia needs not only industrial and economic development, but education—and the Government is giving it education. But the basic character on which nations are built is there also. The German element—more than a fourth of the population—

should furnish value to the nation also, if the racial problem is wisely handled. The Czechoslovaks have been the work horses for Austria; now they work for themselves.

As an example of Czechoslovak energy and determination may be mentioned the building activities of the students in Prague. Prague is fearfully short of dwellings; all the new capitals are—as well as many other places. To supply quarters, 2,200 students, under the direction of architects and assisted by skilled mechanics, are erecting emergency wooden dormitories. These dormitories will house 700 students. The land is leased by the Students' Alliance from the City of Prague. It is expected that the dormitories will be entirely finished by September, which means an actual working time of seven months.

Czechoslovakia is doing other building than for students. One sees no building in Austria, and the change on entering Czechoslovakia is noticeable. The Government has been giving financial guarantees to encourage the building of dwellings. Under a guarantee of interest and amortization of capital by the Government to banks making loans to home builders, 6,000 houses have already been built. Under this plan the Government dictates the rents in order to protect its guarantees. Individuals or corporations investing in new houses for the working classes get the right to deduct from their income subject to taxation, before the tax is applied, 7 per cent. per annum of the cost of their new buildings for a period of ten years, or 70 per cent. in all. This inducement has resulted in the building of some houses, and is expected to have further results. But more ambitious is the lottery loan now being offered for subscription, the proceeds of which are to be used to finance, through the banks, the building of houses. It is hoped to raise 1,000,000,000 crowns (about $14,285,714, at the present rate of exchange) by means of this loan. The rate of interest is to be 2 per cent. in addition to the prizes of the lottery. This loan will result in the building of a good many dwellings—far more than could be built for the same number of dollars in America. Czecholovakia is not lying helplessly on her back, waiting for Providence to provide homes for the people.

The educational program of Czechoslovakia is an enlightened one. Illiteracy among the Czechs and Germans in the country is practically nil, but it is considerable among the Slovaks and (as stated above) almost general among the Ruthenians. The Czechoslovak Government realizes the necessity and the importance of education. The Government's appreciation of the necessity of a great educational program is clearly shown in the cold figures in the budget. The 1920 budget carried 198,000,000 crowns for public education; the 1921 budget carries 599,000,000 crowns for public education—three times as much as for 1920. And in the 1921 budget appears the entirely new item of 26,000,000 crowns for schools in Ruthenia. Those figures tell a story of purpose and aspiration. Dr. Alice Masaryk, the President's daughter, who, as a political prisoner, spent many months in an Austrian jail with thieves, ruffians and other common criminals, told me that during the past three years 3,000 schools had been established in Slovakia and Ruthenia. Does this not indicate that Czechoslovakia understands what are the basic, essential things of national life and progress?

The attitude of Czechoslovakia toward America is one of admiration and emulation. This new republic is grateful to the great Republic for the part America played in gaining Czechoslovak liberty and in founding the Czechoslovak State. Ex-President Wilson is still immensely popular in Czechoslovakia. The great railroad station in Prague is called the Wilson Station. Pictures and bronze medallions of Mr. Wilson are coupled with pictures and medallions of President Masaryk in offices, schools, hotel lobbies and elsewhere all over the country. The relief work conducted through the American Relief Administration has also made a deep impression. Miss Masaryk said she felt sure that, when an impartial view of the war period could be obtained, the relief activities brought about by Mr. Hoover would be rated of great historic importance, the first post-war activity of the sort in history. Dr. Hodach, whom I have quoted above, said to me concerning the relief work: "Mr. Hoover's work here not only relieved distress, not only improved the spirit of the people and stabilized conditions, but it taught us methods of work and organization, co-operation

and self-help." In fact, it is now expected that out of the organization created by the American relief will develop a permanent national institution of child welfare—a substantial, enduring result springing from an emergency action.

Dr. Dumba, formerly Austrian Ambassador to the United States, whose activities caused his dismissal before we declared war on Austria, is said to have offered recently predictions concerning the life of the new or expanded nations of Central Europe. To Rumania he granted the longest life. Poland, I think, had about five years in his opinion, and Jugoslavia about ten. Czechoslovakia, Dr. Dumba thought, might break up any time, in two or three years perhaps. Doubtless in the mind of the old Austrian the wish is father to the thought. Czechoslovakia looks good to me. I think it promises well. It has a deep racial tradition—among the Czechs—going far into the past. It has tremendous resources. It has character. It has wise statesmen. It has Masaryk—let us hope for long! I think Masaryk has builded well. Looking back on my visit to Czechoslovakia, the picture which comes most strongly to my mind is that of President Masaryk—a frail old man, not a militarist, not a demagogue, but perhaps the most generally accepted, the most unsoiled European hero of our generation—leaning from the window of the vast castle, no longer possessed by his country's oppressors, and pointing out, with love and pride, the beauties of the ancient capital city of the nation reborn, under his leadership, to a freer life. I do not think his labor is to be in vain, or his vision to be proved false.

CZECHOSLOVAKIA'S RIGHT TO STATEHOOD ASSAILED

By Anthony Pessenlehner, LL. D.*

An extreme Hungarian view which holds that the new republic headed by President Masaryk has no valid ground for autonomous existence—An attempt to disprove its claims on historical, political, economic and ethnical grounds

HISTORIC, political, economic and even ethnographic considerations were rudely cast aside in the calling into life of Czechoslovakia, a State built upon a fictitious theory of the racial identity of the Czechs, Moravians, Slovaks and Ruthenians, the last now preferentially called Rusins by the Czechs.

To defend the existence of Czechoslovakia from a historical viewpoint is a hopeless task. There once was a Czech Kingdom, a Moravian Duchy, a no man's land in the north of Hungary sparsely populated by some Slavic tribe—not Czech and not even the ancestral line of the present Slovaks—and a mountainous country, uninhabited until the middle of the fourteenth century, now called Podkarpatska Rusinia. These are the four constituent parts of Czechoslovakia; of the four, Bohemia proper is the only one that had known an organized state-life, a nationalistic existence. Only in the case of Bohemia proper, which was situated entirely within the confines of the late Austria, can there be any assertion of a recurrence to past history, to a revival of a State that had once been in existence and lived a national life of independence. There never was an independent country known as Moravia, Slovakia, Ruthenia, or Rusinia. There was a Bohemia

*Space is given to this Hungarian attack on Czechoslovakia for the purpose of presenting an issue which is pregnant with danger in Southeastern Europe. The editor, however, does not wish to convey either indorsement of the arguments or corroboration of the claims set forth. It may be added that the author of the article, an attorney living in Youngstown, Ohio, is a native of Hungary and received his degree from Budapest University. He also studied at Edinburgh, Scotland. After practicing his profession in Hungary he came to the United States in 1911 and became a naturalized citizen in 1919.—Editor Current History Magazine.

until the disastrous battle of the White Mountains in 1647, when the Czechs were defeated by the Austrians and their country was incorporated into the realm of the Hapsburgs.

Until a few decades ago the Czechs were quite content with their lot within the confines of Austria, being ruled over by the Hapsburg Kaiser according to his pleasure. Not only were they content with their humiliating rôle, but they proved the most zealous supporters of their overlords, as shown in the liberty war of 1848, when the Magyars, who had come under Hapsburg rule under quite different circumstances, once more asserted their national independence and waged war against the usurpers. In this noble effort to overthrow the Hapsburgs, the Magyars found themselves opposed by the Czechs, who were the most willing tools in the hands of the despot and gladly volunteered to fight the Magyars and keep their country in subjection after Russians choked the so-far-victorious revolution. It seemed as if the Czechs were afraid that the Hapsburgs might be weakened enough to restore their own (Czech) independence. Czech bureaucrats were sent to Hungary to quell the national spirit, and again Czechs were the most useful spies of the Hapsburgs against the Hungarians in the black years that followed the lost revolution.

Political history does not uphold the State known as Czechoslovakia. The parts now constituting Czechoslovakia never formed one unit and have never known a sentiment of cohesion. They were distinctly foreign and alien to each other. Bohemia lived its own life. Moravia was a Polish province. Slovakia was non-existent, its territory being under the rule of the Magyars, who occupied it as early as 896. Ruthenia also was under Magyar rule, but unpopulated, because of its barren lands and high mountains. The country known as Hungary in 896 was the same country known as Hungary in 1914, the year of the outbreak of the war, not an inch having been added to the original area by conquest or otherwise during a period of 1,000 years.

The Magyars would not object to an independent Bohemia carved out of what was formerly known as Austria, because once the Czechs did in fact own their own country and live an organized state-life. But why should the Czechs be given Slovakia and Uhro-Rusinia, which never belonged to them, and whose populace to a large extent is opposed to incorporation into Czechoslovakia? The coup was accomplished through deliberate falsification of past history and the misleading, but a thousand times disproved, theory of the racial identity of the Czechs, the Slovaks and the Ruthenians.

When more than a thousand years ago the Magyars, by the united attacks of the Bulgars and Petchenechs, two ferocious races, were driven out of their original European settlement on the shores of the Black Sea and the lower Danube, they moved westward and organized the State of Hungary upon the shores of the Middle Danube and the Tisza. No rights of other nations were violated by this occupancy, because the land was uninhabited, a statement subscribed to by various historians and contemporaries, one of which is Alfred the Great, King of England.

In a few years the land was extended northward and westward, the Pannonian and Moravian Slavs having been incorporated into the Hungarian State. But these Slavs, not ancestors of the present Slovaks, were not annihilated or subjugated according to the rules of warfare of those times, but were absorbed into the nation, and even adopted into the Hungarian nobility. Thus they were granted the same privileges that were attendant upon being of the noble caste, while those not taken into the nobility simply shared the lot of other Magyars. Unification thus was accomplished by mutual consent, and many terms in the Hungarian language still offer proof that there was a thorough mingling and unification of the Magyars and whatever Slavs were found in the country. These Slavs spoke an entirely different language from the Czech, Slovak or Moravian of today. They populated the northwesterly part of what was Hungary before the war, and more especially the plains bordered by the present Lower Austria and by the Rivers Morva and Garam.

The mountainous part of Northwestern Hungary was a dividing territory between Hungary and Poland, and, at the beginning of the eleventh century, between the newly created Moravian and Polish duchies. The Czechs had nothing to do with this territory, because their country was situated further west and north, and did not reach so far

south and east. Czechs began to appear in this part of Europe in the fifteenth century, when the followers of John Huss, and later the unscrupulous leader Giskra, distinguished themselves by wholesale plunder.

In later times, when family ties were established between the Moravian and Polish Dukes and the Hungarian reigning dynasty —then purely Magyar and lineal descendants of the clan of Arpad, conqueror of the land—there was no need for a protective corridor in these mountainous and wooded northwesterly parts, and colonization began. Germans and later the White-Croatians—ancestors of our present-day Slovaks—were settled and commissioned to clear the forests and make the country more apt for cultivation. This happened at about the eleventh century, and this accounts for the nomenclature applied to hamlets and towns, most of them ending in what would be the equivalent of "cut" (cutting the forests) in English.

The Ruthenians in the territory now called Podkarpatska Rusinia by the Czechs, immigrated in the fifteenth century. From the neighboring country, called Red Russia (in a different sense from our present Red Russia), the people were granted the privilege to pasture their cattle on this territory; but, later, the Hungarian King came to the conclusion that a colonized country would yield greater revenues, and the same process ensued that was previously witnessed in the northwestern regions of the country. Thus neither the Slovaks nor the Ruthenians, much less the Czechs, were aborigines in the part of Hungary now known as Slovakia. The immediate predecessors of the Slovaks, the Pannonian Slavs, were living further south under Svatopluk, and gave up their claims to the land so soon as Arpad and his Hungarian warriors appeared. Indeed, it was a bloodless conquest, since these Slavs offered no resistance, but received the Hungarians as their superiors, offering them earth, grass and water as symbols of submission.

This is the plain truth about the national and political history of the territory now included in the realm of the Czechs as Slovakia and Podkarpatska Rusinia. The Slovaks and Ruthenians were only immigrants, and the Czechs were not even that. No organized State life existed upon these territories before the Hungarian State was called into existence and welded them into the dominion of the Kings of Hungary. Nothing was destroyed or taken away by the rule of the Hungarians, but things were created instead. This fact is attested by several authorities of non-Hungarian origin, including the American, the Rev. B. F. Tefft, D. D.; Professor N. S. Shaler of Harvard University, F. D. Millet; the English authors, Knatchbull-Huggessen, Kellner, W. B. Forster Borill, Charles Proxton, &c.

From an ethnographic viewpoint, likewise, there is no foundation for Czechoslovakia. The Czechs, Moravians, Slovaks and Ruthenians are undeniably closely related, but so are all Slavs. If these four branches of the Slav family had to be united, the question can be asked, Why not unite the whole of Slavdom and make one country of the Russians, Poles, Ukrainians, and the rest of the numberless branches of the Slavs? Even if there were an indisputable ethnographic bond uniting the Slavs in Czechoslovakia, are ethnic considerations supreme, and should history, past national existence, geography, economics, political constellations, recognized as just and desirable for ten centuries, all defer to one principle arbitrarily chosen and defensible only on very weak ground?

Economic conditions are such in Slovakia that the country is dependent on Hungary for its livelihood. Slovaks funrish the timber needed in Hungary, while in times of harvest a multitude of Slovaks used to descend to the Hungarian plains and furnish a large quota of the necessary hands to reap the harvest. Because of the new alignment, this is brought to an end; consequently the Slovaks, in a large measure, are deprived of their livelihood. The rivers of Slovakia empty into the Danube, which offers the natural waterway, together with the Tisza, of the geographical entity known as Hungary, as it was before the war. Through severance of railroad trunk lines the whole transportation system of Hungary is badly crippled, and Slovakia suffers in equal measure. In short, not only Hungary but also Slovakia is hopelessly mutilated in an economic sense for no reason but to honor the wish of the Czechs.

On top of this there are grave signs that the Slovaks and Ruthenians do not wish to be included in the Czechoslovak State. The promise was made to them, through the

medium of so-called plebiscites in America, that they were to be granted self-determination; but when it came to fulfilling this promise all sorts of excuses were resorted to. Now both the Slovaks and Ruthenians, wishing to avoid utter destruction, clamor for autonomy—within Czechoslovakia, if it must be; but even this is considered dangerous to Czech interests. Of course, the Peace Council has acted, and now no agreement is deemed binding any more.

Neither the Slovaks nor the Ruthenians ever dreamed of secession from the Hungarian State. The first sign of any separatist consideration for the Slovaks was offered in 1848, when the Hapsburg dynasty sought aid against the victorious Hungarians among Hungary's nationalities. A certain Hurban then offered a memorandum to Emperor Francis Joseph in which some linguistic privileges were embodied. Upon this, some paid agents of the blind Austrian camarilla started agitation among the Slovaks for a Russian orientation under the pretext of unifying all Slavs. This was a failure and did not meet with the approval of the conscious leaders or of the masses of the Slovak people. New channels of interest had to be opened, and upon the leadership of Masaryk, now President of Czechoslovakia, agitation toward an alignment with Bohemia was initiated, Dr. Srobar having been its sponsor in Slovakia. There was a small group who subscribed to this plan, but in the main the Slovak people were against it, and even among the leaders there was no consent. The more weighty spokesmen of the Slovaks wished some special recognition in the form of unlimited and official use of the Slovak language, but unequivocally declared that they wished to remain with Hungary. A general European conflagration had to be brought about to realize the dreams of a few office seekers. The masses of the Slovak people remained loyal to Hungary, contrary to the manifestations of the Czechs, who committed wholesale desertions in the war. Srobar was appointed dictator of Slovakia after the conclusion of peace, but he lost even the limited confidence he enjoyed in Slovakia and had to resign. The resignation of Srobar can well be taken as proof that his Czech sympathies lacked support in Slovakia.

The Ruthenians were always loyal subjects of Hungary. In the time of the liberty war by Francis Rakoczi II. they furnished his most dependable soldiers; he called them "the most loyal race." Now these Ruthenians are surprised to find that they are wanted to form part of the Czech Empire. In their predicament, knowing, as the Slovaks do, that they can hope for nothing better, they wish at least autonomous self-government. Like the Slovaks, they are between the devil and the deep sea.

SPAIN'S MINISTERIAL DIFFICULTIES

[Period Ended July 10, 1921]

MINISTERIAL dissensions began to manifest themselves on July 4, and Manuel Arguelles, the Minister of Finance, resigned, insisting that the new tariff, which went into effect on May 19, and the commercial treaties were prejudicial to the interests of labor. The revised tariff did away with cases of most favored nations, and was of a provisional character, pending a new commercial treaty or a modus vivendi to be negotiated in each case. The next day the rest of the Cabinet joined Arguelles, but the King called Señor Allende Salazar to the Palace, and, by his arguments, they all consented to remain, save the Minister of Finance, whose portfolio was immediately taken by Marino Ordonez.

Spain badly needs a new division in her Moroccan campaign, but the War Minister dares not ask for it. General Berenquer reports that, despite a reverse on June 7, he is continuing his march on Alhucemas.

Spain has lodged a note of protest at Paris. Before the war the Sultan of Morocco had granted a concession at the Port of Tangier to an international corporation identified with Spanish, British, German, and Austrian interests. The enemy alien interests were ceded by the Versailles and St. Germain treaties to France. They represent 53 per cent. of the stock, while only 20 per cent. is held by Spain, who thinks she should have had the right to acquire the 53 per cent. Hence the protest.

THE BRITISH IMPERIAL CONFERENCE

Great problems of the Empire discussed by British and Colonial statesmen in London—The Dominions gain an unprecedented share of power in directing imperial policy—Anglo-Japanese alliance freely discussed and "automatically extended" for one year

[Period Ended July 10, 1921]

A CONFERENCE characterized as momentous beyond precedent in its bearing on the welfare and unity of the British Empire was opened at noon in the official residence of the Prime Minister in Downing Street, London, on June 20. The entire absence of spectacular features lent color to the conviction that the leading British and Colonial statesmen had gathered for the discussion of problems of supreme importance not only to the British Empire, but to the whole world. This seemed to be the impression upon the crowd in Whitehall watching the arrival of the Colonial delegates, who, in turn, were received by Messrs. Lloyd George, E. S. Montagu, Austen Chamberlain, Winston Churchill and A. J. Balfour. The delegates were:

South Africa—General Smuts, Prime Minister; Sir Thomas W. Smart, Minister of Agriculture; Colonel Mentz, Minister of Defense.

Canada—Arthur Meighen, Prime Minister.

Australia—W. M. Hughes, Prime Minister.

New Zealand—W. F. Massey, Prime Minister.

India—Maharaja of Cutch and Irimvass Gaitre.

At this great historic meeting Premier Lloyd George welcomed the delegates in a notable inaugural speech. It was especially marked by his declaration that friendly cooperation with the United States was a cardinal principle of empire policy. "We are ready," he declared, "to discuss with American statesmen any proposal for the limitation of armaments which they wish to set out, and we can undertake that no such overtures will find lack of willingness on our part to meet them."

Turning by implication to the Japanese Alliance, the Premier praised the loyalty of Japan in the war and said it was desired to preserve that "well-tried friendship which has stood us both in good stead, and to apply it to the solution of all questions in the Far East, where Japan has special interests and where we ourselves, like the United States, desire equal opportunities and the open door." With regard to Colonial relations Mr. Lloyd George remarked that there was a time when Downing Street controlled the empire, but now the empire had charge of Downing Street. The Dominions, as signatories of the Treaty of Versailles and members of the League of Nations, had achieved full national status. Any suggestions from them concerning the foreign policy of the empire, therefore, would receive a full measure of welcome. India had also proved her right to a new status in the councils of the British Commonwealth.

The meeting of June 21 was made memorable by speeches from Jan Christian Smuts of South Africa and Premier Hughes of Australia. Both urged the conference to invite America and Japan to discuss limitation of naval armaments; the storm centre of the world, they agreed, was now in the Pacific. The two statesmen, however, seemed to be divided on the question of renewal of the Anglo-Japanese Alliance. While Premier Smuts came out strongly against the treaty, and was supported by Premier Meighen of Canada, Premier Hughes was, broadly speaking, in favor of it, finding a sympathetic follower in Premier Massey of New Zealand. But the Australian Premier was not oblivious to difficulties, the chief of which was the attitude of America toward the treaty.

> I am sure I state the opinion of Australia [he said] when I say her people have a very warm corner in their hearts for America. They see in America today what they themselves hope to be in the future. We have a country very similar in extent and resources, and it may be laid down as a sine qua non that any future treaty with Japan to be satisfactory to Australia must specifically exclude the possibility of war with the United States of America. It ought to do this specifically, but if not specifically then

by implication so clear and unmistakable that he who runs may read. * * * In any future treaty we must guard against even a suspicion of hostility or unfriendliness to the United States.

Premier Meighen of Canada on June 27 presented to the conference what was in effect a declaration of Dominion rights in relation to the foreign affairs of the empire. Although the speech and the discussions which ensued were not made public, it was understood that the four cardinal points of the declaration were as follows:

1. That on all questions of foreign policy which more directly concern the British Government, such as matters arising in connection with Palestine, Mesopotamia and the Middle East, the Governments of the Dominions should be kept thoroughly and constantly informed.

2. That upon all questions of foreign policy affecting the empire as a whole the Dominion Governments must be consulted.

3. That the British Government should enter into no treaties or special alliances without consultation with and the advice of the Dominions, and that all such treaties, even when entered into, should be subject to the approval of the Dominion Parliaments.

4. That upon all questions arising as between the United States and Canada the advice of the Dominion Government must be accepted as final.

On the 28th the subject of the Anglo-Japanese Alliance was taken up by the Imperial Conference. Lord Curzon, Foreign Secretary, explained all the aspects of the alliance without attempting to influence the Colonial Premiers in either direction. Later Mr. Balfour, Lord President of the Council, urged the necessity of bringing the alliance into harmony with the League of Nations' requirements, rather than insisting upon any special British interests or emphasizing its imperial aspect. At an afternoon session the Premiers discussed the question of immigration within the empire and the best means of keeping desirable British emigrants within its confines. A committee was appointed to go further into the matter.

The Anglo-Japanese Alliance was again the principal topic on June 30. Little of note, however, was disclosed except that the Maharaja of Cutch, representing India, caused a surprise by protesting against the clause in the treaty which provided that in case India was attacked Japan should come to her assistance. The Indian delegation, he said, was of opinion that England and India should be able to protect India without the assistance of any allies.

At the session of July 1 all the Premiers of the British Dominions again gave their views on the Anglo-Japanese Alliance, but the utmost secrecy enveloped the proceedings. All that the public was allowed to know was that there had been a general agreement on the need of delay in renewing the treaty. The mental fog that enveloped the subject was finally cleared away on July 3 by the announcement of a decision of the Lord Chancellor that the Anglo-Japanese Treaty had not been denounced by the note sent to the League of Nations last July, and that, therefore, even if it were now denounced on July 15, it would run automatically for another year. This decision was held as greatly simplifying matters by giving ample time for the Dominions to reach definite conclusions. It avoided an embarrassing situation, as there would not have been time for a thorough discussion before July 15, when the period of the treaty ended.

On July 6 the conference grappled with the problem of German reparations, the task being to fix a basis upon which the amount to be collected by the empire shall be apportioned to its different parts. While no decision was reached it was understood as not improbable that the amounts would be determined by each country's war expenditure and number of casualties. If adopted this plan would assure to Canada a fair share of whatever sums were paid over in recognition of her heavy sacrifices in both blood and treasure.

In the industrial field the collapse of the costly and prolonged strike of the coal miners came after a hopeless effort to bring on a general "down tools" movement of all labor. They got only a vote of sympathy from the other unions. As their funds were exhausted, the miners' representatives made terms with the Government on June 28, on the basis of the public grant of £10,000,000. The final settlement was a compromise. While the miners agreed to drop their demand for class privilege, the standard wage was fixed at 20 per cent. above the pre-war rate, which, it was generally admitted, had been inhumanly low. An arrangement was also entered into by which labor shared in the profits of the mines, receiving 83 per cent. to the owners' 17 per cent., the owners receiving the balancing concession of the Government grant of £10,000,000.

A TRUCE IN THE IRISH WARFARE

King George's appeal for peace at the opening of the Ulster Parliament leads to concerted efforts for a settlement in the South of Ireland—De Valera's acceptance of Lloyd George's invitation to a peace conference brings an end to the fighting

[PERIOD ENDED JULY 10, 1921]

THAT June 22, 1921, may come to be regarded as one of the happiest dates in Irish history was generally conceded in both Ireland and England, not alone on account of the hearty welcome extended that day to King George and Queen Mary in Belfast at the royal opening of the Ulster Parliament, but because of the effect of the King's speech for peace. Concerning this effort, Premier Lloyd George subsequently declared in the House of Commons: "Never has the Throne rendered a greater or finer service to the empire." Surrounded by statesmen and officers in brilliant uniforms and by heralds and Court officials garbed with Old World pomp, King George addressed the Speaker of the new Northern Parliament and representatives of men who had threatened a few years ago to plunge Ireland into civil war rather than submit to the south. In moving words he appealed to them to make the grant of self-government to the six counties the stepping stone to a settlement of "the age-long Irish problems affecting the whole English-speaking world." He pointed out that self-government had been granted to South Africa, a country also divided by race and religion. Then, with a voice full of feeling and earnestness, he went on:

> I am emboldened by that to look beyond the sorrow and anxiety which have clouded of late my vision of Irish affairs. I speak from a full heart when I pray that my coming to Ireland today may prove to be the first step toward the end of strife among her people whatever their race or creed. In that hope I appeal to all Irishmen to pause, to stretch out the hand of forbearance and conciliation, to forgive and to forget, and to join in making for the land which they love a new era of peace, contentment and goodwill.

Premier Lloyd George on June 24 followed up the manifestly favorable effect of King George's speech by a personal letter of invitation to Eamon de Valera to come to London with any colleague he might select to attend a conference with the British Government and Sir James Craig, Premier of Ulster. The letter read:

> Sir: The British Government are deeply anxious that, so far as they can assure it, the King's appeal for reconciliation in Ireland shall not have been made in vain. Rather than allow yet another opportunity of settlement in Ireland to be cast aside, they feel it incumbent upon them to make a final appeal in the spirit of the King's words for a conference between themselves and representatives of Southern and Northern Ireland.
>
> I write therefore to convey the following invitation to you as the chosen leader of a great majority in Southern Ireland and to Sir James Craig, Premier of Northern Ireland: (1) That you should attend a conference here in London in company with Sir James Craig to explore to the utmost the possibility of a settlement. (2) That you should bring with you for the purpose any colleague whom you may select. The Government will, of course, give safe conduct to all who may be chosen to participate in the conference.
>
> We make this invitation with the fervent desire to end the ruinous conflict which has for centuries divided Ireland and embittered the relations of the peoples of these two islands, who ought to live in neighborly harmony with each other and whose co-operation would mean so much, not only to the empire but to humanity. We wish that no endeavor should be lacking on our part to realize the King's prayer, and we ask you to meet us, as we will meet you, in the spirit of conciliation for which his Majesty appealed. D. LLOYD GEORGE.

This move on the part of the British Premier was warmly approved by the majority of the London press as a logical sequel to the King's generous appeal. The London Times declared that the hour of peace had struck for Ireland, and The Daily News remarked that the Government, having made the offer "in the name of the British people, on the constitutional initiative of the King and in the presence of the Dominion Prime Ministers," was responsible to these as well as to Ireland "for vigorous, candid and effective prosecution of the new policy." In Dublin The Freeman's Journal,

(International)

ARTHUR GRIFFITH
Founder of the Sinn Fein and Vice President of the "Irish Republic"

commenting on the invitation, said: "The Premier has gone further than he or his colleagues ever have gone in public. Mr. Lloyd George has at last seen the wisdom of dispensing with conditions and restrictions which hitherto have proved insuperable barriers to negotiations." In general it was seen that the next move lay with the Sinn Fein leaders.

Mr. de Valera sent the following telegram to Mr. Lloyd George on June 28:

> I have received your letter. I am in consultation with such of the principal representatives of our nation as are available. We most earnestly desire to help in bringing about a lasting peace between the peoples of these two islands, but see no avenue by which it can be reached if you deny Ireland's essential unity and set aside the principle of national self-determination. Before replying more fully to your letter I am seeking a conference with certain representatives of the political minority in this country.

At the same time Mr. de Valera dispatched a letter to Sir James Craig, Ulster Premier; Earl Midleton, anti-partisan Southern Unionist; Sir Maurice Dockrell, Sir Robert Woods and Andrew Jameson, Southern Senator. The letter read:

> The reply which I as the spokesman for the Irish Nation shall make to Mr. Lloyd George will affect the lives and futures of the political minority in this island no less than those of the majority. Before sending my reply, therefore, I would like to confer with you and to learn from you at first hand the views of certain sections of our peoples of whom you are the representative. I am confident you will not refuse this service to Ireland, and I shall await you at Mansion House, Dublin, on Monday next in the hope that you will find it possible to attend.

(Wide World Photo)

EAMON DE VALERA
President of the "Irish Republic"

A mistake in delivering the letter intended for Sir James Craig led to his being compelled to decline Mr. de Valera's invitation, as he had already telegraphed acceptance of the Prime Minister's invitation to the London conference.

In order that the Irish leaders might have free intercourse to discuss the situation at the forthcoming Dublin conference on July

4, the British Government on June 30 released from prison Arthur Griffith, M. P., Vice President and founder of the Sinn Fein; Professor John MacNeill, M. P., member of the Cabinet of the Dail Eireann; E. Duggan, M. P. for Dublin City, and Michael Staines, M. P. for South Meath. Subsequently the released members of Parliament met Eamon de Valera in private consultation.

The Mansion House meeting on July 4 between Sinn Fein leaders and representatives of Southern Unionists was made the occasion of a popular demonstration. Large crowds assembled with eager expectancy. An auspicious omen was seen in the numerous American flags flying throughout the city. De Valera arrived first in a taxi and received a great ovation. Sir Maurice Dockrell, the popular Unionist member for Rathmines, came next, and was followed by Arthur Griffith. Both were greeted with cheers and by countless little American flags. Sir Robert Woods, independent member for Dublin University and famous surgeon, followed. Then Lord Midleton and Andrew Jameson appeared. A remarkable feature in the reception was the warm greeting bestowed on the Unionist delegates, who were manifestly affected. The Northern Parliament was not represented.

Lord Midleton at this meeting demanded the release of the recently kidnapped Lord Bandon, and de Valera promised to do his best. Lord Midleton also made general claims for minority representation in any Irish Parliament to be set up. At the close of the meeting a brief report was issued, of hopeful import.

General Jan Christian Smuts, Premier of South Africa, arrived in Dublin on July 5 as an unofficial peace emissary. During the day he conferred with Lord Mayor O'Neill, Eamon de Valera and Arthur Griffith. Premier Smuts was back again in London the following morning to breakfast with Mr. Lloyd George, and the same evening, in speaking at a dinner, he said that the Irish problem was soluble and peace could be won if all worked for it. By way of a successful illustration General Smuts added:

> If ever this problem of the subjection of one people to another presented a hopeless view it was in South Africa. But finally, in a spirit of give and take, forbearance and trying to render something to the point of view of the other side, we solved the problem, and today South Africa is one of the happiest countries in the empire. Our forbearance and self-sacrifice have paid us handsome dividends in our national life.

Meanwhile conferences were taking place in London between Premier Lloyd George, Lord Midleton and Sir James Craig. A Government report on the 7th and the Irish Bulletin, organ of the Dail Eireann, however, agreed that little if any cessation of fighting had taken place since Mr. Lloyd George's invitation to Mr. de Valera. The Government report stated that for the week following Lloyd George's letter the Crown casualties totaled forty, which, however, was below the average for the weeks preceding. The Irish Bulletin said that during the twelve days which had elapsed since the letter was dispatched regular warfare had continued, and added: "Other forms of military terror are in full blast." The Bulletin printed a list of 14 murders, 14 persons wounded and 10 properties destroyed between June 24 and July 26.

The second meeting of the four Southern Unionists—Midleton, Woods, Jameson and Dockrell—with the Sinn Fein leaders de Valera and Griffith, began at 11 A. M., July 8, in the Dublin Mansion House under intensely dramatic circumstances. A large

(© Keystone View Co.)

LIEUT. GEN. SIR NEVIL MACREADY
Commander-in-Chief of British military forces in Ireland

crowd had gathered in the vicinity to cheer the arrival of both Sinn Fein and Unionist delegates, but the lightheartedness of Monday had given place to a deep anxiety. During the long hours of waiting many knelt on the gravel and recited the rosary. Even the singing of patriotic songs at intervals was not as enthusiastic as on Monday, so gravely did some regard the day's proceedings.

About 1 o'clock the Lord Mayor appeared, but would say nothing. An adjournment was taken until 4 o'clock. When the delegates returned at that hour it was plain there was an awful seriousness in what seemed to be their determination to go through with this far-reaching attempt at a settlement. At 6 P. M. General Macready, commander of the British forces in Ireland, arrived and was greeted with a remarkable demonstration. Met by the Lord Mayor, the distinguished officer saluted. Being himself saluted by the officer in charge of the Irish Volunteers, he acknowledged the courtesy in military fashion amid the enthusiastic cheers of the expectant multitude. The conference closed at 8 o'clock. An hour later a letter from de Valera accepting Lloyd George's invitation to a conference in London was made public. Thereupon the waiting crowd melted away in peaceful order and apparent relief. The text of Mr. de Valera's letter as given out in London was as follows:

> Sir: The desire you expressed on the part of the British Government to end the centuries of conflict between the peoples of these two islands, and to establish relations of neighborly harmony, is the genuine desire of the people of Ireland.
>
> I have consulted with my colleagues and received the views of the representatives of the minority of our nation in regard to the invitation you have sent me. In reply I desire to say that I am ready to meet and discuss with you on what basis such a conference as that proposed can reasonably hope to achieve the object desired. EAMON DE VALERA.

At the same time a British official statement was issued from Downing Street which read: "In accordance with the Prime Minister's offer and Mr. de Valera's reply, arrangements are being made for hostilities to cease from Monday next, July 11, at noon." Thus the peace negotiations had reached the stage of a truce. It transpired later that when Lord Midleton had returned to Ireland after seeing Mr. Lloyd George he had taken back a letter from the Prime Minister dated July 7 and containing this passage:

> As soon as we hear that Mr. de Valera is prepared to enter into a conference with the British Government and to give instructions to those under his control to cease from all acts of violence, we should give instructions to the troops and to the police to suspend active operations against those who are engaged in this unfortunate conflict.

This letter had been read by Lord Midleton at a conference of the Sinn Fein leaders, and had had the result of bringing about de Valera's acceptance of the invitation to take part in the proposed conference in London. Thus, with a cessation of fighting in sight, the situation was generally regarded as auspicious for ultimate peace.

BRITAIN'S BLINDED WARRIORS

IN the sixth annual report of St. Dunstan's Hostel for Blinded Sailors and Soldiers, issued on May 16, 1921, Sir Arthur Pearson, head of that English institution, gave interesting facts concerning the blinded men who had passed through St. Dunstan's and are now earning their living in the most distant parts of the empire, "beyond the Rocky Mountains and in Canada, out in the Australian and New Zealand bush, and on the South African veld." The report says:

> A man does not leave St. Dunstan's in the sense that a graduate leaves a university. And though it requires a big organization to keep in touch with the blinded soldiers in this country alone, every one will realize how heartening it is to them to feel that they are still St. Dunstaners and assured of an active interest in all that concerns their comfort and prosperity. The essential training is only the first step in the duty we have undertaken to lighten the loss which it has fallen to these men to bear throughout their lives. We set them up in their chosen occupations, and from that time on our purpose is to do everything possible to help them in the effort to overcome their handicap. St. Dunstan's has always been a cheery place, but those who have still to complete their training—now at our new headquarters—certainly must be stimulated by the knowledge that the men who have made their fresh start are going on unfalteringly. The blinded soldiers are not only busily at work, not only making some remarkable successes in an extraordinarily wide variety of occupations, but are carrying on with the same resolution with which they set out.

CANADA AND OTHER BRITISH DOMINIONS

How the farmers triumphed in the Federal by-election held in Alberta—Prohibition drawn tighter for Ontario—Australia's census shows a population of 5,419,702—New Zealand's restrictions on exports

[Period Ended July 10, 1921]

It is a long time since a Federal by-election in Canada has created such an impression as did the one held on June 27 for the riding of Medicine Hat, Alberta. The death of the Hon. A. L. Sifton, a member of the Unionist Government, necessitated the contest. Robert Gardiner, the candidate of the National Progressive Party, was returned with a majority of 9,749 over the Government candidate, Colonel Nelson Spencer. The National Progressive Party is a very small group in the Commons, led by the Hon. T. A. Crerar, formerly in the Union Cabinet, now the recognized political head of the various farmer political groups in the Western provinces, which aim to do in the sphere of Federal politics what has been accomplished by their fellow-agriculturists in Ontario. Crerar, who is a strong advocate of freer trade with the United States, took a prominent part in the by-election. The fight of the farmers was made chiefly on what is known as the grain inquiry—the investigation by a Government commission into the handling of grain at the elevators and other points, especially in the West. The argument was that the inquiry was in reality an attempt to discredit the co-operative movements of the various organizations of Western farmers who have gone in for this method of handling the business of their own industry. It was accentuated by the obtaining of an injunction restraining the continuation of the inquiry, pending a ruling on questions of jurisdiction.

It is probable that in the inmost governmental circles defeat was anticipated in Medicine Hat, but not to the extent recorded. Naturally the farmers' organizations are jubilant over the result. Newspapers which support the Liberal Party are inclined to the view that the by-election promises well for that party at the next general election. The farmers themselves are confident that it is a forerunner of a farmers' group as the dominant body in the next Dominion Parliament. So far as is known, Premier Meighen, who is attending the imperial conference of Premiers in London, will not hasten a general election as the result of the Medicine Hat contest.

A painful sensation has been caused by the evidence so far adduced at the inquiry by a Government Commissioner—G. T. Clarkson—into alleged frauds in connection with sterling exchange, and involving a branch of the Militia Department. It remains to be seen whether there was deliberate inside assistance for the perpetrators of the fraud, or merely gross official negligence. The frauds were carried on under the operation of an Order in Council providing for the payment at par of accumulated pay and allowances in sterling of officers and men on overseas service. It is alleged that many people who were in no way connected with the forces have been getting English money exchanged at par under various pretexts, and making very handsome profits. One of the witnesses declared that he had been involved with a former member of the Ottawa police force in the matter, and that the policeman had cleared out after making more than $14,000 net profit. Another said he knew a man who had kept £1,000 in circulation by ingenious methods, and had it changed at par on several occasions. The inquiry is proceeding.

Ontario became as bone dry as law can make it on July 19, when the Dominion enactment forbidding the importation of intoxicants as a beverage went into effect, as well as a provincial measure known as the Sandy bill. The latter is for the prevention of "short circuiting"—the ordering of liquor outside of Ontario and its delivery from distilleries which are still allowed to make

it for export trade. In addition to these two measures, the Ontario Temperance act is also enforced, and it is as stringent a prohibition law as a province can enact under the Canadian system of government.

AUSTRALIA—The Australian census figures show that the Commonwealth has a population of 5,419,702, an increase of 970,000 over 1911. The males outnumber the females by about 83,000. * * * Customs revenue for the year ended June 30 constitutes a record, amounting to $160,000,000, or $30,000,000 above the estimates. Since the new fiscal year, however, imports have begun to decline. * * * The Australian House of Representatives on July 6 passed a bill exempting British newsprint paper from duty, but placing a duty of £3 a ton on newsprint from other countries. * * * Many mining companies in Australia have been compelled to suspend operations, costs of production being out of all proportion to market prices. * * * The Parliamentary Labor Party of New South Wales is urging a bill providing endowment for motherhood by which widowed mothers would receive a pension of $2.50 a week and parents in receipt of an income of $45.50 will receive an endowment of $1.50 for each child under 14 years of age after the first two.

NEW ZEALAND—W. F. Massey, Premier of New Zealand, who went to London for the Imperial Conference, in an interview on June 17 concerning trade with the United States said that certain conditions left by the war made restrictions upon exports necessary in order to safeguard permanent interests. The country, for instance, had refused permission to the Armours to erect storage plants there and required them to give an undertaking not to send any New Zealand carcases to the British market, as a condition of being allowed to export to America. It was discovered that a large proportion of the meat they exported to America was not placed on the American market, but was shipped to Great Britain, where it naturally came into competition with meat sent direct from New Zealand. "This may be good business for the meat trust," said Mr. Massey, "but is of no use for the New Zealand producer." * * * Over one-fourth of the babies born in New Zealand, of well-to-do as well as poor parents, are reached by the infant welfare measures in force in that country. In forty-five years the infant mortality rate has been more than cut in half, until now it is the lowest rate of any country in the world.

EGYPT—The disturbances in Cairo and Alexandria, in which a number of natives and Europeans were killed, as related in CURRENT HISTORY for July, are regarded in Egypt as a blow to the Milner project. It is generally considered there that the arrangements for the protection of Europeans in Egypt are not of much practical utility and that very stringent new measures will have to be made to satisfy the demands of France, Italy and Greece. * * * Mahomed Fahmy, a leader of the "Young Egyptians," has written to the Council of the League of Nations, according to a Geneva dispatch of June 23, asking it to mediate between Egypt and Great Britain and assure independence to the Valley of the Nile.

SOUTH AFRICA—A native African religious sect which calls itself Israelites, and which follows a prophet named Enoch, refused to evacuate Government land at Bulhoek, near Queenstown; it was forcibly ejected, losing 171 killed and 126 wounded in a fight with mounted Cape Colony police. For some years the Government had allowed the members to celebrate the "Passover" on a common, but each year a growing number remained behind, until a village of some 350 huts had sprung up. The sect refused to recognize any authority or to withdraw. A force of 800 mounted police started to evict them, and about 4,000 of the natives charged the police with swords and assegais. After the slaughter, the prophet Enoch surrendered and the village was ordered demolished. * * * Influenza is sweeping through the Eastern Provinces of Cape Colony, claiming thousands of victims. It was most virulent at Uitenhage, 20 miles northwest of Port Elizabeth.

GREAT ISSUES THAT DISTURB FRANCE

How the rift in her relations with Great Britain is widened by the different attitudes of the two nations toward Germany, Russia and Turkey—Difficulties of reconstruction in the devastated areas—A tragic mistake in a military execution

[Period Ended July 16, 1921]

ANDRE TARDIEU, former French High Commissioner to the United States, and one of the most prominent opponents in France of the policy of conciliation to Germany, recorded in June his belief that Anglo-French relations were "just emerging from a serious crisis." That there has been a crisis—or, rather, a series of crises—all international observers have easily divined. The occasion for conflict has always been the same since the signing of the armistice—namely, the sharp divergence between the foreign policies of the respective nations, particularly in regard to Russia, Germany and the Near East.

One of the first things the French Government did, on learning of the decision in the British Courts that Soviet gold and property sent to England for trade purposes could not be attached, was to send to the British Foreign Office France's express reservations of all the rights of her nationals in regard to debts left by the Czarist régime and also regarding property sequestrated by the Bolsheviki when they took power. France has never been a party to the Anglo-Soviet trade treaty, of which the French leaders heartily disapproved. The French attitude, like that of the United States, has been consistent and unchangeable; the foreign policy of the Soviet régime was double-faced and treacherous; it offered treaties of commerce and pursued plans to overthrow the Government of the other contracting nation; it repudiated Russia's honorable debts; it used stolen gold and property to renew its commerce. There is little doubt that Lloyd George's insistence in pushing through the trade agreement with Moscow, sterile, so far, in all practical consequences, had a bad psychological reaction in France, combined as it was with French resentment over Great Britain's favoring attitude to Germany regarding the fulfillment of the Versailles Treaty.

The policy of the Government toward Germany has been determined by the concessions made by Premier Briand in the last London conference of the allied Premiers, in which he met, as far as possible, the desires of his English colleagues for a workable solution of the reparations problem. In this new policy of conciliation Briand has had the confidence of the French Chamber, but it is not too much to say that both the Premier and his policy have many bitter and unwearying enemies in France. These enemies, who include such distinguished personages as former President Poincaré and André Tardieu, are openly skeptical of the Premier's public expressions of confidence in the new German Government headed by Dr. Wirth. Although this element took note of the expressions of goodwill and pledges to fulfill promises made both by Dr. Wirth and Foreign Minister Rathenau, they held that various acts of the German Government seemed to be inconsistent with this avowed attitude.

One of these acts, they held, was the German Government's claiming all Upper Silesia, in spite of the provisions of the Versailles Treaty stipulating that Upper Silesia should be divided between the German and Polish populations according to communes, as determined by a plebiscite vote. They further pointed out that, though Dr. Wirth has promised to expel the German troops of General Hoefer still in this territory, his Government was itself responsible for recruiting and munitioning Hoefer's troops. Other inconsistencies pointed out were the failure of the Leipsic tribunal to mete out any adequate punishment to the German war criminals, despite the Berlin Government's assurance of its

desire to secure verdicts according to the evidence. This failure so incensed the French Government that it withdrew its Leipsic Commission. (See Germany.)

In Upper Silesia the British made common cause with the German element against the Polish insurgent leader Korfanty, whereas the French attitude was inclined to favor the Poles, with whom France has a protective alliance. France has consistently maintained that the rich mining districts of Upper Silesia, which fell in the main to the Poles under the plebiscite, should be assigned to them. The British, backed by the Italians, are considering other factors, notably the complication of the vote, which was bizarrely intermingled between city and country districts.

In the Near East, also, the French and British plans have sharply clashed. The visit of Earl Curzon, British Foreign Minister, to Paris around the middle of June resulted in a decision to offer Greece allied intervention between her and the Angora Government. The latest developments in the Turkish situation, however, up to the time when these pages went to press, indicated that the British were inclining to back the Greeks against the Nationalist Turks of Mustapha Kemal Pasha, who was reported to be preparing for an attack upon Constantinople, now held by an interallied régime. The British, naturally, wished the French to join with them against the Turkish Nationalist leader. The French, however, who have been charged with being pro-Turkish, insist that they are war weary and wish to effect peace in the Near East. M. Briand stated this emphatically in the French Chamber on June 17, but refused to discuss the Government's plans.

The announcement made by Winston Churchill, British Colonial Secretary, in Parliament on June 14 of British plans for the establishment of Mesopotamia under the kingship of Emir Feisal, and of Transjordania, contiguous to French Syria, under the rule of Feisal's brother, came as a shock to the French political leaders. The French press denounced the scheme as a new British attempt to play the Arabs off against the Turks. It will be recalled that the French deposed Emir Feisal as King of Syria only last year, alleging that he had planned and tried to drive the French into the sea, and that the forces of General Gouraud expelled him from his new kingdom. The proposal, on this ground alone, was bitter to French pride, and the further project of elevating Feisal's brother to a kingdom side by side with French Syria could cause them nothing but alarm.

M. Barthou, the Minister of War, returned to Paris on June 5 from a week's visit to the Rhine occupation area, where he had made a detailed study of the moral and material conditions prevailing among the forces—some 130,000—guarding the French zone. In view of Germany's unmistakable efforts to fulfill the new agreements, said Minister Barthou, it had been decided to demobolize the entire Class 19 of recruits, beginning with the fathers of families, the sons of widows, and students. The Minister of Public Instruction at once took active steps to facilitate the taking of the July examinations for these returning soldier-students. It was hoped to return the peasant soldiers to their land in time for the new harvest. The French Army on the Rhineland, however, was to be maintained until France received tangible and convincing assurance that Germany would carry out the full program outlined for her. "France," said Minister Barthou, "can feel confidence in its army on the Rhine. It is in the hands of a great soldier and capable administrator—General Degoutte." The Government's strong feeling against the anti-militaristic propaganda which has been going on in France was shown in the passing of a penal law to punish all persons inciting French soldiers, recruits or reserves, against military service.

One of the most tragic incidents of the war came up for discussion in the French Chamber on June 22, when Deputy Berthon, Socialist, interpellated the Government concerning the execution of Lieutenants Herduin and Milan before Verdun. The Minister of War sought to have the interpellation postponed sine die, but Berthon, supported by former soldier Deputies from all sides of the Chamber, insisted on action, and Minister Barthou finally agreed to have the matter brought up before the Summer vacation, and also to present the case to the Cabinet. The two lieutenants in question were court-martialed by General Boyer and Colonel Bernard following the terrific struggle for Fleury on June 8, 10 and 16,

1918, when the Germans were nearer to victory than ever before since the opening of the battle for Verdun. The whole battalion commanded by these lieutenants was wiped out by the German fire. Herduin, however, had already been twice wounded, and decorated for gallantry in battle. When sentenced by the court-martial, he went to his death like a hero, himself giving the order to shoot to the unnerved and weeping firing squad which had been detailed to execute him. He was buried in Fleury Wood. In a letter to his wife, made public by her subsequently, Herduin said, in part:

> Well, I must meet my fate, but I have no shame. My comrades, who know me, know I am no coward. * * * Demand my pension. You have a right to it. My conscience is peaceful. When I am gone, raise your voice against the military justice of the chiefs, always looking for responsibles to excuse their own errors. I kiss you madly, for the last time. * * * I kiss, too, my eldest son, who will never have to blush for his father, who did his duty. Ah, that is the last time I say to you, my beautiful darling, be brave, forget me not. My hand is firm; I die with tranquil heart. Good-bye. I love you.

Herduin's wife sent to his grave this message: "Mort pour la patrie." (He died for his country). Too late, the authorities realized that justice had erred, and Mme. Herduin received assurance of her pension, and even an offer of compensation. Informed by her husband's comrades of the full facts, she persisted in her demand for a full rehabilitation. The case was actively pushed by the Socialists, and it was a shock to the Government to find many former officers taking the same view. There is every probability that Herduin and his fellow-victim will receive rehabilitation.

The French naval program presented to the Chamber of Deputies on June 10 was adopted, after some minority opposition. It called for the construction of six light cruisers, twelve destroyers, twelve torpedo boats, and thirty-six submarines at an approximate cost of 1,416,000,000 francs. Revision of the naval clauses of the Versailles Treaty was demanded by several Deputies. A similar demand for revision of the agreement to destroy all surrendered German submarines was nipped in the bud when it was announced that the submarines which had fallen to France under the settlement had already been destroyed.

Financially, France found herself facing a better prospect than in the past. Exports —especially food exports—were on the increase. M. Doumer, French Minister of Finance, announced on June 15 that the 1922 budget had been cut from 26,499,000,000 francs to 25,596,000,000 francs. He estimated the revenues for the forthcoming year at 25,514,000,000 francs, but stated that the deficit would be made up from the proceeds of the national defense bonds, the sale of war stocks, customs, the war-profit tax, and other sources. For the first time, the Finance Minister was able to revert to a single budget, instead of the double budget for the war years. France's foreign debt, in spite of adverse conditions, has been reduced about $540,000,000. In April of the present year, France owed only $6,506,000,000.

One great problem which the Treasury faced was the reconstruction of the devastated provinces. A conflict developed in June between M. Doumer, the Minister of Finance, and M. Loucheur, Minister of the Liberated Regions, over the question of municipal loans in this area. The triumph of M. Loucheur's view was shown on June 17, when the Government announced that it had authorized the City of Verdun to issue bonds to the extent of 60,000,000 francs. The organization of Co-operative Societies for Reconstruction was completed by the passing in the French Senate, on June 10, of a bill supplementary to the legislation of August, 1920.

The plan of M. Loucheur to obtain 25,000 wooden cottages from Germany was meeting with many obstacles on both sides of the Rhine. The French insurance companies objected to the risk involved in wooden structures. The cost, also, bade fair to be greater than the sum allotted to the French to cover this part of the war damage. The whole subject of reconstruction was discussed by M. Loucheur with Dr. Rathenau, German Foreign Minister, in an interview held on June 13 at Wiesbaden.

The French Senate on July 7 voted a credit of 10,000,000 francs for relief of the many thousands still unemployed. The Government was taking active measures to fight tuberculosis, to aid in infant relief, and to encourage marriage by legislative action, in order to make good the human losses, estimated at 2,000,000, occasioned by the war.

ITALY UNDER A NEW CABINET

Giolitti's Government falls because of a Parliamentary deadlock—Opposition forces too numerous to admit of constructive work—Ivanoe Bonomi, a war Socialist, invited to form a Coalition Government

[PERIOD ENDED JULY 10, 1921]

AFTER the inauguration of Parliament on June 11, it soon became evident that the Giolitti Government was no more able to direct legislation in the twenty-sixth Legislature than it had been in the twenty-fifth. Although 200 Deputies of the latter had not been returned and the whole manner of the new Chamber appeared to be more serious and eager to put through the laws which the nation badly needed, yet the early sittings showed a resentment against extreme points of policy, particularly those which had been identified with certain Ministers. There was manifest unpopularity of Count Carlo Sforza, the Foreign Minister, and the manner in which he had executed the Treaty of Rapallo.

It became evident that the Government would again become the victim of obstruction, not Socialistic this time, but more or less general. Giolitti had made definite promises in regard to the program which had accompanied the demand for dissolution and a new Chamber on April 2, and each party looked to the carrying out of its own pet project of law in its own way. This could not be done, however, without compromises, and the pledges of the President of the Council permitted none.

The crisis came on June 27, when Filippo Turati, the leader of the United Socialists, proposed a resolution condemning both the foreign and the domestic policy of the Government. Before the resolution was put to vote, it had lost the clause in regard to the domestic policy and hence meant nothing to the Socialists, who had merely inserted the foreign clause to catch votes on a more popular question. They succeeded in doing this to the extent that the resolution was defeated by only 34 votes.

So it was neither a Socialist victory nor a Government defeat, but merely a strong condemnation of the Government's foreign policy as illustrated by the acts of the Foreign Minister, which had recently been the subject of unfavorable debate. For Count Sforza had declared that Porto Baros, the most eastern harbor of the new State of Fiume, should be given to Jugoslavia as a matter of geography, of commercial equity, and quite in keeping with the spirit in which the Treaty of Rapallo had been negotiated and ratified. This aroused a strong nationalist sentiment in the Chamber, of which Signor Turati and the Socialists took advantage.

Giolitti could, of course, have allowed the Foreign Minister to resign, but the condemnation of the designation of Porto Baros was an entering wedge which sooner or later might have reached the treaty itself—the masterpiece of the Giolitti Administration. So, rather than appoint a new Foreign Minister, who might be forced to drive the wedge home, he made the censure of Count Sforza his own, and the whole Cabinet resigned.

Color was given to the suspicion that a strong Nationalist sentiment prevailed in the Chamber when the war Premiers Salandra and Orlando called upon the King and submitted their schemes for a new Government based on a reactionary program. The carrying out of this would, of course, not only have meant the repudiation of the Treaty of Rapallo, but of several projects of law found in the schedule of April 2 (see CURRENT HISTORY for May).

His Majesty was strongly opposed to representation of the extremists of either pole in the Government, and with this idea prevailing he managed to make arrangements with the leaders of the three parties most prone to obstructing that legislation with which each was not particularly identified. Don Sturzo, the leader of the Catholic or Popular Party, pledged the support of that party on the condition that the Treaty of Rapallo should not be tampered with. Benito Mussolini was ready to accept the

treaty as a fait accompli provided the projects of law for industrial co-operation should not be carried through in a communistic way. Turati pledged the neutrality of the United Socialists if the Government would invoke the laws for the preservation of public order against the Fascisti.

His Majesty then called to the Quirinal Ivanoe Bonomi, the Reformist or war-Socialist, as the man best calculated to select a Cabinet which could put forward all the projects of law most vitally needed in a moderate way. By July 5 Bonomi had completed his slate. Owing either to his own sagacity or that of Victor Emmanuel he selected a Minister for each portfolio whose party was particularly interested in the projects of law which would come under the jurisdiction of the particular department. How the parties are represented and how many seats each control are as follows:

Two Reformists, or War-Socialists, with Twenty-One Seats.

Ivanoe Bonomi, President of the Council and Minister of the Interior, who had had successively the portfolios of War and of the Treasury under Giolitti.

Alberto Beneduce, Minister of Labor and Social Economy, professor of Statistics in the University of Rome.

Four Liberal Democrats with 106 Seats.

Marchese della Torretta, dei Principi di Lampedusa, Minister of Foreign Affairs, a distinguished diplomat, latterly Minister at Vienna.

Senator Eugenio Bergamasco, Minister of Marine, once Under Secretary in that department and by profession an industrial engineer.

Senator Orso Mario Corbino, Minister of Public Instruction, Professor of Physics at the University of Rome.

Bartolo Belotti, Minister of Commerce and Industry, who was an Under Secretary of the Treasury during the first Nitti Administration.

Three Nitti Liberals with Forty-one Seats.

Marcello Soleri, Minister of Finance, who has been the unofficial financial adviser of several Governments.

Giovanni Raineri, Minister of the Liberated Provinces, who had held the same portfolio under both Nitti and Giolitti, and before that twice Minister of Agriculture.

Giuseppe de Nava, Minister of the Treasury, the war Minister of Industry and Transportation, who became Minister of Finance in the third Nitti Cabinet.

Three Radicals, or Social Democrats, with Thirty-seven Seats.

Luigi Gasparotto, Minister of War, a distinguished soldier, who had just been elected one of the Vice Presidents of the Chamber.

Giuseppe Girardini, Minister of the Colonies, who had been the first Minister for the Liberated Provinces under Orlando.

Vincenzo Giuffrida, Minister of Posts and Telegraphs, a well-known bureaucrat, who has been several times Under Secretary in various departments.

Three Catholics, or Popularists, with 107 Seats.

Angelo Mauri, Minister of Agriculture, a Vice President of the Chamber, who has written much on land co-operation and agricultural machinery.

Giuseppe Micheli, Minister of Public Works, one of the founders of the Catholic Party, who held the portfolio of Agriculture in the third Cabinet of Nitti and then in Giolitti's.

Giulio Rodino, Minister of Justice, who, having served in the third Cabinet of Nitti, held for a time the Portfolio of War under Giolitti.

It will be observed by the foregoing that the Government controls 312 seats in the Chamber. But the apparent Opposition of 223 is merely nominal—just as nominal as it was when the Giolitti Government placed the Catholics in the Opposition, owing to the distrust of the Catholic leaders and the fear lest their extremists should unite with the Socialists—for among the Opposition are the Progressives (Il Gruppo del Rinnovamento), who would vote with the Government on occasion; the Fascisti, who are pledged to support it in certain circumstances, and the United Socialists, who have promised neutrality.

The Bonomi Government, however, whatever may be its apparently strong moral and political status, whatever its ability to direct legislation, has not been received with praise by the political press. All agree that its Administration will be brief: The Conservatives distrust Bonomi because he was once a Socialist; the Socialists upbraid him as a renegade. All this is contrary to disinterested opinion, which is that the new Government possesses many elements of useful permanency which it will ultimately prove. It is a compromise Cabinet and for that very reason will be susceptible of compromise in presenting the necessary projects of law for which the nation is crying.

The policy of the Bonomi Government is based on the famous schedule of projects of law of April 2, several times mentioned. Two elements favor its being carried through with certain items in modified form: The compromises which the various

Ministers will be able to negotiate with their parties tending toward modification and hence gain the support of other parties, and the improvement in the general conditions, social, economic, financial, of the nation, which no longer needs the measures as the Giolitti Government was being forced to draft them.

The first item on the program of Bonomi is a reform of the public service, the burocrazia, whose lamentable condition was revealed in the April strikes. He wishes to receive full power to do this as Minister of the Interior. This is of immense importance, as it strikes at the very root of Italian political patronage. If he is successful in carrying it through, the rest should be easy; what politicians may lose in perquisites they may expect to make up in party legislation, now modified to gain outside support and to meet the changed conditions in the nation.

AUSTRIA UNDER A NEW MINISTRY

[Period Ended July 10, 1921]

AUSTRIA obtained a new Government on June 21. It is headed by Schober, while Breitsky is Vice Chancellor and Minister of Education; Grimm is Finance Minister; Grünberger, Food Minister; Paltauf, Minister of Justice. The others are all unknown men, only Dr. Leopold Weber having occupied a seat in the National Assembly. The new Cabinet presented itself to Federal President Heinisch, who emphasized the fact that the Government's main task was not to create new things, but to hold what remains. The new Cabinet was elected by the National Assembly; the Christian-Socialists, the Pan-Germans and the Peasant Party cast 98 votes against the 62 votes of the Social-Democrats.

On July 1 the Council of Ambassadors requested the Government of the United States to postpone its claims against Austria for twenty years. These claims amount to some $20,000,000, and are for food-relief advances. This is part of the League of Nations plan for the financial rehabilitation of Austria. The other great powers have agreed to such postponement.

Officials of the League of Nations are disturbed by German propaganda for Austrian union with Germany. It is feared that Austria, after receiving all kinds of money grants and assistance from the Entente powers, would throw herself, along with her credits, gold, and new bank, into the arms of Germany.

After three months' investigation, Ignatius Trebitsch Lincoln was expelled from Vienna, June 24, for treasonable activities and fraud. He was charged with having sold State documents to Czechoslovakia.

The State ownership of industries, which was forced upon Austria by the social revolution after the war, has led only to disaster. The Government works are operating at a loss, and to avoid bankruptcy they have had to borrow from capitalists. It has been necessary to sell some of them to Poland, a country termed reactionary by the Socialists of Austria.

Ex-Emperor Charles has retired to the Abbey of Disentis, the oldest ecclesiastical establishment in Switzerland. The retirement is thought to interfere in no way with probable plans of restoration. A report that ex-Emperor Charles means to settle on the Isle of Corfu is denied by persons close to the former monarch.

GERMANY'S EFFORTS TO MEET HER OBLIGATIONS

Firm action of the Berlin Government aids in forcing peace upon the insurgents in Upper Silesia—Bavarian Home Guards profess to have complied with the disarmanent order—War criminals get off easily—Government's taxation plan to raise reparation funds

[PERIOD ENDED JULY 10, 1921]

WHAT threatened to bring about a crisis jeopardizing the existence of the "Reparation Government" headed by Dr. Wirth turned into a sort of victory for the German Chancellor and his policy of moderation when the leaders of the German and Polish combatants in Upper Silesia on June 25 accepted the plan for withdrawal worked out by Major Gen. Sir William Heneker, the British commander, and approved by the Interallied Commission at Oppeln. The extreme Nationalists in the Reichstag had been threatening to cause all manner of trouble for Dr. Wirth's Cabinet if he did not make a stand for German control of all the disputed plebiscite territory. On the other hand, the French Government had insisted that Berlin must compel General Hoefer, the chief of the German irregulars in Upper Silesia, to withdraw his forces from the neutral zone proposed by the Interallied Commission.

Although at first disclaiming responsibility for the actions of General Hoefer [see the July CURRENT HISTORY], the German Chancellor finally dispatched a commission, headed by Baron von Malzahn of the Foreign Office, to put pressure upon the leader of the irregulars and to convince him that an occupation of the Ruhr industrial district would be of greater injury to Germany than a backing down in Upper Silesia. These arguments had the desired effect, when backed by the firm attitude of General Heneker and of General Alberto de Marinis, Commander-in-Chief of the Italian forces in Upper Silesia, who insisted on evacuation of the plebiscite territory by both Hoefer's irregulars and Adalbert Korfanty's Polish insurgents. General Le Rond, the French commander, put similar pressure upon Korfanty, with a like result.

The plan of evacuation provided that the Poles leave the disputed territory, as far as the towns of Gleiwitz and Beuthen, by June 28, while the Germans were to retire northward from the same region by June 30. By July 3 the Poles were to be out of the third zone, including Beuthen and Gleiwitz; and by July 5 both Poles and Germans must be out of the whole region.

There was some delay in putting this program through, and there was a clash between the German population of Beuthen and the French troops there on July 4, when the Polish insurgents were leaving the town, which resulted in the death of Major Montalière, a French officer, and four Germans. A dispatch sent from Kattowitz on July 7, however, announced that the evacuation of the whole district had been completed the day before. British troops were occupying the territory from Beuthen to the Polish border, while the French were holding Königshütte, Kattowitz and the southern district. Railroad traffic had been resumed throughout the plebiscite territory.

Several more or less serious disturbances accompanied the withdrawal of the contending Poles and Germans, and the Interallied Commission declared Gross-Strehlitz and Rosenberg to be in a state of siege. It was not thought likely that there would be another real revolt, however, despite alarming rumors from Berlin and Paris averring that when the final decision on the division of the disputed territory was arrived at by the Interallied Commission and announced by the Supreme Council of the Allies there would be further bloodshed. Adalbert Korfanty, on the eve of quitting the field, told a New York Times correspondent that, unless the Supreme Council's decision were "just," Upper Silesia would become a "second Ireland" and a constant source of trouble in Central Europe. The possibility of further trouble remains. Neutral observers charge that many of Korfanty's insurgents

merely scattered and concealed their arms, and that it would not be very difficult for General Hoefer to recruit a fresh German force in case he thought it advisable.

The Upper Silesian situation was complicated by the usual injection of Bolshevism on the one hand and extreme nationalism on the other. Some of the Polish insurgents had lost their patriotic enthusiasm and advocated a Soviet republic. Many Germans, who had come from Bavaria and other provinces to aid General Hoefer, declared that, after having made Upper Silesia "safe for Germany," they would march on Berlin in the name of real Germanism and "clean out the Republican nest" there.

Just how to divide the damages, estimated at from 3,000,000,000 to 4,000,000,000 paper marks, caused by the two months' shutting down of practically all the mines and metal plants, is expected to constitute a difficult problem for the Interallied Commission, and may delay the final decision on the results of last March's plebiscite.

Fulfilling the Treaty Terms

Definite progress by Germany in paying up the obligations laid upon her by the final terms of the reparation settlement was confined during the period to the redemption, in European money, on June 28 of the second of the twenty $10,000,000 three-month Treasury notes handed to the Reparation Commission in Paris on May 30. This left $180,000,000 to be paid by Aug. 31. Germany's accumulation of a credit equaling 150,000,000 gold marks in New York to pay the first instalment of the initial 1,000,000,000-mark payment called for by the reparation terms caused a flurry in dollar exchange; so the Reparation Commission approved, on June 25, a decision by the principal allied Governments that Germany might pay the remainder in European currency or its equivalent.

The personnel of the Committee on Guarantees, a subcommission of the Reparation Commission created under the final reparation terms for the purpose of controlling and supervising Germany's payments, was given as follows in the German press: Sir Hugh Levick (Great Britain), General Manclere (France), Signor d'Amelio (Italy), M. Bemelmans (Belgium), M. Sekiba (Japan), and M. Diurich (Jugoslavia). The committee named Leith Bous (Great Britain), M. Minost (France), Signor Graziadei (Italy), and M. Fredrichs (Belgium) as a Financial Advisory Committee, with power to represent their respective nations on the Committee on Guarantees in case of absence of the regular members.

Following the meeting of Walther Rathenau, German Minister of Reconstruction, with Louis Loucheur, French Minister for the Devastated Regions, at Wiesbaden, there was much cheerful talk in both Berlin and Paris about the possibility that these two practical business men might work out a feasible plan whereby German labor and materials, as well as money, could be applied to the task of restoration. On July 6, however, M. Loucheur told the Commissions of Finance and Foreign Affairs of the French Senate that the 25,000 wooden houses offered by the Germans could not be accepted, because the price asked was much too high. Not more than five-eighths of the instalments on reparations would be supplied in material and labor, said M. Loucheur.

Czechoslovakia is to receive 223,300 tons of barges, 21,000 horsepower in tugs and freighters and terminal facilities for River Elbe traffic under an award by Walker D. Hines, American arbitrator of Central European shipping, the deliveries to be made by Germany according to a plan not yet announced.

On June 26 the Jugoslav Government rescinded the 50 per cent. impost laid upon German goods under the terms of the sanctions.

Disarming the "Orgesch"

The work of disarming and disbanding the 300,000 members of the Bavarian Home Guards was halted by the murder in Munich of Herr Gareis, an Independent Socialist member of the Bavarian Diet, and by the three-day general strike which was called as a protest against this political crime. Under pressure from the Allies and the labor forces at home, however, Dr. Wirth issued an order on June 27 dissolving the irregular armed bodies by June 30, under penalties of fine and imprisonment for those refusing to obey. On July 1 it was announced that the Allies' terms had been fulfilled and that the "Orgesch," as such, no longer existed. What progress had been made in gathering in the 220,000 rifles and some 2,600 machine guns in the possession

of the "Orgesch" was not reported. Dr. Escherich, the organizer of the "Orgesch," was quoted as saying that, while it might be possible to dissolve the form of his organization, its patriotic spirit could not be quenched. That scores of thousands of the former members of this reactionary organization have merely hidden their arms and would respond to a call for a coup d'état against the Berlin Government or an appeal to wipe out the German Bolsheviki is not doubted by neutral observers. An amendment to the army law passed by the Reichstag provides that the 4,000 officers of the regular army are to be included within the strength of 100,000 fixed by the Treaty of Versailles.

Following the acquittal, on July 6, of Lieut. Gen. Karl Stenger on a charge of having ordered the shooting of French prisoners during the fighting on the western front in August, 1914, the French Government recalled its judiciary mission from Leipsic and asked the British and Belgian Governments to do likewise. Major Benno Crusius, a subordinate of General Stenger, who was tried on a similar charge, and who testified that the General had issued the order in question, was found guilty of manslaughter by the Leipsic Supreme Court, sentenced to two years' imprisonment, and forbidden ever to wear the German uniform again. Lieutenant Laule, another officer on trial for war crimes, was acquitted of shooting a defenseless French Captain. General Stenger denied that he had ordered any defenseless prisoners slain, but related that when some of his soldiers had been shot from behind by apparently wounded Frenchmen he had said that such enemies must be wiped out.

German complaints against the Governing Commission of the Sarre Basin regarding the use of French money, the expulsion of German functionaries connected with the strikes of August, 1920, and the stationing of French troops in the district, were taken up by the Council of the League of Nations on June 20. After listening to explanations by M. Rault, President of the Governing Commission, the Council decided that the use of French currency and troops was justified, but asked the commission for a report on every case in which the expulsion of a German functionary had been maintained. It suggested that the commission try to reduce the 7,000 troops then stationed in the district.

The news of President Harding's signing the declaration of a state of peace between Germany and the United States on July 2 was joyfully received by the German press and public, although a few pessimists insisted that it did not make much difference, as little help could be expected from America. American flags were hoisted over several buildings, including the one in which the German-American Chamber of Commerce in Berlin has its offices. The German Government gave out no official expression of opinion and adopted a policy of watchful waiting.

On June 23 the German Government announced its decision immediately to release the remainder of sequestrated American property in its hands, thus completing the Reichstag's action of last January.

Government's Taxation Program

Just before the adjournment of the Reichstag on July 6 for the Summer, Dr. Wirth presented the Government's taxation program, calling for the raising of about 80,000,000,000 paper marks during the coming year in order to cover the deficit in the German budget and meet the terms of the reparation agreement. In an effort to hold a balance between the Socialists on the one hand and the propertied classes on the other, Dr. Wirth's plan provides for direct taxation amounting to some 40,000,000,000 marks and for indirect levies of about the same amount. His program will be studied by the Permanent Subcommittee of Finance.

General business conditions were reported as improving materially, and the number of unemployed persons receiving full allowances from State was cut about 40,000, to 358,000, while 440,000 dependents were being helped. In approving an additional appropriation of 200,000,000 paper marks to pay unemployment benefits, the Federal Council noted on June 20 that the total expenditures for that purpose in the fiscal year of 1921 were put at 1,200,000,000 marks. At the same session an appropriation of 7,125,000,000 paper marks was added to the budget of the Ministry of Agriculture and Foodstuffs to help keep down the cost of foreign grains to the people. On June 17 the Reichstag passed a bill providing for the compulsory delivery at a fixed price of

2,500,000 tons of this year's grain harvest as a reserve stock to be handled by the Food Ministry, the surplus to be disposed of by the producers in the open market.

Though American exports to other countries have been falling off heavily, this has not applied to Germany, according to statistics made public in July by the United States Department of Commerce. Exports to Germany in May amounted to $20,481,000, practically the same as in May, 1920, while the total for the eleven months ended May 31 was $350,980,000, against $182,475,000 during the corresponding period the year before. Imports from Germany in May were valued at $6,455,000, against $4,849,000 in May, 1920. Germany took more copper and lubricating oil from the United States in May than any other country, and stood second in purchases of cotton, bacon and flour.

Max Hölz, the thirty-one-year-old Saxon semi-bandit, who played a leading rôle in the communist uprising of last March, was tried in Berlin on charges of murder, high treason and about fifty other offenses, found guilty, and sentenced, on June 22, to penal servitude for life. The extraordinary court refused to regard Hölz as a political offender, in contradistinction to its action the month before when Heinrich Brandler, National Chairman of the United Communist Party, was sentenced to serve five years in a fortress because his revolutionary activities were credited to idealistic, not criminal, intentions. In an attempt to restrict the political power of the Communists, the Prussian Minister of the Interior issued an order on June 20 prohibiting them from holding administrative office under the Prussian Government, even if elected to such office. The order applies to district chiefs, Mayors and heads of villages or communes. Among the German masses the revulsion of feeling against the Communists, due to the bloody March revolt, continued to be manifested by wholesale resignations from the party and defeats in local elections.

The German record for fines for profiteering was broken when a Hamburg court sentenced two merchants to pay 4,790,000 marks and serve a year in jail for illicit importation of and profiteering in 90,000 pounds of American lard.

JUGOSLAVIA—OR WHAT?

[Period Ended July 10, 1921]

THE Belgrade National Assembly adopted the new southern Slav Constitution on June 29 by a vote of 233 to 35. The event was accompanied by the firing of artillery and a great demonstration in honor of Prince Alexander, the Regent. Curiously the most protracted debate on the Constitution concerned the name by which the new southern Slav State should be called. We are all familiar with the appellations "Jugoslavia" and the "Monarchy of the Serbs, Croats (Hrvatska) and Slovenes," the official name used hitherto; but there were members in the Assembly who even insisted on the "Croatian Peasant Republic" and others who met this claim by one demanding the name, "Greater Serbia."

The adherents to the name "Jugoslavia" are the Catholic Croats and Slovens and Bosnian Mohammedans. They supported their argument by six propositions: The name is shorter and therefore more convenient; it meant a single people; it had become common usage abroad; it equitably suited all parts of the nation; the threefold name gave the idea of one part of the country being superior to the others; finally, the threefold name expressed federation, not union.

Against these contentions the advocates of the longer name (often shortened to S. H. S.) advanced the following arguments: It already had official acceptation and had been used in all documents and treaties with which the nation had been concerned; it had the authority of the Nish Government, December, 1914; of the Corfu Declaration of July, 1917, and of the Zagreb Council of 1918; the name was recognized by all Governments; it retained the historic names of the three peoples forming the nation, and the three peoples forming the nation; the name Jugoslavia was of German extraction; the word "monarchy" sufficiently showed unity. On June 23 the advocates of the long threefold name won the day.

HUNGARY'S STRUGGLE FOR A SECURE FOOTING

Premier Bethlen abolishes military investigations and the censorship of press telegrams —Resentment against Austria's border claim and the supposed menace of the Little Entente

[Period Ended July 10, 1921]

THE Government is trying its best to put Hungary on a stable footing, but the task is inherently difficult because of the stern measures included in the Peace Treaty. About the middle of June the Cabinet's position became unstable because of the attitude of the Farmers' Party, the principal group in the National Assembly. For a short period it seemed that it would have to resign, but the danger was averted through a meeting of the Farmers' Party, at which the Premier and Count Gideon Báday, Minister of the Interior, appeared and gave satisfactory explanations, eliciting a vote of confidence.

When a budget was offered in the National Assembly for the first time since the war, the question of the abolition of certain exceptional measures required by the Bolshevist danger was much discussed. An overwhelming majority approved the Government's contention that precautions must still be taken against Bolshevism, although it was no longer necessary to maintain all the measures of that kind put into effect in time of acute danger. Count Bethlen, the Premier, announced that the system of military investigations would cease on July 1. He also stated that censorship of telegrams had been abandoned and that a special committee would shortly revise all orders for internment. There were only 700 persons still detained in internment camps, of whom half were Communists and the other half notorious profiteers and thieves, he said.

That Hungary has not recovered from the Bolshevist shock is indicated by a new Press bill, presented to the National Assembly by Minister of Justice Tomcsanyi. One section provides that all periodicals found guilty of advocating the overthrow of lawful government or social order by violence shall be suspended, and that in cases where great moral turpitude is fully in evidence, such suspension shall be indefinite. This is in addition to heavy fines and imprisonment if circumstances warrant it. The act would also establish joint and several responsibility on the part of the author, publisher and managing editor. These provisions are drastic deviations from the old Press act, which knew no suspension, especially indefinite suspension, and prohibited only the vending and the sending through the mails of printed matter where immorality was involved. The bill is encountering much hostile criticism. Even the so-called Christian papers fail to hail it as a progressive measure and warn the Minister that the act would be a two-edged sword which could be turned upon any patriotic and really constructive press should power slip into the hands of vicious elements.

The finance wizard, as Minister Hegedüs is fondly called, for the first time since the war, has offered a detailed budget to the National Assembly. The deficit of the past financial year amounted to 6,500,000,000 Hungarian crowns. The larger part of this deficit accumulated before Hegedus assumed responsibility, and he promises that through an intricate method of taxation he will stabilize State finances. When he accepted the portfolio, he said he would remain in office only one year, within which period he hoped to make a clean slate for his successor. His half year in office has brought about many a desired change. On the whole, the nation's confidence is unshaken in this masterful man, although he is not without critics. He has his own ways and proceeds unfalteringly.

The question of relinquishing dominion over the three western counties and ceding them to Austria is still a thorn in the side of Hungary. For a long time hope was cherished that this question would be left to the parties immediately interested, but

on June 26 Hungary was said to have received a note from the Entente commanding her unconditionally to hand over this territory to Austria. France and Czechoslovakia are mainly blamed for the order, since it is thought that France desires, by this "donation," to counteract the movement in Austria to align with Germany, while Czechoslovakia's motive is to effect immediate intercourse with the Jugoslavs through a corridor thus gained and so find access to the Adriatic. Hungary is bitter because she still maintains that she fought for Austrian interests in the war and that now she is compelled to enrich the very country to which she owes her downfall.

Completion of the Little Entente, to which Czechoslovakia, Rumania and Jugoslavia are parties, is causing Hungary to ask the nations of the big Entente whether it is their intention to stifle her. In the Hungarian interpretation the Little Entente can have no other object than to find an excuse for military action whenever the time seems ripe. Under such conditions, the leaders say, it is doubtful whether any Government could bring order out of chaos.

Hungary's application for membership in the League of Nations will be passed upon at the session scheduled for Sept. 5, in Geneva. The selection of Count Albert Apponyi as Vice Chairman of the Foreign Association, which assembled in Geneva early in June, is interpreted as a good omen for Hungary in her future association with the great nations. Apponyi's candidacy was endorsed by all the powers, but he declined the honor for ethical reasons. He assumed, however, the Chairmanship of the Hungarian-American Society in Budapest, which was created to foster good relations between the two countries, and began its activities by the observance of the Fourth of July. At the statue of George Washington, in the City Park of Budapest, an inspiring address was delivered by Count Apponyi, to which Grant Smith, the American High Commissioner, made a suitable reply.

Transylvania having come under Rumanian administration, the fate of the Hungarian Unitarian Church, the Mother Church of Unitarianism, is endangered, according to Dean Nicholas Józan. Only 10,000 Unitarians are under Hungarian jurisdiction, he said, while the other 70,000 must stay under Rumanian rule, their religious liberties being trampled upon.

The spotlight was turned upon the activities of the so-called Hungarian emigrants in Vienna in a recent trial there in which Schuller-Sullay was indicted for forgery. In his testimony the accused declared that William Böhm, a high official during the communist régime in Hungary, hired him to forge State documents so as to show that the Hungarian "white" Government had put a price upon the heads of the escaped Communists and was preparing to make war upon the succession States. The defendant explained, under cross-examination, that the object of the whole conspiracy was to cast odium upon the Hungarian Government and furnish material for propaganda in the foreign press. The Hungarian authorities recently caught in Szeged a man named Reismann, alias Paul (Wieder) Telegdi, an emissary of the Hungarian Bolshevist colony in Vienna, who was commissioned to start agitation in military barracks against the Government, and especially to arouse discontent among farm hands, with a view to impeding the harvest. He had been active for many months and had sent reports regularly to the Vienna headquarters.

NEGRO UPRISING IN THE BELGIAN CONGO

TRAVELERS arriving at Antwerp in June reported that unrest among American negroes employed by an American firm in the Belgian Congo was causing disquietude, although armed rebellion was at an end. The negroes had been receiving a newspaper which, the travelers say, incited them to rebellion, and at the village of Kenshasa they organized a sort of army equipped with rifles and ammunition.

BELGIUM NOW LUXEMBURG'S PROTECTOR

[Period Ended July 10, 1921]

BY a formal agreement, the text of which was made public on June 12, Belgium has displaced Germany as the protector of the Duchy of Luxemburg. All customs formalities between Belgium and Luxemburg are abolished, and wherever the Duchy is not represented by its own consular agents Luxemburg's interests will be placed in the hands of Belgian consular officers. All Luxemburg money is to be replaced by Belgian money, with the exception of bills less than 10 francs to a total of 25,000,000 francs. The Luxemburg railroad system is consolidated with that of Belgium and handled by a single administration. Luxemburg is to receive a loan of 175,000,000 francs, to be raised by a Belgian financial group, on which Luxemburg is to pay 2 per cent., the remaining interest to be paid by Belgium.

King Albert and Queen Elizabeth arrived in London on July 4 for their visit of state to England, accompanied by a numerous suite. A banquet was given for them at Buckingham Palace, and the next day they were guests of the city at the Guildhall. The first Court ball since 1914 was given at Buckingham Palace on July 7 in their honor.

Belgium, according to cabled reports on June 30, had received an order for 95,000 tons of steel rails for the Argentine Government. The bid entered by the United States was the largest, $59.84 a ton; that of England came next at $52.36. Germany bid the lowest, $35.48, but the contract was given to Belgium for $37.40 a ton.

The new American immigration laws are causing congestion at the port of Antwerp, especially as regards Poles, a number of whom are being left behind by each steamer and are unable to find shelter. More than 3,000 emigrants were left stranded at Antwerp up to June 16.

The Belgian Red Cross on June 14 announced that it had purchased one gram of radium in Colorado for 1,000,000 francs, or about $80,000 at the prevailing rate of exchange.

HOLLAND—Official announcement was made on June 18 of the resignation of the Dutch Cabinet, chiefly due to the defeat in the Second Chamber of an essential clause in the new army bill proposing a reduction in forces. The actual resignation, however, was postponed on account of the visit of the Crown Prince of Japan. This visit was beleved at The Hague to be the preliminary to an effort of Japan to effect a rapprochement with Holland, more especially in the Dutch East Indies. In reply to Queen Wilhelmina's telegram, sent after the Prince had left, the Emperor sent a very cordial dispatch, expressing great hope for closer economic relations between Japan and the Dutch colonies. Some disquietude, however, was caused by the fact that Japan had followed America's example and demanded participation in the exploitation of the colonial oil fields. As in the case of the United States, Holland declined the request.

Dr. J. C. A. Everwijn was selected as Minister of Holland to the United States on June 22. He was head of the commercial section of the Ministry of Agriculture, Industry and Commerce, is 44 years old and belongs to an old aristocratic Dutch family.

GERMANY TO RETURN AMERICAN PROPERTY

THE State Department at Washington issued a statement on June 23, 1921, regarding sequestrated American properties in Germany. In compliance with the provisions of a decree of Jan. 11, 1920, the German Government had already released some of the property held by the Custodian of Enemy Property on the application of the legitimate owner. American cash holdings, however, had not been generally released. The Washington statement announced that the German Government had decided to release all American properties still held. Requests for further releases were to be addressed to the Information Office of the Alien Property Custodian, Verlaengerichte Hedemapitzstrasse, 11, Berlin.

THE CZECHOSLOVAK ALLIANCE WITH RUMANIA

[PERIOD ENDED JULY 10, 1921]

THE young Czechoslovak Republic is struggling to maintain a general economic, political and educational balance. Its foreign policies are shaped to obtain comparative national security. For this purpose it has entered into an alliance with Rumania, the terms of which were recently given out officially. Important provisions in the treaty are these:

Should Hungary, without being provoked, attack either Czechoslovakia or Rumania, the other contracting party will aid the one attacked.

Authorities of both Czechoslovakia and Rumania will, by mutual agreement, outline the military arrangements necessary to make the alliance effective.

Neither of the contracting parties shall enter into any treaty without first consulting the other.

To make sure that both Governments shall act in concert for realization of the peace program, they agree to inform each other about intended measures of foreign policy touching their relations with Hungary.

This agreement shall be in force for two years, beginning from the day of ratification by both parties. At the expiration of this time limit, either party is free to withdraw from the alliance, but in the absence of such declaration this alliance shall automatically continue in force for the period of six months.

This treaty, quite logically, spreads a sense of security so far as the territorial integrity of the new republic is concerned. Quite as logically it does not tend to allay discontent in the camps of the German, Magyar and Ruthenian population, and even among the Slovaks there is manifest disapproval. The Germans and Magyars wish to realign themselves with Austria and Hungary respectively. The Ruthenians and Slovaks are more anxious to obtain autonomy, even though many of them favor living under Hungarian rule, and they appreciate the fact that the foregoing treaty will bring them anything but realization of their wishes.

The Hungarian population of the City of Kassa staged a demonstration there on June 18, demanding autonomy for Slovakia. The mass meeting was called by the Christian Socialists, and Louis Körmendy-Ekes, a member of the National Assembly in Prague, was the principal speaker. He charged that his party was abused, that un-Christian ideas guide the Government, that taxes are excessive, inasmuch as people engaged in industries and commerce pay 60 per cent. of their income and owners of land pay more than twenty times what they used to pay before the war. He charged also that all succession States honor war bonds, the only exception being Czechoslovakia. He criticised military preparations, charging that fully 5,000,000,000 sokols are expended for the maintenance of a large army, and that other State functions suffer in proportion.

Landowners of the country, especially those of Slovakia, eagerly look forward to the proposed land reform. According to plans, all tracts composed of more than 150 tillable hectares and woods of more than 250 hectares will be expropriated. No cash will be paid to the owner, but bonds given, which will draw 3 per cent. interest and amortization at the rate of one-half of 1 per cent. The bonds will mature in fifty years. The price to be paid will be regulated according to prevailing prices in the years 1913-15, and will be paid at the present rate of exchange. The land thus obtained by the State will be leased out to the legionaries, and only the remainder to others who can prove they have the necessary capital for cultivation. In meritorious instances the State would advance a loan to the extent of 90 per cent. of the official valuation, and the loan also is payable in fifty years. The land will be expropriated irrespective of its ownership. Although the law will apply to the whole country, it is charged that it is mainly directed against Hungarian landowners, against estates and churches in Slovakia and against German-Austrian owners in Bohemia. Comparatively few Czechs will lose their lands.

Dissatisfaction is increased in Slovakia because of the striking dissimilarity in prices of food and other necessities. While flour costs 4 sokols a kilogram in Prague and 6.24 in Bohemia, the populace in Slovakia is obliged to pay 7.73 for the same

staple. In general, it is charged that while articles produced in Slovakia cost but a trifle more in Bohemia, those imported from Bohemia cost from 35 to 40 per cent. more in Slovakia. This is termed discriminative, and is mainly responsible for the existing discontent. (See also articles, pp. 834 and 844.)

RUMANIANS AND MAGYARS

To the Editor of Current History:

The events which took place in the eastern corner of the former Austro-Hungarian monarchy are still too near in time to allow us to have a clear and far-reaching view of this new world issued out of the ruins of a broken empire. The repercussions of the desperate struggle which divided the Magyars and the non-Magyar peoples of old Hungary still last and, alas, will go on a long while, because there will always be pretexts and especially interests enough to prevent an amiable settlement.

Let us take the relations between Rumanians and Magyars. Each side is overbusy in accusing the other. The Rumanians accuse the Magyars of trying to incite the Magyar people of New Rumania against the Rumanian State; the Magyars complain that the Rumanian persecution in Transylvania is growing more and more intolerable.

Is there really a Rumanian oppression of the Magyars? I dare say, with the utmost sincerity, that no such oppression exists. These new citizens of Greater Rumania have, perhaps, many causes to complain of the Rumanian authorities; they have reasons enough to be discontented with the new situation, but these complaints are general, this discontent is no Magyar monopoly. You will find discontent among all classes; it is a universal sickness caused by the war and to be found in all the countries of Europe.

However well the Magyar complaints may be founded, they can hardly be ascribed to any Rumanian intolerance. This alleged oppression is rather a state of mind than a positive fact. It is based above all on the difficulty of forgetting, for the one as for the others. The Magyars cannot forget that they have ceased to be the masters, the omnipotents of yesterday; the Rumanians cannot forget that during many long centuries they had to suffer great injustice. These sentiments lead the Magyars to consider each act of the Rumanian Government as persecution; and sometimes the same motives lead Rumanians to acts of individual vengeance, which, without being pardonable, are, nevertheless, human and comprehensible. There is by no means a change of parts; the oppressed of yesterday have not turned into the oppressors of today. There is only taking place a political expropriation of the overmighty to the profit of those who before have been deprived of rights—perhaps a forced expropriation, but a legitimate one. And can any new and just division of rights and duties be accomplished without the protest of those who must give?

I expect the remark that there is in question the expropriation of a whole people. Not at all. The Magyars are keeping all their national rights and are restoring to the Rumanians the rights they had taken—rights which are not necessary to the Magyars to live a free national life. They only are expropriated of their privileges.

A striking example: In a small Rumanian town the former Hungarian State had established a school. The language of this school was the Magyar, though the whole Magyar population of the town was not even fifty souls. Does it mean oppression of the Magyars if the Rumanian language is reinstated in its natural rights? But this town is only one among a thousand.

Magyar life has nowhere been hindered in its natural development. Only Rumanian life has begun to manifest itself, too. The struggle has been so violent, the heads are still so excited, that the voice of reason cannot be listened to. But anger and passion will pass and an understanding will come, because it must come. Let time act, and it will heal man-caused wounds. And above all, since it is impossible to do justice to all, let us try to do as little injustice to any one as can be done.

I. SCHIOPUL.

Bucharest, Rumania, June, 1921.

ALBANIA'S FEUD WITH GREECE

Conflict over territorial claims in Albania aggravated by the Greek war in Turkey—Spies caught distributing anti-Greek propaganda from Mustapha Kemal

[PERIOD ENDED JULY 10, 1921]

ALL through the month of June the Council of the League of Nations listened to complaints of Albania about the encroachments of Serbs and Greeks upon her territory. Both the Greek and Jugoslav delegates pleaded guilty, but insisted that events subsequent to 1913 had made the London and Florence Treaties of that year, defining the Albanian frontiers, wholly obsolete. The matter came up before the Council on June 26 for decision. Considering the matter as one of adjustment of dead treaties rather than interpretation of living ones, the League Council decided to refer the matter to the Council of Ambassadors. Against this decision the Albanian delegation, headed by Bishop Noli, who is a graduate of Harvard University, strongly protested, declaring that the Council of Ambassadors dealt only with questions between victors and vanquished, whereas Albania had been neutral. A new memorandum of charges against the Greeks and Jugoslavs was filed by the delegation.

The friction between the Albanians and the Greeks has been especially bitter on account of the Greek war upon the Turkish Nationalist leader, Mustapha Kemal, with whom, Greece has alleged, the Albanians, who are the Turks' co-religionists, stand in a relation of complicity. The boundary dispute between Greece and Albania was presumed to have been settled in the Winter of 1919-20 by the exchange of protocols between the Governments of Great Britain, France, Italy and the United States. The arrangement then made, however, was modified in favor of Albania by the subsequent treaty between Italy and Albania, negotiated by the Italian diplomat, Count Manzoni, a year ago. Further adjustments remained pending. Meantime the town of Koritza, of mingled Greek and Albanian population, and a bone of contention between the two countries, was administered by Albania. The Greeks in the town complained of being pressed into the Albanian military service, of confiscation of the earnings of returned Greek immigrants, with other similar charges.

In the first week of May the Greeks were outraged by Albanian attacks upon the Greek church of St. George. On the Thursday preceding Good Friday, first of all, some Albanian officers, led by an Albanian priest named Premiti, broke into the church during service and demanded that the mass be said in the Albanian language. The priests complied, but the next day the Greek Metropolitan protested to the Albanian Governor against this indignity. A day later the Greek Metropolitan mysteriously disappeared and an armed attack was made upon the Greeks during a procession, with the result that eleven Greeks were killed and several wounded; the Albanians lost about the same number.

Next came the trouble over Chimarra, also in Albanian territory. Chimarra is a small port opposite Northern Corfu, at the foot of the Acroceranian Mountains, and has been celebrated both by Horace, the Latin poet, and by our English Byron. Chimarra came out openly proclaiming its union with Greece. The Albanian Government at once sent an ultimatum, bidding the people recognize Albanian sovereignty. They were about to give way when Greek mountaineers flocked into the port and ordered them to defy the Albanians. The Albanian-Greek feud, thus intensified, was made still more bitter by an event which occurred in Greek territory, south of the frontier.

At this point some Moslem Albanians were arrested by the Greek authorities as spies. A search revealed the fact that these men carried Turkish propaganda literature, printed at Angora. The prisoners declared that they had received this literature for distribution from a certain French Senator, who had recently passed that way on a mission to Albania. Identifying this alleged distributer as Senator Godard, the Athens press at once began to accuse the French Government of inciting insurrection among

the Moslems of Greece. These attacks brought a denial from M. de Billy, the French Minister at Athens, who declared that Senator Godard had come on private business and had no Turkish propaganda material in his possession.

A further examination of the effects of the alleged spies revealed part of a speech delivered by Mustapha Kemal, the Turkish Nationalist leader, delivered before the Grand Parliament at Angora on May 10, which seemed to place the origin of the propaganda beyond doubt. The extract from the speech read as follows:

> Owing to the geographical situation of Albania we cannot maintain direct communication with that country. But we gladly consented to the request of the Albanian officers, who asked our permission to return to their country and organize Albanian forces against the Greeks. We, as Mussulmans, take the greatest interest in Albanian affairs, and consider that Albania needs our assistance against Greek aggression. It is our sacred duty to give aid to our coreligionists. No Turkish officer has left Angora, but Nouredin Pasha, the commander of one of our Smyrna divisions, has proceeded to Albania with 200 Albanian officers who had come to Asia Minor to help us, but who, I judged, would do more effective work in their own land. Greece has become the enemy, not only of Albania, but of all the Levantine races, and the Balkan States should recognize this as Albania has already done.

THE LITTLE ENTENTE'S PROBLEMS

[PERIOD ENDED JULY 10, 1921]

THE text of the three defensive treaties which form the backbone of "The Little Entente" — Czechoslovakia - Jugoslavia, signed Aug. 14, 1920; Czechoslovakia-Rumania, April 23; Rumania-Jugoslavia, June 8—is now at hand. All contain a preamble and six articles, and the last two follow the first (See CURRENT HISTORY for January, page 73) in all essential particulars. In each case should Hungary make an unprovoked attack upon one of the parties the other shall come to the rescue; meanwhile military conventions shall define that aid, and other conventions shall lay down a common foreign policy, which shall be based upon the execution of the Treaties of Trianon and Neuilly.

Almost simultaneously the "fathers" of "The Little Entente," Dr. Benesh at Prague and Take Jonescu at Bucharest, expounded the treaties along the foregoing lines; but the latter added, what had already been imparted privately to CURRENT HISTORY by the Rumanian Legation and printed in these columns:

> The second part of the great political program will be the conclusion of an alliance between Poland, Czechoslovakia, Rumania, Jugoslavia, Greece, and, as soon as expedient, Bulgaria.

In commenting upon this statement the Sofia Echo of Bulgaria, on June 16, reminded its readers that the Bulgarian Government had three times attempted a rapprochement at Belgrade, but without avail. However, it had hopes of an invitation from Prague or Bucharest. Conversations with Rumanian, Serb and Czechoslovak diplomats reveal the fact that, while none questions the correct attitude of M. Stambolisky, the Bulgar Premier, which has gained for his country admission to the League of Nations and a good measure of esteem from several chancelleries, there are, nevertheless, elements in Bulgaria, whether reactionary or communistic, which, in the event of Greek reverses in Asia Minor, might seek to combine with Kemalist and Bolshevist elements to stir up trouble in Thrace. With this fear removed, it is added, the way will be open for Bulgaria to enter "The Little Entente."

As to the case of Greece, neither Dr. Benesh nor M. Jonescu nor M. Pashitch, the Serbian promoter of "The Little Entente," can be particularly enamored of Constantinian Greece—they who are the personal friends and admirers of Venizelos. However, they recognize the paramount importance to Balkan and European peace, and believe that no domestic changes in Greece should be allowed to upset a settlement by any other State desirous of fishing in troubled waters.

SCANDINAVIA'S FIGHT AGAINST BOLSHEVISM

How an elaborate revolutionary plot, subsidized with Russian money, was crushed by Sweden—Norway's effective way of handling a Bolshevist-led general strike—Russia's dissatisfaction with the Aland Island settlement leaves a cloud on the horizon

[PERIOD ENDED JULY 10, 1921]

SWEDEN has been much commended in the press of the world for her loyalty in abiding by the decision of the Council of the League of Nations (June 24), that the Aland Islands shall remain under Finland's sovereignty. The islands are to be neutralized from a military standpoint, and the population is to receive the guarantees recommended by the Elkus commission. Hjalmar Branting, former Prime Minister of Sweden, protested against the decision, saying, in part:

> The Swedish Government cannot refrain from expressing the fear that the Council has badly shaken the confidence of all peoples, and more particularly those who, like Sweden, long have striven for a realization of international law and who had felt that the League of Nations had been created to place the world under the reign of this law.

He agreed, nevertheless, to recognize the decision, regarding it as the duty of a member of the League to do so, even though it was a bitter disappointment to his country and to the Aland delegates at Geneva. Even so, the decision cannot be regarded as final; for the next day the Russian Soviet notified the League and all other parties concerned that Russia still considered itself interested in the Aland question and protested against its being settled definitely. The note of protest contained a reference to the treaty of 1856, made at the close of the Crimean war, after the British and French fleets had destroyed the Russian fortress of Bomarsund on the largest of the Aland Islands. By its terms Russia guaranteed that the islands should not be fortified, but broke its pledge early in the World War.

This demand of Russia to be considered in the settlement lends significance to the Bolshevist plot, detected by the Swedish police in the second week of June, to start a revolution simultaneously in Sweden, Norway and Finland. The precipitation of the Norwegian general strike was regarded as the advance action of this movement. The chief conspirator in Sweden was a journalist, Jacobsen. The others arrested were all Finns, former members of the Finnish Red Guards, and all the persons in custody were considered members of a gang directed from Moscow. Among the documents seized were instructions to agents to get particulars about Swedish army, navy and air forces. Arrests continued through June 17, and investigations were expected to last for several weeks. Raids in Northern Sweden resulted in the arrest of four Finnish communists, suspected of having set fire to large sawmills, and in the flight of many communists to the coast in the hope of escaping by sea. In the State Council it was decided to expel Wallenius, the Finnish chief of the Stockholm organization, as a particularly dangerous person. Several of the Finnish Red Guards arrested had been living luxuriously in Stockholm. Others worked as miners in the northern iron-ore fields. It was found that extensive subterranean works had been carried out at Boden, Sweden's largest fortress, situated near the Finnish frontier.

This revolutionary organization in Sweden dates back to 1918, when many Finnish Red refugees came over the frontier on false passports. Later a committee of six was formed, and in April, 1919, a Red officers' school was established. For their equipment Lenin arranged to establish a special clothing factory. However, the pupils pawned their uniforms and arms, and that part of the scheme fell through. The committee of six arranged for the smuggling of jewelry from Soviet Russia into Sweden. Motorboats carried the goods to points on the Swedish coast, whence motorcars forwarded the goods inland, both boats and cars making regular trips for this purpose.

NORWAY—The general strike which grew out of the Norwegian seamen's strike went down in a fortnight to crushing defeat before the efficiency of the nation-wide Community Aid Organization. The workers were sent back to work on June 10 without conditions and without having gained anything. This event was hailed in the Norwegian press as "a unique victory for society." The Community Aid had kept the necessary industries going by furnishing volunteer social workers in all lines affected. The military was mobilized, but not used. The workers had to return to work individually, taking their chances of being re-employed. In the words of an editorial in Aftenposten (Christiania):

> No strike was ever more lightly entered into, nor sooner ended with a more crushing defeat. Launched by a small band of Bolsheviki, the strike necessitated great sacrifices on the part of the laborers, but all in vain. The Bolshevist leaders learned that society is no plaything which they can beat to pieces like a child. The strike was broken by its own impossibility.

The Norwegian Government recently introduced a bill proposing to substitute a system of rationing liquor, like that adopted in Sweden, for the present temporary system of absolute prohibition. The provision in the measure that all profits from the sale of alcohol be used to further social reforms gives rise to many points of dispute.

The question of compensation for the fifteen Norwegian ships requisitioned in American shipbuilding yards by the United States on entering the war was submitted to the United States Senate, July 1, in the form of an arbitration agreement for ratification. This agreement was drawn up in conformity with the provisions of the arbitration convention between the two countries in 1908, and its negotiation followed the failure of the Norwegian claimants and the United States Shipping Board and Emergency Fleet Corporation to adjust the claims. These claims amounted to $14,157,000. The Senate referred the arbitration agreement to its Foreign Relations Committee. Its text was not made public.

DENMARK—The marriage of Princess Margaret of Denmark and Prince René of Bourbon was solemnized in the Roman Catholic Church, Copenhagen, on June 10, in the presence of the King and Queen and other official personages. The Princess was accompanied by her father, Prince Valdemar, and the Prince René by his mother, the Duchess of Parma. The drive of the bride and bridegroom to the Amalieborg Palace was a brilliant progress. The carriage was escorted by Hussars, and the cheering crowds covered it with flowers.

A resolution urgently appealing to the Government to intervene in the industrial crisis that lies heavily on Denmark was unanimously adopted at a meeting of repre-

(Times Wide World Photo)

PRINCESS MARGARET OF DENMARK
Bride of Prince René of Bourbon

sentatives of various industries invited by the Danish Chamber of Industry, June 15, to discuss means for dealing with the matter. Influenced by the free-trade Agrarians, the Government had shown no desire to accede to the Social Democrats' demand that it summon the Rigsdag. The Social Democrats had lately joined the Conservatives in pointing to protection as a solution of the difficulties, in view of the stress of German competition.

The Fourth of July was made the occasion of a great Danish-American festival in the Rebild Hills of Jutland. Joseph C. Grew, the American Minister to Denmark, made an address which evoked great enthusiasm from the thousands of Americans, Danish-Americans, and Danes present.

RUSSIA IN DESPERATE STRAITS

Lenin's fight for economic reforms obstructed by radical Bolshevist leaders at the Third International Congress—Famine and rebellion faced by the Soviet—The trade movement from Europe still weak

THE Soviet newspapers bear eloquent testimony to the desperate efforts of the Bolshevist Government to retain power until conditions improve so as to make for permanency. From these papers it is apparent that Lenin's far-sighted plans to improve the desperate state of affairs that now prevails have met with an ever-increasing opposition on the part of Bukharin, Zinoviev, Djerzinsky and other extremist leaders. Interesting information is given by the official organs of an extraordinary session of all the chief executive bodies held in Moscow on May 27, preparatory to the opening of the Third International in June. The following official organizations were represented: The Soviet of People's Commissaries, the Soviet Revolutionary Military Council, the Labor Defense Council and the All-Russian Extraordinary Commission, otherwise known as the Cheka.

The object of this extraordinary session was to discuss the crisis which faced the country. Since the beginning of May disquieting reports had been received from the interior, notably of a strong anti-Soviet movement, which was gaining momentum in the following provinces: Saratov, Orel, Ufa, Riazan, Vologda, Tambov, Cheliabinsk and Kursk. Food shortage was combining with the anti-Soviet propaganda of the Mensheviki, the Revolutionary Socialists and the White Guard elements. A certain number of Red Army units were being strongly disaffected by this movement.

The meeting was stormy. Lenin was bitterly attacked by the radical leaders, who have made war on him since he declared for a partial return to capitalism and free trade. These leaders were for drastic action at home and for a continuance of the efforts of the Third International to work for revolution abroad. A speech by Lenin, pointing out the desperate economic condition of the country, declaring that "the economic life of Russia is on the eve of a complete breakdown," and implying that the only recourse was to work for reconciliation in Russia and to comply, at least for the time being, with the demands of the Entente for a cessation of propaganda for world revolution, was howled down, and Lenin left the meeting.

The extremists, led by Trotzky, Bukharin, Djerzinsky and Zinoviev, gave no sign of relenting in the drastic policy which they advocate. These leaders were all prominent in the new sessions of the Third International, which opened in Moscow on June 19. The majority of the foreign delegates brought glowing accounts of revolutionary movements in Germany, France, England, Italy and elsewhere. These stories were received with enthusiasm. The violent spirit of the extremists, however, was dampened by the conditions at home, alleged by Lenin and the conservative leaders to have been caused by the measures pushed through by the radicals. Leon Trotzky was greatly in the limelight. He led a procession of troops just before the Congress was opened. Effigies of Lloyd George, Premier Briand and other Entente leaders were greeted with jeers.

The Congress was attended by delegates

from the brown and yellow peoples of the Near and Far East. Women delegates were in the majority. Zinoviev, in his opening speech, reviewed the standing of communism abroad, and advocated an unrelenting struggle against capitalism. Both Trotzky and Bukharin, who is head of the Left Wing of the Soviet Central Committee, and editor of the Moscow Pravda, made speeches to the women delegates, urging them to take an active part in "the revolutionary front" abroad. Bukharin summed up the situation thus: "We, in Russia, are exhausted, but must hold on at all costs. You on the outside must help, and strain every effort to make the existence of capitalism impossible."

At a session reported on June 28 Trotzky was appointed to draw up a manifesto to the world's proletariat. Trotzky's assertions that a conflict might be expected between the United States and Great Britain, and between Great Britain and France, were contested by the German delegates, who charged that Trotzky was overstressing future perspectives and ignoring immediate possibilities. Zinoviev declared for the strengthening of the communist parties abroad, demanding more mass action. He announced that the Executive Committee had decided to admit the British Labor Party and the French Socialist Party. Referring to the "splits" in nearly all the communist groups abroad, he advocated iron discipline" to grapple with bourgeois tendencies.

Zinoviev's views on the latter point won out at the session of June 29, but only after a bitter contest. A number of delegates favored a compromise regarding the twenty-one points laid down by the 1920 Congress, but were voted down. As finally adopted, the resolution approved Zinoviev's view that the Third International must insist on the full twenty-one points as a qualification for membership, authorized the sending of a threat to expel the Italian Socialist Party unless it excluded all reformists, and threatened the Communist Labor Party of Germany with expulsion unless it united immediately with the more radical communist element. Further meetings of the Congress had not been reported up to the time when these pages went to press.

An alleged plot to start a simultaneous communist revolution was revealed by the police of Stockholm on June 9, following the arrest of a notorious Bolshevist leader in Kiruna, situated in the iron-mining district of Sweden. Papers were found implicating 400 Bolsheviki staying in Sweden, all of whom were to be deported.

Grave conditions approaching famine were reported both in North and South Russia toward the middle of June. Food riots were going on at several points, and mutinies among the soldiers of the Red Army were feared, owing to a reduction of rations. Famine conditions in Kiev were said to be especially severe. In this district, Nationalist societies were active in hunting down and killing the Bolshevist commissaries. Hostility among the peasants and workmen was growing more and more open.

The dearth of food was caused, in part, by the interruption of communications in Western Siberia by insurgent anti-Bolshevist elements. The capture of Omsk and the revolutionary activities from there to Ekaterinburg had demoralized all transportation. [For the chaotic situation in Siberia following the capture of Vladivostok by the anti-Bolshevist Kappelites, see the article on Siberia].

The much hoped-for relief from Europe was slow in materializing. It was reported on July 21 that shipments from the Scandinavian countries, Germany and Great Britain were still insignificant. Lenin's plan to return some of the factories to private ownership was expected to result in the export of considerable raw material. Russia's import trade through Esthonia and Latvia amounted for the month of May to 50,000 tons, as compared with 35,000 tons for April. About half of the imports were food products. Royal honors were paid the Dutch steamer Alexander Polden when it arrived at Petrograd toward the middle of June with a cargo of herrings. Twenty carloads of herrings were immediately unloaded and dispatched to Moscow. The inhabitants of Kronstadt and Petrograd gave way to great rejoicing. Food conditions in the former capital were said to be distressing. Only the day before the Dutch steamer arrived the Ekonomitcheskaya Zhizn wrote: "The fate of the city is so tragic that no comparison can be found in the world's history." The mortality from famine and disease, this paper said, was greater than that caused by the engulfing of Pompeii.

UNION OF THE CAUCASUS STATES

Armenia, Azerbaijan, Georgia and Daghestan sign a compact of close economic and defensive union in the French capital, while their countries are held in Babylonian captivity by the Bolsheviki

[Period Ended July 10, 1921]

A PECULIARLY interesting development, in view of the situation prevailing in the Caucasus, was the union in Paris on June 10 of the three main Caucasus States, Armenia, Azerbaijan and Georgia, and a fourth State—the North Caucasus Republic of Daghestan—into a close economic and protective confederation. Negotiations for such a compact had been under way for some weeks, both in the Caucasus and in France. The main movers in the agreement called on Premier Briand on June 22 and presented him with a copy of the articles of confederation. These delegates — M. Aharonian (Armenia), M. Topchibachev (Azerbaijan), M. Avalov (Georgia), and M. Tchemoyev (North Caucasus)—told M. Briand that the union had been formed in order to assure the various peoples of the Caucasus of their independence, to give them a democratic régime, and to make them economically self-sufficing. All four members of the group were to enjoy equal rights. All differences were to be submitted to arbitration. No foreign compacts were to be made without common discussion and consent. The four countries were to form a customs unit. Full freedom of international transit was to be accorded. No decrees or arrangements made by the Soviet régime now in power in the Caucasus were to be recognized by the new confederation.

The ironic interest of this compact lies in the fact that Soviet Russia is in actual possession of the whole Caucasus territory. The situation prevailing there is briefly as follows: Armenia, Azerbaijan and North Caucasus have been for some time in Russian hands. Georgia, after maintaining independence for a considerable period, fell, on March 17, 1921, before an advance of the Soviet armies, its Government was overthrown, and its political leaders were forced into exile. The Soviet rule is supreme in all these States. All the expelled Governments are fighting for return. The mountaineers of Daghestan, from their rocky fastnesses, periodically give the Soviet new trouble. The Armenians have several times retaken Erivan, the Armenian capital, and lost it again; the city was last re-entered by the Red forces on April 2. Notices received on June 5 indicated that the dispossessed Armenians had joined forces in the provinces of Karabagh and Zanghezur, on the border between Armenia and Azerbaijan, with the ousted Azerbaijani, who refuse to be reconciled to the despotic rule of the Soviet. The Georgian Government, headed by Schamyl, has taken refuge in the fortress of Gounib.

Many atrocities were committed by the Russians in their invasion of Tiflis, where corpses were piled in the squares. The Azerbaijani, who had worked against Soviet rule on Georgian soil, received especially cruel treatment. Many of them were executed. Reports from Georgia and Azerbaijan indicate that the Soviet rule is corrupt, despotic and inefficient. The price of everything has enormously increased. Transport and food conditions are deplorable. The temper of these two peoples is hostile in the extreme to the Soviet administration. Of this the Moscow leaders are very well aware, and they have shown a tendency to allow the local leaders more influence than elsewhere in Sovietdom. Of this the recent oil concession at Baku granted to England by Azerbaijan gives some indication.

Azerbaijan is particularly the object of anxiety on the part of outside Governments, who have long competed for the rich resources of the Baku oil fields. The French formerly controlled these. Then came the Dutch, and lastly the Bolsheviki, who are exploiting the oil product vigorously. Thousands of barrels of oil are being sent to Soviet Russia every month. The recent concession to England (reported from Latvia on June 11) shows that Great Britain intends not to be left out. Some observers

of the Caucasus situation declare that the union of Caucasus nations concluded in Paris shows that the French are again seeking for oil control. This view was repudiated by the Paris Temps, which commented as follows:

> It goes without saying that the French Government has not tried to influence their negotiations, or to derive any special benefit from them. It is natural that they should work in France, for France is the traditional friend of those who fight for liberty. The Supreme Council of the Allies has recognized the independence of Armenia, Azerbaijan and Georgia, and the fourth republic, that of the mountaineers of the Caucasus, is showing to the Bolsheviki that they will never rule tranquilly upon its soil. We hope that the Governments of these four Caucasus republics, when they shall have retaken possession of their countries, and even before, will succeed in establishing good relations with the Turkish Government of Angora. For the nations of the Caucasus, an accord with Turkey is an essential condition of their emancipation. Russia, their other neighbor, has need of emancipation herself ahead of everything else.

The answer which may be given to those who see little value in the new compact of exiled Governments is this: Not so very long ago the present rulers of Czechoslovakia and Jugoslavia were exiles in France and elsewhere. The plans and compacts which they made in foreign countries have now been translated into realities.

THE ARMENIAN MASSACRES

To the Editor of Current History:

You have published, in your July issue, an article entitled "Why Talaat's Assassin Was Acquitted." The author of that article, George R. Montgomery, ought to have mentioned the book, "The Memoirs of Naim Bey," from which he has bodily lifted the facsimiles of the telegrams and their translations. "The Memoirs of Naim Bey," published by Hodder & Stoughton, London, was prepared by Aram Andonian, an Armenian journalist, who was deported from Constantinople to Der Zor. Andonian writes as follows in the introduction to his book as to how he secured these documents:

> For two years and a half I had been pursued by persecution, living in hiding, now in Aleppo, now in Damascus and Beirut, and sometimes in the Lebanon, till the English entered Aleppo, bringing liberty with them. Some friends from Adana then reminded me of Naim Bey, and promised to satisfy my great desire to see him. Considering his long term of office in the General Deportations Committee at Aleppo, it seemed to me that he ought to know a great deal—everything, in fact.
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> "The departure of the Turks from Aleppo, after the arrival of the English, was something like the escape of criminals," he said to me.
>
> "I, having a clear conscience, did not wish to join them, and I stayed."
>
> As the Government of the Young Turks has caused the documents concerning the massacre of Armenians to disappear, we had no official evidence to show. It was this want which Naim Bey supplied by handing over to us a great many official documents, Ministerial telegrams and decrees to Governors sent on behalf of the Ittihad Committee, which had passed through his hands during his term of office under the General Deportations Committee of Aleppo, some of which he had kept, perhaps fearing future responsibility; one part of those documents he has written from memory, and the most important ones are photographed and published in the present work.

In justice to Mr. Andonian and to the authoritative standard of your magazine these facts should be set forth.

ARSHAG MAHDESIAN,

Office of the New Armenian, 949 Broadway, New York, July 5, 1921.

[The facsimiles of Talaat Pasha's telegrams were reproduced from Aram Andonian's "Documents Officiels Concernant les Massacres Arméniens," published in Paris by H. Turabian, and it was from this French volume that Mr. Montgomery drew the main substance of his interesting article in CURRENT HISTORY. "The Memoirs of Naim Bey" evidently is the English translation of the original work just mentioned.—EDITOR.]

THE CURIOUS MUDDLE OF THE GRECO-TURKISH WAR

A month of vanished hopes and intrigues over the problems of the Near East—Greece rejects intervention while sleeping on her arms—Angora playing off one power against another—Turkish hostility concentrating on Great Britain

[Period Ended July 10, 1921]

THE situation in the Orient, down to July 10, became seemingly more muddled than ever—in spite of the reassuring words of Winston Churchill, the British Colonial Minister, uttered in the House of Commons on June 14 about the necessity of Franco-British unity in the Near East; nor was the muddle clarified when Earl Curzon, the British Foreign Minister, went to Paris and joined with M. Briand and the Italian Ambassador in drafting a formula by which the good offices of the Entente might be used to intervene with the Nationalist Turks on behalf of Greece—a formula which the Turks rejected.

The attempts at cordial co-operation by London, Paris and Rome were constantly thwarted by ignorance of the true situation, as shown by the press of these capitals reacted upon by the obvious intrigues there of agents sent out from Angora. The situation is so paradoxical that both Athens and Angora believe that each may profit by its continuance, as they imagine they observe the waning of the morale, if not the material strength, of the Entente. It will be shown, however, that both are nurturing an illusion: The seeking of an inexpensive formula on the part of the Entente really exhibits no signs of fundamental weakness.

There have been few changes in the purely military situation. The Greek and Nationalist armies still face each other, with periodic feint attacks at various points. The Greek evacuation of the Ismid Peninsula was followed by reported atrocities on both sides and the landing of American marines to protect American educational and missionary property and the lives of those identified with it. There was an unconfirmed report that General Gouraud, the French High Commissioner of Syria, had renewed hostilities against the Kemalists. The British fleet came into full control of the strait and General Sir Charles Harrington increased his army at Constantinople; but there was no change in the proclaimed British neutrality, and the best the Greeks could believe from the situation was that an attack by the Kemalists on Constantinople would eventually bring Great Britain to their side. Indeed, Austen Chamberlain, the Government leader in the House of Commons, intimated as much on June 23. But Mustapha Kemal Pasha has been careful not to provoke that contingency.

The Greek army in Asia Minor, although arrayed in uniforms of various nations, possesses particularly good footgear, and a formidable, although varied, armament, and plenty of food. Its wages are not paid, but the Greek Government seems to have plenty of money for military necessaries. Where does the money come from? Opinion is divided in Athens between private American and British sources and the hypothecation of the $16,000,000 Greek balance still due on the Washington loan made M. Venizelos, the payment of which was stopped when King Constantine returned.

In default of a meeting of the Supreme Council, which could not at the moment be arranged, Lord Curzon went to Paris on June 17 and returned to London on June 20. Meanwhile, among other things, he had arranged, with the French Premier and the Italian Ambassador, an identical note to Greece. According to the account of Mr. Chamberlain in the House on June 23, this note expressed conviction that renewal of Greek and Turkish conflict in Asia Minor contained no prospects of enduring pacification of the East or a solution compatible with the real interests and ultimate capabilities of either party. So, as a mere discharge of international duty and as an ob-

ligation of friendship, they were prepared to attempt reconciliation if the Hellenic Government would place its interests in their hands. If outside intervention or advice was found unacceptable, the abandonment of an action thus made fruitless would make the Greeks responsible for the consequences of a renewal of hostilities.

The Greek Government was invited to return a prompt reply to this proposal. The three allied representatives then proceeded to discuss the terms in question and arrived at a general agreement as to the lines on which they would proceed.

On June 25 the Athens Government replied to the note declining politely to receive the intervention of the Entente at that time. It pointed out that Greece was merely striving to execute the Treaty of Sévres, to which all had been parties, and that the proposal of the Entente could not be considered unless it guaranteed the rights of Greece in Smyrna and Thrace as set down in that instrument. The rest was, of course, open to arbitration.

On June 6, Mustapha Kemal Pasha had issued a proclamation which read:

> We absolutely refuse to enter into pourparlers with the British. Our military movement will have such repercussions that the liberation of the whole Moslem world will follow, and Egypt and India will become completely independent.

In spite of this, General Harrington sought a personal conference with Kemal, suggesting as the places of meeting a British warship and then Ineboli. The idea was abandoned on July 10, when it was reported that Kemal's reply "was of such a nature that it was deemed useless for the British commander to make the visit."

It had, nevertheless, been reported that, in certain circumstances, Great Britain would be willing to withdraw its support to the Sultan's Government at Stamboul and permit the Nationalists to occupy Constantinople. These rumors, as well as the assumption of power by General Harrington over the High Commissioners at Constantinople, encouraged the French press to advise its Government to take advantage of the situation and to assume the preponderant influence in the Near East supposedly about to be abandoned by Great Britain. It also suggested that General Harrington be rebuked for acting without consultation with the Interallied Commission. Rumors of the same doubtful character reached the Paris press, on July 10, telling of a Balkan alliance with the aid of Kemal Pasha against Greece. It was said that this alliance had been hatched at Sofia and had found approval at Belgrade and Angora, and that its point of attack would be Thrace and Macedonia. It is obvious, however, that Bulgaria, which is on its good behavior toward the Entente, would not seriously instigate such an enterprise, and that Serbia, whatever its enmity toward the Greece of Constantine, would not engage in it.

Meanwhile, Bekir Sami Bey, the Foreign Minister at Angora, who was obliged to resign when the treaties he had negotiated with France and Italy at London were denounced by the Grand Parliament at Angora, has not been idle. He has been traveling from Angora to Rome and from Rome to Paris and London, adding to the confusion by conflicting interviews. Both in Rome and Paris he pointed out to interviewers that England alone was the obstacle which prevented a perfect understanding between his Government and Italy and France. Of more importance as showing the trend of intrigue was the statement made to the Paris press in regard to his mission by Dr. Nihad Rechad Bey, the Angora representative there. Dr. Nihad said:

> Unfortunately, in Turkey there is a conviction that England has not yet given up the policy of utilizing the Greeks against the Turks, and has not yet decided to replace Greater Greece by the Ottoman Empire. * * * An essential factor in the Turkish situation is the fact that all parties believe that Great Britain is the dominating influence in the situation. All Turkish parties are unanimous in believing that the recent Greek attack certainly found encouragement and even approval from certain British official quarters. * * * We are still waiting a *geste britannique* which shall strike the imagination of the nation as of old. We wait in vain.

At Angora, while Italy is quite ignored, anti-French propaganda has been replaced by anti-British. The semi-official Hakimiet Millie vigorously urges the defeat of Greece because it will be "the first Moslem victory over Great Britain," and adds:

> Outwardly powerful, Britain really resembles a palace of cards. It is undermined by strikes, most of her industries are idle, thousands are bankrupt, millions are unemployed. The British Empire is beginning to totter. In fact, savage fanatical Europe is already in decomposition, and the Great Powers are passing through their last days.

HARD PROBLEMS IN PALESTINE AND MESOPOTAMIA

An explanation of the new British policy in the Middle East, and of the obstacles it is encountering—French hostility to England's plan for making Emir Feisal King of Mesopotamia—Papal protest against the Zionist enterprise in Palestine

[PERIOD ENDED JULY 10, 1921]

ALTHOUGH the problems of the Near and Middle East, so far as they affect France, Italy and Greece, still measurably depend upon the result of the conflict between the last-named country and the Turkish Nationals, those affecting Great Britain depend more directly upon the action of the British Parliament on the ratification of the Palestine and Mesopotamia mandates. Such ratification would shift the responsibilities now being borne by the Imperial War, Colonial and India Offices to the shoulders of the United Kingdom, until, with the mandates fully executed, the Foreign Office would alone be concerned.

Several events occurred in the last half of June which, while not perhaps bringing the day of ratification nearer, clearly revealed the drift of British policy away from its original conception and emphasized the nature of new responsibilities as well. These events were Pope Benedict XV.'s allocution in regard to Palestine, the speech of the British Colonial Minister on the situation, the publication of the text of the Mesopotamia mandate, and the antagonistic comments of the French press in regard to the change of British policy, although this change had been shown to be more favorable to French interests.

During the post-bellum régime of M. Venizelos in Greece, deductions made from the speeches of Lord Curzon and A. J. Balfour revealed that the primary conception of the British policy was, in the first place, to create an auxiliary Greek Empire controlling, by agreement with Downing Street, the whole littoral of the Aegean, and dominating the approaches to Constantinople; and, in the second place, to establish a series of dependencies, including Palestine, Mesopotamia, Persia and the Kingdom of Hedjaz. With the *volte-face* of Greece, this policy has gradually given way before the exigencies of political events, and a new one has developed, which ignores the aspirations of the Constantine régime and leaves France and Italy pretty much to their own devices. At the present time this new policy has reached the point where the seemingly triumphant progress made in Palestine has encountered formidable obstructions to its primary object—the establishment of a home land for the Jews. This opposition, both internal and external, comes from the Catholic hierarchy, from Bolshevist propagandists and from the Arabs, who have just dispatched to London an important delegation of malcontents. The Mesopotamian policy, also, is now meeting with strong objections from both the British taxpayer and the officially inspired French press; and Persia, thanks to the attitude of the United States, the repudiation of the Anglo-Persian Treaty and the intrigues of Lenin, seems very remote indeed from Downing Street.

It is important to note that the diplomatic relations between the Vatican and the Quai d'Orsay, restoring to France the prerogatives of the protecting power over Catholics in the Levant, had been fully reestablished when the Pope, in the course of an allocution addressed to the secret Consistory of June 14, made the following declaration:

> The situation of Christians in Palestine not only is not improved, but has been made worse by the new civil arrangements which aim, if not in their author's intention, at least in fact, at ousting Christianity from its previous position to put the Jews in its place. We therefore warmly exhort all Christians, including non-Catholic Governments, to insist with the League of Nations upon the examination of the British mandate in Palestine.

This language is plainer than is usually customary in Papal diplomacy. Still, it is consistent with the policy of the Vatican

first enunciated at the Consistory of March 10, 1919, when the central idea was more or less veiled.

Ever since Winston Churchill's return from his mission to the Levant in early June, the British Parliament had eagerly awaited a statement from the Colonial Secretary. This statement was made in the House of Commons on June 14, and seemed to be the lecture of an observing traveler rather than the defense of an imperial policy. By deduction and inference, however, it proved to be a defense, a very eloquent defense.

Colonial Secretary's Statement

The Secretary reassured his hearers in regard to financial matters. Although the expenditures for the fiscal year 1919-20 for Palestine and Mesopotamia had been between $350,000,000 and $400,000,000, he said, those of 1920-21, if the present policy continued unchecked, would not be more than between $45,000,000 and $50,000,000. As a basis for his ethnic and religious observations on Palestine he stated the facts in regard to numbers—there were 500,000 Moslems, 65,000 Christians and about 65,000 Jews. He ignored the official complaints of Christians, but explained those of the Moslems on the ground that the enthusiastic declarations of the Zionist organizations through the world, with their ardent hope and aim of making Palestine a predominantly Jewish country, peopled by Jews from all over the world, had alarmed the Arabs, who particularly feared the Jews from Central Europe. This was a misconception, he declared. There had been brought into Palestine under the mandate only 7,000 Jews, and future immigration would be limited to the capacity of the industries of the country to absorb it.

At the beginning, the Colonial Secretary emphasized in a graphic manner the circumstances which had caused the empire to assume its present responsibilities, and indicated, rather than described, the change of policy already noted, by showing how the affairs of the Middle East were being transferred from the India and War Offices to the Middle East Department of the Colonial Office—a bureau of his own creation at the urgent solicitation of the Prime Minister. The following is the illuminating background for superimposed future events, as he sketched it:

> During the war our Eastern army conquered Palestine and Mesopotamia, overran both these provinces of the Turkish Empire, and aroused the Arabs and the local inhabitants against Turkey. We uprooted the Turkish administration, and set up a military administration in its place. We gave pledges to the inhabitants that Turkish rule should not be introduced in these regions, and, in order to gain the support of the Arabs against the Turks, we, in common with our allies, made another series of promises to the Arabs that we would reconstitute the Arab Nation, and, as far as possible, restore Arab influence and authority in the liberated provinces.
>
> In regard to Palestine, a third promise was made in 1917 of an important character, that Great Britain would, if successful in the war, use her best endeavors to establish a Jewish national home in Palestine. After the war we entered into the painful period of peace negotiations. The principle governing the disposal of the conquered Turkish provinces and of the German colonies was decided by the Supreme Council in Paris during 1919, and their conclusions were embodied in the Treaties of Versailles and Sèvres and in the covenant of the League of Nations. They were approved of on behalf of Great Britain by the whole Cabinet of those days, and acquiesced in by Parliament. Under these treaties we have solemnly accepted the position of mandatory power for Palestine and Mesopotamia. That is a serious responsibility.

He then described the conditions in Mesopotamia which had led to the nomination of Prince Feisal as the head of State:

> First, a provisional native Government has been in existence for a good many months. It is our intention to replace this in the course of the Summer by a Government based upon an Assembly elected by the people of Irak, to install an Arab ruler who will be acceptable to the Assembly, and to create an Arab army for national defense. We have no intention of forcing upon the people a ruler not of their own choosing, but as mandatory power we cannot be indifferent to the choice. The situation is not free from delicacy or uncertainty, but I think I am right in leaving these matters in the hands of Sir Percy Cox, British High Commissioner. He is accustomed to deal with Arab notabilities, and I hope under his guidance the people will make a wise and free choice, but I think it necessary to state the view which the British Government takes of what would be the best choice of ruler.
>
> Broadly, there are two policies which can be adopted toward the Arab race. One is the policy of keeping them divided and using the jealousies of one tribe against another. The other policy, and the one which is alone, I think, compatible with the sincere fulfillment of our pledges, is to attempt to build up around the ancient capital of Bagdad, in a form friendly to Britain and her allies, an

Arab State which can revive and embody the old culture and glories of the Arab race.

Of these two policies we have definitely chosen the latter, and if you are to endeavor so to shape affairs in the sense of giving satisfaction to Arab nationality you will, I believe, find that the best structure to build around—in fact, the only available structure of this kind—is the house and family and following of the Shereef of Mecca. It was King Hussein who, in the crisis of the war, raised the Arab standard against the Turks. Of his sons, who gathered around the standard, the Emir Abdulla and Emir Feisal are best known here, and both have great influence in Irak.

The adherents of the Emir Feisal have sent him an invitation to present himself to the people and the Assembly which is soon to gather together, and I have caused the Emir Feisal to be informed that no obstacle will be placed in the way of his candidature, and that, if chosen, he will receive the support of Great Britain. If he should prove acceptable to the people and the Assembly a solution will have been reached which offers, in the opinion of the highest authorities, the best prospects for a happy and prosperous outcome.

Mr. Churchill added that as soon as the Arab Government had been established and a ruler chosen, the British Government would then "enter into negotiations with that ruler to enable us to readjust our relations with Mesopotamia upon a treaty basis, thus recognizing in a more direct form their independence, and thus still further disengaging ourselves from the problems, burdens and responsibilities of those embarrassing regions."

According to his information, there was more danger in Palestine at the present time than in Mesopotamia, although in the former place the trouble, if it arose, could be more easily dealt with. In regard to the Balfour declaration about Palestine being converted into a national home for Jews, he said:

The difficulty about this promise of a national home for the Jews in Palestine is that it conflicts with our regular policy to consult the wishes of the people in a mandatory territory, and to give them representative institutions as soon as they are fitted for them, which institutions they would certainly use as a veto on all further Jewish immigration. I believe, however, that with patience and coolness and some good fortune we shall be able to find our way. The British Empire has been built up by optimists and by positive assertions rather than bad negations.

There are in Palestine 500,000 Mussulmans, 65,000 Christians and 65,000 Jews. There have been brought into Palestine this year under the Zionist scheme about 7,000 Jews. This immigration, with the propaganda, has greatly alarmed and excited the Arab population. * * * The Arabs believe that in a few years they are going to be swamped by scores of thousands of immigrants, pushed off their lands, deprived of the scanty food of the country, and gradually lose control of their institutions and destiny. As a matter of fact these fears are quite illusory. * * *

The Jewish immigration is being watched both from the point of view of numbers and character. No Jews will be brought in beyond the number that can be provided for by the expanding development of the resources of the country. There is no doubt whatever that at the present time the country is greatly under-populated.

I defy any one seeing work of this kind not to feel that the British Government, having taken up their present position, cannot cast it aside or allow it to be rudely and brutally uprooted and overthrown by a fanatical Arab population attacking from outside. It would be a disgrace to allow this to take place. With a proper development of the resources of Palestine, and if Jewish capital is available for the creation of irrigation works on the Jordan, I have no doubt there will be, year by year, new means of livelihood for a moderate number of Jewish immigrants, and that will conduce to the general prosperity of the country.

I see no reason why there should not be a steady flow of Jewish immigrants into the country, accompanied by a general increase in the well-being of the whole population. We cannot possibly agree to allow the Jewish colonies to be wrecked or future immigration to be stopped without definitely accepting the position that the word of Britain no longer counts through the East or the Middle East.

The draft of the mandate for Mesopotamia follows the general scheme of the Palestine mandate (See CURRENT HISTORY for March, page 509), with the exception of certain details of procedure which will be pointed out, and the separate object for which each was made: the aim of the former is the establishment of an independent Arab Nation; that of the latter is the establishment of "a national home for the Jewish people."

Although the mandatory system has been introduced into the covenant of the League of Nations, the opposition in the British Parliament has not lost sight of the fact that there is nothing in the covenant imposing a duty upon the United Kingdom to accept a mandate. This point was emphasized the other day by Lord Robert Cecil in the House of Commons. But a mandate, when once accepted, cannot be modified in any way except by the consent of the Council of the League of Nations. For this rea-

son the British Parliament is scrutinizing the Palestine and Mesopotamia mandates with some care, lest the United Kingdom be committed to responsibilities beyond its strength.

The Mandate for Mesopotamia

According to Article 1, the mandatary has the duty of framing, within three years from the date of the coming into force of the mandate, an "organic law" for Mesopotamia, which must be framed in consultation with the native authorities and contain "provisions designed to facilitate the progressive development of Mesopotamia as an independent State."

Article 2 defines the duties of the mandatary in regard to the maintenance of troops for defense and for the preservation of peace until the "organic law" or Constitution shall go into effect. However, the control of foreign relations is entrusted to the mandatary (Art. 3), who is made responsible (Art. 4) "for seeing that no Mesopotamia territory shall be ceded or leased to, or in any way placed under the control of, the Government of any foreign power."

The mandatary is to be responsible for observing that the judicial system established shall safeguard the interests of foreigners, the law, and, "to the extent deemed expedient," the existing jurisdiction with regard to questions arising out of certain religious beliefs (Art. 6); and the mandatary undertakes to insure to all "complete freedom of conscience and the free exercise of all forms of worship, subject only to the maintenance of public order and morals" (Art 8). Articles 9 and 10 forbid discrimination against any religion, race or language and exact protection for missionary establishments. For these things the mandatary is responsible (Art. 11) as it is to see that there is no discrimination "against the nationals of any State member of the League of Nations (including companies incorporated under the laws of such State) as compared with the nationals of the mandatary of any foreign State in taxation, commerce or navigation, or in the exercise of industries or professions."

Upon the coming into force of the "organic law" an arrangement is to be made between the mandatary and the Mesopotamian Government "for settling the terms upon which the latter will take over public works and other services of a permanent character, the benefit of which will pass to the Mesopotamian Government," and such arrangement is to be communicated to the League of Nations (Art. 15). An obligation is thrown upon the mandatary by Article 16 of making "to the Council of the League of Nations an annual report as to the measures taken during the year to carry out the provisions of the mandate."

French Hostile to New Policy

In the course of his speech, Mr. Churchill had taken pains to reassure France in regard to the change of British policy in the Middle East. He said:

> The general policy which we are pursuing of working with the Shereeffian family is in no way opposed to the interests of France. On the contrary, it is the surest method open to us of securing France from disturbance in Syria by Arab influences, with which she has unhappily disagreed.
>
> It would be deeply injurious to both if France and Great Britain should be unable to act together in the Middle East. It would be absolutely fatal to our joint interests if the impression were to continue, as it has done during the last two years, that one country was indifferent to Arab aspirations, and that the other was specially opposed to the Turks. In such a way we should unite all the forces in those lands in hostility against us at the very time when we wish to reduce our military forces and the heavy expense to which both countries are put thereby. If we wish to maintain our position and to discharge our responsibilities in the Middle East, England and France must show appeasement and friendship toward both the Turks and the Arabs.

Notwithstanding these words, there were serious critical articles in the Paris papers of June 15, with concentrated censure of Great Britain's patronage of Prince Feisal. The Echo de Paris observes:

> Mr. Churchill announces that the Emir Feisal, traitor to the oaths he took and driven from Damascus by the French, will reign at Bagdad, while his brother, Abdullah, will act as Regent over the Transjordan country. We can scarcely rejoice over such news, which is contrary to certain assurances brought to us by Lord Hardinge on his arrival in Paris. * * * So long as our British friends continue to make use of it (the Hedjazian theocracy) to flatter Pan Arabism, the East will continue to furnish us with unpleasant surprises.

The Temps said much the same in a milder tone, and so did Auguste Gauvain in the Journal des Débats.

PERSIA'S PLANS UNDER NEW LEADERS

[PERIOD ENDED JULY 10, 1921]

BETWEEN June 4 and June 11 Persia inaugurated a new Cabinet with the Shah's approval. The new Prime Minister emphasized the neutrality of the nation, and at once began to put into effect the financial clauses of the Moscow Treaty (see June CURRENT HISTORY, page 526) by first establishing the Russian Bank as the State Bank of Persia, with branches in the provinces. This is the first example of Lenin's recognition of capital in a treaty made with a foreign Government. The transfer of Russian gold has already begun across the Caucasus and the Caspian Sea. With this treasure at Teheran the Moscow Government will be in a position to play a new rôle in the Middle East. Few details of the affair have become known, but those few fill with concern both No. 10 Downing Street and the India Office, Persia's new Cabinet is made up as follows:

Prime Minister and Home Affairs—GHEVAM-es-SALTANEH.
Foreign Affairs—MOHTACHEM-es-SALTANEH.
War—SARDAR-SEPAH.
Minister Without Portfolio—MOSTACHAR-ed-DOWLEH.
Education—MOMTAZ-ed-DOWLEH.
Posts and Telegraphs—MOCHAR-es-SALTANEH.
Justice—AMID-es-SALTANEH.
Public Works, Commerce and Agriculture—ADIB-es-SALTANEH.
Health—FAHIM-ed-DOWLEH.

In his speech from the throne, the Shah on June 22 outlined broadly the plans for the future. These included the convocation of the Senate, the organization of the army, administrative reforms, the balancing of the budget, agricultural development, and improvement in the living conditions of the peasants. In regard to foreign policy, Persia would seek friendly relations with all countries and would seek admittance to the League of Nations. The entente with England, based on the abrogation of the Anglo-Persian agreement of 1919, was to be consolidated. Closer ties with Soviet Russia and Afghanistan, following the conclusion of the recent treaties with those nations, were to be established.

Ghevam-es-Saltaneh, the new Premier, explained these plans more at length in his ministerial statement issued on June 7. Here are the main portions of that statement:

My Government has firmly resolved to reopen Parliament, and to gain the support of the legislative authorities. My first efforts will be toward the development of the army on solid modern bases. My Government will strive, in addition to this program, to solve two great problems: (1) Social reforms, and amelioration of the lot of the peasants; (2) Economic reforms, the exploitation of agricultural and mineral resources of the country, the opening of roads, the creation of means of transportation and the gradual elimination of unemployment.

These two problems embrace the following reforms: (a) The engagement of experts and specialists, an extension of agriculture, reform in respect to the treatment of the proletarian peasants by landed proprietors; (b) The former Bank of Discount will be handed over to the Imperial Government, and will henceforth be recognized as the State Bank. It will be represented in all provinces, and its capital will be provided from all the country's resources; (c) Mining and other resources will be exploited by specially created Exploitation Societies under labor guarantees; (d) Necessary credit will be obtained, and a domestic loan will be issued in order to create institutions indispensable to the country; (e) Considering that financial reforms are an indispensable condition of all reform, the Government will endeavor to suppress all useless expenses, and to cover the budget deficit by new domestic revenue. The Government is firmly resolved to cover any eventual deficit by way of internal loans; (f) Public instruction will be developed, and if necessary the moneyed class of each region will be appealed to for aid in covering the deficit in the budget for primary schools; (g) All justified judiciary reforms will be carried through, preceded by the abolition of the capitulations; (h) Sanitary institutions will be created in all the provinces.

Animated only by the desire of attaining the moral and material welfare of the nation, my Government counts on the support of its beloved sovereign and on public confidence, and will strive to express faithfully these principles until the program laid down is fully completed.

JAPAN FOR A CONCILIATORY FOREIGN POLICY

Extraordinary Council in Tokio decides on withdrawal from Siberia and Shantung—Direct negotiations begun with the United States to solve all controversies—The Japanese movement for armament reduction

[Period Ended July 10, 1921]

THE trend observable in Japanese foreign policy during the last few months is distinctly one of conciliation. As the time for the renewal of the Anglo-Japanese treaty drew nearer, the Japanese leaders showed unmistakable anxiety to allay the admitted feeling of hostility existing abroad on account of Japan's alleged imperialism.

One of the most impressive evidences of this new trend was the calling of a mixed military and civil colonial conference in Tokio. This council extraordinary opened on May 16. Although the sessions were not public, it was semi-officially understood that the whole colonial policy was thoroughly discussed with the high colonial officials especially summoned to attend the conference. The Government's policy in Manchuria, Korea and Siberia was given especial attention. Measures were considered to check the activities of the Korean insurgents in Manchuria, and it was decided—according to Japanese papers of a semi-official standing—to ask the Far Eastern Republic at Chita to co-operate in checking these activities. It was the sense of the council that a withdrawal from Siberia should be effected as soon as possible, and that trade and other agreements should be made with the Far Eastern Republic at Chita which would tend to stabilize the conditions prevailing. Proper control and supervision of the Koreans was to be made a condition of Japanese withdrawal ("and an excuse for remaining longer," comments the Japan Chronicle in its issue of May 26).

Regarding Japanese policy in China, it was decided to withdraw the Japanese troops in the interior of Shantung Peninsula, retaining a regiment only at Tsingtau as a proof to China of Japan's sincerity in offering to return the peninsula to Chinese sovereignty. The Maimichi, a paper published at Osaka, stated that the necessity of withdrawing the Japanese garrison now stationed in the zone along the Shantung Railroad had long been recognized by the Japanese Government, and that delay in carrying out this withdrawal had been due solely to the failure of China to provide an adequate policing force. The new plan was to effect the withdrawal first, and then to press China again to begin negotiations for the retrocession of the territory. Besides the withdrawal, it was planned to abandon Japanese rights over collieries and other mines and salt fields, as well as other rights acquired under the Versailles Treaty, and to sanction the opening of the district as a commercial mart by China on her own initiative. It was proposed to obtain the consent of the Diplomatic Advisory Council and other official bodies concerned for the policy outlined, and strong hope was expressed that by making these concessions China would finally be persuaded to negotiate.

With regard to the controversy with the United States over the Japanese question in California and the Island of Yap, it was announced from Washington on June 15 that Japan had initiated new discussions through the Japanese Ambassador to Washington, Baron Shidehara, aiming at the settlement of all matters in dispute. Students of Far East policy saw in this move an attempt by Japan to place herself in a stronger position in respect to the renewal of the Anglo-Japanese Treaty, one of the great stumbling blocks to which, in the minds particularly of Canada and other British Dominions, has been the belief that the treaty embodied a threat to the United States. (Baron Shidehara has made a public statement denying that the treaty has any unfriendly meaning toward the United States. An appeal from prominent

Japanese residents in California asking Japan to send a representative Japanese statesman to give a series of lectures in California expounding Japan's pacific, non-militaristic purposes, had been received by Tokio on June 17. It was stated that a distinguished member of the House of Representatives would be chosen for this purpose.

A more or less unofficial delegation of Japanese Congressmen arrived toward the end of June. They came to repay the visit of American Congressmen to Japan last year. Received and entertained cordially, these visitors declared that all controversies between the two countries were susceptible of adjustment. They further stated, after an extended visit to California, that the conditions there were much more favorable to the Japanese than they had been led to believe before leaving Japan. Mr. Nakanishi, Chairman of the delegation, denied that Japan, in seeking a renewal of the treaty with England, had any thought of future hostilities with the United States. One of the purposes of his mission, he stated, was to report on the possibilities for a reduction of armament, which the people of Japan desired, as one means of lightening their taxes.

Much has been done to spread this desire for reduction by Mr. Yukio Ozaki, former Minister of Justice, who for a number of months has been conducting a campaign for disarmament covering 10,000 miles of territory in Japan. Mr. Ozaki ended his long speaking tour—an event unparalleled in the history of Japan—on July 4. He had spoken in almost all the important cities and towns from Kyusho in the furthest south to Hokkaido in the furthest north, addressing more than 100,000 people at 100 meetings. Postcards distributed and returned showed that 94 per cent. of his hearers favored limitation of armament.

Speaking specifically for the United States, Mr. Ozaki said.

> I should like to convey this message to the people of the United States. If the American Government proposes an international conference to discuss restriction of armaments, it will surely be the beginning of a solution of all the diplomatic questions between Japan and the United States. If we are unable to prevent the clearly unnecessary wasteful naval competition, how can we expect to solve other irritable and more complicated questions between our two countries? The latter will easily adjust themselves when the former has been settled.

A resolution urging Japan to take the lead in bringing about armament reduction was adopted by the Osaka Chamber of Commerce on June 24. A copy was handed to the Japanese Cabinet. It advocated that both the United States and Great Britain be approached with a proposal for reduction. A similar move was made by the Japanese League of Nations Union on June 29, in a resolution which also urged a settlement of the cable controversy with Washington over Yap, and the Shantung question, which it declared to be a source of prejudice to Japan throughout the world. The Chugai Shogyo, on the other hand, a Tokio daily, declared that it was for the United States to take the first step toward armament limitation, and declared that Japan could not understand the action of the United States Senate in passing the Borah amendment for naval reduction, and at the same time voting for an increase of the naval appropriations passed by the House of Representatives. The Yomiuri of Tokio came out with an article declaring that war was more than likely if the present causes of irritation continued, and suggesting that the only remedy was a mutual agreement for disarmament, whereby all suspicion of Japan's alleged militarism would be eliminated.

Viscount Kaneko, member of the Japanese House of Peers and former representative of Japan to the United States, in a contribution to Japan-America, the organ of the American Japan Society, published in June, urged the appointment of a joint High Commission to meet in Washington and to study the Japanese-American problem with a view to finding a solution satisfactory to both nations.

In contrast with this and other conciliatory suggestions, the American Federation of Labor went on record on June 21 as favoring total exclusion of Japanese and other Orientals from the United States, and the absolute repeal of the "Gentlemen's Agreement." "In California alone," said the resolution, "there are over 100,000 Japanese. This peril is not only a serious condition for California, but it is a positive menace to our entire nation." (The recent census showed only 71,942 Japanese in Cali-

fornia. These figures were contested by the Japanese Exclusion League on June 25, which declared that the figures of the California Bureau of Vital Statistics showed the real number to be 109,000, and that approximately 38,000 had escaped the census.)

Hanzo Yamanashi, Lieutenant General in the Japanese Army, was appointed Minister of War to take the place of Lieutenant General Tanaka, who resigned late in April. The new War Minister was Chief of Staff of the Japanese Army during the siege of Tsing-tao, captured from the Germans in the World War.

VLADIVOSTOK CAPTURED BY ANTI-BOLSHEVISTS

The maritime capital is seized by armed forces formerly under Kappel, and they set up a new Government hostile to the Far Eastern Republic—Moscow's protest to Great Britain meets with a rebuff—The Chita Government's struggle for existence

[PERIOD ENDED JULY 10, 1921]

THE chaotic situation in Siberia has been rendered more chaotic still by the success of the partisans of General Kappel, a former leader under Admiral Kolchak, in taking Vladivostok and expelling the Socialist Government established there and ruling as a branch of the ambiguous Far Eastern Republic functioning at Chita. Strong in its backing by Moscow, the Chita Government had repeatedly called on Japan to withdraw her forces and leave the Russians to manage their own affairs without interference from the outside. Similar demands had been made by Krasnoshchekov, the Chita Premier, on the British and French representatives. But just as Japan gave signs of being impressed by the growing strength of the buffer State, when it seemed as though she would recognize the de facto existence of Chita, and open trade agreements with her, the ever-active and menacing activities of the Kappelites culminated in the capture of Vladivostok, an anti-Bolshevist, anti-Chita Government was established over Vladivostok and the Maritime Province, and Japan's reputed intention to effect at least a partial withdrawal was nipped in the bud.

The Chita Government's violent protests to Japan, to Great Britain, and even to the United States, had no effect. Moscow, incensed by this new danger to her protégé, sent an intemperate protest to the British Government, charging that the overturn in Vladivostok was engineered by Japan. This protest was answered by a curt note and the return of Tchitcherin's letter, on the ground that such charges against another nation, supported by no proof, were unprecedented in diplomatic procedure.

In addition to this menace of a new anti-Bolshevist movement, which might spread out from Vladivostok and engulf all Siberia, Chita had been confronted by an advance by another anti-Bolshevist leader, General Ungern Sternberg, from Mongolia, with a motley army of Mongolians, low-class Japanese and Russian soldiers of fortune. The Republic's army had defeated Ungern, but future attacks were feared. Chita also turned an anxious eye to the West, in view of the capture of Omsk by anti-Bolshevist elements, which cut off the small republic, ostensibly non-Communist, from the "mother-country," viz., Soviet Russia. This, in the large, was the parlous situation which faced the Far Eastern Republic at the time these pages went to press.

Eastern Siberia is so far away that few people realize the bewildering series of kaleidoscopic changes that are occurring there. Bad as the political situation in European Russia may be, and it is bad enough, it is favorable as contrasted with Siberia. The original Japanese force which joined with the British and Americans in the original occupation and remained behind after Japan's allies withdrew, has

grown into a formidable army. Unmoved by the protests of the Russians and the Chita Government, the Japanese militarists have maintained and strengthened their grip, have extended their line of occupation, have taken over the Saghalin fisheries and, if the charges of the Vladivostok and Chita Russians be believed, have pursued a policy of favoring every element opposed to peace and order in Siberia. Every faction which opposed the Japanese, it was charged, was disarmed, while those which favored the Japanese were allowed to retain their arms, and secretly encouraged. To such a policy was attributed the tolerance by the Japanese of a large army of Kappelites at Grodekovo, in the Ussuri region between Harbin and Vladivostok, an army variously estimated as between 12,000 and 25,000 unoccupied, predatory and law-defying soldiers, whose behavior had made them a source of terror to all the inhabitants of the district.

To understand the gathering of this anti-Bolshevist army at Grodekovo, it is necessary to follow the movements of Kolchak's scattered army following the overthrow of the Omsk Government. While Kolchak was still waging his war with the Bolsheviki two of his strongest adherents in the Far East were the Cossack Ataman Semenov in the Trans-Baikal region, and Ataman Kalmykov in the Amur Province. After Kolchak's fall Ataman Kalmykov was the first to be eliminated. Defeated by the Partizan Russian forces at the end of 1919, he was forced to flee into China. He was thrown into prison by the Chinese and was shot while attempting to escape. A part of his forces then gathered at Grodekovo, under the command of General Savitzki, and organized themselves anew for a continuance of the struggle with the Bolsheviki. Meanwhile they sought the protection of the Japanese and abstained from any aggressive attitude toward the population.

Ataman Semenov continued his reign of desperate deeds in Chita and the Trans-Baikal. After the elimination of Kalmykov and the withdrawal of the Japanese forces from this region, Semenov's position became precarious. His forces, unsupported by the Japanese, were easily defeated by the Partizans in the Fall of 1920, and Semenov himself was forced to take flight. He went first to Vladivostok, and then to Port Arthur, where he was said to be living under the protection of the Japanese, and where he issued various orders as "Commander in Chief of the Far Eastern Army and Navy"—a title he had assumed on the downfall of Kolchak—in which he declared his intention to continue the struggle against Bolshevism. Meanwhile his dispersed troops, headed by General Saveliev, made their way through Manchuria and, drawn by the forces of attraction, joined with the remnant of Kalmykov's army at Grodekovo.

Several months later, a new stream of Kolchak soldiers poured into Grodekovo. This was the army of General Kappel, another Kolchak leader. After suffering defeat by the Bolsheviki in the region of Omsk in the Fall of 1921, Kappel led his shattered army on a spectacular and dramatic march to the East. Through nearly the whole of Eastern Siberia, across frozen snows and through bitter cold, decimated by typhus, suffering hunger, this ragged army marched, losing thousands on the way by cold and disease. General Kappel himself perished as the result of having one of his feet frozen. His men, or rather what was left of them, finally reached the goal of their long Odyssey—Grodekovo—and a certain part of them there joined with the remnants of the Kalmykov and Semenov armies, which, thus reinforced, made up a host approximating 8,000 seasoned warriors. New accretions brought this number much higher, and it has been estimated even as high as 25,000. According to the Vladivostok News of April 13, this large force continued the reign of atrocity which has been deemed by competent observers to be the cause of Kolchak's downfall, pillaging, burning, shooting, whipping, and so on, deeds which had already stained Semenov's reputation in the Trans-Baikal long before Kolchak fell. The whole Ussuri region was terrorized, and many of the population fled to Vladivostok, bearing with them harrowing tales.

Under the impression of these reports, the Provisional Government at Vladivostok strove to take measures to end these abuses. They sent a formal complaint to the Japanese command, which was suspected of favoring the armies at Grodekovo, and received no reply. The Russian Chairman of the Russo-Japanese Truce

Committee dispatched a long memorandum to the Chairman of the Japanese section of this committee, stating that he had reported the outrage at the last meeting of the Truce Committee, and that the Japanese representatives of the Truce Committee had expressed surprise, and stated that they had no knowledge of the existence or activities of the Grodekovo forces. The memorandum then cited a number of specific outrages which had been committed by the Grodekovo forces and outlined a program of military action to be carried out by the Vladivostok Government, and with which it asked the Japanese to make no interference.

This campaign, however, was never carried out and the Kolchak elements waxed strong and flourished. The bulk of the Kappel army was interned by the Japanese in and around Vladivostok. They had many friends and partisans in Vladivostok itself, and in April last this element made an attempt to seize the city and overthrow the Government. This attempt failed, and about 100 of the leaders were ignominiously deported. The activities of the group, however, continued, assuming a monarchist trend, and former officers of Kolchak swanked and swaggered, not only in Grodekovo, but in Vladivostok, boasting that the end of the Vladivostok-Chita régime was in sight. The Japanese commander, General Tachibana, in a statement issued late in April, denied absolutely that the Japanese were favoring the Kappelists, either those at Grodekovo or those in and around Vladivostok, and in view of the report of a coming overthrow in Vladivostok, declared that he had sent warnings both to Grodekovo and to General Semenov that Japan would not countenance such an upheaval. In case it should occur, he added, Japan would show strict neutrality between the factions, and would disarm all armed groups found in the Japanese sphere impartially.

The rumors of a coming cataclysm proved to be well founded. On the morning of May 26, the Kappelites, under the leadership of General Verzhbitski, advanced from Nikolsk and seized the city. The railroad stations and several public buildings were taken over, and the old imperial flag of Russia raised. The Japanese maintained their previously announced policy of neutrality. The chief of staff announced that the Kappel troops had entered the city at the request of the non-Socialist organizations. The invaders disarmed all the local militia. The streets were filled with Kappel soldiers. The towns of Razdolnoe and Pokrovka, near Vladivostok, had also been occupied. Members of the National Assembly in Vladivostok were arrested, but subsequently released.

A new Government was at once set up under the leadership of M. Merkulov, a native Siberian, and a mining engineer domiciled in Blagoveshchensk before the war. A proclamation issued by him at the end of May declared that the main object of the new Government was to maintain order and to establish a democratic Government. The Assembly was dissolved, but a new Assembly was summoned to meet in July. Communists would not be urged to serve. The leaders of the former Government had placed themselves under Japanese protection. The policing of the city was shared by the Japanese and the Kappel troops. Order was restored by June 6. Declarations of allegiance to the new Government were pouring in from towns and villages in the whole maritime province.

One curious development was the refusal of the new Government to allow General Semenov to land. Semenov arrived by ship on June 4, soon after the revolution was effected, accompanied by a large staff. His entrance to the city was opposed, and negotiations proved fruitless. The new Government denied emphatically that Semenov was the anti-Bolshevist Commander-in-Chief. The Japanese command supported the new Government in refusing him entrance to the city, and sent the former leader a message saying that the Japanese military authorities deeply regretted that Semenov had timed his arrival at Vladivostok at a moment when his presence there could not do otherwise than augment the already chaotic state of affairs in the maritime province. His landing, said the note, could not but create the impression that the Japanese were assisting him. Semenov finally departed, it was said, to Grodekovo.

The Chita Government, in the face of these developments, showed great alarm, and sent a message to Moscow asking for assistance. A special meeting of the Chita leaders was held late in May, but no action was taken other than dispatching a note

to the Japanese authorities asking them to maintain neutrality. The possibilities of an armed clash between the Chita forces and those of Vladivostok were thoroughly discussed. Though the Chita army greatly outnumbered the Kappelites, there were many factors to be considered. The existence of the Grodekovo forces was one of these.

Moscow's Protest

The Moscow Government, however, on being notified of these events, was aroused, and M. Tchitcherin, the Bolshevist Foreign Minister, dispatched a triplicate protest to the British, French and Italian Governments. This protest read in part as follows:

The struggle of the toiling masses of Russia for peace and for the right of self-determination has been subjected to a fresh trial. After gigantic efforts and miracles of heroism, after having valiantly repulsed the united attacks of the internal counter-revolution and of the majority of the foreign powers, they have won the right to govern themselves by their own Soviets of workmen and peasants. They hoped that henceforward they would be able to devote themselves freely to the internal reconstruction of Russia, while co-operating with other countries in their mutual interests in order to attain the economic aims which lay before them. Unfortunately their hope has been shattered by a fresh attempt at intervention from outside, and a fresh combined attack of the Russian counter-revolution and foreign Governments.

Under the protection of Japanese bayonets the White Guards of Vladivostok, who are only a handful, suddenly seized power in that town, and a similar coup has been carried out at Nikolsk, Oussouriisk and in other localities in the Japanese occupation. The extreme counter-revolution has thus been reinstalled by the Japanese military power in the district under their occupation. The masses of Russian workers and peasants of the Far East have done all in their power to secure an acceptable peace with Japan. They have formed a separate democratic Republic in order to render this peace possible, and with this object the Independent Republic of the Far East signed an agreement with Japan, who was prepared on this condition to withdraw her troops from these areas or (sic) to restore their liberty to the Russian masses of the Far East. In the name of these latter the Government of their republic has made indefatigable efforts to secure a complete agreement with Japan, so that it might live with her in peace and in good neighborly relations; but the Japanese Government replies to its efforts after peace with a fresh violent attack on its internal liberty and its external independence.

The worst enemies of the Russian masses, the extreme reactionaries, whose avowed aim is to conquer Siberia with the aid of Japanese bayonets, and there to become the lieutenants of the Japanese conquerors, have been raised to power by violence in those places where the domination of the Japanese armies extends. But this first step toward an attempt at the conquest of Siberia is not an isolated instance. The Japanese Government has distributed to the capitalists of its own country fishing rights in the waters of Kamchatka, which hitherto belonged to the Russian co-operatives and to others of our citizens. Japan is introducing her control, she is seizing the dues imposed on the fishing areas of Kamchatka; this is an arbitrary seizure, and a pillage of the wealth of Russia, which the Russian Government regards as a violation of the elementary rights of the Russian masses. At the same time, it is with the aid of the Japanese military power that the remains of the counter-revolutionary bands of Semenov and Kappel are maintaining themselves on the borders of China and are occupying the Chinese Eastern Railway, and it is with the assistance of Japanese auxiliaries that the bands of Ungern are terrorizing Mongolia, and are there preparing their attacks against the Russian Republic. The agents of Japanese imperialism are penetrating even into Central Asia, where they are trying to propagate their sedition, and the emissaries of the counter-revolutionary elements of Turkestan are hastening to Japan to elaborate their plans together.

The Russian Republic time after time has reiterated its peace proposals to the Japanese Government, but in spite of all its efforts after peace the Japanese Government is at the present time the instigator of a fresh campaign of intervention against the power of the workers and peasants. The Soviet Government, which represents their will, warns the Japanese Government that the mighty Russian masses who have taken their destinies into their own hands, and have repulsed all the attacks of their enemies, will know how to wage to a victorious conclusion this fresh struggle, and will not fail to make their vigor felt by those who attack them. But the responsibility for these hostile acts cannot be confined to the Japanese Government alone. There are proofs in existence that the French Government, in its implacable hostility against the power of the workers and peasants in Russia, is an active instigator of this fresh campaign of intervention, and is participating in the plan of Japanese conquest in Siberia. Soviet Russia cannot but regard all the powers of the Entente as morally responsible for this fresh link of the interventionist system, which is the joint work of the powers of the Entente. It sees in it, on the part of the British Government, a hostile activity not in accordance with the Anglo-Russian Treaty. The Russian Government protests in the most energetic fashion against these acts directed against Russia, either directly or through the medium of the

friendly republic of the Far East, and reserves the right to draw from it the obvious conclusions.

To this long and vituperative message the British Foreign Office on June 9 sent a crushing reply. This communication, not signed by Earl Curzon, the British Foreign Secretary himself, but by one of his subordinates, was transmitted through M. Krassin, through whom the Moscow message had been delivered. The text of the reply follows:

Sir—I am directed by Earl Curzon of Kedleston to return to you as unacceptable your communication of the 4th instant respecting recent events at Vladivostok. It is neither customary nor conducive to good relations that one Government should in this manner, and without adducing any corroborative evidence, address entirely baseless charges to another, and his Majesty's Government must therefore decline to enter into any correspondence with you on the matter.

The Left Wing of the British Liberal Party and the Laborites, however, did not allow the matter to rest there, but protested and sent a deputation as representatives of the "Hands-Off-Russia" Committee to the Japanese Ambassador in London to protest directly against Japanese encroachments in the Siberian Republic, and to declare that unless the Japanese withdrew, organized British labor would take a strong stand against the renewal of the Anglo-Japanese alliance. The Japanese Ambassador denied categorically that the Japanese had participated in the Vladivostok coup, and also denied reports that the Japanese were undertaking to transport the scattered forces of General Wrangel—former anti-Bolshevist leader in South Russia—to the Far East to join with the Kappelites. The Ambassador promised to obtain a reply from the Japanese Foreign Office to the allegations.

Meanwhile the Chita Government on its own behalf transmitted to the American representative at Peking a strong protest against the alleged intervention of Japan in the Vladivostok upheaval (June 23). M. Agarov, the Chita representative, in this note asked both the United States and Great Britain to induce Japan to withdraw her forces. The Chita leaders further proclaimed the followers of M. Merkulov to be outlaws and enemies of the Russian people.

What the immediate effect of the coup would be could not be foretold, but the possibilities of an armed clash could not be lost sight of. One effect was to arouse the hostility of the Chita Government to Japan. Hitherto the policy of the Chita leaders has been to bombard the Japanese Government with protests against the continued occupation of Siberia, on the one hand, and to carry on negotiations with Japan for recognition and a renewal of trade relations, on the other. Four separate protests against the occupation were sent between January and May. The Japanese withdrawal became even more remote in consequence of the upheaval, and if the new situation precipitated comes to a clash, the chance of Japan recognizing Chita and opening trade relations seems even more remote. Japan's whole contention has been that she could not withdraw her forces until the situation in Siberia became stable. At present, following the Vladivostok coup, it is worse than chaos. The Chita Government may be snuffed out like a candle flame by the Kappelites and other Kolchak forces. Moscow, whose resentment against the Japanese was eloquently expressed in the note to London, may come to Chita's aid. The situation is dangerous, and some new event may act as a spark to produce some new explosion.

Meantime an American mission, sent by President Harding soon after he assumed office, and headed by Lieut. Col. William J. Davis, left Manchuria on July 7 on its homeward way, bearing a favorable report of the Chita Government based on weeks of personal investigation of the conditions prevailing there. The picture presented is that of a small, courageous and struggling republic beset by a ring of enemies, whose army, ragged and unpaid, fights without hope or glory for the freedom of the new republic. Though admittedly defective, the Government is said to be quite successful in maintaining orderly conditions. The Chita people, though Russians, are said to be greatly afraid of being absorbed by Soviet Russia.

THE MEXICAN OIL CONTROVERSY

Imposition of 25 per cent. export duties on petroleum followed by closing down of many American companies in Mexico—Noteworthy statement by President Obregon—Deadlock over the oil tax question causes indefinite delay in American recognition of Mexico

[PERIOD ENDED JULY 10, 1921]

TWO United States warships, the cruiser Cleveland and the gunboat Sacramento, suddenly appeared off the Mexican port of Tampico early in July. The usual request for permission to visit the harbor of a friendly nation was omitted, perhaps because the vessels anchored just beyond the three-mile limit. On July 5 the Secretary of the Navy announced that the vessels had been sent there to guard against any possible trouble in the oil fields. There were small detachments of marines aboard. The respective commanders had full authority to land forces.

American representatives of the International Association of Machinists, who were attending a convention of the Mexican Federation of Labor at Orizaba, telegraphed to Samuel Gompers, President of the American Federation of Labor, requesting him to enter protest against the statement that American warships were at Tampico to fight labor unions. Mr. Gompers telegraphed the protest to Secretary Hughes, adding that it was "a fair inference" that the warships were "being exploited by the employing interests for the avowed purpose of overawing the workers who are now engaged in a lockout imposed upon them." As a result, it was announced in Washington on July 8 that the warships had been ordered away. They left on the 12th. Meanwhile the Mexicans took the visit calmly, the ships were allowed in port and the sailors enjoyed shore leave for two days.

Washington officials explained the presence of the vessels as due to the desire to protect American oil companies in the event of damage through possible labor troubles, owing to unemployment caused by the oil men's ceasing to export their product. Many members of the Association of Mexican Oil Producers, which represents practically all the American concerns in the Mexican field, had decided to discontinue the shipment of oil from Mexico after July 1, because of the increase of export taxes effective on that date.

The Mexican Government, instead of being coerced by this action into rescinding the export tax, announced on July 5 that oil companies which had closed down operations in the States of Tamaulipas and Vera Cruz (including the Tampico district) without sufficient justification, had been ordered to pay indemnification to employes thrown out of work. This is similar to a law in France which forbids the dismissal of employes without previous notice or the payment of a month's wages.

British companies, according to Mexican advices, apparently do not fear the 25 per cent. export tax, as they are reported to be speeding up operations instead of decreasing their working forces. Stoppage of shipments by the American companies, it was estimated, would cost them many millions, besides taking away almost 35 per cent. of world tankerage.

President Obregon, in a statement to the press on July 6, said he did not regard the situation seriously, as the oil companies were only trying to make the Government give in. But the Government was unwilling to change the taxes. In regard to the American warships sent to Tampico the President said he had not been notified by the American Government, and Washington had not asked permission, as was customary. General Manuel Pelaez, on July 5, was appointed Commander-in-Chief of the Mexican Government forces at Tampico and was sent there to keep order, which would obviate the necessity of landing American troops for that purpose. On July 6 Senator La Follette at Washington introduced a resolution protesting against such action without the express authority of Congress. Senator Lodge objected to its immediate consideration, and the resolution went over.

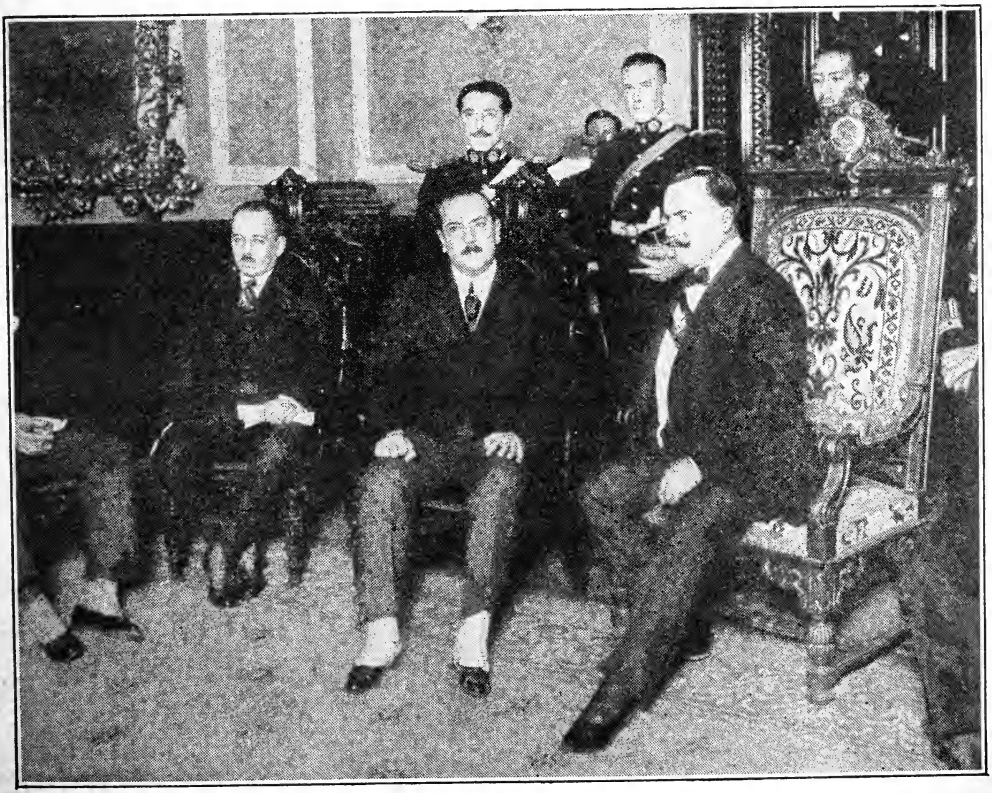
A noteworthy statement from President

Obregon was published in The New York World on June 27, in which he declared that Mexico would meet every just obligation without evasion. Mexico, he said, was determined to establish a full partnership between the Government and the people for the public good. Her policy was to finance the national progress through the medium of the national resources. Mexico had been called the treasure house of the world, yet 90 per cent. of the Mexican people had lived in horrible poverty, compelled to suffer and die from sheer lack of the necessities of life. Common humanity dictated a change. The country stood today on the principle that the natural resources of a nation belong to the nation. "Foreign capital will be invited and given every justice. What it will not be given is excessive privileges at the expense of the people's rights," the President declared.

In this policy [he continued] there is not even a hint of confiscation. This falsehood is the work of those who resent our policy of nationalization because it blocks future campaigns of exploitation and monopoly. Every private right acquired prior to May 1, 1917, when the new Constitution was adopted, will be respected. Article 27, one clause of which asserts the nation's ownership of subsoil rights in petroleum, will never be given retroactive effect.

Coming to the question of taxation: habitual protests and interference force the conviction that the investors of more powerful nations have the idea that we should submit our taxation plans to them for approval. I will not attempt to conceal the bitterness that this course has aroused. Every Federal tax is applied with absolute equality to natives and foreigners alike. The increase in petroleum taxes is for specific application to our foreign debt. To call the tax confiscatory is absurd.

President Obregon next quoted statistics to show that the Doheny oil group pumped close to $28,000,000 net profits out of the soil of Mexico in 1920, and yet flooded the United States with complaints that the tax policy of the Mexican Government was crushing and ruinous. With regard to land



PRESIDENT OBREGON OF MEXICO (IN ARM CHAIR) CONFERRING WITH ENRIQUE BERMUDEZ, THE NEW CHILEAN AMBASSADOR. CHILE HAS GIVEN FORMAL RECOGNITION TO THE MEXICAN REPUBLIC

monopoly, he said honest taxation would force the landlord either to cultivate his holdings or to sell or lease to the small farmer, hitherto barred from the land.

President Obregon's statement, it was hinted in Washington, had been prepared with the assistance of George Creel, former head of the Bureau of Public Information in Washington, who was in Mexico City.

Although a majority of Mexican Deputies are in favor of establishing clearly the non-retroactive effect of Article 27, the Chamber on June 29 decided to drop the debate for a time and take up the agrarian law instead. Thus a settlement of the oil question appears to be deadlocked until the Mexican Congress meets in regular session in September.

Although it was announced that the increased export tax on oil would be used solely to make payments on Mexico's foreign debt, and these would be begun on July 1, that date passed without any action to this end. The only funds available for interest payments are those in the National Treasury, as oil export tax receipts will not be available until August. The International Bankers' Committee has decided to send no emissaries to Mexico until Obregon is recognized. Pierre Mali, Belgian Consul in New York, has been designated to represent Belgian bankers on the committee.

President Obregon's reforms have made Mexico quieter than it has been for a dozen years. No real revolutionary movement is afoot, and the Government apparently is able to cope with minor uprisings and bandit attacks. General Rafael Pimiento, who commanded the guard which shot President Madero, was arrested on June 23. Colonel Reyes Salinas, a nephew of Carranza, who took part in Murguia's attempted revolt, was shot on July 3. The League of Nations was shocked on June 18 to learn that an arms factory in Danzig was making 10,000 gun barrels for Mexico. It was explained that the order had been received last October, before the Constitution of the free city was adopted, and the Council of the League dropped the subject.

Mexico, by a vote of 35 to 4 in the Senate, has prohibited the immigration of all alien labor, owing to the large number of unemployed persons in the republic. An international trade conference was opened in Mexico City on June 30. American exports to Mexico in the fiscal year ended June 30 were double those of the preceding year and six times as much as the annual average prior to 1918, approximating $280,000,000 now. Mexico, for the first time since before the war, is importing American coal, and is buying great quantities of American cattle, significant of the trend to agriculture. The Department of National Property has asked for bids on a new hotel to be constructed in Mexico City to cost no less than 4,000,000 pesos.

THE POTASH MINES IN ALSATIA

BEFORE the war there were three German companies and one French-Alsatian group working the potash deposits in the Mülhausen district of Alsatia. The German companies, which held concessions for two-thirds of the district, were placed in the hands of Senator Helmer for liquidation, and he is said to have accomplished miracles in the way of increased production. M. Helmer found the methods of production hopelessly out of date. He at once introduced a modern system, with the following result: Under the German régime the greatest quantity of crude salts produced was 325,886 metric tons in 1914; under the new French régime in 1920 the same mines produced 1,222,615 tons. It is confidently expected that the product in 1922 will be more than half a million tons.

The German potash producers sought vainly to regain control of the world market, but their offers to the French Alsatian group were indignantly rejected. When Great Britain, in agreement with France, sought to impose a 50 per cent. duty on German exports, Germany threatened to cut off all further potash supplies. The Alsatian producers at once came forward and offered all the potash required at reasonable cost. Alsatia is now appealing to Great Britain and the United States for an agreement which will eliminate all further danger of German profiteers regaining control.

LAUNCHING THE CENTRAL AMERICAN UNION

Costa Rica stays out, but Nicaragua seeks admission while insisting on protection of its treaty with the United States in regard to a Nicaraguan Canal

[PERIOD ENDED JULY 10, 1921]

THE Provisional Federal Council of the Central American Union began functioning in Tegucigalpa, Honduras, on June 17. Vicente Martinez, delegate from Guatemala, was named President of the Council, and Martinez Suarez of San Salvador, Secretary. A National Constituent Assembly was called to meet in Tegucigalpa on July 20 to arrange for the signing of the Federal Constitution on Sept. 15, the centenary of Central American independence. Foreign Governments were notified of the installation of the Federal Council and Nicaragua was invited to join the union.

The Federal Council, on July 3, gave out a communication from the Foreign Office of Nicaragua, announcing that republic's willingness to join the Central American Union and urging that obstacles to her entry be removed. The chief obstacle was a demand for the abrogration of the Bryan-Chamorro treaty with the United States, which gives the latter authority to construct an interoceanic canal. Nicaragua, before joining the union, will insist that the treaty be fully protected. She also wants a definite undertaking by the union that each State in the federation be permitted to negotiate loans for its own internal use, just as the separate States of the United States may make loans without reference to the Federal Government.

Although the Costa Rican delegates had ratified the Central American compact of union, the Costa Rican Congress refused to confirm their action, hence that country still remains outside. It was announced from San José on June 24 that a protocol preliminary to a definite treaty by which Costa Rica will cede to the United States rights along the San Juan River had been signed by the Costa Rican Government. This treaty will remove obstacles to the work of constructing the Nicaragua Canal and, in view of Secretary Hughes's recent declaration in favor of the Central American Union, it was believed both Nicaragua and Costa Rica would soon join. Emiliano Chamorro, former President and now Nicaraguan Minister to the United States, presented his credentials to President Harding on July 6.

Another possible difficulty for the new federation is a boundary dispute between Honduras and Guatemala. The former claims a strip of territory south and east of the Motagua River, which has always been in possession of Guatemala. With the building of the railroad from Puerto Barrios to Guatemala City, settlements sprang up in this strip of land. Honduras bases its claims on some old Spanish maps and surveys said to have existed when the whole of Central America was known as the Kingdom of Guatemala and was governed by a viceroy.

Dr. Rafael Montufar, former Justice of the Supreme Court of Guatemala and President of the Central American Liberal Congress, says the support of the United States is needed to help the Central American Union. He considers the federation a necessity if the five countries are to be freed from their quarrels and rivalries. "Panama," he says, "which is geographically to be considered part of Central America, should be invited to form part of the union."

Narcisco Garay, Panama's Secretary of Foreign Affairs, who arrived in Washington in June, has been making every effort to settle the boundary dispute with Costa Rica without accepting the White award, which the American State Department holds Panama must accept. He suggested the formation of an American League of Nations to operate in the Western Hemisphere, to which the Costa Rican dispute would naturally be referred. The State Department intimated that the suggestion was not welcome. Next Señor Garay suggested two plebiscites, one in the Atlantic and the

other in the Pacific region in dispute, which were also discarded.

The formal protest of Panama was presented at Washington on June 27, and Secretary Hughes on June 30 decided that Panama must accept the White award, but said the United States had no objection to Panama's dealing directly with Costa Rica to obtain her consent to reopen the award and settle the boundary between them amicably. The Panama mission, on July 7, issued a statement that Secretary Hughes might extend the time granted to Panama in order that a peaceful settlement with Costa Rica may be arranged.

Concessions for oil lands and exploration for other subterranean deposits have been canceled by Costa Rica, according to a dispatch from San José on July 6. The reason given was that the persons who got the concessions had been speculating with them.

Thirty Guatemalan students to be educated at the expense of the Guatemalan Government have been sent to the United States and Europe by President Herrera.

Salvador's Congress on June 25 approved a contract for the establishment of a bank of issue sponsored by Americans with a capital of $1,000,000, the concession to run for fifty years; coined gold to the amount of $5,000,000 is to be imported, and the bank will have authority to issue paper money to double its paid-up capital.

Notwithstanding the reduction of the United States Army, Secretary Weeks, on June 18, announced that the force on duty in the Panama Canal Zone would be maintained at its present strength. A special commission appointed to investigate the civil administration of the zone arrived at Panama on June 18. The tender Beaver and six United States submarines arrived at Cristobal on June 24. John Findley Wallace, Chief Engineer of the Panama Canal in 1904, died suddenly in Washington on July 3.

FROM THE PERSIAN MINISTER

To the Editor of Current History:

Ever since I have been in this country I have taken great delight in reading your CURRENT HISTORY MAGAZINE, because I find that it covers thoroughly all important international questions without exaggeration. I noticed that you had an article on the Persian Cabinet in your issue of June, but I found nothing in your July issue. There have been quite a few important changes in Persia. On June 7 a new Cabinet was formed to succeed the one that had been set up by a coup d'état of the militarists, who held Persia under militaristic powers for over three months. I am happy to say that the new Cabinet, which is headed by his Highness Ghavam-es-Saltaneh, is of very stable form, because the Prime Minister and all the members of his Cabinet are good, sound men, who have held high positions on former occasions.

What I would like to impress upon you is the great importance of the abrogation of the Anglo-Persian agreement of 1919. That agreement was abrogated by mutual agreement with the British Legation at Teheran. Lord Curzon remarked at the time that he esteemed Persia's friendship more highly than any agreement; he also offered any assistance that Persia might need.

I have noticed on different occasions that Persia is referred to as a Soviet Government. Such a statement is absurd, as their Mohammedan religion does not allow Persians to have such a form of government. A denial by you will be highly appreciated.

ABDUL ALI KHAN SADIGH-ES-SALTANEH.

Imperial Legation of Persia, Washington, D. C., July 9, 1921.

GERMANY UNDERBIDS ALL RIVALS IN SOUTH AMERICA

While the whole continent suffers the severest depression in its history, the Germans are making use of the advantage of cheap coal and cheap labor—Steps taken by Brazil and Argentina to encourage immigration—Celebrating Peru's independence

[Period Ended July 10, 1921]

FROM the Isthmus to the Strait of Magellan the countries of Latin America are experiencing an almost complete cessation of business incident to the collapse in prices, and every country in South America is passing through the most critical period of its economic history, according to Louis H. Kiek, General Manager of the Anglo-South American Bank. Despite this condition there is considerable rivalry to get hold of the trade and natural resources of the different countries. Hugo Stinnes, the German capitalist, has put three big steamers—the Hindenburg, Ludendorff and Tirpitz—in service to carry German cargoes from Hamburg to South America. Owing to the fact that coal is only half as costly in Germany as elsewhere, the ships are carrying enough for a round trip; this fact, combined with the low wages of the sailors, enables German vessel owners to underbid American lines.

Several parties of American prospectors are engaged in trips of exploration to the west coast of South America. One party of engineers is bound for the wilderness of Esmeralda, Colombia, looking for oil, gold and other minerals. Another party has left for the mountains of Ecuador.

ARGENTINA—The Hispanic Society of New York gave a dinner on June 24 to celebrate the centenary of the birth of General Bartolome Mitre, first Constitutional President of Argentina. President Harding joined in the tribute in a letter to Jorge Mitre, Director of the Nacion of Buenos Aires, a newspaper founded by the General, whom the President called "one of the foremost statesmen of all America in the epoch in which the independence of the continent was achieved." * * * The general strike called to support the port workers proved a failure. To prevent recruiting by the port union from incoming ships a Government decree was issued requiring the crews of all ships entering Argentina to carry the same identification documents as are expected from passengers, including passports and photographs; it became effective on July 19. * * * Argentina, however, is making every effort to attract desirable foreign labor, giving free land to settlers in certain parts of the country. The newcomers live as guests of the nation at the Pasco de Julio, the immigrants' hotel, where they receive free board and medical treatment while waiting for location on lands or for the free State employment bureau to provide them with jobs. Their baggage, agricultural machinery or tools for their trades are admitted free of duty. * * * An anti-trust bill, designed to prevent the formation of monopolies and combinations to fix prices, was passed by the Argentine Chamber of Deputies on July 8.

BRAZIL—A dispatch from Paris, dated July 8, announced that Brazil had chosen Elihu Root as one of its candidates for election as Judge of the Permanent Court of International Justice, the other candidates being Ruy Barbosa of Brazil, Joaquin Gonzalez of Argentina, and Professor Alejandro Alvarez of Chile. * * * The North American Chamber of Commerce of Rio de Janeiro and the Brazilian Federation of Commerce on July 4 signed an international arbitration agreement. Contracts have been made with the German Immigration Syndicate for the colonization of 2,000 German families in Santa Maria Magdalena, in the northern part of the State of Rio de Janeiro, their passage money being advanced by the Brazilian Government. Three ships carrying Russian refugees were reported to have left Constantinople for Marseilles, where they were to embark for Brazil. On the other hand, the Imparcial of

Madrid, on June 26, published a list of complaints from Spaniards who had emigrated to Brazil, and who were asking the Spanish authorities for transportation home, because Brazilian employers seemed determined not to engage foreign workers.

CHILE—The resignation of Antonio Huneus as Chilean delegate to the League of Nations was accepted by the Government on July 2. He resigned because Augustin Edwards, Chilean Minister to Great Britain, had been appointed Chairman of the Chilean delegation. * * * President Alessandri, on June 15, sent to the Chilean Congress the budget for 1922, amounting to 320,000,000 pesos currency and 65,500,000 pesos gold. It showed that the Treasury deficit is expected to reach 121,500,000 paper pesos in 1922, owing to the small amount of nitrate being exported. The nitrate producers, on June 30, decided to reduce their price from 17 shillings a quintal to 14 shillings, and to make a further reduction to 9 shillings 9 pence next March. The Government had threatened to take control of the business unless producers lowered their prices. To avert the threatened deficit the Chamber of Deputies, on June 30, passed a bill providing for an internal loan of 100,000,000 pesos paper and 50,000,000 pesos gold. Reductions in the budget of 60,000,000 pesos were planned, and new revenue bills were expected to raise 60,000,000 more. * * * Beltran Mathieu, Chilean Ambassador to the United States, has signed the issue of $25,000,000 of bonds to be used by Chile for railroad improvement. It is proposed to construct a new transandean railroad line on a southern route to Northern Argentina, connecting with the principal Chilean coal fields. Argentina, it is believed, would become a good customer for the coal, which could be sold cheaper than that from the United States or Great Britain.

COLOMBIA — President Schultheiss of Switzerland has consented to act as arbitrator in the long-standing boundary dispute between Colombia and Venezuela. As the Swiss President is prohibited from leaving the country, he will appoint experts to visit the disputed districts, and will give his decision after they report. Both Colombia and Venezuela have agreed to accept it as final.

PERU—The dreadnoughts Arizona, Oklahoma and Nevada, under command of Rear Admiral Hugh Rodman, left New York on July 9 to take part in celebrating the centenary of Peruvian independence, beginning on July 24. Major Gen. Hunter Liggett, representing the army, and four civilians—W. B. Thompson, Dr. William C. Farabee, Stephen G. Porter and A. Robert Elmore—with Rear Admiral Rodman, compose the American Commission. The Rear Admiral was taken on at Hampton Roads. The vessels were to remain at Callao one week. Lord Dundonald was designated to represent Great Britain at the celebration in Lima, and left England on June 22. General Mangin, heading a French mission, on board the cruiser Jules Michelet, stopped at Fort de France, Martinique, on June 20, en route to Callao. Ecuador officially declined the invitation of Peru to take part in the celebration on the ground that Peruvian soldiers who killed a number of Ecuadoreans in a border action had subsequently been decorated by Peru. As a result of her declination Alberto Bressani, Peruvian Chargé d'Affaires in Ecuador, was instructed to quit his post. The Ecuador newspapers advised similar action in retaliation. * * * J. Fernando Gazzani, formerly Secretary of State of Peru, and Jorge Prado, a member of the Chamber of Deputies, arrived in New York on June 23 aboard the steamer Sixaola from Central America. They are two of the twenty-two Peruvians who were ordered deported to Austria by President Leguia, and whose practical seizure of the ship and landing at Punta Arenas, Costa Rica, were related in CURRENT HISTORY for July. They deny conspiring against the Government, and expect to remain in the United States until Peru's attitude changes. * * * Fire in the Government House at Lima on July 3 destroyed the northwest wing, containing the Presidential suite and official records. The police reported that the fire was of incendiary origin, and that bombs had been planted or thrown into the part destroyed. Several arrests were made on suspicion. * * * Several British subjects went to Peru early this year through offers of free passage and employment by the Peruvian Government, and failed to obtain it. The British Government, on their behalf, demanded compensation, but Peru neglected to comply, according to a statement in the

House of Commons. Lieut. Col. Amery, Parliamentary Secretary to the Admiralty, said further urgent representations would be made to Peru. * * * The will of John Celestin Landreau, filed for probate in Washington on June 11, appointed Norman B. Landreau, his grandson, heir to the famous claim of the testator's brother, Theophile Landreau, a French scientist and explorer, against Peru for having discovered guano and nitrate deposits in Peru between 1844 and 1856. The original claim for $100,000 was first recognized by Peru in 1865, but the money was never paid. A protocol was recently signed submitting the claim to the arbitration of a commission. Barton Smith, a Toledo attorney, was named American arbitrator on June 21, and Carlos Prevost, a Peruvian residing in the United States, was named by Peru. These two are to select as a third member a subject of Denmark, Great Britain or the Netherlands to decide on the claim.

VENEZUELA—Dr. Esteban Gil-Borges, Foreign Minister of Venezuela, who presented the statue of Bolivar to the City of New York last April, sailed for South America on June 15, after receiving the freedom of the city from Mayor Hylan. At the ceremonies Rodman Wanamaker handed the envoy a gold wreath to be placed on the statue of George Washington in Caracas. During his stay Dr. Gil-Borges appointed commercial agents in New York, Chicago and Boston to stimulate trade in Venezuela. * * * An economic survey of Venezuela by a group of eighteen students in the School of Foreign Service of Georgetown University, under direction of Professor G. A. Sherwell, was made public on July 4. It says American goods have always been welcome in Venezuela, but the greatest obstacle to trade has been American selling methods. German and British merchants, the students report, "have always evinced a readiness to adapt their goods to meet the requirements of the Venezuelans, while it has been the policy of Americans in general to attempt to force their customers to alter their requirements to fit American goods."

CUBA'S TRIBUTE TO A FORMER PRESIDENT

Honors paid to the late General Gomez culminate in a riot at his funeral in Havana —Passing of Cuba's financial crisis—Affairs in Haiti and other islands

[Period Ended July 10, 1921]

THERE was a riot at the funeral of General José Miguel Gomez, former President of Cuba, on June 19, in which one person was killed and scores more or less injured. The death of General Gomez in New York on June 13 was recorded in Current History for July. Religious services were held in St. Patrick's Cathedral on June 16, after which the body, escorted by a battalion of infantry with full military honors, was taken to the Pennsylvania Station and, accompanied by the General's family, was transported to Key West, whence it was taken to Havana in a Cuban cruiser. The rioting occurred at the gates of the old Colon Cemetery, when the General's admirers broke through the police cordon and tried to reach the coffin to carry it on their shoulders into the cemetery. The funeral was one of the greatest popular demonstrations ever seen in Havana. The cortège, which was two miles long, passed through streets strewn with flowers, while airplanes dropped flowers at the cemetery. President Zayas was the nation's chief mourner, following close behind the General's widow and children.

The worst of Cuba's financial crisis is believed to have been passed with the ending of the moratorium on June 15. Only one bank, the Banco del Proprietario, failed to meet its obligations. Relief is looked for through financial legislation by Congress, which President Zayas called to meet on July 18. Plans for a banking institution similar to the Federal Reserve System of the United States were prepared as one of the suggested remedies. President Zayas was hopeful the credit of Cuba could be restored to a point that would make possible the floating of a foreign loan. Government limitation of the next sugar crop to 2,500,-

000 tons was also proposed, which would be a reduction of 36 per cent. from this year's estimated crop of 3,900,000 tons.

American bankers, who discussed a loan to Cuba, decided to await word from Washington as to its advisability. A report from General Crowder was in the hands of the Government on July 10, and it was expected that the decision would be largely guided by his advice. One proposal discussed by President Zayas and his Cabinet was to issue a loan for $40,000,000, and with the proceeds buy up the surplus sugar and dispose of it on long-term credits to foreign countries. There was little hope of selling in the United States, owing to the new tariff of 2 cents a pound on imported sugar. At such a rate, Cubans say, they cannot compete against Porto Rico, Hawaii and Louisiana sugar or against beet sugar.

Cuba is endeavoring to offset losses on sugar by increasing her pineapple crop, which, for this year, is estimated at 900,000 crates, valued at $4,500,000. She is also curtailing Government expenses, the budget being reduced from $104,000,000 to about $65,000,000. Government bonuses to public employes are eliminated, the War Department appropriation has been cut from $1,500,000 to $940,000, and $1,000,000 has been saved in the Treasury Department.

HAITI—Harris Lipschitz, formerly of New York, who had been engaged in land deals in Haiti, was murdered at Cavaillon, a small community near Aux Cayes, on June 13. The murder was reported to Washington the next day by Colonel John H. Russell, commandant of the Marines at Port-au-Prince. The Colonel indicated that the murder was the result of an attempt at robbery. In a letter to Ambrose L. Welch of New York, Lipschitz had predicted that he would be murdered as a result of a long-standing disagreement with certain marine officers, one of whom he accused of attacking his wife and sister-in-law. He said natives were being incited against him by officers, and that he expected to be assassinated. He was preparing to leave the island pursuant to an order of deportation issued by the Haitian Civil Government, at the direction of the American military forces, because he had complained against their treatment.

Secretary Denby issued an official statement on June 15 that Lipschitz's charges had been declared false by a board of inquiry, which met last year. Representative Isaac Siegel of New York wrote to Secretary Hughes, asking for a full inquiry into the murder. Mr. Siegel said that in the investigation of the charges last year Lipschitz was regarded rather as the defendant than as a prosecutor. Investigations into the murder have been started by both the State and Navy Departments.

On June 13 the Navy Department made public an order of Colonel Russell prohibiting articles or speeches attacking the American forces in Haiti, the President of Haiti or the Haitian Government. Trials of persons accused of making trouble were transferred from the Haitian courts to those established by the American forces under an order issued by Colonel Russell on May 26. This action was under authority given by the Secretary of the Navy. Representative Siegel characterized it as military despotism, "in contravention of every fundamental principle upon which the United States Government is supposed to rest."

SANTO DOMINGO—An enormous demonstration in favor of the unconditional withdrawal of the United States military forces from the Dominican Republic was held in Santo Domingo City on June 19. The desire was expressed that Santo Domingo assume no further obligations than the convention of 1907, providing for assistance by the United States in the collection and application of the customs revenues. The Archbishop, members of the Supreme Court, lawyers and the Faculties of the university took part in the meeting and protested against the American offer of conditional withdrawal. [For extended treatment of the subject of American withdrawal see pages 809 and 813.]

BRITISH WEST INDIES—Canada is not complete commercially or geographically unless associated with the West Indies, Winston Spencer Churchill, British Colonial Secretary, declared at a banquet given to the Prince of Wales in London on June 18 by the West Indies Committee. * * * Jamaica has been suffering from the slump in sugar, and unemployment is increasing. Some estates have suspended operations, and others intend to close unless the Government grants a loan. Hundreds of Jamaicans are returning from Cuban cane fields, and many will have to be brought back by the Government.

PUTTING BUSINESS ON ITS FEET AGAIN

An analysis of the complex causes that retard the return of prosperity in both foreign and domestic trade—Goods overproduced in the high-price era now a handicap to readjustment—Figures showing decline of exports from various countries

IT would be a comfort, indeed, to bankers, exporters and manufacturers who must take the foreign markets into account in even the smallest way—to all the innumerable interests, in fact, whose plans must give consideration to trade conditions in countries other than our own—if it were possible to read the changes in international conditions as a barometer is read, and to say, for instance, there seems to have been in July a 10 per cent. improvement over June. Many attempts have been made to reduce the complex factors which determine international conditions to some single index which would make such a determination possible. No one has yet met with success.

Great dependence is placed upon the condition of the exchanges. Daily records are kept and published in the financial sections of newspapers and in periodicals devoted to foreign trade. Over some periods the alterations in the exchange situation have indeed seemed to reflect changes in general business conditions, and justification seems to exist for the effort to forecast future movements from those of the immediate past and present. How wide of the mark such prognostications are frequently apt to strike was well illustrated by the recent remark of F. A. Govett, Chairman of the British Zinc Corporation, when he told his stockholders: "It sounds Gilbertian, but there is the solemn fact that until you can rectify the exchange by putting these countries on their feet, and by re-establishing them in normal relations to ourselves, they are going to take the trade and make the profits, until equilibrium again results, while the victorious country whose credit still is good is going to suffer all the misery and poverty of broken trade and unemployment."

Adjusting the Economic Chaos

Mr. Govett referred, of course, to the Central European Powers. Comment of The Economist upon this remark cannot be improved upon. Of it The Economist said:

> This view that a depreciated exchange benefits the country that suffers from it was much in evidence during the debate on the "Safeguarding of Industries" bill. It was stated by Sir Alfred Mond, who attended on May 31, to be "the fact, which every economist will admit, that the country with an abnormally low exchange is receiving indirectly an enormous subsidy on exports. My honorable friend surely will not deny a proposition which is to be found in every shilling textbook on political economy." However this may be—and Sir Alfred might well oblige the world with a list of all these shilling economic textbooks that explain things so clearly—Sir Godfrey Collins, speaking on June 7, was able to cite some facts which seemed to show that this alleged subsidy is sometimes singularly ineffective, and that, at least under present circumstances, the direct contrary of depreciation can be accompanied by wonderful export activity. He showed that while Italy, with a depreciated currency, exported in 1920 about one-third—in 1913 values—of her pre-war total, America, with an appreciated currency, increased her export trade by 60 per cent. in pre-war values over her pre-war total. Clearly the rate of exchange is only one item in a very tangled problem. now, as always, not of those countries which have most vigorously debased their curren- The world's trade seems to be in the hands, cies, but of those whose organizers and workers will work hardest and most efficiently for the lowest profit and wages. If it were merely a question of currency debasement, Russia, Poland and Austria would be our most formidable rivals.

This aspect of the question was very clearly brought out by Mr. McKenna in the important address delivered to the Institute of Chartered Accountants on the subject of international debts, with special reference to the economic effects of the German indemnity payment. The Chairman of the London City and Midland Bank did not touch at all on the question of exchange. "At this moment," he said, "wages in Germany—I speak, of course, of real wages—are not more than half those paid in this country, and yet the German workman is laboring for long hours with great efficiency and with apparent contentment, or at any rate acquiescence. We may

perhaps find the reason for this industrial docility in the superiority of his present lot over his recent conditions. Though the German workman may be ill paid now, by comparison with what he endured in the war he is tolerably well off." In Mr. McKenna's belief this acquiescence in a low standard by the German worker may continue—"provided he receives such bare means of subsistence as will maintain his energy, it is possible that he will submit until the national obligation is discharged." If so—and it is a large assumption to which Mr. McKenna was careful not to commit himself—the position that arises is one that should be very seriously considered by our labor leaders and by all those responsible for the conduct of our industry; for in any case, even if the German workman is less docile than Mr. McKenna expects, there can be no doubt that the stimulus given to German industry by the need for meeting the indemnity payment will produce competition in neutral markets, which will seriously affect those of our enterprises which produce goods of a kind which our late enemy is best able to export.

Industry, whether agricultural or other, cannot pay the worker more than he helps to produce without very soon going bankrupt. As Sir George Touche told the meeting of the Trust Union:

"Many wage-earners took too literally the rhetorical promises of politicians at the last general election about a greatly improved standard of living for all. After enjoying dreams of a great national prosperity, and enjoying the uneconomic rates paid out of capital and loans during the war, it was hard to come down to a wage which each industry could afford to pay. Resistance was inevitable, but the alternative was no wage at all. It was time some statesman of commanding influence took his courage in his hands and told the people, who were ready to face facts, the plain, uncompromising truth."

Unfortunately, our statesmen of commanding influence, having deluded the electorate in 1918, now prefer to mend matters by not telling the truth—perhaps because they know they would not be believed after the failure of the former promises—but by a system of protection giving industry the hothouse treatment which is most unlikely to brace it to meet German competition. By their safeguarding industry measures they admit that they will raise prices, and they embitter labor's already exasperated feelings by raising prices at a time when the workers are called to accept wage reductions.

With such leadership as this the country is heavily handicapped in facing the problem that Mr. McKenna has stated for it so clearly—perhaps to the point of rather overstating it. His belief that the German Government can always keep down the workman's standard by issuing more paper money seems to assume that the latter will consider only the money rates of his wages and not their real buying power; and his conclusion that "if Germany is able to meet her obligations, she will in doing so gravely impair our own international trade," assumes a limitation on the world's power of consumption which need not exist if the world will have the sense to leave off quarreling and devote a little attention to developing and enjoying its resources. The remedy that he proposes—of demanding payment from Germany in coal, timber, potash and sugar—can only, as he admits, be applied to part of the reparation payment, and its effect on our coal industry would seem to be the same as that of payment in manufactured goods on our manufacturing enterprise. We are bound, in order to meet our American debt, to export goods and receive none in return, and the sale of our investments during the war means that we shall have less goods to receive on interest account. Goods and services that we can claim from Germany for reparation will help to fill this gap, and although the industrial competition of a great debtor is a new feature in the economic landscape, it should stimulate rather than terrify us if we can secure industrial peace and if our rulers will refrain from dosing our enterprise with unwholesome quack remedies.

The Only Road to Prosperity

The conviction that hard work, more hard work and only hard work will put the world again on its feet is held universally by the economists and thinkers of all nations. There is no other easier path to what we call normal conditions, although, unfortunately, the belief is still widely held in too many and too varied quarters that some such path does exist. The fact that a little knowledge is a dangerous thing has perhaps never been exemplified better than by present conditions. Before the World War few persons, except those whose profession it was to be informed, made pretense to much knowledge of international banking or economic conditions.

Today the economist has found a place in many of our leading banks and businesses. It is a step in advance for business, but it is a beneficent development of a situation which has at the same time less desirable features. Just as corporations have come to an appreciation of the value of the economist and his work, so the smaller business man down the line, even to the so-called man in the street, has acquired a notion of economy and its purposes; a notion so hazy, however, as to be apt to do him more harm than good. To too many men

economics implies some necromancy by which results may be accomplished without labor, some device by which ends may be attained without the effort which was once recognized as essential to achievement.

This nation, like other nations, is passing through that phase of the economic cycle which ordinarily would have been marked by business failures, and, before the creation of the Federal Reserve System, probably by a financial panic. The banks prevented both the one and the other. Businesses which once would have collapsed into the hands of a receiver were tided over by the banks, and the process of deflation, which, under other circumstances, might have resulted in a general rapid crash, was slowed down to a gentle pace, which enabled worthy businesses to weather the storm, but which, unfortunately, at the same time persuaded unworthy enterprises that they could avoid paying the price of their speculative ventures.

International prosperity can come, of course, only when Europe recovers industrially from the effects of the war. A much greater degree of prosperity than exists at the moment can be attained here, however, by a proper understanding of existing conditions, and the right effort to put them under proper control. Liquidation and deflation, which it was the part of wisdom to slow down at the outset, have now apparently been slowed down too much; it would seem that the time had come when pressure should be exerted to bring into line those industries which have been slow to recognize the trend of the times, and which seem hopeful even now of holding on until the mistakes of their own overproduction at a time when price was no object may be passed on to the ultimate consumer at approximately those same high prices.

High Prices a Handicap

Steel prices and the prices of building materials, goods at retail and finished manufactures have lagged too far behind raw materials in the price decline, and wages and railroad rates are clearly in need of sharp revision downward. B. M. Anderson Jr., economist of the Chase National Bank of New York, commenting upon those conditions said recently:

> The general credit situation is strong and thoroughly under control. The losses consequent upon the drastic decline in prices have been great, but they have been widely diffused. Moreover, the immense surpluses accumulated by great businesses of the country during the war and post-war boom have constituted a buffer to break the shock of readjustment. That is what surpluses are for.
>
> The organization of our banks under the Federal Reserve System has made possible a degree of intelligent co-operation in handling the credit problems of readjustment which no one could have anticipated a few years ago. Our banks have extended credit freely to all solvent business men, and no unnecessary insolvencies have occurred. In previous crises the sheer inability of banks to advance additional credit often meant that, in addition to the necessary insolvencies, many solvent businesses were also pulled down. In the crisis through which we have just passed, it has been possible for solvent men to bring their slow assets into play and to borrow from banks what they needed to meet their quick liabilities.
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> Despite the strength of the credit situation, however, business stagnation is very great; and while some lines are improving, other important lines, notably steel, are on the down grade. There is a great deal of unemployment, and a great deal of work on part time. Profits also are dwindling. Every day that this continues makes the general situation less satisfactory, since it cuts under the buying power of the public, making further readjustment necessary. It is highly essential that something be done to break the deadlock and to start activity again.
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> It must, of course, be recognized that we cannot have really satisfactory business in the United States until European conditions improve. But it is possible for us to have much better business in the United States than we now have without improvement in Europe, if we will speedily complete our own domestic readjustment. The consuming power of our one hundred-odd million people in this richest country of the world is enormously great, even in periods of depression. And both consumption and production in the United States today are much below what they need be if certain domestic obstacles can be got out of the way.
>
> The thing that is needed is a leveling down of certain elements of prices and costs which have so far resisted the general downward move. We must restore the price and cost equilibrium. The greatest resistance to readjustment has been in retail prices, steel and its products, building materials, wages, especially in the building trades and on the railroads; finished manufactures, as compared with raw materials; and railroad rates on bulky articles. When these things shake down in line with the general price decline, a substantial general revival should speedily follow, and a real building boom is probable. From a boom in the building trade, activity in many other

lines would grow. This leads to the question what the banker can do to facilitate a revival of business. We have, on the one hand, the clamor for more abundant bank loans and cheap money rates. Cheaper money is desirable, when, and if, it comes naturally, as a consequence of the liquidation of loans and the accumulation of funds in the banks through liquidation. Artificially cheap money as a substitute for real capital is undesirable. Those who are urging most vigorously the policy of easy credits seem to want them for the purpose of delaying liquidation and delaying readjustment. The chief idea seems to be that, if goods can be withheld from the market, they can be sold at a later time for higher prices. In other words, the call is for bank money to be used for speculative purposes. We have had enough of that in recent years. We must get down to bedrock and fundamentals, and strike a level of prices and costs which the markets will trust and on the basis of which goods will move. We must not make loans which will permit the withholding of goods from the market. We should, on the other hand, make loans freely to those solvent business men who have markets in sight.

The danger of a money panic is over now. The credit system has proved its strength. Moreover, the last few months have led to the accumulation of an immense body of accurate credit information. The banks of the country know, as they have never known before, the condition and standing of their customers. They know where the strength is, and they know that, on the whole, the situation is immensely strong. They know, on the other hand, where the weak spots are, and they know with accuracy and precision just how weak they are. They know which concerns can really pull through and which ones cannot. They know which of their customers are maintaining prices that are too high and are borrowing money in the vain hope of avoiding losses through later improvement in prices. It is possible, therefore, for the banks today to do what they could not have done with safety three or four months ago. They can safely and intelligently put on additional pressure in the direction of liquidation.

We can now recognize that, in averting a panic, we have taken care of too many weak concerns. We have slowed down the readjustment too much, as we have lessened its severity. The time has come, in the interest of the country as a whole, to put additional pressure on the weak spots, to clean up the wreckage, to clear the decks, and to get ready for the next upward move. Nothing so begets confidence in the markets as a knowledge that, through forced liquidation of substantial stocks of goods, bottom prices have been reached. Nothing will so promote the revival of business activity as the creation of the open, competitive markets which such a process involves. Those markets which have kept most actively competitive have seen their worst. Forced liquidation in wheat, for example, brought low levels a good many weeks ago. The wheat market has had a very substantial improvement since. The same appears to be true in silks and in other lines. Those industries which have delayed their readjustment longest have done themselves harm and have done the country harm. The existing stagnation, with the steady pressure of overhead charges and with the steady curtailment of the buying power of the public, is much worse than the losses which prompt readjustment would involve. The duty of the banker under these circumstances is clear. He should not be party to policies which will continue the stagnation, and he should not lend funds to enable shortsighted men to delay the recognition of inevitable facts. We can have substantial business revival in a reasonably short time if we will force the pace of readjustment faster.

A "Ragged" Situation

Meantime, what is the condition today? Economic tendencies have been conflicting: that is, some have tended to lower the level of business activity, while others have served to hasten the movement of recovery which has been noticeable in some lines for the last few months. The situation at best, however, must be called ragged. Some lines have reached a point of recession where whatever changes occur should be for greater activity and increased prices. At the same time, it is clearly evident in other lines that the period of readjustment is nowhere near its close, and for these the outlook should be continued recession, with prices and wages discovering ever lower levels. Unemployment is still widespread. Conditions in some lines—notably agriculture and the basic industries—seem, however, to be improving; but at best it cannot be said that stabilization has been reached, or that deflation in industry has reached a point where buying for the future can be bold and unhesitant. This failure of buying activity tends to delay stabilization in various lines, just as it was occasioned by this lack of stabilization; and a so-called "vicious" circle seems to have developed, which large interests, among them New York bankers, are striving to break by assistance in a movement to "Sell Now." The present period is certainly one of transition, and the time is not yet when courageous buying for the future will be undertaken by any other than the most daring

In the international field, trade seems to be upon the decline. The last Board of Trade figures for the month of June—Great Britain's foreign trade—show total imports of £88,180,000; exports of British products, £38,150,000; reimports of foreign merchandise, £7,080,000; total exports, £45,230,000, and excess of imports, £42,950,000. Details of this showing follow:

The British foreign trade in June makes the following comparison with June of 1914:

	June, 1921.	June, 1914.
Exports of British products	£38,150,000	£39,872,976
Re-exports of foreign goods	7,080,000	8,753,434
Total exports	£45,230,000	£48,626,410
Imports	88,180,000	58,281,653
Excess of imports	£42,950,000	£9,655,243

For France figures are available in detail only as late as April, although totals are at hand for May. These show imports in April of food 390,345,000 francs, raw materials 887,151,000 francs, manufactured articles 501,593,000 francs, total 1,779,089,000 francs, as against exports of food 176,333,000 francs, raw materials 468,453,000 francs, manufactured articles 1,179,683,000 francs, parcel post 107,799,000 francs, total 1,932,268,000 francs, an excess of exports over imports of 153,179,000 francs. For May total imports were 1,565,504,000 francs and exports 1,648,644,000 francs, an excess of exports of 83,140,000 francs. For Germany figures are not available.

DECREASE OF BRITISH EXPORTS FOR THE MONTH OF JUNE

Compared with May of 1921, the June statement shows the following changes:

Expts. British products	decreased	£4,938,410
Re-expts. foreign goods	decreased	151,836
Total exports	decreased	5,090,254
Imports	increased	1,871,692
Excess of imports	increased	6,961,946

Compared with June of 1920, the changes are as follows:

Epts. British products	decreased	£78,202,350
Re-expts. foreign goods	decreased	13,043,928
Total exports	decreased	91,246,278
Imports	decreased	82,311,230
Excess of imports	increased	8,935,048

The trade for June, 1921, compares as follows with June, 1920, and June, 1919:

	1921.	1920.	1919.
Exports of British products	£38,150,000	£116,352,350	£64,562,465
Re-exports of foreign goods	7,080,000	20,123,928	11,963,960
Tot. expts.	£45,230,000	£136,476,278	£76,526,425
Imports	88,180,000	170,491,230	122,874,390
Excess of imports	£42,950,000	£34,014,952	£46,347,975

For the six completed months of 1921, the changes from the same period of the previous year are as follows:

Exports of British products	decreased	£268,574,095
Re-exports of foreign goods	decreased	86,158,123
Total exports	decreased	354,732,218
Imports	decreased	461,570,737
Excess of imports	decreased	106,768,519

The trade for the six months ended with June 30, 1921, compares as follows with the same period of 1920 and 1919:

	1921.	1912.	1919.
Exports of British prod'ts	£368,892,789	£637,466,884	£334,756,132
Re-exports of foreign goods	49,682,925	135,841,048	55,434,295
Tot. expts	£418,575,714	£773,357,932	£390,190,427
Imports.	571,763,947	1,033,334,684	716,787,426
Excess of imports.	£153,188,233	£259,956,752	£326,596,999

Exports of British products during the last twelve months compare as follows:

	1921.	1920.	1919.
June	£38,150,000	£116,352,350	£64,562,465
May	43,088,418	119,319,422	64,344,632
April	59,867,585	106,251,692	58,482,412
March	66,808,961	103,699,381	53,108,521
Feb.	68,221,731	85,964,130	46,914,921
Jan.	92,756,094	105,879,909	47,343,281

	1920.	1919.	1918.
Dec.	96,630,523	90,858,233	38,282,035
Nov.	119,364,994	87,110,531	43,218,879
Oct.	112,295,474	79,061,145	42,820,724
Sept.	117,455,913	66,500,628	40,152,143
Aug.	114,903,335	74,773,597	43,522,237
July	137,451,904	65,315,691	43,644,398

Imports during the same periods compare as follows:

	1921.	1920.	1919.
June	£88,180,000	£170,491,230	£122,874,390
May	86,308,308	166,414,032	135,612,488
April	89,995,504	167,129,955	112,065,823
March	93,741,654	176,647,515	105,752,979
Feb.	96,973,711	170,434,526	106,689,341
Jan.	117,050,783	183,342,988	134,456,436

	1920.	1919.	1918.
Dec.	142,785,245	169,602,637	116,243,378
Nov.	144,260,183	143,545,201	116,770,580
Oct.	149,889,227	153,500,587	117,629,803
Sept.	152,692,339	148,588,572	97,995,688
Aug.	153,169,259	148,217,624	110,179,501
July	163,342,351	153,065,760	109,139,238

For the twelve last months the monthly excess of imports after allowing for imported merchandise re-exported, compares as follows:

	1921.	1920.	1919.
June	£42,950,000	£24,014,952	£46,347,975
May	35,988,054	26,834,532	59,772,504
April	21,604,257	40,470,844	40,236,953
March	18,044,688	56,916,777	43,695,209
Feb.	20,747,677	61,866,607	54,655,263
Jan.	14,339,568	51,998,602	82,643,136

	1920.	1919.	1918.
Dec.	33,455,666	52,584,473	74,848,636
Nov.	11,780,330	36,168,261	70,634,051
Oct.	21,460,193	54,797,840	72,690,437
Sept.	21,885,818	63,389,266	53,154,317
Aug.	23,897,577	58,133,102	64,379,929
July	8,041,968	75,992,955	63,472,534

American Trade Falling Off

June figures for the trade of the United States are not available at this writing, but those for May's trade show a falling off similar to that experienced by Great Britain. Here are the details:

Exports to Europe during the month aggregated $177,000,000, compared with $384,000,000 in May of last year, while for the eleven months ended with May, the total was $3,231,000,000, as compared with $4,568,000,000 for the same months of 1920.

Exports to South America during May aggregated $48,000,000, against $58,000,000 in May of last year, while for the eleven months' period the total was $506,000,000, as against $445,000,000.

Imports from Europe for the month amounted to $61,000,000, as against $92,000,000 the same month last year, and for the eleven months the total was $883,000,000, as compared with $1,061,000,000.

Imports from South America aggregated $23,000,000, as compared with $63,000,000 in May of last year, while for the eleven months the total was $466,000,000, as against $780,000,000.

Exports and imports by principal countries during May as compared with May, 1920, follow at the head of the next column:

EXPORTS.

To—	May, 1921.	May, 1920.
Britain	$80,000,000	$152,000,000
France	10,000,000	58,000,000
Germany	20,000,000	21,000,000
Italy	23,000,000	33,000,000
China	8,000,000	12,000,000
Japan	12,000,000	44,000,000
Argentina	8,000,000	17,000,000
Brazil	4,000,000	14,000,000
Chile	1,000,000	4,000,000

IMPORTS.

From—	May, 1921.	May, 1920.
Britain	$19,000,000	$44,000,000
France	12,000,000	10,000,000
Germany	6,000,000	5,000,000
Italy	7,000,000	6,000,000
China	8,000,000	22,000,000
Japan	23,000,000	31,000,000
Argentina	5,000,000	23,000,000
Brazil	7,000,000	10,000,000
Chile	3,000,000	15,000,000

Interesting Bank Statements

The bank statements of Great Britain, France and Germany are of especial interest in view of the relation of these countries to the gold standard. The relation of Germany, of course, to any such standard is purely an academic one. Her issues of paper money have thrown her so far off the gold standard that it is highly doubtful if she will ever be able to regain it. England and France, on the other hand, retain the gold standard in their calculations, anticipating a return to it, England with a better chance of success in the opinion of unbiased observers. At left is the most recent Bank of England statement compared with the previous week and the corresponding week in 1920.

From the most general viewpoint the situation today may be said to be one in which improvements of the future are clearly to be foreseen in industry and finance along the indicated lines which experience lays down for them, but these improvements are still in the future, and too much cannot be expected from day to day as progress toward this goal is slowly made.

The latest Bank of England statement:

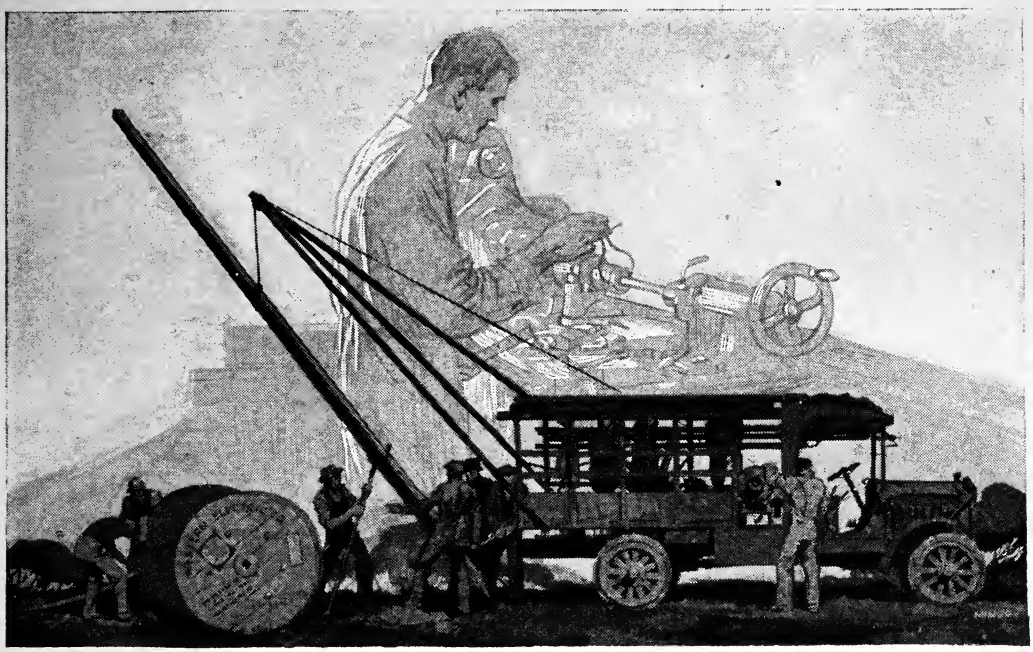
	July 7, '21.	June 30, '21.	July 8, '20.
Circulation	£129,108,000	£129,006,000	£122,743,000
Public deposits	19,720,000	15,296,000	17,886,000
Private deposits	129,041,000	131,739,000	117,035,000
Government securities	63,798,000	61,202,000	52,424,000
Other securities	85,102,000	85,827,000	83,894,000
Reserve	17,710,000	17,810,000	16,443,000
Propor. res. to liab.	11.90%	12.11%	12.20%
Bullion	128,369,000	128,366,000	120,737,000
Bank rate	6%	6%	7%

The statement of the Bank of Germany is for the weeks of July 7 and June 30, and is in marks:

	July 7, '21.	June 30, '21.
Coin	1,102,700,000	1,102,100,000
Gold	1,091,500,000	1,091,500,000
Bills	1,565,400,000	1,662,300,000
Treasury bills	79,607,700,000	64,434,100,000
Advances	6,000,000	127,600,000
Investments	282,700,000	258,500,000
State deposits	5,647,300,000	3,531,200,000
Private deposits	14,744,900,000	7,581,200,000
Treasury certificates	8,311,200,000	10,477,000,000
Notes of other banks	1,700,000	4,700,000
Securities	6,050,200,000	6,163,900,000
Circulation	70,321,000,000	71,986,700,000
Other liabilities	912,700,000	830,200,000
War loan notes	8,706,600,000	8,656,000,000
Bank rate	5%	5%

That for France is in francs and gives the same comparison as the British statement:

	July 7 '21.	June 30, '21.	July 8, '20.
Gold	5,520,500,000	5,520,300,000	5,588,500,000
Silver	274,500,000	274,300,000	274,400,000
Loans and disco'ts.	5,108,100,000	5,194,200,000	4,295,700,000
Circulation	37,667,000,000	37,422,000,000	38,012,100,000
Deposits	2,689,300,000	2,770,500,000	3,408,100,000
War advances to State	25,300,000,000	25,000,000,000	26,100,000,000
Bank rate	6	6	6



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CURRENT HISTORY

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WALTER LYMAN BROWN

European Director for the American Relief Administration, the Hoover organization which has undertaken to save the starving millions in Russia. He faces the task of combating the most appalling famine known in history.

A HUNDRED YEARS OF ITALIAN LIFE

By Guglielmo Ferrero
Foremost of Italy's Living Historians

A rapid sketch of how the original policy of the House of Savoy, in the course of an eventful century, has developed into the present dangerous situation in Italy—Deeper causes of the proletariat's threatening attitude

JUST a century ago, in the year 1821, a revolution broke out in Piedmont. In the service of the House of Savoy were a number of Italian officers who had fought under Napoleon Bonaparte in 1814. They were bored with the routine of barrack life and disgruntled at the policy of the Holy Alliance, which gave no early promise of war. They came to an understanding with the Liberals and university students of Piedmont, whereby the army was to lead an uprising on a platform demanding—in addition to a constitution—war against Austria and independence for the Italian nation. At that time military men in Europe generally were inclining toward liberal ideas and the rapidly developing sentiment of nationalism. Their position and influence, they figured, would be more brilliant under a liberal regime than under the absolutism re-established on the ruins of Napoleon's empire.

The revolt was suppressed without much difficulty. Monarchy was really much more firmly established than had been supposed. But that was not the end of the matter. It was discovered that the Prince of Carignano, head of the junior branch of the House of Savoy, not only knew of the plot in advance but had actually encouraged it, at least in the beginning. He was so far compromised, in fact, that when the mutiny failed he was obliged to leave the Court in Piedmont, take refuge first with his father-in-law, the Grand Duke of Tuscany (he lived a life of elegant luxury in the splendid villa of Poggio Imperiale in Florence), make amends by fighting in Spain for the restoration of the Legitimists and cool his heels for a long time in expectation of an eventual pardon—which was not granted without onerous conditions.

This indiscretion of the Prince, nevertheless, created the policy of the younger branch of the House of Savoy, which, in 1831, was to succeed the senior line, left without an heir by Charles Felix. Though he had failed in 1821, the Prince of Carignano was to prosecute the same policy under conditions much more favorable, when he ascended the throne. That policy consisted not in a frontal attack on revolutionary ideas—as was the practice of the Holy Alliance—but in making use of them (without at all believing in them) in running governments and expanding territories, thus transforming the radical parties into props, more or less stable, of public order at home, and, abroad, into instruments of diplomatic and military schemes "of broad purview."

The Prince became King in 1831. Till 1848 Austria kept watch on him so closely that he could not think of squaring accounts for that little af-

fair of 1821. The work cut out for Charles Albert, as he was now called, was to be a good boy and a good King in the eyes of the Holy Alliance. But when the Monarchy of July, so called, collapsed in Paris, he did not hesitate an instant. On the fourth of March he proclaimed the Constitution, and three weeks later he declared war on Austria, thus carrying out at last his original program: an alliance of militarism, liberalism and nationalism—the program of 1821.

His effort came to grief at the battle of Novara. Even with the support of European Liberalism Piedmont was too small a country to whip the Austrian Empire. But the son of Charles Albert continued the same policy and brought it to success. Victor Emmanuel II. broke away from the old Absolutist nobility of Piedmont, which, since 1789, had been loyal to Legitimist monarchism. He did not break with the Church, but he accepted the revolutionary doctrine that politics must be an exclusive business of the laity. He joined the liberal nobility and the wealthy bourgeoisie against the nobles and clergy, who were partisans of reaction. He tried to be a constitutional sovereign, ruling with a Chamber and a Senate (elected on a basis of restricted suffrage) and with a relatively free press. He was so little afraid of republican ideas that he used both Mazzini and Garibaldi for his own purposes. He was so little afraid of the devil that he did not halt at the threshold of Rome. He succeeded in expelling Austria from Lombardy and Venetia, in conquering the rest of Italy, in founding a large kingdom and in building up a great military machine. Militarism, liberalism, nationalism! The alliance conceived by Charles Albert in 1821 produced, just fifty years later, the great things expected of it.

Humbert's Troubled Reign

King Humbert continued that policy. Just as Victor Emmanuel had governed with the Right (liberal nobility and bourgeoisie) against the Absolutists, Humbert governed with the Left against the Right. The Left was a group of varied elements, numerous among them the old republicans who had rallied to the monarchy in 1860, and who, in the name of "the people" and of "democracy" attacked the Right and its policies as unjust toward the masses. The Left laid special stress on the doctrine of popular sovereignty, of which the liberalism of the Right had been the first expression. It derived its main support from the middle classes and the intellectuals. King Humbert used the Left by exchanging a more democratic constitution, and a much more general suffrage, for an alliance with the Germanic empires, an increased army and navy, and the beginning of a colonial domain. His reign witnessed a more vigorous foreign policy on the part of Italy, which was to give the country, as a great military power, a louder voice in the concert of Europe. The man chosen to execute this policy was Crispi, a friend and a pupil of Mazzini, who had come over to the monarchy in 1860 without breaking his friendly connections with the Republicans and with the elements of the Extreme Left.

Humbert did not succeed as well as his father succeeded. The latter years of his reign, indeed, were very much disturbed. A sort of general law seems to govern all the movements springing from the French Revolution. They develop in successive and ever-widening waves, the wave behind trying to submerge the waves in front of it. The Liberal Right thus gave way to the Democratic Left. But during Humbert's reign two new waves sweep out on the political horizon of Italy, "Radicalism," so-called, and Socialism, the former bent on obliterating the Left and the Right, the latter determined to destroy not only these, but Radicalism also. The Radicals accused the Left of "betraying the people," just as the Left had accused the Right; and of the same crime they were in turn accused by

the Socialists. The result was a deal of confusion in the last five or six years of Humbert's life. In the turmoil the traditional policy of the younger branch of the House of Savoy seemed in danger of collapse. At one moment the King became quite alarmed and seemed disposed to adopt a policy of frank reaction. But principles cannot be compromised and at the same time kept vigorously alive. When Humbert looked about for tools to enforce a policy of extreme conservatism, he found them either entirely lacking or very rusty indeed.

The Mistakes of Giolitti

Crowned in tragic circumstances—the assassination of his father—Victor Emmanuel III. resolutely went back to the traditions of his family. The situation was difficult, but he was keen enough to find just the man to adapt the policy of the younger branch of the House of Savoy to that situation. Mr. Giolitti comes from a respectable middle-class family of Piedmont, and he was born at a time when the Monarchy was virtually a sacred ikon in that province. Mr. Giolitti is one of the few politicians in Italy in whom devotion to the House of Savoy is sincerely and deeply rooted. Add to that feeling the patriotism rampant in the generation that grew up in the days of Victor Emmanuel's glory; and to them both a complete indifference toward the principles and doctrines of modern democracy. Free from any taint of these doctrines, Mr. Giolitti has been free to use them cold-bloodedly as an instrument of government, in the keen if at times disappointed hope that they could be turned to the interests of the country he loves and of the Monarchy to which he is still respectfully loyal.

Giolitti, in fact, succeeded in striking a bargain with the Radicals and the Socialists, whereby, with their assistance or at least without their opposition, he was able to develop, during the first fourteen years of this century, a policy of militarism and nationalism, so far as such a policy, given general conditions in Europe, was at all practicable. He invited Radicals into his ministries, and tried to induce Socialists also to accept portfolios; but never was foreign policy more completely a mystery, more wholly a matter of backstairs intrigue, than during his days in power. In Humbert's time, the Triple Alliance had been the point of violent attack from the parties of the Extreme Left; but Mr. Giolitti twice renewed that alliance after calling the Extreme Left "to power"—renewals made without public discussion, under the veil of strictest secrecy, and with conditions which are but vaguely known even to this day. He gave the vote to the masses, though they were not demanding universal suffrage, and though everybody, Socialists included, was afraid of it. As has been well observed, he threw the key of the State into the street, in the hope that friends would pick it up and hand it back to him. But he conquered Tripoli, giving a final push at the already tottering peace of the world. He increased the army and the navy to the limit of his resources. If both army and navy were ill-prepared in 1915, the fault lay less with the policy of Mr. Giolitti than with the absurdities of the modern military system, which asks peoples to do the impossible.

In short, Mr. Giolitti worked zealously, however unwittingly, to help the men in charge of Europe between 1900 and 1914 prepare the great catastrophe. When the World War broke out he recoiled, indeed, from the possible consequences. He understood that Italy and the House of Savoy were risking their existence on one throw of the dice. But Italy was dragged into the war by the momentum of the whole political movement which began with the mutiny of 1821, and of which he had been the last and most skillful artisan. Was not the Kingdom of Italy built up, after 1848, on the policy of the

younger branch of the House of Savoy to exploit the jealousies and discords of the great powers of Europe? Were not the vital interests of the Kingdom of Italy inseparably bound up with those quarrels and conflicts? How then free Italy, overnight, from entanglements which only powers that had remained neutral in all the struggles of the previous fifty years could avoid? Mr. Giolitti was unable to stay the avalanche he had himself contributed to let loose upon the world. To make such an attempt even was to risk his very life.

Turmoil Under Nitti.

The mistakes of Mr. Giolitti's successors, notably the supreme incompetence of Mr. Nitti, saved him and brought him back to power. On reentering Palazzo Braschi after five long years of war, Mr. Giolitti found the State profoundly stirred by a gale of revolution blowing from two directions, from the Socialists on the one hand and the Nationalists on the other. In judging the present situation in Italy, we must not forget the origin of the disturbances at present raging in the country. Up to June, 1919, everything was quiet. Good order had been preserved till Mr. Orlando's Ministry fell (as the result of his defeats at the Peace Conference), and the King called on Mr. Nitti to form a new Cabinet. The Nationalists thought the moment ripe for reviving the tradition of May Day; and they tried to prevent the organization of this Ministry by demonstrations of violence in all the great cities. Praiseworthy the intention underlying this agitation: to save the country from a Ministry of monumental incapacity. But the means employed were decidedly revolutionary. The signal for nationwide turbulence was given.

Mr. Nitti managed to get his Ministry together; but early in July, when it had hardly begun its career of maladministration, another revolutionary movement, of far vaster proportions and emanating this time from Socialist centres, was launched upon the public. From one end of Italy to the other stores and shops were raided. Goods were transported in great masses to the Labor Chambers and thence distributed to the populace at absurdly low prices. The authorities, in this revolt against the High Cost of Living, were compelled to lay the most capricious and arbitrary taxes upon sales. Days of frightful chaos, in short, during which Italy had a first and fortunately a fleeting taste of the Dictatorship of the Proletariat!

But the Nationalists were not slow in coming up abreast of their rivals on the Extreme Left. In September the raid on Fiume was pulled off. If all the agitation now going on in Italy leads in the end to a revolution, history will fix d'Annunzio's Fiume expedition as the beginning of it. There, for the first time in the history of the Kingdom, groups of soldiers resisted and disobeyed the Government. The effect on the imminent elections was tremendous. The Socialists won a victory that eventually turned the heads of leaders and rank and file alike. Revolution seemed for a moment in full view. All the bitterness, hatred, uneasiness, all the eagerness for revolt and change, which long and harsh repression during the war had intensified to pent-up violence, now broke forth, completely paralyzing a Government, weak and indecisive by temperament, and completely given over to inefficiency and lack of intelligence. Strikes, riots, violence on small and on large scale, arson, pillage, assassination! That is the story of the next months. Railroad men reached a point where they dared refuse to transport troops and munitions to destinations they chose to declare suspect. Mr. Nitti just sat around looking on, with his arms folded!

The public at first felt as helpless as the Government. Then gradually reaction got under way. The White Revolution took form in opposition to the Red. The famous Fasci began to

organize in different towns, mostly in connection with the interminable affair at Fiume. The object of the Fasci seemed at first to be support of d'Annunzio in every possible manner. But soon the Fascista movement was engaged in a hand-to-hand tussle with the Socialists and the communists. When Mr. Giolitti took hold of the Government again (in June, 1920), he found the communist agitation in full swing and the Fascista movement in the first phase of its development.

Doings of the Fascisti

Whether because he would or because he could do nothing, Mr. Giolitti did not interfere with either party. He successfully attacked a number of problems left in a muddle by Mr. Nitti—financial organization, the Adriatic question notably, and peace. But on the matter of keeping domestic order, he adopted a policy of watchful waiting, allowing the two revolutionary movements to mature to their mutual intoxication. The Socialists promptly took all the rope allowed them, finishing with the seizure of the factories in September, 1920. But when the country went to the polls for the local and municipal elections in November the Socialists bumped their noses on the Fusion bloc, which offered much more tenacious resistance than had been the case a year before. The Socialists held their ground, but no more than that. In 1919 they elected one-third, in round numbers, of the Chamber. In 1920 they captured about a third of the municipalities. But episodes incident to the inauguration of the new local councils, especially the terrible murders that took place in the Council at Bologna, were the signal for the avalanche of Fascista violence to break upon the country.

On all hands the Fascisti came forward to replace an absent or a timid public authority. At times they went far beyond anything that official action would have held in view. They conducted searching parties and made arrests. Not being able to seize the newspapers of the Reds, they destroyed the printing plants. They attacked and dismantled Labor Chambers. They broke up Socialist meetings and Socialist parades, interfering everywhere with Socialist propaganda. They did their best to make life intolerable for leading Socialist Deputies. Finally, they began their punitive expeditions, their so-called "reprisals." When a town treated itself to some Socialist excess or other, the Fascisti would visit the place to exact "reprisals." Most often their fury was vented on Labor Chambers, Socialist headquarters, or Socialist "leading citizens." As is the case usually with "reprisals," innocent people suffered for the guilty.

The Government made no serious effort to check the Fascista movement. Indeed, it would have been difficult to repress the Fascisti without at the same time taking the Socialists in hand. To deal with both movements at once would have necessitated the proclamation of martial law. From this drastic measure Mr. Giolitti shrank, for a variety of reasons, some of them weighty, others of lesser importance. His policy was to let the movement wear itself out. He was waiting for general discomfort to make itself felt in the country and for an inclination to frown upon all revolutionary agitation to develop. He dissolved Parliament.

By a curious coincidence, the elections ensuing fell just a century after the revolution of 1821, a coincidence with a certain symbolical meaning. The recent elections were one more application of the policy of the younger branch of the House of Savoy, the most complicated, the most hazardous application of it that perhaps has ever been made.

Down to 1914, the dynasty and the Government rested on a solidly grounded Europe where the monarchical system still constituted the framework of the social order. They had gotten along by making concessions to the personnel and to the plat-

form of the revolutionary party most noisy at the moment—the Republicans before 1890, the Socialists thereafter. Thus they had found support against all opposition and their policy had consolidated the Italian Kingdom and enlarged it to its present boundaries. In all this intriguing, concessions to individuals were always more important than concessions to principles; and this explains the greater success of the policy with the Socialists than with the old Republican Party of Mazzini. Mazzini had principles as clear, as definite, as frankly stated, as those of the Socialists are vague, formulistic and superficial. It was no mean task to bring the old Republicans around to support the monarchy. The Socialists trooped up to the Quirinal at the first call, leaving their principles and their doctrines at the gate.

Giolitti's Present Plan

But the present situation is far different from this. The dynasty no longer has a solid Europe to fall back on. Like all other Governments on this side of the ocean, it feels itself cut off on a patch of quicksand surrounded by a flood of social revolution; and it has before it, not one revolutionary movement, but two, and both hostile to the present Government, the Fascisti more bitterly hostile, even, than the Socialists. To be sure, there has of late developed in the Italian Socialist movement a faction disposed to restore the ancient doctrines and the ancient methods of revolutionary socialism. On the other hand, a large number of "leaders" have had a great admiration for Mr. Giolitti and would ask for nothing better than to come to an agreement with him. Among them secret aspirants to power are numerous. The Fascisti, on the other hand, detest Mr. Giolitti, who in their eyes is the "hangman" of Fiume; and for the King, as well, they have little use. It is apparent that the old policy which brought the House of Savoy from Turin to Rome, a policy requiring the most adroit and subtle of piloting, can no longer progress on the basis of the traditional charting.

What was Mr. Giolitti's recourse in the circumstances? His first thought was to crush the Socialists by giving a free hand to the Fascisti. Everywhere the latter were given, and are still being given, a free hand to terrorize and disorganize the Socialist revolutionary movement.

And his second thought—which requires a still more delicate touch to execute—is to come to an understanding with the much-chastened Socialists, transform them into elements of order, and use them for a legal repression of the Fascisti.

This plan is an intricate one; and it will seem deeply and darkly Machiavellian to those who are unfamiliar with the history of the Italian Kingdom and who study Italian politics from an English or French standpoint. This method is a method made respectable by a century of successful use, and which therefore enjoys historical prestige enough to promise well even in the tangled situation at present prevailing.

It is a risky thing to prophesy the outcome. I can only venture an impression born rather of intuition and of instinct than of any convinced foresight. It is that the manoeuvre here contemplated is too involved to be capable of execution in times of agitation like the present. I believe that 1921 will mark the beginning of the end of the policy of 1821.

In the first place, the Fascisti will not be so readily attached to the fusion of the constitutional parties as Mr. Giolitti hopes. The Fascisti do not recognize the Treaty of Rapallo; they are bent on abrogating it. How, then, can they co-operate with elements committed to the support of that treaty? But there is also a more general question. The policy of overcoming two revolutionary parties by beating one with the other can indeed succeed, but only on one condition: that the Government using that policy have both parties so well in

hand that it can bend either as it wishes at the strategic moment. Has Mr. Giolitti or the man who has succeeded Mr. Giolitti, that masterful control over Socialists and Fascisti alike? Well, then, what will happen if, at the shown-down, the cards go against that policy?

Here again let me venture my own guess. I should not be surprised if as the result of combined efforts of Government and middle classes, the Socialist Party in Italy were reduced to harmlessness. People abroad will rub their hands with delight at this and enjoy in foretaste an era of order and prosperity for Italy. But the permanent restoration of order, not in Italy only, but in all Europe, is a much more serious business than has been supposed. If we could get the millennium by beating a Socialist ticket, how cheap millennia would be!

Cause of Existing Chaos

As a matter of fact, the disorder rampant in Europe, as a result of the war, has much deeper causes than Socialist propaganda, which is itself only in part a cause, and in larger part an effect of forces that have been working in Europe since the French Revolution to create the chaos of the present. Our pitiable condition is the work, more or less, of all the parties and groups that have governed Europe since the fall of Louis XVI., with the exception of those in control between 1815 and 1848. The Restoration, the reaction really tried to lay a solid, a coherent underpinning to the social fabric of Europe. All the other parties have tried to stimulate the spirit of discontent and revolt in the masses by pushing the military system of the French Revolution to monstrous absurdities, and by destroying in the consciousness of the nations the concept of an inviolable international law and the notion, as well, of a sacred, inviolable legality governing the internal relationships of peoples.

The great States of Europe have been conducting ferocious struggles for military, political and commercial hegemony, fighting for domination over land and sea and for the aggrandizement of territories. To utilize the masses in this shameful struggle they have held out promises of all the wealth of the earth—riches, political power, knowledge. The parties who have been in control of Europe are responsible for the rapacious selfishness now raging in the masses. High wages, wages reaching the incredible figures recently prevailing, have filled the laborers with greed. Universal suffrage has given to mass stupidity the upper hand over intelligence. Popular education has developed vanity in the populace far in advance of good sense. Not content with this, the masters of Europe have finally put arms into the hands of the mob! A militarized proletariat! None of the civilizations preceding ours ever dreamed of committing such a bad mistake. And now the people, who think themselves the real people, affect astonishment, and ask whether there is not something wrong with the world, because the masses, rich, powerful, vain—and armed—refuse to obey the little oligarchies which assert the right to send them forth to be massacred by millions in the name of patriotism!

If today the Socialists, in spite of their ignorance and incompetence, are masters of half of Europe, they owe that eminence less to Proudhon and Karl Marx than to Napoleon and Bismarck. That is why something more than an election or a change of Ministries is necessary before Italy, or any other country in Europe, can return to normality. A long, a careful, a painful course of spiritual hygiene is essential.

To show how difficult the process will be, an anecdote will be sufficient. Some days ago I met an important public man—with years and honors laden—who is regarded in Italy as a pillar of the throne and a bulwark of public order. Conservatives never pronounce his name without a hush

of awe in their voices. This gentleman is at present engaged in organizing a national commemoration of the events of 1821. I said to him:

"But has your Excellency reflected on one thing? Is it prudent in times like these, when people are so generally anxious for a revolution, officially to unveil a monument in honor of a group of soldiers who mutinied against their legally constituted superiors? I am well aware of the gratitude and worship we should accord to history. But isn't it wise to recall that old proverb which recommends avoidance of the word 'rope' in the presence of relatives of a condemned criminal?"

The stately personage, this high-priest of Conservatism, contented himself with a placid smile. He thought that I was joking * * * as I pretended to be.

ALBANIA'S REPLY TO GREEK CHARGES

To the Editor of Current History:

In connection with your statements in the August CURRENT HISTORY under the heading, "Albania's Feud with Greece," I wish to point out certain grave errors:

The affair of the seizure of the St. George Church of Korcha or Koritza by the Albanians in the first week of May last is entirely different from what has been depicted by the news coming from Greek sources. I was visiting Korcha at that time, and I can assure you that there was not the slightest disturbance in connection with the seizure of the church. The Greek Metropolitan—who is not a Metropolitan at all, but only a salaried Greek propagandist who draws generous emoluments from the Greek Foreign Office—not only did not "mysteriously disappear," but was in the city all the time, being closely guarded by the Albanian authorities against the just indignation of the native population.

The rest of the mendacious Greek report that the Albanians made an armed attack upon the non-existent Greeks of Koritza, and that massacres ensued, is so scandalous that it hardly deserves a denial. I can assure you again that not even a shot was fired or a sword drawn.

The next item of "Albania's Feud with Greece," that is, the question of Chimarra, is also entirely different in character, and it so happened that I was again an eyewitness to that event. The truth is, then, that the population of Chimarra itself sent to Valona, where I was staying at that time, a deputation of six men to secure from the Albanian Government certain privileges and immunities which they had been enjoying in the past. I had a very pleasant conversation with the men myself at the villa of the Governor of Valona, whose guest I was, and I was so convinced of the justice of their demands that I took their side, even though I was and still am an official of the Albanian Government. The result was that the Albanian Government granted all their reasonable claims.

Coming to the more tender point of the alleged complicity of Albania, or of certain Albanians, in the alleged plot of having my country align itself against Greece as an ally of Mustapha Kemal Pasha, I beg to state officially that the Albanian Parliament, by a special act of June 20, empowered the Government to prosecute any Albanian accused of having dealings with Mustapha Kemal, as well as to adopt the most severe measures against any propaganda favoring Turkey or Mustapha Kemal. There may be some Albanians who think, rightly or wrongly, that it is to the interest of Albania to help Mustapha Kemal against Greece, in view of the fact that the latter power has never ceased to intrigue in Albania, as shown by the St. George and the Chimarra affairs; but this is no ground upon which to accuse the Albanian Government of favoring Mustapha Kemal, any more than the United States Government could fairly have been accused of complicity with either belligerent prior to its entry into the World War because there were Americans who sympathized with one or the other side.

C. A. CHEKREZI,
Albanian Commissioner to the United States.
Washington, D. C., Aug. 4, 1921.

THE DISARMAMENT CONFERENCE

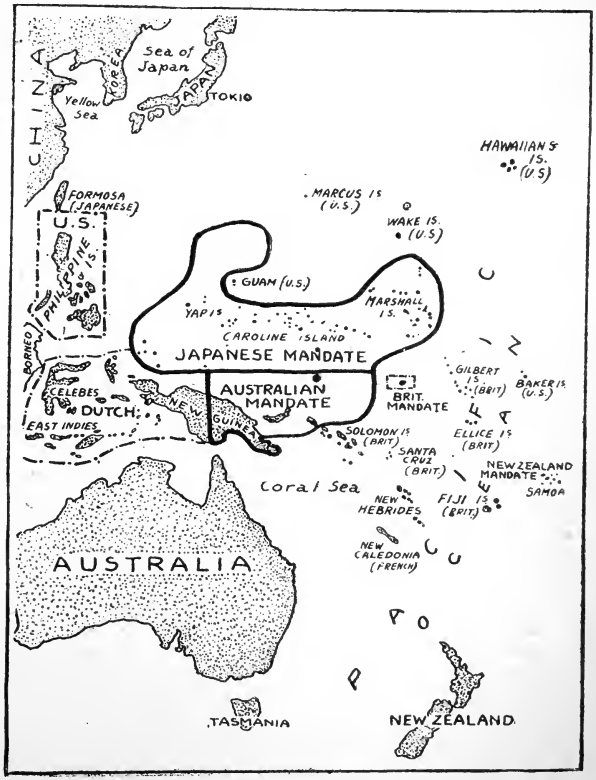
President Harding's invitation to Great Britain, France, Italy and Japan formally sent and accepted—Japan's misgivings as to subjects to be discussed—Facts as to the comparative size of navies and other questions at issue

AFTER many months of isolation, so far as Europe's efforts to establish the world's peace on a firm basis are concerned, the United States has acted on its own initiative in calling a conference of the principal naval powers for the purpose of discussing the limitation of armaments, as well as all vexed questions which obstruct the way to the attainment of this almost universal aspiration.

The civilized world experienced a thrill of hope when President Harding on July 10 sent out his invitation to Great Britain, France, Italy and Japan to participate in a formal conference, preferably in Washington. Though the text of this preliminary invitation was not made public, the State Department gave the substance of it, and the President's view was made plain that the whole disarmament question was closely linked with Pacific and Far Eastern problems. China, it was stated, had also been included in the invitation. This first and general invitation was promptly accepted by all the powers addressed except Japan. The formal invitation was not sent out until Aug. 11. The text, identical in each case, read as follows:

The President is deeply gratified at the cordial response to his suggestion that there should be a conference on the subject of limitation of armament, in connection with which Pacific and Far Eastern questions should also be discussed.

Productive labor is staggering under an economic burden too heavy to be borne unless the present vast public expenditures are greatly reduced. It is idle to look for stability, or the assurance of social justice, or the security of peace, while wasteful and



PACIFIC POSSESSIONS OF VARIOUS NATIONS CONCERNED IN THE PROBLEMS TO BE DISCUSSED AT THE WASHINGTON CONFERENCE. THE MANDATES OVER GERMANY'S FORMER PACIFIC POSSESSIONS ARE INDICATED BY THE BLACK OUTLINES

unproductive outlays deprive effort of its just reward and defeat the reasonable expectation of progress. The enormous disbursements in the rivalries of armaments manifestly constitute the greater part of the encumbrance upon enterprise and national prosperity; and avoidable or extravagant expense of this nature is not only without economic justification, but is a constant menace to the peace of the world rather than an assurance of its preservation. Yet there would seem to be no ground to expect the halting of these increasing outlays unless the powers most largely concerned find a satisfactory basis for an agreement to effect their limitation. The time is believed to be opportune for these powers to approach this subject directly and in conference; and while, in the discussion of armament, the question of naval armament may naturally have first place, it has been thought best not to exclude questions pertaining to other armament to the end that all practicable measures of relief may have appropriate consideration. It may also be found advisable to formulate proposals by which in the interest of immunity the use of new agencies of warfare may be suitably controlled.

It is, however, quite clear that there can be no final assurance of the peace of the world in the absence of the desire for peace, and the prospect of reduced armaments is not a hopeful one unless this desire finds expression in a practical effort to remove cause of misunderstanding and to seek ground for agreement as to the principles and their application. It is the earnest wish of this Government that through an interchange of views with the facilities afforded by a conference, it may be possible to find a solution of Pacific and Far Eastern problems of unquestioned importance at this time, that is, such common misunderstandings with respect to matters which have been and are of international concern as may serve to promote enduring friendship among our peoples.

It is not the purpose of this Government to attempt to define the scope of the discussion in relation to the Pacific and Far East, but rather to leave this to be the subject of suggestions to be exchanged before the meeting of the conference in the expectation that the spirit of friendship and a cordial appreciation of the importance of the elimination of sources of controversy will govern the final decision.

Accordingly, in pursuance of the proposal which has been made, and in the light of the gracious indication of its acceptance, the President invites the Government of Great Britain to participate in a conference on the subject of limitation of armament, in connection with which Pacific and Far Eastern questions will also be discussed, to be held in Washington on the 11th day of November, 1921.

The text of the separate invitation sent to the Chinese Government to participate in the disarmament conference was also made public as follows:

The President is deeply gratified at the cordial response to his suggestion that there should be a conference on the subject of limitation of armament, in connection with which Pacific and Far Eastern questions should also be discussed.

It is quite clear that there can be no final assurance of the peace of the world in the absence of the desire for peace, and the prospect of reduced armaments is not a hopeful one unless this desire finds expression in a practical effort to remove causes of misunderstanding and to seek ground for agreement as to principles and their application. It is the earnest wish of this Government that through an interchange of views, with the facilities afforded by a conference, it may be possible to find a solution of Pacific and Far Eastern problems, of unquestioned importance at this time—that is, such common understandings with respect to matters which have been and are of internal concern as may serve to promote enduring friendship among our peoples.

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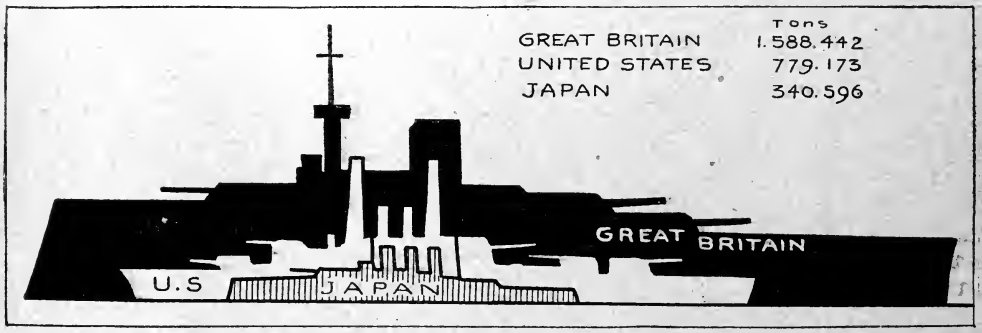
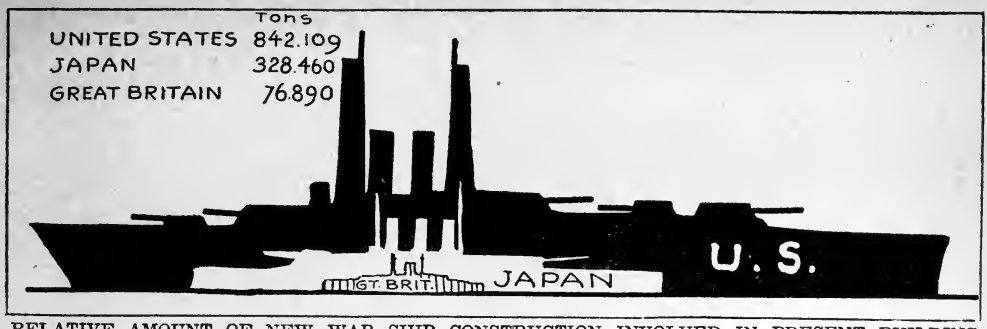


DIAGRAM SHOWING HOW THE GREAT NAVAL POWERS COMPARE AT THE PRESENT TIME. THE BRITISH NAVY IS SEEN TO BE FAR THE LARGEST, AND THE JAPANESE THE SMALLEST



RELATIVE AMOUNT OF NEW WAR SHIP CONSTRUCTION INVOLVED IN PRESENT BUILDING PROGRAMS. THE DIAGRAM SHOWS HOW MUCH LARGER THE AMERICAN PROGRAM IS THAN THE JAPANESE OR BRITISH

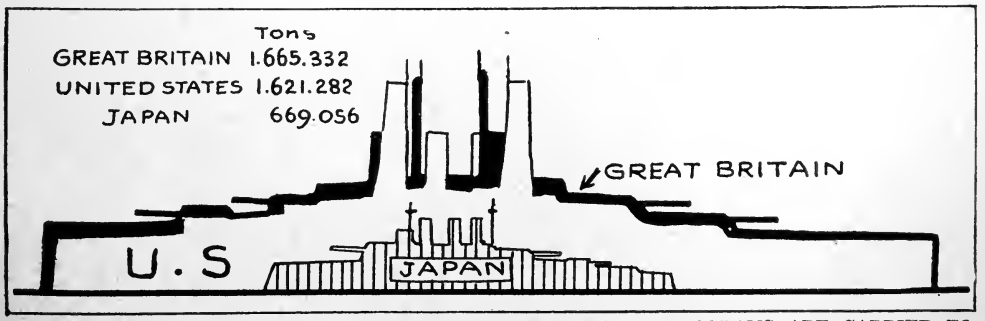
cussion in relation to the Pacific and Far East, but, rather, to leave this to be the subject of suggestions to be exchanged before the meeting of the conference, in the expectation that the spirit of friendship and a cordial appreciation of the importance of the elimination of sources of controversy, will govern the final decision.

Accordingly, in pursuance of the proposal which has been made and in the light of the gracious indication of its acceptance, the President invites the Government of the Republic of China to participate in the discussion of Pacific and Far Eastern questions, in connection with the conference on the subject of limitation of armament, to be held in Washington on the 11th day of November, 1921.

Messrs. Lloyd George and Briand, the British and French Premiers, announced that they would represent their respective countries at the confernce. Italy, though her interests in the Far East are of much less importance, was equally cordial in her acceptance. The acceptance of China was also received.

Japan, however, the fourth of the allied powers addressed, presented an unexpected obstacle. The tone of the Japanese press indicated that the invitation had come as somewhat of a shock. The outstanding difficulties between Japan and the United States, involving the Californian issue; the objection of the United States to the Pacific mandates north of the Equator accorded Japan by the Peace Conference, especially as regards the cable rights of the island of Yap; the disapproval of Japan's policy toward China and Siberia, and the alleged tendency of the United States to encourage the Chinese in their anti-Japanese campaign — all these, complicated by mutual distrust and the increase of naval armaments on both sides, made President Harding's invitation a not altogether agreeable surprise for Japan. The Japanese Government delayed its decision for some days, holding secret conference as to what answer should be returned.

Finally, on July 14, a conditional acceptance was received from Tokio.



HOW THE THREE NAVIES WILL COMPARE IF THE PRESENT PROGRAMS ARE CARRIED TO COMPLETION. THE UNITED STATES NAVY WILL BE PRACTICALLY AS LARGE AS THE BRITISH

Japan expressed her willingness to accept an invitation to the conference on the limitation of armament, but desired to be advised as to the scope and nature of the subjects to be discussed in connection with Pacific and Far Eastern matters. It was semi-officially stated in Tokio that the Government would not consider discussion of such matters as the allocation of the Pacific mandates to Japan, or the Shantung controversy with China, on the ground that these had been settled at the Peace Conference.

The Washington Government, however, accepted the Japanese reply as in effect an acceptance, and sent on July 23, through the Charge d'Affaires at the American Embassy at Tokio, the following message:

The Government of the United States deeply appreciates the readiness of the Imperial Japanese Government to accept the invitation to attend the conference on the limitation of armaments.

The Secretary of State of the United States in the course of informal conversations with His Excellency, the Imperial Japanese Ambassador at Washington, has expressed the hope that the Imperial Government would not press its inquiry as to the nature and scope of the Pacific and Far Eastern problems to be discussed at the proposed conference in view of the fact that it is desirable that the full acceptance of the invitation of the American Government leave this matter open for adjustment in the precise agenda to be arrived at later.

The Secretary of State is willing to proceed with exchanges of opinion regarding the agenda prior to the meeting of the conference. He considers it inadvisable, however, at the present moment, to hamper the program and in particular to delay the arrangements for the conference pending an agreement regarding this matter.

The Japanese answer to this, received on July 27, was as follows:

The Japanese Government have taken note of the contents of the American memorandum of July 23, received through the American Chargé d'Affaires, in reply to the Japanese memorandum of July 13, on the subject of a conference on the limitation of armaments to be held at Washington.

It has been brought to the knowledge of the Japanese Government that the Government of the United States is willing to proceed with exchanges of opinion regarding the agenda prior to the meeting of the conference, and that it considers it advisable to adjust in that agenda the nature and scope of the Pacific and Far Eastern questions to be discussed at the proposed conference. The Japanese Government, on that understanding, are happy to be able to inform the American Government that it is their intention gladly to accept an invitation for a conference which shall embrace the discussion of the Pacific and Far Eastern questions.

The Japanese Government have been made aware, through the communications and the published statement of the American Government, and the conversations between the Secretary of State and Baron Shidehara, that the proposition of the American Government to discuss the Pacific and Far Eastern problems is based on the close bearing they have on the question of the limitation of armaments, which is the original and principal aim of the conference, and that therefore the main object of discussing these problems is to reach a common understanding in regard to general principles and policies in the Pacific and the Far East. Desiring, as they do, to contribute to the establishment of an enduring peace and to the advancement of human welfare, the Japanese Government earnesly hope that the proposed conference may attain the expected results, and that their ideals may thereby be brought nearer to realization.

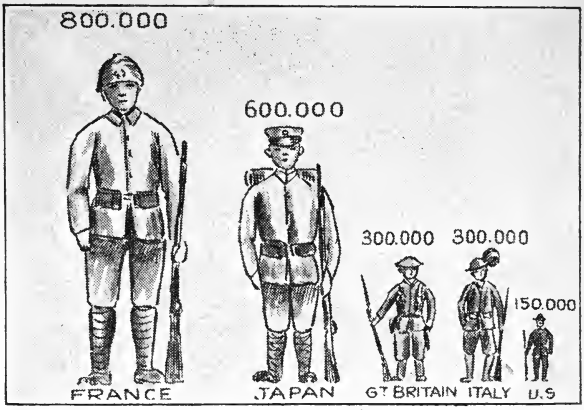
In order to insure the success of the conference, the Japanese Government deem it advisable that the agenda thereof should be arranged in accordance with the main object of the discussions as above defined, and that introduction therein of problems such as are of sole concern to certain particular powers, or matters that may be regarded as accomplished facts, should be scrupulously avoided.

Though the underlying intent of the last paragraph was obviously to exclude the Japanese Pacific mandates, including Yap and the Shantung controversy, from the contemplated discussions, the fact remained that Japan had consented to sit in the conference called by the American President specifically for the purpose of effecting a mutual obligation to cease the financially ruinous and war-breeding competitive increase of armaments. This was considered alike in the United States and in Europe as a most encouraging augury. Following receipt of this last acceptance, the Washington Government proceeded to complete the arrangements for the conference. The date set for the opening—Nov. 11—had been chosen by the President more for sentimental, than other reasons. All the nations

invited had accepted this date by the end of the first week in August. It was announced by the State Department on Aug. 12 that President Harding had appointed Secretary of State Hughes to act as head of the American delegation to the conference. It was generally understood that Mr. Hughes would preside over the discussions, and that the President would turn over all the details of its organization and procedure to him. On Aug. 15 it was further announced that Senator Lodge would be one of the American delegates at the conference.

Though the invitations sent out had been restricted to the five main powers, China had also been invited to be present, and the State Department indicated that other nations, whose interests might be involved, such as Belgium and Holland (the Dutch colonial population in the East Indies, totaling 60,000,000 souls, makes this explainable), would be given an opportunity to attend the discussions. It was explained at the Dominion Conference in London that both the Australian and New Zealand Premiers, in view of the distance of their home lands and the six weeks' journey required, would probably be unable to attend the conference, and that these dominions would be represented by the British delegates. A sledge-hammer speech made in London in July by Premier Hughes of Australia, declaring that the proposed conference would be successful only if the conferring nations looked the facts in the face, and cleared up by definite understandings the dangerous conflicts of policy in the Pacific, made a sensation. The Australian Premier was emphatic when he discussed the question of Japanese immigration to Australia. No settlement would be accepted, he asserted, which tended to impair Australia's absolute sovereignty as "a white man's country."

M. Tchitcherin, the Foreign Minister of Soviet Russia, sent to the United States Government a demand that not only Russia, but also Moscow's protege—the Far Eastern Republic—be invited to attend the conference. Another uninvited Government—the newly formed Canton Re-



THE HUMAN FIGURES SHOW THE COMPARATIVE SIZE OF THE ARMIES NOW MAINTAINED BY THE FIVE GREAT POWERS

public of Dr. Sun Yat-sen—sent a special appeal for participation, declaring that the Peking Government, which had received an invitation, was representative only of Chinese militarism, not of the Chinese people, and that the Canton Government should at least be allowed to send delegates; for this solution he found a precedent in the attendance of both the Constantinople and Angora delegates at the recent London conference on Turkey.

The coming conference is pregnant with possibilities. What will be its outcome? Issues of tremendous importance are involved.

The three nations most deeply involved in the competitive increase of naval armaments, of course, are Great Britain, the United States and Japan. The British Parliament recently decided not to abandon the building program for the four post-Jutland battleships. Both Japan and the United States also are continuing their own costly naval programs. The United States, with its twelve great battle-

ships building, will be almost abreast of Great Britain by 1924. The Japanese are similarly committed with their "eight and eight" naval program. It seems, therefore, that even if the objects of the conference are attained, the effect will not follow for some years to come. The present comparative relation between Great Britain, the United States and Japan is shown by the following table and by the diagrams on preceding pages:

Comparative Gun-Power Obtaining at Present.

Great Britain	1,588,442
United States	779,173
Japan	340,596

Comparative Tonnage Under Construction.

United States	842,109
Great Britain	328,890
Japan	328,460

Comparative Relation After Construction Is Completed.

Great Britain	1,665,332
United States	1,621,282
Japan	669,056

It was with the desire to bring the ever-increasing power of these armaments to a halt that President Harding called the Washington conference. Speaking at Lancaster, N. H., on Aug. 4, the President told a large throng of hearers that the whole idea of acquisition by might was fundamentally wrong.

The story of the world [he said] is one age after another of developing warfare, until we of this generation have witnessed the most gigantic conflict of all time, and this conflict was so gigantic, so colossal in treasure and so costly in sacrifice, that I believe that we of today are standing in a conviction and a determination that the whole development has been wrong, that the acquirement through might is contrary to human justice, and we of America and all the world are resolved today that wars ought to come to an end.

I am happy to bring you word that your Government is doing all it can to bring about a conference of nations and have their spokesmen here and come to an understanding that will remove the causes of war—not a surrender of nationality, not a surrender of our liberties or our rights to determine the ways we will pursue, but to remove the reasons for war and put an end to costly armament. I believe we shall succeed.

A WORLD WITH TOO MANY SHIPS

SHIPPING throughout the world since the end of the war has increased from the 49,000,000 tons existing when the war opened to 61,974,653 tons. So says the new edition of Lloyd's Register Book, just published in England. This seems surprising, in view of the 15,000,000 tons lost by enemy action and marine risks during the conflict. It is explained by the rush of many nations to acquire new merchant shipping after the lessons of the war. The economic reactions of the war, however, seen in high wages, low output, disordered exchanges and falling credits, have brought a corresponding depression in shipping conditions, and the world's harbors are filled with ships that are idle for lack of cargoes.

The largest increases in ship tonnage as compared with 1914 are as follows: United States, 10,500,000 tons—an increase of 570 per cent.; Japan, 1,421,000 tons; France, 1,128,000 tons; Italy, 950,000 tons; Holland, 736,000 tons. The figures given for Great Britain, France and Italy include ex-enemy tonnage allocated to these countries in the post-war settlement. Taken together, the Scandinavian countries show an increase of a little over 500,000 tons. Germany, which possessed 5,000,000 tons of sea-going steel and iron steamers before the war, now has only 654,000 tons. Austria has lost all. Greece, for reasons unexplained, has dropped from 820,000 to 576,000 tons. From the figures given, sailing ships and wooden steamers are excluded. The future lies with the iron and steel steamer, while the oil-burning ship looms large on the horizon. The new Chairman of the American Shipping Board, who faces a difficult task, has declared that if he cannot dispose of the wooden ships on his hands he will break them up for firewood.

AIRPLANE BOMB
VS.
BATTLESHIP

By Graser Schornstheimer

Story of the recent Army and Navy bombing tests, in which the former German warships Frankfurt and Ostfriesland were sunk, with some conclusions drawn from the results—Mastery of the airplane over the battleship by no means proved

THE joint Army and Navy bombing tests, which were held off the Virginia Capes in July, 1921, were to test the efficiency of aircraft and bombs against surface warships. Three phases of these tests proved to be of prime importance, as they brought out points which have long been debated, but not generally understood.

Possibly the most important test, from a technical standpoint, was that of the wireless-controlled battleship Iowa. The target vessel was controlled from another battleship, the Ohio, which was specially fitted for the purpose. The object was to ascertain the probabilities of bomb hits from reasonable altitudes on a moving target. Out of a total of eighty dummy bombs dropped, only two scored hits. The planes were required to come no nearer the Iowa than 4,000 feet, as it is certain that anti-aircraft fire would destroy any squadron bombing from a lower altitude. The Iowa was capable of making nine knots, but the naval officers in charge did not think it necessary to use more than four and a half, because of the very apparent inability of planes to hit a moving vessel. The ship zigzagged almost in the precise manner prescribed for avoiding submarine attacks.

Anti-aircraft gunnery experts declare that it is possible to keep planes away from the bombing area above the ship up to an altitude of 6,000 feet. If this is true—and there is certainly reason to believe that it is, for never has an air attack been successful, even to the extent of a single hit, in the face of anti-aircraft fire—it would seem that the planes in the recent test had entirely the better of the conditions in point of altitude. Had there been any anti-aircraft opposition they would probably have had to go at least another thousand feet higher, and the difficulties of hitting would have been raised by at least 15 per cent. Then, again, had the Iowa used her full nine knots, it is very possible that not a single hit would have been made even from the 4,000 foot altitude.

Weather conditions surrounding the tests threw a bright light on the efficiency of aircraft as naval weapons. If even a slight squall arose, bombing operations were suspended. If even a light fog drifted over the sea, it was also necessary to suspend them, as the low visibility precluded hitting. Then, again, it was impossible for the planes to locate the Iowa and her controlling ship when in a known hundred-mile area. This failure postponed the Iowa tests for a day. However, the planes were able to locate the ship the following day. Ideal weather conditions, not at all average sea weather, prevailed on the day the ship was bombed.

In consideration of the foregoing facts, it is only too plain that aircraft are at a disadvantage when pitted

against a battleship. During the war it was easy to bomb cities like London or Paris, even from extreme altitudes, because the targets were so large that a miss was impossible. However, anti-aircraft fire forced the bombing to be from extreme heights in these cases, and little damage was done. To bomb a warship or a fleet of warships is a much more difficult matter.

The second important test was conducted against the former German scout cruiser Frankfurt on July 18. The Frankfurt was a weak vessel, built very lightly, and carrying little or no armor. When she was surrendered to the British she was badly damaged by her crew, who sank her shortly afterward at Scapa Flow. She was raised and turned over to the United States for experimental purposes. Some of her fittings had been removed, and at the time of the test none of her coal bunkers, located on the sides of the vessel in a protective manner, were filled. This frail shell should have been sunk by almost the first bomb, according to all reasonable theories.

Bombs up to 600 pounds in weight were used. Seventy-eight were dropped, and of these only twelve scored direct hits on the ship's deck. Five of those that hit were "duds," and six exploded, tearing up things a bit on deck, but not one penetrated to the vitals, although the ship's protective deck was less than two inches thick. The twelfth "hit," the bomb which broke the little vessel's back, did not really hit, for it exploded alongside, abaft the mainmast and the two 19.7-inch submerged torpedo tubes. Experts of the British Navy have been contending that submerged torpedo tubes greatly weaken the structure of a much larger and heavier vessel than the Frankfurt, and it is understood that they do not intend to use them in future warships. This weakness may have contributed not a little to the sinking of the Frankfurt.

While this test was really to determine the efficiency of bombs, the lessons of the Iowa experiment should be applied before arriving at any such startling conclusions as did the various press representatives witnessing the tests. The Frankfurt was a thirty-knot cruiser and had an anti-aircraft battery of 4.1-inch guns. All the bombs were dropped from altitudes of less than 4,000 feet, and if the ship's anti-aircraft battery had been firing, it is extremely doubtful if the planes would have come so close. Then, too, had the Frankfurt been speeding through the water at a speed of 36 land miles an hour and zigzagging at regular intervals, it would have been still more unlikely that bombs could have been landed on her or near her from any reasonable altitude.

The Ostfriesland Test

The sinking of the former German dreadnought Ostfriesland off the Virginia Capes on July 21 was widely commented on by the press. Six Martin bomber planes of the army and one Handley-Paige plane participated in the final attack. Each of the former dropped one bomb weighing two thousand pounds. The exploding missiles started the seams of the dreadnought, and after the fifth bomb had been dropped the vessel was seen to be sinking. One more demolition bomb was dropped, and the ship went down by the stern, the seventh and final bomb from the Handley-Paige reaching the water after the Ostfriesland had disappeared. While the test varied from the conditions of actual warfare in that the vessel had no opportunity to manoeuvre, or to reply with anti-aircraft guns, some experts regarded it as of great significance in its bearing on the future of the battleship. General Williams, United States Chief of Ordnance, was quoted as declaring: "The bombs that sank the Ostfriesland will be heard around the world."

The impression went abroad that the Ostfriesland was sunk after twenty minutes of bombing. It really took nearly two days. The twenty-minute period in question was the

time during which the 2,000-pound bombs were dropped. In the course of the first day fifty-two bombs of different weights were dropped at very low altitudes. Thirteen hits were scored, only four bombs exploding. One exploded close to the forward twelve-inch gun turret. It did not damage the turret in the least, although a whole side of the latter had been removed for Navy ballistic tests, making it extremely vulnerable. This would seem to contradict the contention that even though bombs should fail to pierce a warship's deck they would kill every one upon it. Many bombs exploded alongside the vessel, and it is certain that they were the cause of some serious leaks in the hull.

It should be remembered that the Ostfriesland was a warship of a type now obsolete because of her light battery and poor underwater protection. In addition to this her German crew badly damaged the vessel before turning her over to the British and ultimately to the United States. While crossing the Atlantic on her last voyage she sprung a serious leak, and it was doubtful for a time if she would reach New York. Since she has been in this country parts of her machinery and protection had been removed by the Navy.

During the night after this bombing, the strained bulkheads aft opened enough to let the stern down two feet. In this weakened condition the ship was a target for large bombs in the morning.

By noon the airmen were working at a range of slightly less than 3,000 feet with 2,000-pound bombs. At this range they should have been able to hit with almost every release if they were to prove their contentions of accuracy, but the best that could be done was to land bombs alongside the ship. In all, eight big bombs were dropped, one of which, however, was a dummy for ranging purposes. Some of the live bombs fell 300 feet away from the ship, doing no damage. One, which shook the ship, landed just abaft the mainmast on the starboard side. The vessel trembled with the tremendous concussion, but other than this no ill effect was observed.

At this time the vessel was observed to have gone down another foot at the stern, though the bow seemed to be in as good condition as ever. Another bomb was dropped near the starboard side of the bow, which must have strained the hull in some way, as it shook the ship. The aviators had the advantage of knowing that the vessel was badly damaged at the stern. The propellor shafts were probably taking in water at a great rate, if the bulkheads themselves had not given way. Finally a bomb was dropped just a few yards over the port side of the stern. A veritable mountain of water shot upward, swamping the ship. She shook with the impact, and when the water had cleared away it was noticed that the stern was lower. This was the bomb that "was heard around the world." The ship was now filling rapidly. A further bomb exploded near the port quarter, drenching the sinking vessel. However, this bomb seemed to have had no effect, the bow appearing to be intact.

Great bubbles were coming from the stern and the bow rose slightly out of the water. For four minutes the vessel hung in this position. Then the stern went lower and the bow higher as the vessel started to list to port, showing that some of the starboard bulkheads still held, even at the stern. Finally the ship turned slowly over and sank, only great air bubbles marking the spot she had just occupied.

Significance of the Result

The conclusions to be made on this test are extremely difficult to reach. In the first place, it is the first time a really large ship has ever been sunk by bombs, and so there is no precedent upon which to base any judgment. The reports of the examining boards on this and earlier tests and the actual battle experience of the

war are the only things which throw any light on the matter.

It must be remembered that the Ostfriesland was in a weakened state when the tests were started and that she was in a still more weakened condition when these latter bombs were dropped. The question really is, "Did the ship sink as a result of the direct punishment by these bombs, or as a result of different occurrences before and during the bombardment—these last bombs simply hurrying a certain end?"

During the battle of Jutland, the British battleship Marlborough had a large hole torn in her side by a German torpedo hit. Despite this damage, the vessel was able to hold her place in line and keep on fighting. After the battle she returned to port under her own steam and was soon repaired. The vessel was kept afloat in this manner: Her vitals had not been harmed throughout the action, and so when she was torpedoed it was possible to pump her out without loss of time; and this could be done even faster than water entered the ship. Because of this the crew could repair the minor strains caused by the explosion, so that the damage was partly repaired while the ship was actually in battle. It is certain that a direct torpedo hit causes more damage with its one big hole and many major leaks as a result of the strains than could any non-piercing bomb exploding near the ship.

No one was aboard the Ostfriesland to lessen the damage done by the bombs. Her decks were not pierced by a single bomb, and thus her machinery was intact and would have been kept going in a real action. Had the vessel been properly pumped out and repaired the first day, it is entirely probable that she would not have sank that second noon. Probably she could have been kept afloat for several days or a week longer than was the case, for strains in one or more places cannot be compared to one huge hole plus such strains, had there been a complement aboard and the engines kept running. The ship seemed to resist bombs forward, where the hull is not pierced by propeller shafts or anything else, to perfection.

Definite Conclusions

Before reaching any definite conclusion, transpose the situation to its war phase. The Ostfriesland was a twenty-three knot boat and carried a large anti-aircraft battery of 4.1-inch guns. Imagine just such an air attack under average weather conditions, when the visibility is poor for aircraft. The ship is zigzagging at a speed of twenty-five land miles per hour and her anti-aircraft barrage is up. The Ostfriesland had a rudder under her forefoot, which enabled her to turn almost within her own length, at her extreme speed. With the anti-aircraft guns holding the planes off at an altitude of from 4,000 to 6,000 feet and the ship zigzagging at this speed, considering the weather or not, could the airmen have hit her at all? If they did hit her—which seems to me to be almost impossible under these conditions—the tests proved that their bombs could not pierce her decks, and so her vitals would be intact. Then suppose bombs were dropped close enough to the ship to strain her sides. With a crew on board and the machinery undamaged, what would prevent pumping her out and effecting repairs, as in the case of the Marlborough?

In almost every navy there are ships afloat today that are entirely superior to the Ostfriesland in underwater protection. Could these ships or those now building, which will be even more superior to the Ostfriesland, be sunk by bombs under actual war conditions?

One of the most puzzling points seems to be the problem of why the bombs failed to pierce the thin armored decks of both the Frankfurt and Ostfriesland. The answer is that the bomb lacks velocity, and velocity is necessary to penetrate. The bomb is dropped, not fired, and it gains ve-

locity during the drop. According to the timing done aboard the destroyer Graham, the bombs took ten seconds to drop between 3,000 and 4,000 feet; that is, they had a velocity between 300 and 400 feet a second. In order to pierce the decks against which they were pitted, a velocity of at least 1,500 feet per second is required. The planes could not get it even if flying at an altitude of close to 15,000 feet, and planes do not fly at this altitude for fun or for business. At a practical altitude for bombing, a hit cannot be scored for the same reason—lack of velocity—and even should one hit be made by accident, it would not be able to pierce.

The old battleship Massachusetts was sunk in a few minutes of big gun coast artillery fire. Does that mean that the battleship is useless?

EDITORIAL NOTE—In order to complete the record of recent naval tests it may be added that on July 15, under orders of "shoot to sink," the navy engaged in gunfire attacks on the former German destroyers V-43 and S-132, sixty miles east of the Virginia Capes, and sent them to the bottom in 56 fathoms of water. One target, the V-43, after being attacked first by the destroyer Leary and then by the dreadnought Florida, hoisted its stern in the air and disappeared beneath the waves at 4:50 o'clock. The S-132 was attacked first by the destroyer Herbert and afterward by the dreadnought Delaware, which riddled her hull so badly that she sank at 7:02 o'clock. Sixty shots were fired by the two destroyers, which made 8 hits. Approximately 280 shots were fired by the Florida and Delaware, so enveloping the ex-German destroyers in smoke that it was impossible for observers to count the number of hits.

A WARM ANSWER FROM THE PHILIPPINES

[*From Mohammed, a non-partisan newspaper published in Jolo, P. I., June 4, 1921*]

WE want to make comments on an article published in the CURRENT HISTORY MAGAZINE in its number of March, 1921, under the caption, "Filipino Independence and Moro Domination." Same was written by Donald S. Root, formerly Lieutenant in the Philippine Constabulary, whose station before he resigned from Government service and left for the States was the municipal district of Taglibi. We would have kept ourselves silent after reading it, and let the humorous attitude of Mr. Root to the relation of our Mohammedan brothers to Philippine independence pass with smiles over our faces were it not for the fact that this friend, this budding writer, has been in active service as a man of the khaki for four years, detailed precisely in the South.

Referring to the terror that is alleged the Mohammedans have instilled into the hearts of the Christian brothers, the author concludes by asking: "What would be the result, do you think, if that power (that of American arms) were suddenly removed?" To satisfy Mr. Root we ought, no doubt, to answer by quoting Prescott F. Jernegan in his short history of the Philippines, Page 228, where he says, in speaking of the possibility of a Filipino Republic: "The Moros would become pirates again." What an absurdity of ideas indeed! It can hardly be conceived how these American imperialists can still entertain such belief. Moro piracy is a matter of the past, long forgotten. * * * Since civil government has been implanted in Mindanao and Sulu the aspects of what was formerly known as the Moro problem have changed, and we Christians in the South conscientiously believe that the way for the unification of the Christian and Mohammedan elements has been solidly paved, and it is but a question of time that the fruit of our labor will be crowned with complete success.

The public schools have been accepted by the mass of the Mohammedans, and their children are sent to schools to gather even the rudiments of primary instruction alone. In the Sulu archipelago there are many Mohammedan teachers, among whom are a number of princesses. Girls likewise receive instruction in a dormitory established in Jolo for the purpose, and some of those that graduate from there are sent to Manila for further training, after which they go back to their respective homes and become school teachers. Order is enforced without the least aid of the U. S. Army.

THE MONTH IN THE UNITED STATES

Progress toward a separate peace treaty with Germany—Problem of the deferred interest on allied loans—New peace-time policy for the army—Reducing the burden of taxation—Wood as Governor General of the Philippines

[Period Ended Aug. 15, 1921]

It was stated officially at Washington on July 19 that Ellis Loring Dresel, the American Commissioner at Berlin, had been instructed to negotiate with the German Government a treaty for the resumption of diplomatic relations between the United States and German Governments. Whether these negotiations were to result in a separate treaty of pace with Germany or were to be based in part on the Treaty of Versailles was not stated. Although President Harding on July 2 approved the Congressional resolution for peace with Germany, Austria and Hungary, the promised proclamation that peace exists had not been issued up to Aug. 15, owing to the many difficulties confronting the Administration in determining the subjects to be covered in the document.

The Secretary of the Treasury, Mr. Mellon, stated to the Senate Finance Committee on July 20 that the understanding reached by the Wilson Administration, deferring interest payments on a loan made by the United States to one of the Allies, would be binding upon the present Administration. The understanding related to $1,500,000,000 loaned to Great Britain from the proceeds of the first Liberty bonds. The agreement was that the payments were to spread over a period of twenty-five years, the final payment coming in 1947. The interest, it was said, was to be consolidated with the debt.

The present situation, which Secretary Mellon called embarrassing, was caused by discussions in 1919 between Albert Rathbone, Assistant Secretary of the Treasury, and Mr. Blackett, representing Great Britain, with the result that the " understanding " was reduced to written memoranda. These conferences, the committee was informed, were held after Secretary Glass and his successor, Secretary Houston, had decided that there was authority in law for the deferment of interest payments.

Payment to Great Britain

Some surprise was occasioned by the announcement of the Treasury Department on July 16 that, despite Great Britain's debt of $4,500,000,000 to this country, payment of $32,688,-352 had been made by the American Government to the British Ministry of Shipping in settlement of a claim against the War Department. The British claim was for transportation services arising out of the war and constituted a final settlement between the War Department and the British Ministry of Shipping, covering all claims of either party against the other for transportation services.

Secretary Mellon asked Attorney General Daugherty for a ruling as to whether the act of March 3, 1875, which requires the Secretary to withhold payment of any judgment against the United States where the

claimant is indebted to this country in any manner, applied to such a claim. The Attorney General held that the act did not apply, as it was the practice of sovereign nations not to prosecute their claims against one another in the courts and obtain judgment, but to adjust such matters through diplomatic channels. If it should be construed to apply to the case in question, it might seriously interfere with the Government in its conduct of foreign relations. The British transportation claim, it was explained, was for what was regarded during the war as "current expenses." Among the Allies, it was said, there was a general understanding that all current expenses would be paid one another without awaiting the settlement of international debts.

Cost of Army of Occupation

In response to a resolution by Senator Borah, Republican, of Idaho, Secretary of War Weeks sent to the Senate on July 28 figures showing that the total cost of the American occupation forces in Germany from Dec. 18, 1918, to April 30, 1921—the latest date for which accounts were available—was $275,324,192. Of this amount, Germany owed the United States for maintenance $240,744,511. It was stated that there were now in the American Rhine forces 500 officers, 13,241 enlisted men and 54 nurses.

On July 29 a letter written by Secretary of State Hughes to President Harding was made public, in which, dealing with the subject of communication facilities in the Pacific, the Secretary asserted his belief that the cable from Guam to Yap would be allocated to the United States. "The allocation of the German cables centring at Yap," the latter said in part, "has been the subject of discussion at the preliminary communications conference, and negotiations are still proceeding. The American delegates to the conference have contended that the service which we enjoyed in the past should be restored, and it is probable that the cable from Guam to Yap will be allocated to the Government of the United States."

New Army Policy

Secretary of War Weeks gave to the press on July 24 the text of a formal memorandum to General John J. Pershing, Chief of Staff, containing President Harding's interpretation of the act of June 4, 1920, in which Congress provided for a peacetime organization of the national defense. "It is the first time in the history of the country," the Secretary added, "that the President has promulgated a military policy for the United States."

The President interpreted the law

(© Harris & Ewing)

W. W. HUSBAND
New Commissioner General of Immigration, succeeding Mr. Caminetti

as meaning that future wars, like those of the past, would be fought mainly by citizen soldiers fighting temporarily. The regular army, he held, should be maintained ready for action, and in event of war should be reinforced by a National Guard and an organized reserve, already mobilized for immediate action and as near full strength as possible.

General Pershing was instructed to have the regular army concentrated into a limited number of organizations, each of effective military strength, and assigned to the various "corps areas" into which the country has been divided geographically. Through the reduction of the number of regiments thus entailed, many regular army officers will be released from service with troops, and these will be assigned to train the National Guard, the organized reserves, the Reserve Officers' Training Corps and the Citizens' Training Corps. There will also be a surplus of enlisted men, and these will be assigned to assist in training the non-regular organizations.

Federal Expenditures

The total Government expenditures during the fiscal year ended June 30 dropped off $9,000,000,000, as compared with the preceding year, representing a decrease of $1,387,000,000 in ordinary disbursements and a reduction of $7,846,000,000 in payments on the public debt, according to the annual statement issued July 19 by the Treasury Department.

Ordinary expenditures for the year amounted to $5,115,927,689, compared with $6,403,343,841 for the fiscal year of 1920, while disbursements on the public debt totaled $9,182,027,170, as against $17,038,039,723 in the previous fiscal year.

During the last year ordinary expenditures were heaviest in the month of March, when $536,476,360 was expended, and public debt disbursements were greatest in June, when $1,605,816,001 was applied on the national debt. Of the ordinary expenditures for the year the War Department led with a total of $1,101,000,000, representing a reduction of $500,000,000 compared with the previous year. Interest on the public debt was the second largest item, amounting to $999,000,000, a drop of $21,000,000, while payments on account of Federal control of the railroads ranked third in volume, with $730,000,000, representing a decrease of about $300,000,000.

Of the public debt disbursements for the year $8,552,000,000 was applied to the redemption of certificates of indebtedness, a decrease of about $5,000,000,000, as compared with the previous year, while the next largest item was $431,000,000 in Liberty bonds and Victory notes retired, representing a decrease of about $762,000,000.

Income Taxes for 1919

A preliminary report of income tax returns was published on July 24 by Internal Revenue Commissioner Blair. It showed that the Government obtained a total of $1,269,000,000 in revenue from personal income taxes in 1919, an increase of $141,900,000, as compared with 1918.

The Commissioner's report showed that there were 5,332,760 personal returns filed in the calendar year 1919, representing a growth of 907,646 from 1918, while the total amount of net income reported for 1919 was $19,859,000,000, an increase of $3,934,000,000 over the previous year.

The average net income per return for 1919 was $3,724.05, the average amount of tax $238.08 and the average tax rate 6.39 per cent.

There were filed 65 returns of net income of $1,000,000 and over, 189 of 500,000 to $1,000,000, 425 of from $300,000 to $500,000, 1,864 of $150,000 to $300,000, 2,983 of $100,000 to $150,000, 13,320 of $50,000 to $100,000, 37,477 of $25,000 to $50,000, 162,485 of $10,000 to $25,000, 438,851 of $5,000 to $10,000, 1,180,488 of $3,000 to $5,000, 1,569,741 of $2,000

to $3,000 and 1,924,872 of $1,000 to $2,000.

Accord on Tax Bill

A conference was held at the White House on Aug. 9, presided over by the President and attended by Secretary Mellon, the Republican members of the Ways and Means Committee and Representatives Mondell, Madden and Campbell. A solution of the tax problem was reached, by which internal taxation, it was estimated, would be reduced about $600,000,000, while the excess-profits tax would be repealed and cuts made on transportation and income surtaxes. It was figured that the total expenditures of the Government in the next fiscal year could be held down to $4,034,000,000.

The revenue bill now being prepared, it was stated, would raise $3,075,000,000 instead of the $3,570,000,000 collected under the present law. Transportation taxes will be cut in half, to be effective in January, 1922, and will be wholly repealed in 1923. The bill, if passed, will repeal the excess-profits tax as of Jan. 1, 1921; reduce the income surtaxes to 40 per cent., as of Jan. 1, 1921, and to 33 per cent., to take effect Jan. 1, 1922. The repeal of the soft drinks and luxury taxes was contemplated by the program, while the loss from the repeal of the excess-profits taxes would be made up in part by increasing the tax on the net incomes of corporations from the present 10 per cent. to 12½, instead of the 15 per cent. previously planned.

The program was adopted as a result of President Harding's insistence on economies and the carrying over of a number of "hang over" war debts. It was understood to be a compromise between the views of Secretary Mellon and those of Republican House leaders. According to the President, who announced the decision after the conference, it will be necessary for the Government to practice the most rigid economy in all departments.

Fordney Tariff Bill

By a vote of 289 to 127 the Fordney Tariff bill was passed by the House of Representatives on July 21. The bill carried hides, oil, cotton and asphalt on the free list, and omitted the expected embargo on dyestuffs. Seven Republicans voted against the measure and seven Democrats voted for it. On three out of five contested schedules which came up for a separate vote, backed by most of the Republican members of the Ways and Means Committee, the Democrats, aided by dissatisfied members of the majority, were able to win. The bill was sent to the Senate, where it was predicted that many changes would be made and considerable time consumed before it would be put on its final passage. It was expected that the President would exert pressure to have the Tax bill passed in advance of the tariff measure.

A vigorous debate took place before the vote on the bill was taken in the House, Representatives Fordney and Mondell supporting the measure, while Representative Garrett, acting Democratic floor leader, denounced the bill, which he termed a "monstrosity," declaring that a day of retribution would come for the men who had framed and passed it.

Curb on Liquor Raiders

The Senate on Aug. 8, by vote of 39 to 20, passed the supplementary Prohibition Enforcement bill, amended in such a way as to make it a misdemeanor for any official or agent of the United States to search the "property or premises" of any person without having previously procured a warrant, and to make it a felony for any person not an authorized official agent or employe of the Government to cause "under color or claim to be acting as such" any person to be deprived of any of the rights or immunities guaranteed by the Constitution. The penalty for the first offense named is a fine not exceeding $1,000 or imprisonment not

exceeding a year, or both. For a violation of the second clause the penalty is a fine not exceeding $10,000 or imprisonment not exceeding five years, or both.

Roads Reject Wage Plea

Presidents of Eastern railroads delivered to the four railroad brotherhoods and the switchmen, on Aug. 11, a flat refusal to terms which the union chiefs had outlined. These terms included requests for information as to whether or not "the operating officials of the railroads will restore the wage rates in effect on June 30, 1921; second, if all demands for further decreases will be withdrawn; third, if all demands for the elimination of time and one-half time for overtime and radical schedule revision will be withdrawn and not again pressed for a certain period." The answer to the brotherhoods was brief, merely stating that "conditions make it impossible to grant the request." Twenty-seven executives of the Eastern lines concurred in the action.

War Risk Bureau Abolished

The War Risk Bureau, whose functions included the handling of insurance papers taken out by soldiers and sailors in the World War and the care of disabled ex-service men, went out of existence on Aug. 9, when President Harding signed the legislative measure transferring to a new department of the Government, created by the act, all the activities of the War Risk Bureau and, in addition, the Federal Board for Vocational Education and certain branches of the Public Health Service. Following his approval of the bill, the President sent to the Senate the nomination of Colonel Charles R. Forbes of Seattle, Wash., to be Director of the new Veterans' Bureau, which the law created. The nomination was confirmed on the same day.

Under the new bureau the country will be divided into fourteen regional offices, each of which has authority to act quickly without waiting until the Washington headquarters sanctions its course. The three different branches of the Government, which have hitherto acted independently in hospitals and districts in caring for disabled veterans, will now function under one head in each regional area.

Panama Canal Tolls

According to The Panama Canal Record, a total of 11,599,214 tons of commercial cargo was carried through the Panama Canal during the last fiscal year, or 23½ per cent. more than in any preceding year, while the tolls amounted to $11,276,890, or 32½ per cent. more than any preceding year. In addition, Government vessels which passed through the canal, tolls free, carried 453,769 tons of cargo. American, British and Japanese vessels carried 89 per cent. of the total commercial tonnage, the American business amounting to 45 per cent., British to 32 and Japanese to 7 per cent. The total number of ships passing through the canal was 2,892, of which 1,212 were American, 970 British, 140 Norwegian and 136 Japanese.

Racing of Immigrant Ships

Frantic midnight racing of immigrant ships into American harbors in order to land monthly quotas in the first minutes of the first day of new months having developed into a scandal, Commissioner General Husband of the Immigration Bureau announced on Aug. 6 that he was willing to "wipe the slate clean," admit under bond the August quota excess of 400 or more then in the harbors, and begin all over again if the companies would reach a binding agreement among themselves not to exceed quotas thereafter. There was excuse for the exceeded quotas in June, when the Italian quota was exceeded by 2,500, the Commissioner said, but none for repeated disregarding of the rules by certain lines. Since June 30 probably not more than 400 aliens

had arrived in excess of quotas, but these had practically taken all the time of the immigration officers to handle.

The Secretary of State on July 20 received nineteen new appointees as Consuls, Vice Consuls and Consular Assistants, who were about to proceed abroad to represent the United States at their various posts after completing the course of instruction at the State Department designed to familiarize them with all the details of their duties. Secretary Hughes made a felicitous address, a part of which follows:

Of course I need not tell you that the character of the American people will be judged by countless numbers of those who live in other countries by the impression you make on them. We don't want representatives who are bombastic, boastful, unreasonable, severe or autocratic—who are disposed to make a great deal of their authority at the expense of those who are making polite inquiries; who are disposed to be nervous and petulant. The man who succeeds is the man who can keep quiet and placid when there is very severe pressure, who can keep his head and intelligence, at the same time giving the impression of a man adequate to the exigency. If you can give that impression you will do a great deal for your country.

Arrest of Illinois Governor

Governor Len Small of Illinois was placed under arrest at the Executive Mansion, Springfield, Ill., on the afternoon of Aug. 9. Despite the Governor's protests and those of his attorney, he was forced to accompany the Sheriff to the Court House, where he furnished bonds of $50,000 as surety for his appearance in the Sangamon County Court on the first Monday in September to answer to three indictments charging him with having, when State Treasurer, embezzled half a million dollars of State funds, entered into a conspiracy to defraud the State of $2,000,000 of the taxpayers' money, and embezzled, jointly with Lieutenant Governor Fred E. Sterling and Vernon Curtis, $700,000 of interest on public funds. The indictments had been found on July 20, but the Governor had protested that he was immune from arrest by virtue of his office, and when this plea failed kept out of the reach of the Sheriff until the day of his arrest. It was the first time in the history of Illinois that a Governor of the State had been arrested on a criminal charge while in office. The Governor declared that he was innocent and that the charges were due to the unscrupulous machinations of political enemies.

General Wood to Rule in the Philippines

Secretary Weeks announced on Aug. 11 that Major Gen. Leonard Wood would be appointed Governor General of the Philippines, provided that the University of Pennsylvania consented to his release as Provost of that institution. The decision of the Administration to name General Wood for the Philippine post had been held in abeyance for some time, the Secretary said, in order to permit the General to submit his report on conditions in the island possessions. A preliminary report had already been submitted by him as head of the Wood-Forbes Commission, which for some months past has been investigating Philippine conditions. General Wood has indicated his willingness to accept the post, notwithstanding the fact that prior to his departure for Manila he declined it on the ground that he had already seen too much service in the tropics. It is understood that he became so interested in the Philippine situation as a result of his investigation that he reversed his original decision. No official announcement was made as to the tenor of his preliminary report, but it was understood that conditions as seen by him did not warrant the immediate granting of independence to the Philippines. As Governor General of the islands General Wood will receive a salary of $24,000 a year, with a residence at the Government's expense.

IS THE CHURCH ON A DECLINE?

By Gustavus Myers

Results of the recent religious census in the United States indicate that the membership, especially of the Protestant denominations, is steadily increasing—Percentage of Roman Catholic growth considerably less—Problem of city churches

WHAT has been the experience of religion and the Church in the general upheaval which has changed or shattered so many institutions? Superficially, church and religion seem of minor importance compared to the engrossing interest in other affairs. Yet they are far more vital and durable. Political and economic systems have come and gone, but through all these changes religion and its church establishments have survived.

Within particular faiths there have been schisms, but the great main religions have preserved their identity through all vicissitudes. The striking difference between modern and past times is that the Church and its functionaries no longer command the acute interest that they did in former ages. They were then the arbiters of political as well as religious policies. Had newspapers been published five centuries ago they would have given the same large space to the doings and sayings of prelates that they now do to those of statesmen and parliamentary bodies. That little is now reported of the plans and edicts of church hierarchies is taken as proof of the insignificance, if not decrepitude, of the Church.

Experience has taught that the apparent condition of a church at any one time is not to be accepted as indicative of its final condition. Many a time did the Jewish Church seem throttled by persecution, but it eventually emerged strong in some other place. Before the Protestant Reformation the Christian religion, as embodied in the Roman Catholic Church, spiritually was in a low state. But it was revitalized and became robustly militant. During the French Revolution the Roman Catholic Church appeared to be overwhelmed, yet it came forth from the ordeal a re-established power. The actual point, however, is not the career of the Church, but the hold of religion. Under the fluctuation of events the fact has persisted that vast numbers of the different races have always believed in some one of the religions and reverenced the religious spirit. Has this attachment increased or decayed?

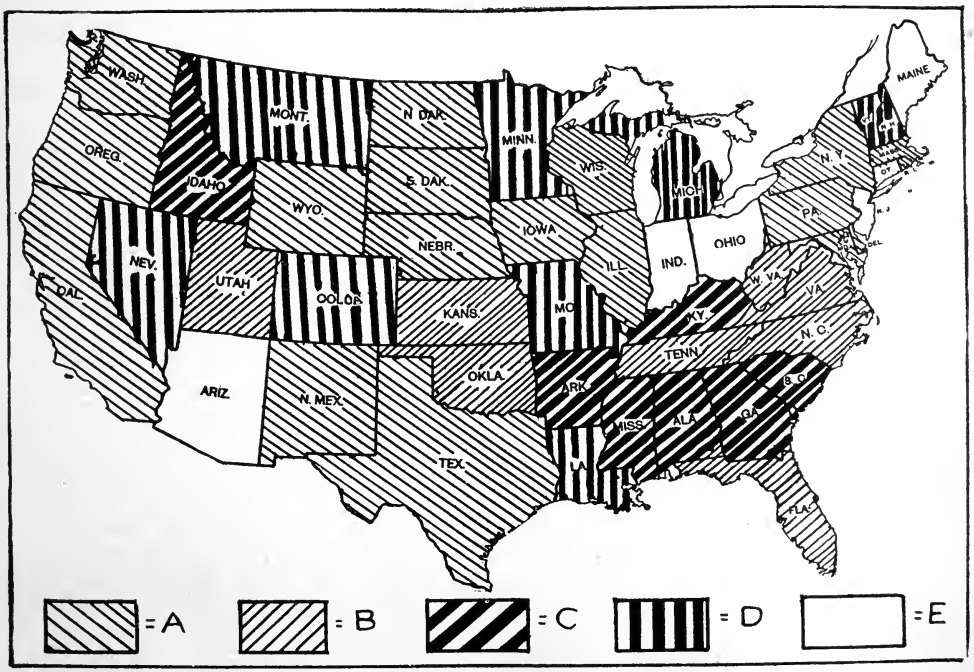
It is becoming a fashion to date all great changes from the World War. So immense an impression did that conflict make upon mankind that this attitude is understandable, even if fallacious. Religion, however, went through its great conflict long before the World War. The so-called rationalistic writers of the eighteenth century assaulted it, and their work was continued in another direction by the materialist scientists of the nineteenth century. Discoveries made and facts adduced seemed to be irreconcilably opposed to all that ortho-

dox religion taught. A quarter of a century ago the phrase "the conflict of religion and science" was common, and religion seemed to be worsted. It could, its opponents charged, only offer dogma and assertion to combat what appeared to be irrefutable proofs of the evolution of life and the composition of the universe. As the writings and lectures of scientists and their followers permeated large sections of society, particularly in Europe and America, religion seemed to be undermined. Doubt and skepticism prevailed as to church doctrines, and frequent complaints were made by ministers in America that church attendance had become perfunctory. In Switzerland Professor Elie Gournell expressed a widespread view of the clergy when he declared that churches were no longer filled with worshippers, but with audiences.

Alienation of Workingmen

While religion thus came into collision with science, the Church itself was openly attacked. From time to time labor organizations and mass meetings of workingmen in both America and Europe passed resolutions denouncing the apparent indifference of the Church and the clergy to the interests of the working people.

Undoubtedly large numbers of working people, believing this charge of indifference, were alienated from the Church, which was slow in realizing that the labor movement was one of the most powerful and significant movements in modern times. In 1906 Dr. Josiah Strong published figures showing the alarming increase in the number of barren churches, and pointing out that while the estimated



MAP OF ROMAN CATHOLICISM'S GAINS AND LOSSES, 1906-1916

Explanation of lettered key at bottom of map: A—Eighteen States with increase of Roman Catholics, 1906-1916, but not large enough to keep up with Protestant increase. B—Thirteen States where single religious bodies exceed Roman Catholic population in their mere communicant membership lists. C—Seven States of preceding group with smaller Roman Catholic population in 1916 than in 1906. D—Nine other States where the Roman Catholic population in 1916 was less than in 1906. E—The six unshaded States, Maine, Connecticut, New Jersey, Ohio, Indiana, Arizona, are the only ones in which the Roman Catholic Church, 1906-1916, had an absolute gain.

annual increase of population in the United States was 2.18 per cent., the increase of the entire church membership was only 1.69 per cent., the lowest on record.

In England the Rev. Arthur Jephson, vicar of St. John's, Walworth, declared: "The Church is largely to blame for the alienation of the working classes. The Church is almost always the friend of the landlord and employer. The Church has allied itself with land and capital, and generally with the master against his workmen. Its clergymen have dined with the rich and preached at the poor, instead of doing the exact opposite." Other English clergymen expressed themselves similarly. In Germany Dr. Stocker of Berlin complained that the middle classes—the educated, industrial, commercial people—and the artisans and small tradesmen were, with few exceptions, opposed to the Church; that the Church's only friends were the aristocracy and peasants. In Roman Catholic countries outspoken priests and lay leaders expressed the same views; in France Count de Mun, a Catholic leader, demanded that the Church actively support a specific program for the improvement of labor conditions.

Since then individuals and groups within church bodies have sought to create support for workers' movements. These efforts have not seriously changed the view of large numbers of workingmen and other groups. These look upon the institutional Church as concerned with the past instead of participating in present movements and as preaching a visionary instead of a practical religion. Such criticisms are often unjust, and much may be said for the view that religious faith has its own special field. Despite all attempts to win over these adverse elements in the cities, the Interchurch World Movement of North America in a recent review admitted that the Church found it an increasingly difficult task because it seemed unresponsive to their conditions and aspirations and talked to them virtually in a dead instead of a live language.

Normally one might reasonably conclude that, confronted by the dual opposition of an aggressive science and a detached industrial array, church organization and membership would suffer pronounced losses. True, science is not the confident, attacking force it formerly was. Explorations into various realms have caused it to modify its dicta, and in some cases have brought out the admission that science and religion may not, after all, be irreconciliably opposed. Nevertheless the teachings of science's exponents of former years deeply impregnated the minds of many people, and their effects are still widespread.

Church Members Increasing

Remarkable as it may seem, church membership in the United States has grown instead of diminishing. At least, this is what formal census returns show. Previous to 1880 census inquiries dealt very little with churches. The census for 1880 gave no statistics, and that for 1890 was very incomplete. The first real gathering of facts as to churches was in 1906, under the provisions of an act passed by Congress in 1902. This act required a census of churches to be taken every ten years, in between the regular census periods. There was accordingly a church census in 1916, the results of which were published in 1919. The next census of churches will be taken in 1926.

The latest returns showed that church membership in the continental United States had increased from 35,068,058 in 1906 to 41,926,854 in 1916, a gain of 19.5 per cent. During that decade the population had increased 17.1 per cent. Apparently the proportionate growth of church membership had outstripped that of population.

In outline the different religious organizations in the United States stood thus:

	1906	1916	Gain	Per Cent.
Protestant	20,290,014	25,025,990	4,735,976	23.4
Eastern Catholic	164,968	313,626	148,658	90.1
Roman Catholic	14,210,755	15,721,815	1,511,060	10.6
Jewish	101,457	357,135	255,678	...
Latter Day Saints	256,647	462,329	205,682	80.1
Other Religions	44,217	45,959	1,742	3.9
Total	35,068,058	41,926,854	6,858,796	19.5
Population	86,646,370	101,464,014	14,817,644	17.1

Two particularly surprisng features were revealed by the latest census. The supposition has been general that the membership of the Roman Catholic Church has been rapidly growing while that of the Protestant churches has been fast declining. But according to its own figures, the membership of the Roman Catholic Church increased during that decade 1,511,060, which, as above noted, is 10.6 per cent. During the same period the Protestant church membership increased much more. Membership of Protestant churches practicing infant baptism increased 23 per cent.; that of Protestant churches practicing adult baptism 28.2 per cent.; and membership of Protestant churches having both rituals 17.2 per cent.

The difference of growth is all the more striking when it is considered that the Roman Catholic Church reckons its membership upon the basis of its estimate of its population, while the Protestant churches, as a rule, count only communicants. As the census report points out, church membership in the Roman Catholic Church begins with baptism in infancy. In that Church there is no method of induction into formal membership corresponding to confirmation or admission to the Church in Protestant bodies except as there is a renewal of baptismal vows connected with the first communion and confirmation. In general, Protestant churches, on the other hand, admit baptized children to membership only when they have arrived at an age when they can make for themselves an actual profession of prsonal faith. The Roman Catholic Church counts as members infants as well as adults, while Protestant churches include only grown-up children and adults.

Decreased Catholic Growth

Noting how crowded Roman Catholic churches are, the casual observer may be inclined to dispute the statement that their membership has not been fast growing. But the census report explains that it is seldom that there are as many Roman Catholic churches in a community in proportion to the number of communicants as is the case with other religious bodies. There are comparatively few Roman Catholic churches, the report says, which are large enough to accommodate at one time the entire parish membership. It is because of this fact that the custom has grown of holding a series of Sunday services or masses, one succeeding another at different hours.

One explanation of the decline of Roman Catholic membership may be the return of considerable numbers of immigrants to Europe after the outbreak of the World War. But this does not by any means account for the whole change. The census figures show that it has not only been failing to maintain a proportionate growth in States where there is much immigration, but that it has not grown in States where there never were many immigrants. In sixteen of the forty-eight States the Roman Catholic Church reported a smaller membership in 1916 than in 1906. These States were New Hampshire, Vermont, South Carolina, Georgia, Louisiana, Arkansas, Alabama, Mississippi, Kentucky, Michigan, Minnesota, Missouri, Colorado, Montana, Idaho and Nevada. In this list of declines must also be included the District of Columbia. In eighteen other States Roman Catholic membership increased from 1906 to 1916, but in

the same States the percentage of Protestant membership had grown, while that of the Roman Catholic Church fell off. In such heavy receptacles of immigration as New York, Massachusetts, Pennsylvania and Illinois, as well as in other States, the Roman Catholic Church did not show a growth proportionate to that of the Protestant Church. There were only six States in which the Catholic Church actually advanced, both in membership and in percentage of membership of religious bodies. These States were Arizona, Connecticut, New Jersey, Maine, Ohio and Indiana. It is believed that a relatively higher foreign element accounts for the increase in those States.

When, in 1920, the Army Reorganization bill was passed, the question came up as to how many army Chaplains each denomination should have. The War Department asked Dr. Walter Laidlaw, the executive secretary of the New York Federation of Churches, to make a computation based upon the Government census. Dr. Laidlaw made an unbiased analysis, and his report was accepted. In this report Dr. Laidlaw brought out many striking facts.

Of the reported 4,327,369 members of the Roman Catholic Church, 3,219,732, or 74.4 per cent., were under 13 years of age. Roman Catholic organizations reporting gave figures showing that nearly 25 per cent. of their membership was composed of young children. Of the total membership of religious bodies in continental United States the Roman Catholic Church had 37.5 per cent., and comprised 15.5 per cent. of the total population, a quarter of its membership being children. In contrast, there was only 5.31 per cent. of children under the 'teen age in Protestant churches. Protestant churches had a total membership in the United States of 59.7 per cent. of religious membership of all bodies. Although their membership in general included only those above the 'teen age, Protestant churches had 24.5 per cent. of the entire population on their communicant rolls.

Era of Consolidation

According to a recently published report, it was expected that 10,000 Protestant pulpits would be vacant in 1921 because of the lack of students for the ministry, as shown by the records of attendance at theological seminaries. This was taken in some quarters as an indication that interest in religous matters was fast waning. But this assumption was hasty and sweeping. It entirely ignored relevant factors.

In the first place, as the census report shows, recent years have been a period of consolidation of Protestant churches. This process, the report says, "does not indicate any weakening of the actual strength of the churches." The Methodist Episcopal Church, for example, reported 601 less organizations in 1916 than in 1906, while the membership reports showed an increase. The uniting of the Free Baptist churches with the Northern Baptist Convention also reduced the number of organizations. The same result followed the union of the different bodies of the Presbyterian Church.

Furthermore, economic reasons have had their influence. While the cost of living in recent years has been excessive, ministerial salaries have remained paltry. According to a recent survey of the Interchurch World Movement of North America, only 1 per cent. of ministers in the United States receive $4,000 or more, and not quite 1½ per cent. $3,000 to $4,000. The larger salaries are, of course, paid in the cities, where only one-sixth of the ministers live. Less than 5 per cent. get from $2,000 to $3,000, and not quite 10 per cent. $1,500 to $2,000. Nearly 33 per cent. of American ministers receive $1,000 to $1,500, and nearly 39 per cent. $500 to $1,000 salary a year. About 13

per cent. are paid $500 a year or less. No doubt, faced by the inexorable disparity between income and cost of living, many eligibles have had to abandon plans of studying for the ministry.

Growth of Other Creeds

The second noteworthy feature of the religious census is the growth of the Mormon Church. In every one of the thirty-nine States where it had members in 1906 it gained, except in Wisconsin. Its largest proportionate gains were in some States contiguous to Utah. In Idaho, for instance, it made a gain of 40,280 members in ten years. In other States there were lesser increases, diminishing eastward, yet, nevertheless, gains.

It would be interesting to know the progress of the Christian Science movement, but that Church declined to give information. The census law of 1920 accordingly was drafted to cover such refusals. It provides that when the next religious census is taken, any religious body failing to report will be subject to legal proceedings.

Judging from the nominal census figures, the membership of the Jewish Church has made only a very slight increase, compared to the great growth of the Jewish population in America. But in another section of the report this apparent anomaly is partially explained. It says that Jewish congregations variously interpret what constitutes members. Some consider in membership only seat or pew holders; others allow widows but not wives or maidens as members; still others regard all women as ineligible. The report continues:

> If, however, we broaden the definition of "member" to mean one who shows his interest in Judaism by making even a small yearly contribution to some ecclesiastical entity, and by visiting, for participation in religious exercises, at least once a year, a synagogue or similar place of worship, we shall find that the total number of Jewish "members" is very large.
>
> Thus it has been estimated that in order to accommodate the 1,500,000 Jews of New York City who are able and of proper age to attend divine services on the Day of Atonement, a million sittings would have to be provided. Actually, in that city in 1917, about half of this number of seats was available in the permanent and temporary places of worship open to attendance during the high holidays. * * * In other words, about one-half of the Jews of New York City attended divine worship on the "day of days." We may say, therefore, that about one-half of the Jews of New York City are, in one sense of the word, "members." Nor is there any good reason to suppose that outside of the metropolis Jewish religious conditions are very different, taken all in all, from those within the great city.

The census report further explains that Jews in the United States are confronted by a number of difficulties. Frequently they cannot, for economic reasons, attend services on their Sabbath, which is often the busiest commercial day. The struggle for existence, effectively interfering with their going to services, makes it appear that Jewish membership is much smaller than it is both actually and potentially. Hence, the report declares, attendance on the almost universally observed holidays is a far better criterion of real membership in the Jewish Church.

From another aspect—at least as indicated by census figures—it appears that religious influence has not declined. The number of Sunday schools in the United States increased in ten years from 178,214 to 194,759; the number of officers and teachers from 1,648,664 to 1,952,631; and the number of scholars from 14,685,997 to 19,935,890. These statistics relate solely to what is called the Sunday school. They do not include parochial or other institutions which supplement and often take the place of Sunday schools.

In view of these instructive facts, what becomes of the criticism often made that religious teaching has sunk nearly to zero? Only recently Bishop Philip M. Rhinelander of the Episcopal Diocese of Pennsylvania complained that "the almost universal tendency is to teach ethics or morals

without any direct relation to the Christian faith, so that the average boy or girl comes out of school with the notion that Christianity is an interesting but outworn philosophy, and that even its ethical and moral standards are not final and of no particular authority." But if the official returns are to be accepted, vast numbers of children receive in Sunday schools the religious training that some zealous ecclesiastics would like to see established in the public schools.

Problem of City Churches

Apart, however, from official compilations, there are other and deeper phases of the subject of church and religion disclosed by the investigations of church bodies themselves. Students of city conditions have often remarked the noticeable absence of interest of large numbers of city people in church affairs. They find it hard to believe official statistics which show an increase of religious interest, when among city people they see evidences to the contrary.

This apparent enigma is explained, although deploringly, by church organizations. In the survey made by the Interchurch World Movement the explanation given is that " the appeal of the city church is largely to the rural folk that have migrated to the city. Counts made of those attending city churches indicate that they are largely made up of rural emigrants. Seventy-five per cent. of those present are frequently found to have been born in the country. The city ministry is largely recruited from rural territory, and this means that the message of the city church is largely in the thought language of the rural emigrant. It is intelligible to him, but unintelligible and ineffective in reaching either the alien immigrant or the indigenous city folk." Inasmuch as the census of 1920 shows that for the first time in the nation's history urban population exceeds rural, this condition presents a critical problem to religious denominations.

Turning to Europe, the same phenomena are found. The appeal of the Church is in the rural districts. It was estimated that in Paris in peace times only about 3 per cent. of that city's population attended church on Sunday, and in other European cities church attendance was comparatively small. At the outbreak of the war there was a certain amount of renewed interest in the Church, but this did not last long; fatalism generally took the place of faith. In England the spiritualism giving assurances of survival of personality after death became popular and in a large measure has remained so.

The Situation in Europe

The war also left the various churches in Europe with diminished personnel and depleted financial resources. In France between 25,000 and 30,000 French priests and students and nearly half of the total Protestant ministry were mobilized. In other European countries conscription of church forces was also heavy. The huge losses of men, clerical and lay, weakened church forces of every creed, while training for the ministry and priesthood was suspended in many countries throughout the war years.

In some respects of organization power, the Church has gained. The French Government, after a fifteen-year severance, has resumed diplomatic relations with the Vatican, and the Italian Government is on the verge of doing the same. In other respects the power of the Roman Catholic Church has been weakened, notably in Czechoslovakia, where 360,000 former Roman Catholics, headed by eighty priests, have broken away from the Roman Church and established a National Church. This, while retaining the general Roman Catholic faith, has renounced adherence to the Pope. The creation of this new church gradually followed

the refusal of Pope Benedict to permit the election of Bishops by laity vote, to allow priests to marry, and to grant the use of the Czech language instead of Latin in the liturgy. In Russia the Greek Church, despite Bolshevist opposition, has retained its organization, which, however, is said to have become liberalized in point of attitude and customs. Reports from Russia assert that if the Soviet power is overthrown the Russian Church will be the only organized power capable of taking its place.

General Conclusions

Summing up the general condition of church and religion, these conclusions may be reached: In the United States, churches as a whole have gained in formal membership, power and accretion of property, but the hold of most of them upon the city populations has been progressively diminishing. Religion does not have the vital appeal to city people that it does to rural folk. In Europe various church bodies have enhanced their organization power, but there, too, they encounter indifference or hostility in the cities.

Is this because city populations are less spiritually minded than rural? Church representatives do not say so. They believe that underneath the exterior the religious spirit is strong in city people, but that the Church has not yet found the right means to give it spiritual expression and to direct it to church affiliations. The more advanced churchmen recognize that the cities have their own peculiar problems and ways, greatly differing from those of the country, and urge that outworn ecclesiastical methods be discarded to make way for new ideas, bringing the Church into a more harmonious relation with city dwellers.

Another phase of the problem about which churches everywhere—both in America and Europe—are perplexed, is the probable action of women. Hitherto women have been more assiduous than men in church attendance, and, in fact, have often constituted the bulk of active adherents. The usual assumption that, therefore, women are more religious than men is not the view of many church spokesmen. They think that heretofore more women than men have gone to church because the Church gave woman virtually her opportunity to express her social instincts.

But what will woman's attitude be, now that she has attained the fullest rights to express herself politically, industrially, professionally and in many other ways? Will she grow lukewarm toward the Church, perhaps abandon it altogether? Some clerics are strongly inclined to think this a possibility. They regard it as not unlikely that a time may come when men inside the Church will be as much disturbed about women who are outside the Church as women have been about absentee men. Their suggested remedies for obviating such a development are to open the way for the fuller participation of women in the control of churches and denominational boards, and to allow women to minister on an equality with men.

THE RIGHT OF CZECHOSLOVAKIA TO INDEPENDENCE

By Charles Pergler

Member of the American Bar Association and of the Iowa State Bar; formerly Commissioner of the Czechoslovak Republic to the United States, Minister to Japan, &c.

TRADITION and history are so interwoven with the concept of nationality that in considering the right of a nationality to independence and statehood it is always advantageous and even necessary to indulge in a historical retrospect. This is especially true of the Czechoslovaks.

As early as the seventh century, when the historical data relative to Bohemia begin, we find evidences of an established Czech State. In the eleventh century Bohemia, Moravia, Silesia and Poland were united under Bretislav I., King of Bohemia, and, in the words of Count Luetzov, the eminent historian, "The idea of a West Slav empire seemed on the point of being realized, but the Germans stepped in to prevent the formation of a powerful Slav State on their borders." Otokar II., of the House of Premysl, for a time extended Czech rule from the Adriatic to the Baltic. Under the "National King," George of Podebrad, in the fifteenth century, the lands of the Bohemian Crown, as the Czech State was then known, were a European power of the first order.

The lands of the Bohemian Crown, almost four centuries ago, were Bohemia, Moravia and Silesia (with the two Lusatias), and constituted an independent realm, just as Hungary was then an independent kingdom. In 1526 the Czechs called to the throne of their State the Hapsburg dynasty for practically the same reasons and on the same conditions as the Magyars (commonly known as Hungarians). Together with the Pragmatic Sanction, the terms under which the Hapsburgs were called to the Hungarian throne formed what can be called the legal foundation of the Hungarian revolution in 1848. The Czech case of 1915-18, historically and legally speaking, is every bit as strong as was the Magyar case in 1848, if not stronger. The compact of 1526, together with the coronation oaths and a large number of other historical documents, form the legal basis of the Czech revolution during the great war.

The foundations of the late Austro-Hungarian Empire are to be found in a purely dynastic union (1526) of the Czech State with Austria and Hungary. The Hapsburg dynasty, disregarding its pledges, endeavored to centralize and Germanize this union. In 1526 most of Hungary, indeed all of it except the Slovak part, was subjugated by the Turks, and its liberation required almost 200 years of fighting by Austria and Bohemia. The Czechs at the same time defended their independence against the Hapsburgs, but were defeated in 1618, as a prelude to the Thirty Years' War, and later severely persecuted by the dynasty. But they never submitted, and even as late as 1775 the peasants of Moravia defended their national church. The Moravians, of course, are Czechs; to hold otherwise would be as sensible as to say that while New Yorkers are Americans, Pennsylvanians are not.

The Czechs rebelled against Austria in 1848, but were unsuccessful, while the Hungarian revolution was suppressed with the aid of the Russian Government. But in 1867, following defeats by Italy and France (1859), and by Prussia (1867), Austria became Austria-Hungary (the Dual Empire) by making concessions to the Magyars.

The Czechs claimed the same rights as the Magyars. Failing to overcome their opposition, the Emperor Francis Joseph promised to concede these on various occasions, saying especially, in a rescript to the Bohemian Diet on Sept. 12, 1871: "We are aware of the position of the Bohemian Crown founded on her constitutional law, and of the splendor and the power which it has brought to us and our predecessors. We are happy to acknowledge the rights

of the kingdom and we are ready to renew this acknowledgment with our Coronation Oath." These promises were never carried out, largely owing to the opposition of Budapest and Germany, the latter particularly desiring Austria-Hungary to be her vanguard in the Balkans.

Louis Kossuth, the famous Magyar revolutionary leader, in a letter to Helfi, editor of the paper Magyar Ujsag, dated Nov. 8, 1871, declared:

> Between the legal titles which form the foundation of the right of the dynasty to the throne in Hungary and Bohemia there is not merely an analogy, but a complete identity. That is true of their origin and time, method, conditions and principles, as well as their literal wording. The Bohemian land is not a patrimonium, no so-called hereditary land, no mere appendage of Austria, but a country that may appeal to diplomatic negotiations and mutual agreements. It is a State, just like Hungary.

Legally the Czech-Austrian case was not dissimilar to that of Norway and Sweden in 1905. In both instances there was merely the common bond of a dynasty. Such bonds may be severed by either country, or by operation of different laws determining dynastic succession. Hanover was separated from Great Britain in the latter manner.

Slovakia was occupied by the Magyars and separated from Bohemia and Moravia at an early date. A strong case could be made for the proposition that at one time the Magyars were culturally dependent upon the Slovaks. Their language teems with Slovak terms which they borrowed because of the backwardness of their own idiom. During more recent decades the Magyars barbarously persecuted the Slovaks and endeavored to Magyarize them. They have a saying: "The Slovak is not a human being."

The Slovak language is really a purer form of the Czech. A Slovak understands Czech, the latter understands Slovak. There is not as much difference between a Czech and a Slovak as there is between a West Virginia mountaineer and a New Englander. The Slovak hero of the World War, and the first Czechoslovak Minister of War, General Stefanik, was fond of saying: "The Czech is a Slovak living in Bohemia or Moravia, the Slovak a Czech living in Slovakia." In the late war Czechs and Slovaks fought faithfully for a united Czechoslovak State. The story of the Czechoslovak legions in Siberia, France and Italy will never be forgotten.

All this makes the Czechoslovak case unassailable, whether one looks at it from the viewpoint of history, of law or of self-determination. Both the Czech and the Slovak claim could rest purely upon the principle of self-determination. But it is also worth pointing out that there is no inconsistency between the legal rights which the Czechs have to independence and the claim of Czechs and Slovaks to unity as a result of the application of the principle of nationality. The Czech State never ceased to exist legally; Czechoslovak claims to independence were recognized before the armistice by all the European powers as well as by the United States. Our State was not created by the Paris Conference—the latter simply acknowledged an existing fact. The republic was a participant in the peace conference as a sovereign power.

The Carpatho-Russians (briefly called Ruthenians) form an autonomous province of the Czechoslovak Republic with as much self-government as the individual States of the American Union, and, consequently, their representatives in the National Assembly vote only upon questions common to the republic; and this autonomous province, Carpatho-Russia, came within the fold of the republic upon the demand of the Ruthenians themselves. Just as it cannot be said, in view of the foregoing facts, that the republic is an artificial creation of the peace conference, so it cannot be maintained that the Carpatho-Russians were allotted to it by the Paris gathering; they came in voluntarily. As accident has it, most documents relating to the matter passed through my hands before they were forwarded to Paris.

Historically, legally, ethnically and morally, the Czechoslovak Republic rests upon unshakable foundations. Economically, when the difficulties of the formative years are surmounted, it will be practically self-sustaining, as far as any modern State can be so. It has a stable, progressive Government, and a peaceful, non-aggressive, non-imperialistic foreign policy. Without exaggeration it can be said to have fulfilled the expectations of all its American friends.

CZECHOSLOVAKIA'S PLACE IN THE SUN

To The Editor of Current History:

In your August issue you published an article written by Anthony Pessenlehner, to which you give the title, "Czechoslovakia's Right to Statehood Assailed." CURRENT HISTORY ought never to give space to such communications. In the first place, the author does not assail Czechoslovakia's right to Statehood. Secondly, in all he says there is no history whatsoever. Even your footnote, stating that you do not indorse the attack, is not a sufficient defense of CURRENT HISTORY in this case.

We do not doubt for a moment that the writer intended to assail Czechoslovakia's right to Statehood; but, instead, he confirms that right at the beginning of his essay when he admits the "calling into life of Czechoslovakia," and does not attempt to show that those who brought into life the Czechoslovak State were without authority to do so or that their action is not now valid or legal.

What he does is to assail the *makers* of the Czechoslovak State, claiming that they have "rudely cast aside historic, political, economic and even ethnographic considerations," and also that:

> The coup was accomplished through deliberate falsifications of past history and the misleading, but a thousand times disproved, theory of the racial identity of the Czechs, the Slovaks and the Ruthenians.

It seems to us that after our sons fought and won the war, and liberated peoples, it is entirely out of place for any one to say that our country and its associates "accomplished the coup through deliberate falsifications of past history," &c. No condemnation is thrown by Mr. Pessenlehner upon the Czechoslovak Republic, but upon its *makers*, among whom the foremost is our United States. This fact is attested in passages such as this from the same August issue of CURRENT HISTORY (p. 844):

> The attitude of Czechoslovakia toward America is one of admiration and emulation. This new republic is grateful to the great Republic for the part America played in gaining Czechoslovak liberty and in founding the Czechoslovak State. Ex-President Wilson is still immensely popular in Czechoslovakia. The great railroad station in Prague is called the Wilson station. Pictures and bronze medallions of Mr. Wilson are coupled with pictures and medallions of President Masaryk in offices, schools, hotel lobbies and elsewhere all over the country.

Let me call the attention of your readers to the "history" which Mr. Pessenlehner succeeded in placing in CURRENT HISTORY:

1. He admits that there once was a "Czech Kingdom," also a "Moravian Duchy," but continues: "There never was an independent country known as Moravia, Slovakia, Ruthenia or Rusinia." Suppose this were true—as it is not—how is this to react against the present Czechoslovak Republic? There never was and never will be an independent country of Pennsylvania, but there is and always will be an independent country of the United States of America, including the State of Pennsylvania; so there is and always will be the independent Republic of Czechoslovakia, including Moravia, Slovakia, &c.

2. The historian Pessenlehner tells you further that "the country known as Hungary in 1896 was the same as in 1914—not an inch having been added to it by conquest or otherwise," and "more than a 1,000 years ago the Magyars were driven out of their original European settlement—and organized the State of Hungary." Are we to understand that the Magyars were "originally" European settlers? If not, why does the historian Pessenlehner not mention how long the Magyars occupied their "original European settlements," and when and whence they came?

Then he states that when the Magyars moved into and organized the State of "Hungaria" no rights of other nations were violated, for the reason that when a land is uninhabited it is no nation's land. Is it not a strange "historical" coincidence that Magyars moving from their "original European settlement"—(what was its name?)—into "an uninhabited land," organized it and named it "Hungary"? Why "Hun-

gary"? And in order that readers shall be induced to believe him he quotes as authority "the historian, Alfred the Great, King of England." Suppose it were true—as it is not—that Alfred the Great wrote such "history," why, pray, should the historian of Youngstown, Ohio, believe the old King of England more than the new King of England, and his historians and Ministers and their associates of the United States, who called into life the Republic of Czechoslovakia?

Our historian tells us that "the Czechs began to appear in this part of Europe in the fifteenth century." Then he continues: "In later times the white Croatians, ancestors of our present-day Slovaks, were settled * * * this happened at about the eleventh century. * * *" Those are the very words of historian Pessenlehner. May we not call attention to his great invention and addition to "history" that we have now a nation in old Europe, namely the Slovaks, who were produced on the spot —*after* the coming of the Magyars—by the "white Croatians"; and now they are good Slovaks of Czechoslovakia—and they even want autonomy. Who in America would ever have believed that we should learn of a new nation of old Europe, born less than a thousand years ago, or, as the case may be, after the fifteenth century?

If Mr. Pessenlehner would read CURRENT HISTORY, or any other history, he would by this time know all about the oppressions by the Magyars and the Hapsburgs, and all about the hatreds of the Czechs, Slovaks, Moravians and Russians; he would know that after brutal sufferings and bitter resistances of centuries—and after the great war had cleared the way—these oppressed nationalities revolted and declared themselves independent; and he would also well know why some of these nationalities have united in the new and substantial State of Czechoslovakia. May we not encourage our historian to inquire for more history?

Rev. C. L. ORBACH,
President and Editor-in-Chief, Daily Slovak-American, New York.
Wallington, N. J., Aug. 5, 1921.

ANOTHER DEFENSE OF CZECHOSLOVAKIA

To the Editor of Current History:

In an article in the August issue of CURRENT HISTORY ("Czechoslovakia's Right to Statehood Assailed"), Dr. Anthony Pessenlehner asserts that "the Czechs were quite content with their lot within the confines of Austria," that "they were the most willing tools in the hands of the Hapsburg despot," that "they had been useful spies of the Hapsburgs against the Hungarians." Like the professional propagandist, he discerns "grave signs that the Slovaks and Ruthenians do not wish to be included in the Czechoslovak State," &c.

He puts the entire blame on the Czechs for having abducted the Slovaks from the Hungarian State, but has not a word of censure for the old Hungarian Government, which was responsible for the Slovak walkout. He is clear and precise as to what took place in 896, the year the Magyar conqueror is reputed to have entered Slovakia. The victors, we are assured, treated the vanquished with the utmost consideration and chivalry. But as to the treatment the Slovak grandfathers received at the hands of the Magyar grandfathers after 1867, when Hungary became free, the writer is not so clear. This chapter, singularly enough, he forgets to tell.

Within the territory of the present Slovakia there were, in 1905, 33 gymnasia (Latin secondary schools), 6 "real" schools (these prepared the pupils for technical careers), 4 law academies, 1 mining academy, 1 school of forestry, 2 Protestant, 5 Catholic and 1 Greek Catholic theological seminary, 140 trade, commercial and other schools. In all these schools Magyar was the language of instruction. Not one was Slovak. What is more, students of Slovak nationality were prohibited to converse in public in their mother tongue. A student suspected of Pan-Slavism—a Pan-Slav was one who read Slovak or Czech books or newspapers—was put on the black list by his professor. Unless he mended his Pan-Slav ways he was summarily expelled.

Before 1914 only 6 per cent. of the people of Hungary voted. In 1910 out of 413 members of the Chamber of Deputies only seven were non-Magyars—of the seven three were Slovak—though the Magyars constituted a meagre half and the Slovaks 10 per cent. of the entire population.

Let us examine the record of the Czechoslovak Government in the matter of schools for the Slovaks. Since October, 1918, when Czechs and Slovaks became free and independent, the Government has organized and opened 2,372 Slovak public schools, 102 so-called citizen schools, 37 gymnasia, 5 "real" schools, a number of girls' academies, 13 normal colleges for the training of teachers and a university at Bratislava, the capital. In addition, the Government has provided the Magyars and Germans with ample educational facilities.

All the responsible ethnologists agree that the Czechs, Moravians and Slovaks are racially identical, but Dr. Pessenlehner insists they are not. This is like maintaining that the Yankees of Connecticut and the Yankees of Massachusetts are not racially identical. The Czechs and Moravians are one nation, they speak one language, with local brogues, to be sure, and they have common traditions and history. The cultural development of the Slovaks was somewhat different from that of the Czechs of Bohemia and Moravia, owing to their separation. The Czechs fell under the sovereignty of Austria, the Slovaks became subjects of Hungary. Yet the two groups have not lost their racial identity. So closely related are they that the Czechs and Slovaks can carry on a conversation and can readily read each other's newspapers. Since the war Czech papers make it a practice to run columns of reading matter in Slovak and vice versa. The Slovaks of Protestant faith use the Czech version of the Bible.

Dr. P.'s assertion to the contrary notwithstanding, the Slovaks, not the Magyars, are the aborigines of Slovakia. This is the opinion of the greatest living authority on Slavic antiquity, Professor L. Niederle. The Slavic nomenclature of rivers, mountains and villages proves irrefutably who settled in those regions first.

That the "Slovaks never wanted to get out of the Hungarian State" is a fiction; as much so as that the French of Alsace-Lorraine never wanted to get out of Germany. What was the use of wishing it? That there is discontent in Slovakia is true. But discontent exists in Hungary, unrest prevails in Germany, grumbling is heard in Italy, restlessness is reported from Spain. The principal breeders of discontent in Slovakia are army ex-officers, officeholders of the old régime and masters who are masters no longer.

The doctor is in error when he says that the Battle of White Mountain was fought in 1647. The correct date is 1620. The heraldic title of Moravia is not duchy but margravate. Moravia never belonged to Poland.

The Magyars and the Czechoslovaks are now next-door neighbors. As things look, they will remain neighbors. The time may even come when they will want to play in each other's backyard. Don't you think, then, it's a poor policy to make faces at your neighbors living on the other side of the fence, and to call them names? C.

[The writer of the foregoing is the author of several books and at present is in a position of great responsibility and importance in the business world.]

CZECHOSLOVAKIA'S ALLIANCE WITH RUMANIA

As Jugoslavia allied herself by treaty with Italy in an anti-Hapsburg compact, so Czechoslovakia, who has so much to fear from Hungary, sought by an alliance with Rumania to attain the common aim of the Balkan States—security pending a permanent settlement of the whole Central European situation. The Czechoslovak-Rumanian pact was signed at Bucharest on April 28, 1921. The object of the treaty, as declared in the first paragraph, was to secure the full execution of the Treaty of Trianon with Hungary, and, specifically, to unite defensively in case of any unprovoked attack by Hungary upon either of the high contracting powers.

The hostility of the Magyar Government to Rumania, whose troops invaded Budapest a year ago, and who, in the Banat territory, acquired overlordship over many thousands of Magyars, is well known. To Czechoslovakia Hungary is no less hostile,

and similarly for territorial reasons, as the newly constituted State of the Czechs on Hungary's northern boundary was, on its outer fringes, made up of territory occupied by a certain percentage of Hungarians. The Hungarians have for some time been engaging in a violent propaganda to undo the work of the Peace Conference and to regain these territories. The double motive for the alliance of Rumania and Czechoslovakia is thus made plain. The text of the treaty follows:

Firmly resolved to preserve the peace secured by such great sacrifices and anticipated in the pact of the League of Nations, as well as the conditions established by the treaty concluded at Trianon on June 4, 1920, between the Allied and Associated Powers on one hand and Hungary on the other, the President of the Czechoslovak Republic and his Majesty the King of Rumania, have agreed to conclude a defensive alliance, and to this end have appointed as their plenipotentiaries, to wit: The President of the Czechoslovak Republic, M. Ferdinand Veverka, Envoy Extraordinary and Plenipotentiary of the Czechoslovak Republic at Bucharest; his Majesty the King of Rumania, M. Take Jonescu, his Secretary of State for Foreign Affairs, having communicated their full powers found in good and due form, these plenipotentiaries have agreed as follows:

Article 1.—In case of an unprovoked attack by Hungary upon one of the high contracting parties, the other party engages to come to the defense of the party attacked in the manner determined by the arrangement anticipated in Article 2 of the present convention.

Article 2.—The competent technical authorities of the Czechoslovak Republic and the Kingdom of Rumania shall determine by common agreement the dispositions necessary for the execution of the present convention in a military convention to be concluded later.

Article 3.—Neither of the high contracting parties shall conclude an alliance with a third party without previously informing the other.

Article 4.—In order to co-ordinate their efforts for peace, the two Governments engage to consult upon questions of foreign policy with reference to their relations with Hungary.

Article 5.—The present convention shall remain in force for two years from the day of exchange of ratifications. At the end of that period each of the contracting parties shall be at liberty to denounce the present convention. But it shall remain in force for six months after the date of the denunciation.

Article 6.—The present convention shall be communicated to the League of Nations.

Article 7.—The present convention shall be ratified, and the ratifications shall be exchanged at Bucharest as soon as possible.

In faith of which the said plenipotentiaries have signed it and have affixed their seals.

Done at Bucharest, in two copies, on April 28, 1921.

(For Czechoslovakia)
DR. FERDINAND VEVERKA.
(For Rumania)
TAKE JONESCU.
Bucharest, Apr. 28, 1921.

JUGOSLAVIA AND RUMANIA

The text of the Defensive Convention signed at Belgrade on June 7, 1921, between Jugoslavia and Rumania—another of the Little Entente treaties—is as follows:

Firmly resolved to maintain the peace won by such great sacrifices, and the order established by the treaty concluded at Trianon on June 4, 1920, between the Allied and Associated Powers on the one part and Hungary on the other part, as well as by the treaty concluded at Neuilly on Nov. 27 between the same powers and Bulgaria, his Majesty the King of the Serbs, Croats and Slovenes and his Majesty the King of Rumania have agreed to conclude a defensive convention.

Article 1. In case of an unprovoked attack by Hungary or Bulgaria, or by both these powers, upon one of the contracting parties with the object of subverting the order created by the Treaty of Trianon or that of Neuilly, the other party engages to go to the defense of the party attacked in the manner determined by Article 2 of the present convention.

Article 2. The competent technical authorities of the Kingdom of the Serbs, Croats and Slovenes and of Rumania shall determine by common agreement as quickly as possible the necessary dispositions for the execution of the present convention.

Article 3. Neither of the high contracting parties shall conclude an alliance with a third party without previously informing the other.

Article 4. In order to unite their efforts for peace the two Governments undertake to pursue a harmonious foreign policy in their relations with Hungary and Bulgaria.

Article 5. This convention shall remain in force for two years from the date of the exchange of ratifications. At the end of that term each contracting party shall be at liberty to denounce the present convention, which, nevertheless, shall remain in force for six months after the date of the denunciation.

Article 6. This convention shall be communicated to the League of Nations.

Article 7. The present convention shall be ratified and the ratifications shall be exchanged as soon as possible.

(Signed)
TAKE JONESCU,
NICHOLAS PASHICH.

(*From Le Journal des Debats, July* 19, 1921.)

HOW TWO U-BOAT CRIMINALS WERE CONVICTED

An account of the most interesting case that has come before the German War Criminal Court at Leipsic—Conviction of subordinate officers who helped to sink a hospital ship and fired on the helpless survivors in lifeboats

WHEN the Allies at the Peace Conference decided to entrust to Germany the trial of her own war criminals, simply furnishing lists of the accused and all available evidence against them, the plan was regarded with many misgivings, especially by France. In due time the court was set up at Leipsic, and the trials began early in the Summer of 1921 in the presence of commissions sent by the various allied Governments to observe the proceedings. From the first it became apparent that the German court would not punish any criminal of high military rank, whatever his misdeeds. A few light sentences were imposed on scapegoats of inferior position. After General Stenger had been acquitted (July 7) of the charge of shooting French prisoners, the French Government indignantly withdrew its commission from Leipsic, and Belgium did the same, though the British commission continued to stay and follow the proceedings.

The next case was that of German submarine officers charged with having torpedoed and sunk the British hospital ship Llandovery Castle on the night of June 27, 1918. Not only had the U-boat commander deliberately violated international law by sinking what he knew to be a hospital ship, but he had also given orders later to fire on the lifeboats with intent to murder every survivor and thus leave no trace of the crime.

Though the Leipsic court did not alter its policy of letting the man higher up escape, this case was so flagrant and the evidence so irrefutable that it resulted in a prison sentence for two subordinates. The men thus singled out for punishment were Lieutenants Ludwig Dithmar and Johann Boldt, who had been serving as officers on the German submarine U-86 under Captain Helmut Patzig at the time of the sinking. Captain Patzig, the chief criminal, on hearing of the impending prosecution, had taken refuge in Danzig, which is now a free State, and the German Government—which had done nothing to prevent his escape—thereupon announced its inability to extradite him, though his exact place of residence was known. Instead, it indicted—on its own initiative—the two subordinate officers who seem to have had most to do with carrying out Patzig's ghastly and inhuman orders.

The trial began on July 12. Dithmar, a keen-faced man of 28, of a quiet and impassive demeanor, and Boldt, who was only 21 when the British hospital transport was sunk, faced their judges, scowling and defiant. Dithmar, who was still in the German Navy, was in full naval uniform. Boldt, who had become a business man, was dressed in a frock coat, on which he wore an Iron Cross. The indictment declared that, together with Captain Patzig, the two accused officers deliberately killed an unknown number of persons escaping in boats from the sinking ship, in order that there should be no English wit-

nesses alive to tell the tale, and that the men on trial had themselves fired on the Englishmen striving to escape their doom.

Invited by the Court to speak in his own defense, Dithmar refused to testify, declaring that he had promised Captain Patzig to be silent. This attitude he obstinately maintained to the end of the trial. Boldt, however, proved loquacious in the extreme, and in loud and menacing tones launched into an impassioned defense of Patzig, under whom, he declared, he was proud of having served. Triumphantly he narrated the sinking of the Cincinnati, a troopship. "If all German submarine officers had been like Captain Patzig," Boldt asserted, "England would not have been able to bring about the armistice by murdering thousands of Germans through the hunger blockade." Like Dithmar, however, he refused to reveal the facts regarding the Llandovery Castle, alleging the pledge of secrecy made to Captain Patzig.

The first witness called was Leslie Chapman, second officer on the Llandovery Castle, who was in the lifeboat which managed to escape after the Germans had twice called the men aboard the U-boat, questioned them, and then tried to ram their lifeboat and sink the last evidence of the crime. "It is my day now," said Lieutenant Chapman, as he passed the sullen German officers on his way to the witness stand. His story, told in a cool and convincing way, made a deep impression on the Court. The evidence of other officers of the ill-fated ship was taken, including that of Major Lyons, chief medical officer, who had come all the way from Vancouver to testify. The clear and definite picture given by all the British witnesses was supplemented and amplified by the evidence of German witnesses on subsequent days of the trial. From the combined evidence the whole tragic crime emerged as follows:

When the submarine rose to the surface on the night of June 27, 1918, in an area which had been declared by Germany to be a "free zone," viz., a zone in which torpedoings would not occur, it sighted the Llandovery Castle, which it had been following under water, and discovered at once that it was a hospital ship, shown by its luminous markings. Patzig was then in the conning tower, with the accused Lieutenant Dithmar and the Coxswain Popitz. Popitz declared that both he and Dithmar had advised Patzig not to torpedo the ship, as she was in the free zone. Patzig, however, who was of a reckless and ambitious type, and of a vindictiveness enhanced by the possession of certain German Admiralty reports, which contained false espionage information regarding the English hospital ships which he was likely to encounter, including the Llandovery Castle, consulted with Dithmar and Boldt, and decided to sink her. At Patzig's order, two torpedoes were fired, one of which sent the ship to the bottom within a few minutes.

Chapman, the main British witness, told how he saw seven lifeboats clear, and two of them capsize. His own boat was the third. Four other boats disappeared, and all the evidence of the German sailors pointed to the fact that they had been fired on and sunk by Patzig, Dithmar and Boldt, working with the U-boat's gunner, Meissner, whose death had occurred before the trial. It appeared that Patzig, realizing that his only hope of exculpation for the torpedoing would lie in evidence that the hospital ship was in reality a ship of war, called at least two of the fleeing lifeboats to the side of his submarine, including Chapman's boat, summoned the crews aboard, questioned them searchingly as to the supposed combatant character of those on board the Llandovery Castle, and asked if the ship carried munitions.

One of the boats—that of Chapman—was twice summoned. On the first occasion the occupants of this

boat—the only one which escaped—were endeavoring to pull aboard a number of their comrades who had been capsized and were struggling in the water. From the submarine came orders couched in English to come at once alongside. Chapman vainly protested, explaining that they were trying to save their comrades. The German reply was that if they did not come at once, a big gun would be turned on them. They were forced to abandon their compatriots, who were left to drown. After the examination, they departed, and were again summoned. On this occasion Dr. Lyon was pulled aboard the submarine so roughly that his leg was broken. He was taken to the conning tower and questioned, then lowered again into the lifeboat. On departing, one of the German officers—Dr. Lyon, in testifying, believed it was Dithmar, but was not certain—told him in a low tone behind Patzig's back that it would be wise for the boat to get away quickly.

No evidence in support of the "armed ship" theory having been obtained, it was clear that Patzig, realizing his position, decided to remove all traces of his crime. He gave orders for all hands, except the officers, to proceed to the diving stations, as if the submarine were about to immerse. The U-boat, however, remained upon the surface, with Patzig, Dithmar and Boldt on deck. These three then and there agreed upon the plan of action. Patzig outlined his desires, and his subordinate officers aided and abetted. For some time the U-86 cruised about. It was then, according to the testimony of Chapman and the other British witnesses, that the Germans tried twice to ram and sink the lifeboat of which Chapman was in command. The second attempt almost succeeded. The sole survivors then hoisted a sail and managed to slip away in the darkness.

It was then, according to the German testimony, that Patzig ordered Meissner on deck to man the after gun. Dithmar is alleged to have handled the forward gun. Chapman's boat was fired upon, but escaped uninjured. The submarine crew heard the firing, and it was assumed by Popitz and all the rest that the commander was firing on the survivors of the Llandovery Castle. This was common gossip on the submarine the next morning. It was noticed that Boldt's hand was injured, presumably while serving one of the guns. There was much depression on board, and all were worried about the consequences. Patzig called the crew before him in the control room and said to them: "You know what has happened, and I beg you to keep silent about it. I take the responsibility on my own conscience."

Such is the story reconstructed from all the evidence. The case was completed by July 16. Dr. Schmidt, President of the Court, pronounced sentence on Lieutenants Dithmar and Boldt. They were found guilty of aiding and abetting manslaughter (Beihilfe zum Totschlag), and sentenced to four years' imprisonment (without hard labor), in conformity with the penalties for this crime prescribed by the Criminal Code. Lieutenant Dithmar was dismissed from the navy, and Lieutenant Boldt was deprived of his civic rights and the right to wear uniform.

In pronouncing sentence, Dr. Schmidt made it clear that the accused were not held guilty for the torpedoing, which, though plainly a violation of international law, was the act of their superior, whose orders they had executed. Their guilt was in taking part in firing upon the helpless survivors in open boats. The opinion of the Court was that these boats had been deliberately fired upon in order to get rid of witnesses of the criminal attack upon the hospital ship. The commander's injunction to the crew to keep silence was beyond question in reference to the firing upon the lifeboats. Though the Court did not believe that the ac-

cused officers themselves had actually served the guns, they had been parties to the crime of their commander. The only doubt had been as to whether the killing was premeditated or not. The Court's view was that Patzig had acted under great excitement, on impulse, driven by the desire to conceal his crime. His accessories came under the same category; they were, therefore, held not for first degree murder, but for manslaughter, this verdict also being influenced by the difficulties of their situation had they attempted to disobey the orders of their ranking officer. Their act, however, had cast a shadow on the German Navy, especially on the conduct of the U-boat warfare.

The two officers listened to this verdict with impassive faces. A great demonstration occurred after the verdict, many Germans, both men and women, crowding around the two "heroes," shaking their hands, and showering praises upon them. The reactionary German press howled disapproval of the "drastic" sentence. The saner organs, however, were inclined to view the verdict as a vindication of German justice for a crime which injured Germany in the eyes of the world, and of which many Germans were in ignorance. Somewhere in Danzig skulked Patzig, a fugitive from justice and the real criminal, while his subordinate officers were made the scapegoats of his crimes.

FATE OF THE RUSSIAN INTELLECTUALS

THE death of that matchless singer, Enrico Caruso, leaving a fortune of considerably over $1,000,000, brings out vividly in contrast the present fortunes of his former colleague, the great Russian baritone, Shaliapin. Caruso earned thousands of dollars a night for one performance, as Shaliapin earned thousands of rubles, marks or francs for his triumphal tours through Europe. The salary earned by Shaliapin under the Soviet Government, which is still keen for the fine arts, though it lets its most eminent scientists die of starvation, has been stated to be 200,000 rubles for one performance. This seemingly huge figure, however, is deceptive, in view of the worthlessness of Soviet paper, and amounts in reality to only $150. In comparison with the fate of Russia's most eminent men in other lines, however, even such an income represents affluence. The Soviet paid it in order to encourage the arts. It was only when Shaliapin's pretensions rose so high as to lead him, in lieu of his salary, to demand a sack of flour, a basket of eggs or a couple of chickens, that the Government began to count the cost.

Literature in Russia has gone by the board. Vainly has Maxim Gorky, now harnessed to the Soviet machine, sought to alleviate the lot of the intellectuals by creating a food centre in the so-called House of Science, installed in the former palace of Duchess Maria Pavlovna. Glazunov, former Director of the Conservatory of Petrograd, is wasting away with hunger, and has not even the consolation of composition, as he has no paper. The academician Kotliarchesky is in rags, and starving; the poet Block has the scurvy; the famous painter Benoit is starving; many of those whose names are greatest in Russian science, history, philosophy, have already succumbed. The intellectuals of the world, now fully realizing the tragedy, are working to send their comrades assistance. A Finnish committee is soliciting subscriptions from all Europe. The intellectuals of France are rallying in Paris. The famine conditions in the Volga region, recently revealed, will undoubtedly make the situation worse. Now, however, that Herbert Hoover, in response to an appeal from Maxim Gorky, has begun active measures to relieve the famine conditions in Russia, it is to be hoped that the Russian intellectuals will derive some benefit.

THE IRISH PEACE NEGOTIATIONS

Terms of the truce and progress of the three-cornered negotiations that followed—Chasm between the British Government and the Sinn Fein leaders apparently less difficult to bridge than that between the North and South of Ireland

[PERIOD ENDED AUG. 10, 1921]

THE decision of Eamon de Valera to meet Premier Lloyd George in a London conference looking toward peace was followed by actions of immediate relief to the well-nigh desperate situation into which the country had fallen. At 3 o'clock on July 9 General Sir Nevil Macready, military commander in Ireland; Colonel Brind and A. W. Cope, Under Secretary in the office of the Chief Secretary for Ireland, acting for the British Army, and Commandants Robert C. Barton and E. J. Duggan, representing the Irish Republican Army, met at British Military Headquarters. They agreed upon the terms of a truce as follows:

1. That there be no incoming troops of the Royal Irish Constabulary and Auxiliaries and no shipments of munitions into Ireland and no movements for military purposes except in the maintenance of drafts.
2. That there be no provocative display of forces, armed or unarmed.
3. That all provisions of the truce apply to the martial law area just as for the rest of Ireland.
4. That there be no pursuit of Irish officers and men or search for war material and military stores.
5. That there be no secret agents noting descriptions or movements of, and no interference with the movements of, Irish military men and civilians, and no attempt to discover the haunts and habits of Irish officers and men.
6. That there be no search for, or observance of, lines of communication.
7. That there be no search for messengers.

Other details connected with courts-martial, motor permits and similar matters to be agreed to later.

On behalf of the Irish Republican Army it was agreed:

1. That attacks on Crown forces and civilians cease.
2. That there be no provocative displays of forces, armed or unarmed.
3. That there be no interference with Government or private property.
4. The discountenance and prevention of any action likely to cause disturbance of the peace and which might necessitate military interference.

Upon the announcement of the truce, General Headquarters of the Irish Republican Army issued an order to "officers commanding all units" that "active operations by our troops will be suspended by noon Monday." At the same time the British authorities lifted several restrictions. Mr. de Valera also gave out a proclamation, which read:

Fellow-citizens: During the period of truce each individual soldier and citizen must regard himself as the custodian of the nation's honor. Your discipline must prove in the most convincing manner that this is a struggle of an organized nation.

In the negotiations now initiated your representatives will do their utmost to secure the just and peaceful termination of this struggle, but history, particularly our own history, and the character of the issue to be decided are a warning against undue confidence.

Unbending determination to endure all that may still be necessary and fortitude such as you have shown in all your recent sufferings—these alone will lead you to the peace you desire. Should force be resumed

against our nation, you must be ready on your part once more to resist. Thus alone will you secure the final abandonment of force and the acceptance of justice and reason as the arbiter.

With the striking of the clock at noon on the 11th the truce went into effect amid a general demonstration of relief and rejoicing. A few minutes after the hour a noteworthy incident occurred by which British sincerity to keep the pact was made evident. A private yacht in Kingstown Harbor hoisted the Irish Republican tricolor in honor of the event. Thereupon four soldiers rowed out to the yacht and hauled down the flag. When a complaint was lodged by the owner of the yacht with the military authorities at Kingstown naval base a British officer visited the yacht, personally hoisted the Irish flag and saluted it before returning to shore, where a great crowd cheered the amende honorable.

On the evening of July 12 Eamon de Valera arrived in London, accompanied by Arthur Griffith, Vice President of the Sinn Fein; Austin Stack and R. C. Burton, both Irish members of Parliament, as peace envoys, and Lord Mayor O'Neill of Dublin, Count Plunkett and Erskine Childers. The first meeting between Premier Lloyd George and the "President of the Republic of Ireland" was held in the Cabinet room of 10 Downing Street at 4:30 P. M., July 14. They took tea together and conversed for two hours. On the following day the two leaders were again closeted for an hour and a quarter, with the agreement made that nothing was to be disclosed regarding the conversations. On the same date Sir James Craig, the Ulster Premier, arrived in London, and in the afternoon had a long interview with Premier Lloyd George, after which the Ulster Cabinet was summoned to London.

In the absence of any official information regarding these meetings it was learned that while Premier Lloyd George had obtained from Mr. de Valera a waiver of the inadmissible demand for an independent republic so long as Ireland was given the status of a nation, the difficulty to be overcome lay in Mr. de Valera's insistence that there must be one Parliament for all Ireland, though willing to grant a local assembly to Ulster, subordinate to the Dublin Parliament. On the other hand, for the Ulster side, Sir James Craig was understood to be equally insistent upon the independence of the Northern Parliament. Hence the plan of a conference of the three parties was temporarily held up. The Northern Irish Premier later granted an interview in which he declared that the British Government must reach its own agreement with de Valera, and that Ulster was determined to maintain its present status. This practically repudiated the whole Sinn Fein argument that Ulster was in the minority and must bow to the majority in Ireland. The same evening Sir James Craig and his colleagues left for Belfast "to carry on the work of the Government."

At a British Cabinet meeting on July 20 plans for an Irish settlement were discussed, after which Premier Lloyd George laid before King George agreed-upon proposals to be submitted to Mr. de Valera. These proposals, in the form of a typewritten document, were handed to Mr. de Valera on the day following. He and his associates then returned to Dublin for consultation, arriving on July 22. In addressing a large gathering outside the Mansion House the Sinn Fein leader said:

The lesson learned in the last couple of years in Ireland is that acts, not talk, achieve nations' freedom. If we act in the future as for two years past we shall not have to talk about freedom, for we shall have it.

A considerable period of waiting then ensued, during which it was understood Mr. de Valera held numerous conferences with his colleagues and communicated with Premier Lloyd George on minor points. From meetings of the Ulster Cabinet it was gathered that a firm stand was being

maintained not even to entertain overtures which threatened to diminish the powers of the Northern Parliament. A decisive step, however, was taken by the Sinn Fein leaders on Aug. 5, when notices were sent out for a full meeting of the Dail Eireann, the Irish Republican Parliament, on Aug. 16. This action automatically called for the freedom of all the members still in prison. On Aug. 6 the British Government responded through Dublin Castle by announcing the unconditional release of all members of the Dail Eireann except J. J. McKeown, convicted of murder. Upon representations by Mr. de Valera, however, McKeown was ordered released on Aug. 8.

The authority of the Sinn Fein had been remarkably illustrated by the cessation of all hostilities against the British the moment the truce went into force. On the other side, some complaints came from Cork that the police and military under General Strickland continued to act in a manner likely to exasperate the people, but generally throughout the South of Ireland the British lived up to not only the letter but the spirit of the truce, especially in withdrawing the unpopular Black and Tans from duty and in subordinating the military to the civil power in such matters as staying executions, liberating prisoners, &c.

In Ulster, however, where the truce did not immediately obtain, rioting broke out in Belfast on the night of July 9 and continued with violence for several days. According to police accounts, the firing at patrols by Republicans in the Falls district precipitated the outbreak. By daybreak of the 10th the tide of battle reached Townshend Street, where the Unionists in force entered the fray. By the 11th incendiarism added one of the worst features to the savage tumult, and the situation became so alarming that Colonel Carter-Campbell, after consultation with the city authorities, decided to reimpose the curfew. On the 14th the sniping and rioting again increased; streets were closed to traffic, tramway service suspended, and motor cars ventured into the fighting areas only at top speed. Ambulance workers were kept busy taking wounded persons to the hospitals. Then the whole disturbance ceased suddenly at curfew hour on the 14th, due, it was believed, to an understanding reached to extend the truce to Ulster. During this outbreak twenty-two persons had lost their lives, many were wounded, and over a hundred houses were destroyed by fire in a single district.

THE DOVER PATROL MEMORIAL

AT Dover, England, the Prince of Wales on July 27 unveiled a memorial obelisk erected in honor of the men of the allied navies who participated in the patrol which kept the Dover Straits free from U-boats during the World War. The Germans, better than any one else, know how effective was this patrolling fleet. The obelisk was completed on June 20, 1921. Built of Norwegian granite and weighing 700 tons, it is 84 feet high, with a base 21 feet square, tapering to about five feet at the top. A corresponding obelisk is being erected at Cape Blanc Nez, near Calais, France.

An exact duplicate also is to be erected in New York Harbor, for which purpose the British Memorial Association gave $23,000. The City of New York has given a site for this memorial at the foot of Eighty-sixth Street. After the unveiling of the Dover obelisk the Prince of Wales sent a cable message to Secretary of the Navy Denby in which he transmitted the cordial greetings of the officers and men of the British Navy "to their American comrades."

IRELAND'S PROSPERITY A FORCE FOR PEACE

By J. Ellis Barker

Impressive facts and figures showing that the Irish people, despite the recent turmoil, are enjoying the greatest prosperity in the island's history—How the war stimulated their agriculture and industries--Ireland's economic dependence on England

ECONOMIC causes have brought about the great majority of revolts, revolutions and civil wars in the history of mankind, and economic considerations have welded together many States on both sides of the Atlantic. The economic factor is largely responsible for the strained relations between the Irish and the English, but economic causes seem likely to bring these two peoples once more together. After all, Ireland is rather an economic than a political dependency of England.

One of the greatest of Irish grievances is economic. Many Irishmen assert that England, actuated by jealousy and selfishness, has deliberately ruined the Irish industries. To this they ascribe the fact that between 1841 and 1911 Ireland's population has decreased from 8,175,-124 to 4,390,219. In a surface view of the case, indeed, England is responsible for the decline of Ireland's industries and the consequent diminution of population; in reality, however, this extraordinary shrinkage has been caused by circumstances over which England had no control, especially by the industrial revolution and by the advent of the steam engine.

It should be noted, first of all, that Ireland long enjoyed a favored position as regards both agriculture and industry. As a consequence of England's various wars with France, under Louis XV., under the Republic and under Napoleon, as well as with France's allies on the Continent, the price of food products, which had become difficult of importation, rose greatly, and agriculture flourished throughout all Great Britain, including Ireland. This continued after the Peace of Vienna in 1815, owing to the ruined condition prevailing in Europe. The Irish manufacturing industries were similarly prosperous, and Irish silks, linens, woolens, cottons, glass, metal wares, &c., all of excellent quality, were much in demand.

This lasted till toward the middle of the last century, when the invention of the steam engine and steamship revolutionized the whole situation, alike agricultural and manufacturing. Agricultural products on the Continent increased. The products of Russia and America now became available. The prices of foodstuffs declined rapidly. Ireland's prosperity speedily waned. The disastrous potato blight, still a bitter memory, gave Ireland the finishing blow. The extreme precipitation caused by the moisture gathered from the Atlantic was the cause for this tragedy, as a consequence of which the Irish farmers abandoned the planting of potatoes and emigrated in large numbers.

Moreover, Ireland could not share England's phenomenal expansion of manufacturing, because her soil, though rich, has no coal or iron mines.

The skilled Irish artisans, who had produced such splendid work on a small scale, were forced to go either to England or elsewhere to make a living. Ireland's agriculture and manufacturing industries were thus ruined simultaneously, not by English selfishness and greed, as has been charged, but by the advent of the era of steam and the appearance of the potato blight in its worst form.

The Coming of Prosperity

As a matter of fact, England has striven to make Ireland prosperous and contented by appropriate political and especially economic measures. Year by year Irish self-government has been given greater scope with a view to conciliating the people, and money has been lavishly spent on both the agricultural and industrial development of the country. One of the most important measures instituted was the purchase of large Irish estates, and their sale on easy terms to the farmers. who thus became absolute owners of the soil. This transfer of property proved exceedingly popular, and led to a vast increase in agricultural production, especially as improved methods of cultivation were introduced at the same time. E. J. Riordan, Secretary of the Irish Industrial Development Association, has acknowledged this in his recently published book, "Modern Irish Trade and Industry." The improvement apparent from the figures he gives for the last twenty years is certainly remarkable, and is an earnest of future and still greater improvements. In the opinion of those best qualified to judge, Ireland ought to be able to double her per capita production, which, according to the 1908 census, stood at only £56, as compared with £113 for England and Wales, and £109 for Scotland.

Previous to the war Irish agricultural production had already vastly increased in quantity, and had also very greatly improved in quality. Gradually the Irish farmer's old prejudice against scientific methods is being overcome. A powerful and very ably managed Agricultural Department is spreading the knowledge of improved cultivation far and wide, and its exertions are ably supported by the rapid development of rural co-operation. In the past, Irish agricultural produce was notorious for its inferiority. The country produced small bony cattle, scrawny poultry, eggs of doubtful freshness, badly made butter, which often was weighted with hidden stones, &c. That old reproach is rapidly disappearing. From year to year Irish produce is improving and is commanding better prices. The influence of the co-operative movement in Ireland may be gauged from the fact that the sales of butter made by the co-operative societies increased from £4,363 in 1889 to £3,167,686 in 1915.

In order to safeguard the position of Ireland, the production of wheat and potatoes has been greatly reduced. Root crops, grass and fodder plants are grown instead, and Ireland has become a very important cattle-raising country. Ireland possesses about half the cattle kept in the British Isles. Millions of young animals are sold to England, where they are finished for the market. Of recent years, many new branches have been added to Irish agriculture, such as the making of cheese and margarine. Between 1904 and 1918 Ireland's cheese exports increased from 1,142 cwts. to 136,452 cwts, or more than a hundred-fold, while margarine exports grew from 28,318 cwts. to 126,353 cwts., or six-fold.

The recent war has been as beneficial to Ireland's agriculture and manufacturing industries as was the Napoleonic war a century ago. During the ten years preceding the war, too, Ireland's progress had been exceedingly satisfactory; between 1904 and 1913 Ireland's exports increased from £49,815,000 to £73,877,000, or by 50 per cent. The most important commodities exported from Ireland show considerable progress. Be-

tween 1904 and 1913 exports of linen and cotton goods, which are made principally in Protestant Ulster, and especially in Belfast, have practically doubled, while those of steamers and of woolen goods have trebled. While exports of sheep increased only slightly, and those of horses showed a small decline, the exports of pigs were reduced by nearly £600,000. We must allow for the fact that the Irish farmers have lately concentrated upon the more profitable pursuits, such as the production of butter, poultry, eggs, bacon, &c. Between 1904 and 1913 the exports of cattle and of butter nearly doubled, while the exports of bacon and poultry increased nearly two-and-a-half fold. The reduction in the exports of pigs was accompanied by a vastly greater increase in the exports of bacon. It should be mentioned that the export trade is of the very greatest importance to Ireland because it is so highly developed in that country. In 1919 the export trade came to £39 3s. 5d. per head of population in Ireland, while it came only to £17 6s. 8d. in the whole of the United Kingdom, and to £9 10s. 11d. in France.

Progress Since the War

During and since the war Ireland's prosperity has increased at a particularly rapid pace in consequence of the insatiable demand for food and manufactures, which were, and are, sold at very high prices. Ireland was one of the greatest beneficiaries of the war. Only a relatively small portion of her able-bodied manhood took part in the fighting. The British Government treated Ireland practically as a neutral country. Compulsory military service, the rigid rationing of food, &c., were enforced in England, Scotland and Wales, but not in Ireland. Between 1904 and 1919 Ireland's exports increased from ap-approximately £49,785,000 to £176,-031,000. The war led also to the rapid expansion of Irish agriculture. That may be seen from the following figures relating to the production of the staple crops:

	Wheat, Bushels.	Oats, Bushels.
1914	3,237,560	51,927,683
1918	5,688,000	83,200,000
	Turnips, Tons.	**Potatoes, Tons.**
1914	4,433,491	3,445,770
1918	5,303,000	3,863,000

As these greatly increased crops were sold at vastly increased prices, it is obvious that the prosperity of rural Ireland increased very greatly during the war. Industrial Ireland, also, was enriched by the struggle.

The fact that Ireland has been enjoying great prosperity may be seen also in the figures relating to banking and finance. The number of branches of the Irish banks increased from 661 in 1900 to 809 in 1910, and to 1,255 in 1920. Bank deposits in Ireland increased from £49,449,000 in 1890 to £200,441,000 in 1920. In other words, bank deposits since 1890 have grown five-fold in Ireland, while they have grown only three-fold in Scotland. Between 1915 and 1920 bank deposits have a little less than doubled in England and Wales and in Scotland, while they have almost trebled in Ireland. These increases are particularly noteworthy if we bear in mind that the Irish farmers put their savings into land and improvements, while many of the people of small means place money into the co-operative societies or hoard it.

The fact that Ireland has enjoyed unprecedented prosperity and that that country has progressed more rapidly than England and Scotland is confirmed by other statistics, which show that poverty and crime have diminished far more rapidly in Ireland than in Scotland and England. Ireland is obviously on the road which leads to prosperity, and the progress of the country should become accelerated when its political troubles have been overcome.

Ireland's economic future depends on her natural resources and on the activities of her people. Her resources, though limited, are exceedingly promising. The disadvantages of overmuch rain are, to some ex-

tent, being neutralized by draining the land, and by afforestation. The country yields per acre a considerably greater quantity of wheat, barley, oats, turnips and mangolds than can be obtained in England. More intensive cultivation, the application of science to agriculture and the extension of co-operation are bound to benefit Irish agriculture very greatly.

Ireland has suffered in the past from insufficient communications. These are being improved as rapidly as possible. Roads and railroads are being constructed, canals and rivers are being deepened, harbor works have been undertaken all around the coast, schemes for deriving electrical power from waterfalls are being studied. Everything is done to accelerate Ireland's advance. The aspect of the country greatly resembles that of Denmark, Holland and Belgium, where production per acre is greater than anywhere else in the world. Irish experts are studying the progress of these countries, and are endeavoring to apply similar methods in their own land. Rural Ireland should be able to support in time a population twice as great as the present number.

Unfortunately, Ireland has poor industrial resources. Practically all the coal used in the country comes from England. The mineral resources of the Irish are trifling. The only resource available for fuel is peat, of which there is an abundance. Hitherto it has not been possible to exploit it commercially. If some suitable method should be discovered, it would be of the greatest value to the country.

Dependence on England

Many Irishmen speak recklessly about cutting the connection with England, not realizing how very dependent Ireland is upon England from the economic point of view. The great towns are the eyes of a country. The three principal towns in Ireland—Dublin, Belfast and Cork—are on the east coast, and look toward England. Ireland, as shown, has per head of population the largest foreign trade in the world. That trade is carried on almost exclusively with England. If we bear in mind the fact that Ireland is relatively poor, it will be obvious that foreign trade is to that country far more important than it is to England. Ireland receives from England practically all her coal and various raw materials and manufactured goods. The iron used in the great shipyards comes from England. Ireland's exports consist principally of perishable foodstuffs, especially meat, butter, eggs, &c., for which England is the natural market. Owing to the configuration and position of the country, Eastern Ireland, which looks toward England, is densely populated and well-to-do, while Western Ireland, which faces the Atlantic, is thinly populated, wild and barren.

Before the war Ireland ranked immediately after the United States as a supplier of foodstuffs to Great Britain. In 1913 Great Britain received from the United States £39,000,000 of foodstuffs, from Ireland £36,000,000, from Argentina £31,000,000, from Denmark £22,000,000, from Canada £19,000,000, from British India £17,000,000, from Holland £16,000,000, from Australia £15,000,000, from Russia £15,000,000, from New Zealand £9,000,000. While England was by far the most important market to the Irish farmer, the produce of the Irish farmer can, in case of need, be replaced without difficulty from elsewhere. Ireland is obviously far more dependent upon England than England is upon Ireland. A stoppage of the Anglo-Irish trade would inconvenience England only slightly, but it would ruin Ireland speedily. The Irish farmers would not be able to sell their produce elsewhere, except at a very great disadvantage, and the Irish industries could not survive were they deprived of English coal and iron.

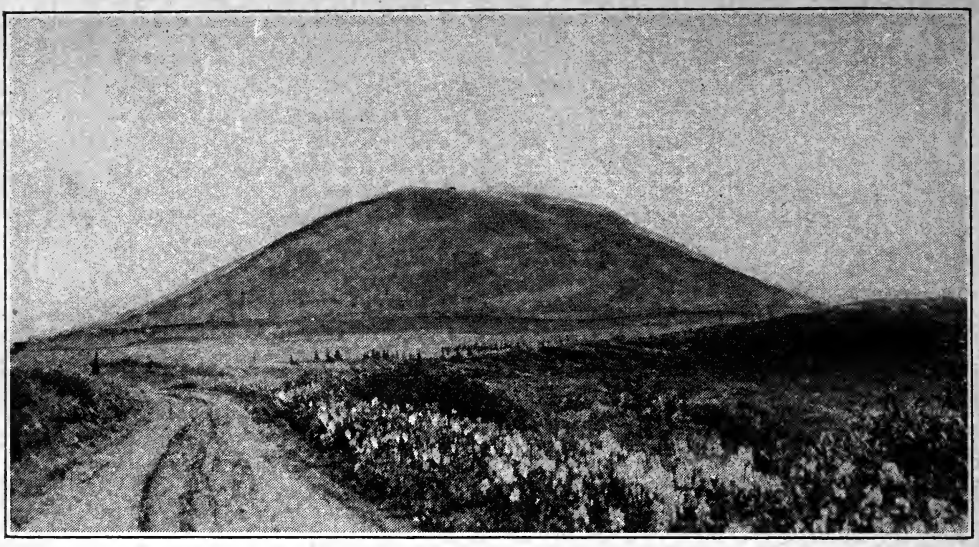
The Irish have considerable ability for agriculture, industry and commerce. Hence the country has some extraordinarily prosperous industries. The foremost shipyards in the

United Kingdom are situated in Belfast. The firms of Harland & Wolfe, and of Workman & Clark, which together employ 30,000 workers, have produced many of the best liners in the world. The Irish linen industry, which is mainly located in the northeast, is world famous. Irish thread and Irish lace are known everywhere. Messrs. Guinness of Dublin are supposed to possess the largest and the most prosperous brewery in the world. Ireland produces excellent biscuits, mineral waters, woolens, manufactured tobaccos, clothing, furniture, &c. All these establishments depend upon England for their raw materials, their finance and the sale of their goods. Irish business men have attained eminence in all countries. The awakening of Irish nationalism may cause many noted Irishmen to devote their energies to their country and may lead many rich Irishmen to return to their native land, provided, of course, that peace and order are maintained.

The country is singularly well supplied with large natural inlets. These are Blacksod Bay, Killary Bay, Galway Bay, the Shannon Estuary, Berehaven and Queenstown. Proportionately, Ireland is far better supplied with natural harbors than England. The most important trade route in the world is that between England and the United States. The Port of Liverpool is cramped and not sufficiently deep, and the St. George's Channel, which leads from that port along the east coast of Ireland to the Atlantic, is overcrowded with shipping, and suffers from fogs. If it should be possible to create a great ocean harbor on the Irish west coast, the sea journey from England to America might be reduced to three and one-half days. Certain Irish leaders are working in this direction.

Emotion and common sense are strangely blended in the Irish character. Sentiment and passion are apt to carry the Irish people away. Thoughts of past grievances have rankled deeply with them, and foreign agitators, especially Russians and Germans, have done their utmost to poison their minds against the English. The campaign of crime will come to an end; perhaps the truce now existing is the end. The vast majority of the Irish people wish to live in peace and to look after their farms and families. They realize that the outlook is exceedingly hopeful, that peace is necessary to the country and that Ireland depends for its existence on the connection with England. The King's speech in Belfast has made a deep impression. The great majority of the Irish are anxious for a permanent settlement. They realize that prolonged strife will ruin them in the end. These considerations should lead to the permanent pacification and to the rebuilding of the country.

Ireland has enjoyed a period of unparalleled prosperity. The progress of the country has been checked only slightly by the outrages and the destruction committed. The Irish people in general are certainly at present far more prosperous than they have ever been before, notwithstanding disorder and crime. There is every indication that Ireland is entering upon a new era in her history. Self-government will give to the Irish that sense of responsibility which they have lacked hitherto. It should be a steadying and a sobering influence, and independence will show them that their economic dependence upon England is greater than they have ever realized in the past. England is certainly anxious to make Ireland's experiment in self-government a complete success, and to all appearances it will prove successful unless foreign agitators should succeed in ruining the country for their own ends.



TYPICAL SUMMER SCENE IN THE INTERIOR OF ALASKA, WITH ABUNDANT FLOWERS BUT NO TREES. THE MOUNTAIN IN THE BACKGROUND IS PILLSBURY DOME, ON THE LOWER DELTA.

WHAT AILS ALASKA?

By Colonel W. P. Richardson

For more than twenty years in the service of the United States War Department in Alaska, and for twelve years President of the Board of Road Commissioners for Alaska; former commanding officer of the United States Army Division at Archangel, Russia

Popular misconceptions concerning the Territory set right by an authority on the subject—Alaska's Government-built railroad may be another of the mistakes of Congress in the Far Northern Territory—Population reduced since the war

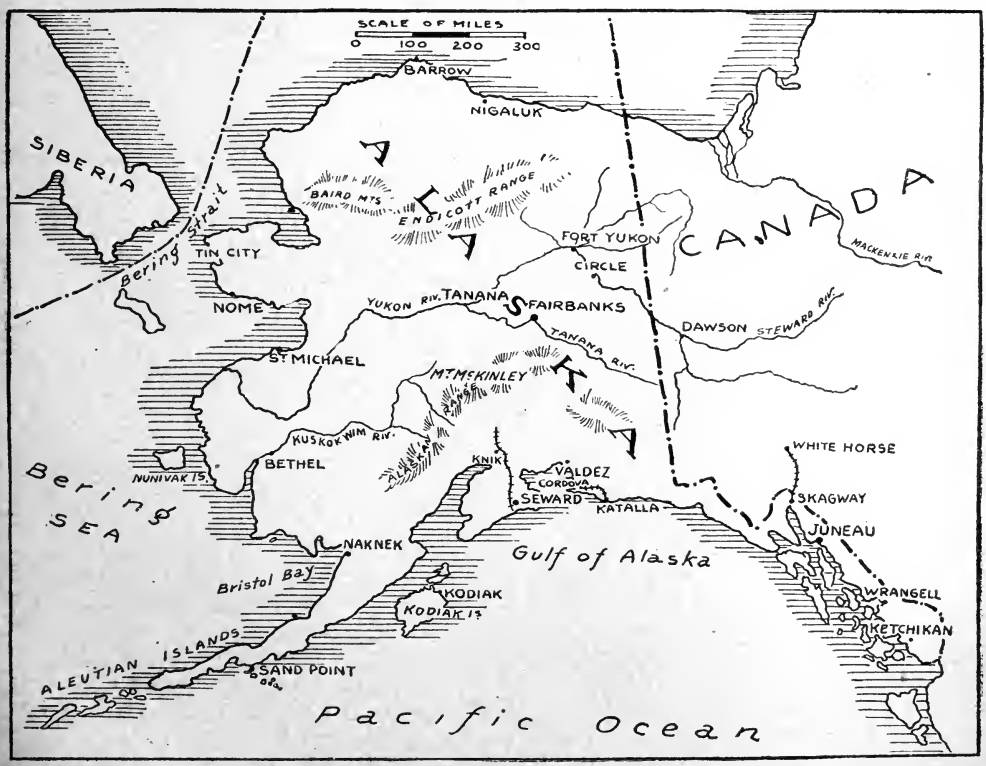
EARLY in the Summer of 1897 there came from out the Canadian Yukon, near the Alaskan boundary, a story of gold which at first seemed incredible. It was the story of the Klondike. The fever of excitement which immediately stirred the United States and spread to the remotest parts of the earth has since died out, and even its memories have been dimmed by subsequent world upheavals. But for those who took a personal part in that frenzied rush into the Far North the impressions of those days are still fresh and vivid.

The stage for the Klondike drama could not have been more admirably set. Business in 1897 was stagnant, capital was held close, money everywhere was scarce, as evidenced by the campaign for free coinage of silver in the preceding Summer. Throughout the world there was no cloud of war. The psychological conditions were right for some new impulse of romance, and the extraordinary richness of the gold deposits discovered deep under the frost of the Far North stirred the imagination to a high degree. Men of every station in life, from city, town and village, began to move toward this newly discovered gold field, though with scant knowledge of routes and less care for difficulties they might

meet on the way. The larger part, to the number of 20,000 or more, made their way with infinite labor and hardship during the Winter of 1897-98 over the Chilkoot and White Passes to the headwaters of the Yukon. Others sought to find shorter or easier routes by way of Edmonton and the Mackenzie River, or up the Stikine, while still others took the longer but better-known route via St. Michael and the mouth of the Yukon.

My connection with the movement and with Alaska began Aug. 1, 1897, when I left Cheyenne, Wyo., with Captain P. H. Ray of the 8th Infantry as his assistant (I was then a Lieutenant in the same regiment), for Seattle, Wash., under orders of the War Department to proceed by way of St. Michael and the Yukon to investigate the conditions attendant upon this movement of people to the new gold fields. We sailed from Seattle on Aug. 5 supplied and equipped for a stay of eight months in the North. The incidents of this jouney and of the following Winter at Fort Yukon, though full of interest, do not constitute a part of this story. Suffice it to say that they formed for me, unexpectedly, the beginning of twenty years' work in Alaska.

The lure of the country was beyond description. The wildness and beauty of its natural scenery, its mountains and waterways, its newly discovered wealth, and its vast, untracked areas which might, in the imagination of the adventurers, hold in their secret bosoms other and greater gold deposits than the Klondike, all served to create an enthusiasm rarely, if ever, equaled by any similar movement. It was a joyous crowd that floated down the river in the Spring of 1898, or built boats on the shores



ALASKA'S ONE RAILWAY—WITH THE EXCEPTION OF THE SHORT LINE FROM SKAGWAY INTO THE CANADIAN YUKON—STARTS AT SEWARD AND IS BEING BUILT NORTHWARD THROUGH THE MOUNT M'KINLEY RANGE TOWARD FAIRBANKS, ON THE TANANA RIVER

of St. Michael's Bay and challenged the swift current of the Yukon in the long pull up to Dawson.

In the Fall of 1898 Nome was discovered. Here on the desolate and wind-swept shores of Bering Sea, 1,200 miles to the westward of the Klondike, more than $3,000,000 worth of gold was washed from the sands of the beach, and many times that amount has since been taken from the mines a short distance back from the shore. A few years later came the discovery of the rich Fairbanks district on the Tanana River, lying almost midway between Dawson and Nome. A few years passed. The great low-grade gold properties in Southeastern Alaska were being worked; the salmon and other fish industries were being developed; rich copper deposits were being opened up; extensive coal areas were being located; agriculture had begun. All in all, the future prosperity of Alaska seemed assured.

Unfulfilled Hopes

The hope of those days is not being fulfilled; Alaska is not progressing. The rich fields at Nome and Fairbanks, like other placer fields, have had their richest deposits taken out, and the present population in these towns is only a fraction of what it was in their days of high production. In fact, the white population of Alaska is less than it was ten years ago, and even less than twenty years ago. The old buoyant confidence and enthusiasm are no longer present.

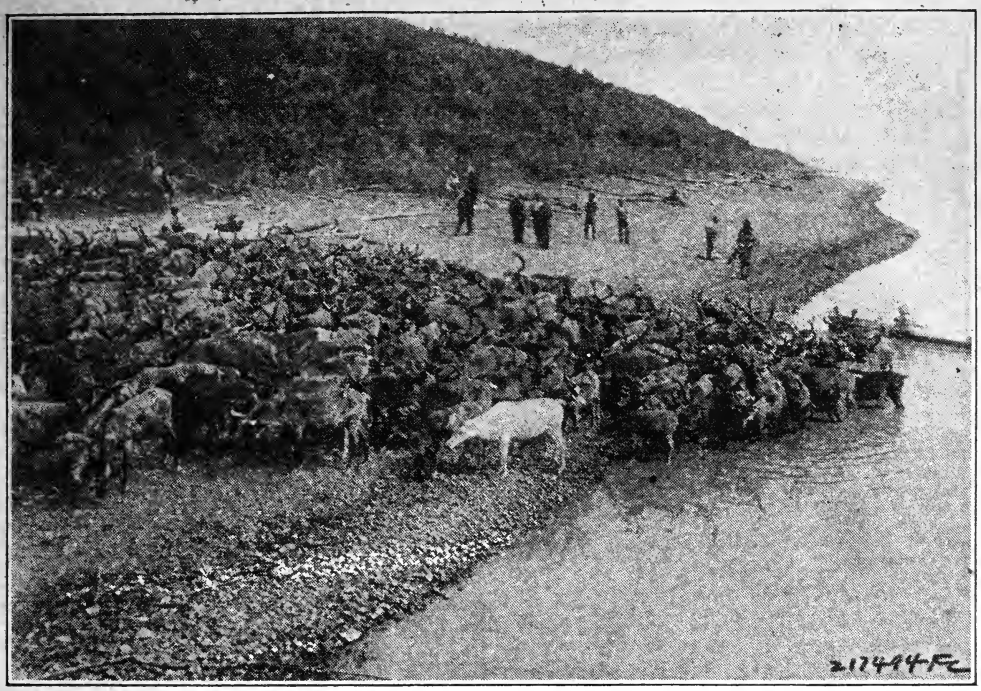
What is the matter with Alaska?

Articles written in answer to this question sometimes charge the fault to the Congress of the United States, or to various bureaus in Washington. They frequently contain statements concerning the resources of Alaska which give the impression that these resources are not developed and that the population of Alaska is not increasing because of the restrictive measures passed by Congress, or because of departmental inefficiency. This is unfair. I have found in my experience with Congress on matters relating to Alaska, and with the departments as well, a desire at all times to do for Alaska what was needed, so far as the situation could be understood upon the presentations made, which were frequently conflicting; I have found a helpful spirit rather than one of interference.

The only possible exception to this general tendency might be found in the application of the policy of so-called conservation. Undoubtedly, the application of this policy in extreme form to Alaska, along with the discouragement to capital, has been hurtful to the Territory. However, it may be said, on the other hand, that if the stories which are told of Alaska's resources and of the opportunities which she offers to investors and settlers were strictly true, then no restictive regulation whatsoever could keep an independent people like our own from going to the Territory and taking advantage of these "rich opportunities." My own further answer to the question is that overadvertising, exaggeration and propaganda along misleading lines have done much to confuse the situation. In one of the annual reports of the Board of Road Commissioners for Alaska the statement was made that "the truth about Alaska is good enough." That statement has been quoted more than once, and I believe today that it is worth repeating and emphasizing.

Prevailing Misconceptions

Many erroneous impressions of our northern Territory prevail. One of these is that Alaska is an agricultural country. This is not true in the sense commonly understood. More farm products could be grown in a few rich counties of Kansas, Oklahoma or Texas than in the whole vast Territory of Alaska. Moreover, the expense of opening up a farm in Alaska is enormous, and there is at present no market for farm products other than



(Underwood & Underwood)

PART OF THE GREAT REINDEER HERD OF ALASKA, THE OUTGROWTH OF THE FEW HUNDRED ANIMALS WHICH THE GOVERNMENT INTRODUCED FROM SIBERIA SOME YEARS AGO TO SAVE THE INDIANS FROM STARVATION. FOUR PACKING PLANTS ARE NOW BEING BUILT IN ALASKA TO REFRIGERATE AND SHIP REINDEER MEAT TO THE UNITED STATES.

that offered by the small mining towns or fishing villages.

There is more truth in the other statement, frequently made, that Alaska, lying within the same parallels of latitude as Norway, Sweden and Denmark, has the same general climate as Northern Europe. The two regions owe their mild climate to two great ocean currents, both of which originate in warm tropical waters and flow first northward and then eastward along approximately the same parellels of latitude. The Gulf Stream in the Atlantic divides as it approaches Europe, and part of it flows northward, west of the British Isles, passes around the North Cape of Norway and on eastward until it is lost in the Arctic Basin. This stream warms all Northern Europe, because there are no mountains between it and the interior of the Continent. The Japan current in the Pacific likewise divides as it approaches America, a portion going down the Washington and Oregon coast, the rest eddying back toward Yakutat, Prince William Sound and Cook Inlet. This stream is first deflected from entering Bering Sea by the Aleutian Islands and the Alaskan Peninsula, and the warmth of the portion that eddies back toward Prince William Sound is walled off from the interior of Alaska by high mountains, which extend all the way along the coast from Ketchikan to Cook Inlet.

The moisture-laden clouds, swept in from the warm ocean upon this mountain range and its glaciers, produce a heavy precipitation of rain in Summer and of snow in Winter. There results, it is true, a comparatively mild climate all along the coast, but one of excessive moisture, which is the principal handicap to agriculture in this region. The climate of the Aleutian Islands is not severe, but there is so little sunshine that these

islands are useless for agriculture or even for the growth of timber, which exists only in very small quantities west of Cook Inlet. The heavy snowfall and lack of sunshine on the coast are the greatest handicaps in Southeast Alaska and along the coast westward as far as Cook Inlet, although there are many small and protected valleys where much garden stuff is grown.

Climate of the Interior

Crossing the coast range to the interior of Alaska, an entirely different climate is found. Here the snowfall is comparatively light. Throughout the valleys of the Yukon and its tributaries very low temperatures are experienced in Winter, together with short, hot Summers. The ground is frozen in most of the valleys to a great depth, and it is thawed only on the surface during the Summer. On the hillside slopes it frequently happens that but little frost is encountered. When the moss covering is stripped from the ground it thaws down in Summer, and in many places all the hardier vegetables and grains can be raised. The Summer, although short, is quite warm, and with the sun in the mid-season shining nearly twenty-four hours, all plants grow rapidly. Also, the quality of the products is of high order, especially in the matter of grains. Wheat has been grown to a certain extent, but it cannot be said by the most enthusiastic friends of Alaska that it is a wheat country. However, expensive experiments have been made in the breeding of wheat, and I know that some excellent results have been obtained.

I spent some months in North Russia with the American military expedition there, and in an article on that subject (Current History, February, 1921) I made some observations on the climatic and agricultural conditions in that part of Russia. In all comparisons of Alaska and North Europe it must be remembered that agriculture in Europe has been developed under necessity, by the pressure of population through many hundreds of years; not until all the land has been taken up in the United States, producing a similar pressure upon our people, will the agricultural possibilities of Alaska be developed as fully as the climate allows.

There was created a belief throughout the country at one time that certain capitalists were about to seize the richest of Alaska's resources and use them in development for their own benefit. This also has not helped Alaska. I hold no special brief for capital or "big business," but I am, on the other hand, uninfluenced by any quibbling consideration of class bias, and I do say that Alaska's paramount need is for aid in the way of capital for its development. Capital should be invited to take the venture in Alaska, giving it a fair chance for liberal returns, and if it should later become necessary to curb its activities to protect the resources, there will still be time to impose the necessary regulations upon it.

The Government Railroad

The Government is now building a railroad across Alaska, which will cost more than $50,000,000. My view regarding this project was that private capital should have an opportunity to bid upon the construction of the necessary railroads in Alaska under such Government restriction and regulation as might be necessary —that capital should take the chance instead of the Government. The Government, however, has made the venture, and the present outlook is not encouraging. Many plausible arguments were set forth for Government construction at the time when the decision was made; and unquestionably the Administration was actuated by an earnest desire to do something helpful for Alaska. On the basis of long experience and twenty years' observation, however, I was constrained to state at that time that such a venture by the Gov-

SUMMIT LAKE, ON TOP OF THE ALASKA RANGE. THE EXCELLENT WAGON ROAD IN THE FOREGROUND HAS BEEN BUILT BY THE GOVERNMENT FROM VALDEZ UP THROUGH THE MOUNTAINS TO FAIRBANKS, ON THE TANANA RIVER

ernment was likely to prove a failure, or at least to fail to bring about the results that were hoped for. As early as 1913, and before the Railroad bill passed, in the report of the Board of Road Commissioners for Alaska to the War Department, the following statement was made:

> In the Great Plains country of the Middle West and Northwest, where travel across country was generally safe and easy without road or trail of any kind, development naturally followed the construction of trunk lines of railroad, and a similar development, it is predicted, will follow the construction of one or more trunk lines in Alaska. Here, however, the conditions are entirely different, and the attractive figures of probable tonnage and earnings of such lines presented by interested and enthusiastic supporters of immediate railroad construction are not justified on any logical grounds nor by the history of the railroads already constructed in the Territory, * * * and no rapid or general development will follow the construction of trunk lines of railroad to the interior unless preceded or accompanied by the construction of numerous wagon roads and trails as feeders, and even then the development will be slow.

Unlike the great West in another respect, Alaska has a wonderful system of waterways, both coastal and interior, and though the interior system is open only about five months of the year, during this open period supplies can be distributed to almost every part of the Territory by means of its various ramifications. Short roads between the deep-sea channels of the coast and the streams of the interior will, however, be necessary. This was further emphasized in my report of 1914. From the 1917 report of the Board of Road Commissioners I quote the following:

> For more than a generation the people of the United States almost forgot the need and value of wagon roads. This was the great period of railroad building, which spanned the continent with numerous lines and crossed great stretches of prairie that had little need for wagon roads to stimulate devlopment. Any hope that a similar rapid development will follow the construction of the Alaska railroad is foredoomed to disappointment.

A vast sum of money, however, is now invested in the permanent property of a Government railroad, and, whether this expenditure was a wise one or not, the problem now is to protect the investment and if possible make it self-sustaining and permanently beneficial to the Territory.

During the period when the Railroad bill was under discussion I regret to say that more than once I

heard the argument that in case the Government could be induced to make this expenditure, whether wise or not, it would be compelled thereafter to support further appropriations to take care of the investment and thus develop Alaska. Such a policy I, of course, as an official of the Government, could not countenance in any way, although I recognized, and recognize now, the force of the contention.

Further Development Needs

So it now comes to the proposition that it will be necessary for the Government, in order to save this investment, to make large appropriations in the future, or provide funds by some other method, not only for the operation and maintenance of the railroad, if it is to be maintained until tonnage can be developed, but also for the construction of feeders to the railroad, the development of industries which will furnish tonnage, and some kind of special inducement to people to go to Alaska. Population and tonnage are absolutely necessary to give support to the railroad. A certain tonnage was expected and may be developed in the near future from the coal beds of the Matanuska fields for naval purposes, and also for use in the Territory and along the coast. This, however, I understand, is still uncertain. Beyond the coal fields there is no tonnage in sight at this time worth mentioning.

In the days of Fairbanks's prosperity, when the Tanana Valley placer gold fields were at their high point of production, as much as 26,000 tons of machinery, supplies and merchandise of various kinds were shipped into the Tanana Valley. I have been reliably informed that during the past season only 8,000 tons were sent in for the whole valley of the Yukon, which is only a fractional part of the tonnage required to maintain the struggling steamship lines operating in these interior waters. In fact, from the present outlook, it seems hopeless to expect to develop a tonnage that will even approximately support the operation of the railroad beyond the coal fields and adjacent mining properties about the head of Cook Inlet for a long time to come.

It was stated in one Road Commission report that at least 80 per cent. of the resources of Alaska, as now known, lie within a strip of territory including Southeast Alaska and extending to the 141st meridian west longitude, and beyond that meridian to Cook Inlet, reaching an average of about one hundred miles to the interior. These resources are mostly timber, fish, coal and copper. This does not mean, of course, that some large-tonnage-producing field may not be discovered within reach of the railroad further inland. So far as the support and maintenance of the railroad is concerned, the agricultural probabilities, however encouraging they may be for some distant time, cannot be counted as a tonnage asset in the near future. It will be necessary, therefore, to study the area which may be reached by the railroad, determine the various fields that may produce tonnage, build spurs of railroad or wagon road and trails to develop this tonnage, encourage capital to enter such fields, and give as wide opportunity and encouragement as possible to the individual prospector and home seeker.

When the Railroad bill was pending and appeared certain of passage, the Board of Road Commissioners made a general analysis of the situation and an estimate of funds for the construction of wagon roads and trails to go forward with the construction of the railroad; this estimate totaled $7,250,000 and was to extend over a period of ten years. It failed, however, to receive favorable consideration. Something of the kind is absolutely necessary now in connection with the railroad, as well as for other parts of Alaska in order to develop the Territory's resources.

The physical conditions, with respect to travel in Alaska, have been

touched upon, and it is these conditions that have done much to keep Alaska a wilderness. The country is broken and rugged in many portions, buried under deep snows for a great portion of the year, with the ground in the Summer thawed only a short distance below the surface, and covered with a blanket of moss, with dense and tangled underbrush, throughout the valleys, intersected by many swift and dangerous glacier streams fed by the ice-cold waters from the snows and glaciers of the mountains. Travel, therefore, has always been extremely difficult and dangerous, even to pack animals and men on foot, and practically impossible for wheeled vehicles.

Urgent Need of Roads

One of the wisest provisions ever enacted concerning Alaska was the creation of the Board of Commissioners for Alaska under the War Department, for which the chief credit is due to the wisdom of Senator Knute Nelson of Minnesota, who was a member of the Senate committee that visited Alaska and studied its needs in the Summer of 1903. Whether the work of this commission has been successfully and satisfactorily carried forward is hardly for me to say, but it is pertinent to remark that the commission readily recognized the great need for the construction of a system of wagon roads and trails, and sought for years to get sufficient appropriations for this work, under many difficulties, and I regret to say at times against opposition where the board should have had encouragement and support. The difficulties of the situation were set forth in the following passage from the commission's 1917 report:

> The board at the outset found itself confronted with a problem the magnitude of which was little short of discouraging. There presented itself as the field of operations a vast wilderness region of nearly 600,000 square miles, untracked for the most part by the foot of white man, and possessing throughout all the Territory less than a dozen miles of what might be called wagon road, with a few hundred miles of pioneer trail, mostly constructed by expeditions under the War Department prior to this time. On the other hand, the very character of the country carried with it an inspiration, and the manifest need for roads and trails throughout this Territory opened an interesting and fascinating field of effort and one calculated to evoke one's best energies toward accomplishment.

Up to June 30, 1917, the board had constructed 980 miles of wagon road, 623 miles of Winter sled road, and 2,291 miles of pioneer trail. This has since been increased to a total of nearly 5,000 miles of wagon road, sled road and trial at a cost of approximately $5,000,000. The need for further extension of this system is greatly emphasized by the building of the railroad.

But aid should be given also to other industries. The production of wood-pulp from the forests of Southeastern Alaska, for instance, should be encouraged, and proper protection should be given to the fisheries, which, outside of the salmon, are scarcely touched so far. All aid to these and other industries that need development will help to give the Territory a stable and permanent population. One resource—the reindeer—is especially worthy of attention. There are vast tracts in Northern Alaska and the region bordering the Bering Sea and Arctic Ocean which furnish pasturage for these animals, and these regions are not suitable for other purposes. The reindeer industry is not likely ever to become a prime source of food supply for the States, but when it is properly developed, with the necessary shipping facilities, it will furnish a very desirable addition in the way of game variety and will be profitable to the Territory of Alaska.

I do not undertake to set forth in detail just what steps should be taken to accomplish the results which are desired for the development of Alaska, or suggest specifically the changes that might be desirable in extending laws or regulations. Each particular industry will have to be considered separately, and the different sections of Alaska, differing

greatly in climate and other conditions as well as natural resources, will have to be studied and dealt with according to their peculiar needs.

No one can deny the fact that the conditions of life are difficult, the climate severe and trying. Some persons who live in Alaska may and do assert that they prefer that climate to any other; but we all know that the majority of the citizens of the United States prefer to live in a more temperate climate and under more comfortable conditions than can be found at present, with few exceptions, in Alaska.

Nor should mere scenery be confused, as it has been confused by occasional visitors, with the serious business of life. Huge snow-capped mountains and great glaciers, which make for cool Summers on the coast, are not an asset to the prospective farmer. What he needs is arable land, which can be cleared and brought under cultivation without prohibitive cost, a market for his product, and transportation facilities to reach that market—all of which conditions exist only to a very limited degree in Alaska at the present time. Romantic interest also should be put into the discard in considering the practical question. The lode properties of Southeastern Alaska, the placer gold in the ocean sands of Bering Sea, the rich copper mines of Kennicott, the beautiful inland waterways, the salmon fishing, the existence of big game, are all special features, most of which have no connection with the general development of the Territory.

The actual facts existing at present must also be borne in mind. Alaska has suffered from the war. Her population has diminished and is diminishing; her young men, called to join the overseas armies, are not returning, because they see no sufficient inducement to take them back. The old enthusiasm of the early days is gone, and capital is discouraged, for reasons already indicated. Owing to the increased cost of materials for mining operations, combined with the new scarcity of labor, the working of low-grade gold properties, which had been one of the principal industries in the Territory, has in many cases ceased to be profitable. Alaska received no compensating benefit by any war industry, such as existed in many parts of the States.

The Present Situation

But all these various factors, however important, have only emphasized a downward trend of conditions already observable before our people entered the war. The time has now come, it seems to me, to cease experimenting in Alaska, and to give the Territory an opportunity along the line of practical frontier experience of former days, while recognizing the fact that development will not follow quite the same course as in the past, nor proceed as rapidly. The present article is an appeal for a more liberal policy in dealing with Alaska, coupled with every measure of encouragement and freedom of action to persons who are willing to go there and invest their capital and settle permanently, consistent with the proper conservation and progressive development of Alaska's resources; especially must the physical conditions of the Territory be recognized and taken into account.

MEXICO AND THE UNITED STATES

By Frank Bohn Ph. D.

Serious aspects of the diplomatic conflict over Mexican taxation of American holdings—While the oil interests complain of confiscation, Mexico says her independence is threatened—The nation's recent progress toward democracy

To the American mind the most misunderstood people in the world today is the Mexican Nation. The Mexicans have recently experienced a political and social revolution. This revolution has opened the way for democracy, instead of the feudalism and autocracy under which Mexico has suffered since the conquest of the country by the Spaniards in the sixteenth century. This is the one essential fact which must be known before the Mexican situation can be understood; and the meaning of this fact has apparently been grasped neither by the American people nor by their Government.

Upon a recent visit to Mexico I had the opportunity of meeting with not only the President and members of his Cabinet, but also with large numbers of the Mexican people. I met repeatedly the chief of her educational system and Rector of her National University, Dr. Vasconcelos, as well as some of his teachers and students. At the various sessions of the Pan-American Labor Congress I had occasion to observe the national and provincial leaders of her labor movement as they joined in the discussions with their Latin-American and North American confrères. Nothing is more apparent to the observing American in Mexico than that the entire mind and purpose of this people have been profoundly revolutionized during these ten years of civil turmoil. Mexico faces her future with much the same self-possession and high confidence in democracy as did the American people after the reorganization of their Government in 1787-89. The whole matter of our relations with Mexico requires the greatest discernment and care on the part of our Government and people.

The crisis has been rather gradually precipitated. The attitude of the State Department at Washington remains much the same as it was before March 4 last. The new régime in Mexico has now been in power for about fourteen months. President Obregon has been in office since Dec. 1, 1920. For over six months his Government has craved recognition by Washington. On June 7 Mr. Hughes, Secretary of State, published the final views of the American Government. His statement is evidently a resumé of the ultimatum recently presented to President Obregon by Mr. Summerlin, our Chargé d'Affaires in Mexico City. In his public statement Mr. Hughes says:

> The fundamental question which confronts the Government of the United States in considering its relations with Mexico is the safeguarding of property rights against confiscation. Mexico is free to adopt any policy which she pleases with respect to her public lands, but she is not free to destroy without compensation valid titles which have

been obtained by American citizens under Mexican laws.

More than a hundred years ago Alexander von Humboldt declared that Mexico was a "beggar sitting on a bag of gold." Today the picture evolves with the times. We may now imagine the beggar, still barefooted and clad in rags, perched on the crest of an enormous pile of bags, boxes and barrels. The unhappy creature struggles to keep his place on the unsteady mass of gold and silver, copper and zinc, oil and coal, lumber and henequen. Round about stand those who seek to pull the unfortunate wight off the top of the pile and place him at the bottom.

In natural resources the Mexican patrimony is no doubt one of the richest areas in the world. Its mineral wealth has only been scratched at the surface. If we suppose that the gold of California and Colorado, the silver of Nevada, the copper of Montana, the oil of Indiana, the iron of Lake Superior, and the coal of Pennsylvania as yet remained unexploited and largely outside the claim of private ownership, we have some idea of the hunger on the part of the foreign prospectors and investors in Mexico. The wide variety of this mineral wealth is suggested by a recent report of the Mexican Government covering production for the first six months of 1920. During that period there were mined and smelted the following values: Gold, $15,699,996; silver, $75,824,183; copper, $19,466,005; zinc, $3,434,339; lead, $17,465,673.

In 1919 Mexico exported a million dollars' worth of lumber to the United States alone. Yet the lumber industry of Mexico has, in reality, hardly begun. The State of Durango alone produced, in 1918, more than 2,000,000 feet. Besides pine and cedar, there are enormous areas of hardwoods, including mahogany. A great many varieties of these hardwoods of Mexico are unknown in the United States. The total timber areas which will yield merchantable lumber are estimated at 25,000,000 acres, much of this being dense tropical growth. Our own diminishing timber resources will mean the more rapid exploitation of those of Mexico. Before the revolution Mexico was already producing 20,000,000 pounds of rubber for export annually. This industry, almost destroyed during the ten years of civil war, is now being quickly revived. Accessibility to the American market will now make for rapid large scale promotion of the rubber plantations. The same is true of cotton and henequen, coffee and sugar.

Oil and Article XXVII.

The souls of the forty-niners have now turned from the search for gold to seeking after oil. Every ounce of gold must needs be dug and washed or milled and smelted, but oil, once the well is drilled in the soil of Mexico, flows freely. Several wells in the Tampico district have produced as high as 100,000 barrels a day. One well produces regularly 600,000 barrels a month, and its total production has thus far been nearly 800,000,000 barrels. The prices of crude oil, of gasoline and the by-products during the war period and after, make such a producer a source of wealth beyond the dreams of even the recent past. No gold mine in the history of North America can compare with it.

Mexico's total production of oil, which was 3,000,000 in 1910, was 40,000,000 in 1917, and increased to 183,000,000 barrels last year, of which 153,797,036 barrels were exported to the United States. So we import from Mexico an amount equaling 35 per cent. of our home product. What this means may be fully imagined if we but take into careful consideration the fact that, outside the United States and Mexico, the total product of the whole world last year was only 37,000,000 barrels. The amount of the Mexican product will very likely be doubled as soon as

there is a market for an increased product.

The people of Mexico are today unprepared, technically and financially, to exploit their natural resources. The machine process, modern transportation and scientific large production methods generally have made mining one of the most highly developed of the industries. Great amounts of capital are required, and the disposition of mineral products generally demands wide technical knowledge of the world's markets. As yet the Mexican cannot play at this game. For a time the natives toiled as unskilled laborers while their Government watched the oil flow like rivers down grade through relatively short pipe lines to the seaports and then by ship to the markets of the world.

In 1917 the Mexican revolution wrote its principles into the Federal Constitution. Around Article XXVII. of this document, which deals with the possession and use of subsoil wealth, the battle now rages. The crux of the controversy is found in the following paragraphs of the article:

> In the nation is vested direct ownership of all minerals or substances which in veins, layers, masses or beds constitute deposits whose nature is different from the components of the land, such as minerals from which metals and metaloids used for industrial purposes are extracted; beds of precious stones, rock salt and salt lakes formed directly by marine waters, products derived from the decomposition of rocks, when their exploitation requires underground work; phosphates which may be used for fertilizers; solid mineral fuels; petroleum and all hydrocarbons, liquid, solid or gaseous.
>
> Legal capacity to acquire ownership of lands and waters of the nation shall be governed by the following provisions:
>
> 1. Only Mexicans by birth or naturalization and Mexican companies have the right to acquire ownership in lands, waters and their appurtenances, or to obtain concessions to develop mines, water or mineral fuels in the Republic of Mexico. The nation may grant the same right to foreigners, provided they agree before the Department of Foreign Affairs to be considered Mexicans in respect to such property, and accordingly not to invoke the protection of their Governments in respect to same, under penalty, in case of breach, of forfeiture to the nation of property so acquired.

The issue turns largely upon the policy to be pursued by the United States Government. From the first our Government has taken a positive stand against the Mexican interpretation of Article XXVII. Certain documents written in connection with the execution of this policy are most interesting. They throw much light not only upon our immediate relations with Mexico, but also upon a much greater matter—the evolution, by the Government and people of the United States, of a policy of economic imperialism.

In a note presented on behalf of the Foreign Department of the United States Government April 2, 1918, Mr. Fletcher, at that time our Ambassador to Mexico, made, in part, the following statements:

> While the United States Government is not disposed to request for its citizens exemption from the payment of their ordinary and just share of the burdens of taxation so long as the tax is uniform and not discriminatory in its operation, and can fairly be considered a tax and not a confiscation or unfair imposition, and while the United States Government is not inclined to interpose in behalf of its citizens in case of expropriation of private property for sound reasons of public welfare, and upon just compensation and by legal proceedings before tribunals, allowing fair and equal opportunity to be heard and giving due consideration to American rights, nevertheless the United States cannot acquiesce in any procedure ostensibly or nominally in the form of taxation or the exercise of eminent domain, but really resulting in the confiscation of private property and arbitrary deprivation of vested rights.
>
> The amounts of taxes to be levied by this decree are in themselves a very great burden on the oil industry, and if they are not confiscatory in effect—and as to this my Government reserves opinion—they at least indicate a trend in that direction.
>
> Moreover, there appears not the slightest indication that the separation

of mineral rights from the surface rights is a matter of public utility upon which the right of expropriation depends, according to the terms of the Constitution itself. In the absence of the establishment of any procedure looking to the prevention of spoiliation of American citizens and in the absence of any assurance, were such procedure established, that it would not uphold in defiance of international law and justice the arbitrary confiscations of Mexican authorities, it becomes the function of the Government of the United States most earnestly and respectfully to call the attention of the Mexican Government to the necessity which may arise to impel it to protect the property of its citizens in Mexico divested or injuriously affected by the decree above cited.

President Carranza's reply to this was a statement that the provisions of Article XXVII., by including all concessions made before 1917, were based upon an ancient and well-known principle of law in Spanish-America. According to this principle mineral wealth of every kind was, in colonial times, reserved to the King of Spain. The Government of Carranza insisted that the general legal provision had never lapsed and that it was merely restated by Article XXVII. This standpoint is maintained by the present Administration in Mexico.

There is no doubt that the late President, Carranza, and his Government drew upon themselves a great deal of resentment because of their attitude toward the citizens and Government of the United States. Carranza would have been the better pleased had no American business man come to Mexico. He strongly manifested that natural nativistic tendency which leads to suspicion of all foreigners, especially of Americans. No American business enterprise ever expected co-operation from Carranza, and no such enterprise was therefore disappointed.

With the coming of the present régime all this has been changed. In his first public statement following his election to the Presidency, Obregon declared that "Mexico wants, needs and will seek, by all means in its power, to secure and deserve the friendship and close co-operation of America and all other countries." On that occasion he stated particularly that foreign capitalists would be welcomed and assisted.

Following ten years of civil war, with all its attendant evils, the new Administration takes up a most difficult problem. The Mexican population is 85 per cent. illiterate. The masses of the people live under conditions which, in their poverty and inefficiency, are inconceivable to Americans. The Mexican people now crave nothing so much as internal peace and the opportunity to produce the necessities of life. Candid observers unite in declaring that President Obregon and his associates have undertaken their difficult task with patriotic ardor and a deep sense of responsibility. In their efforts to lay the foundations of a true democracy, they outspokenly seek and expect the help of every liberal mind in the United States.

Taxes and Temperaments

The Mexican Federal taxes on oil include a royalty of 15 per cent., in kind, at the place of production, and a further tax of 10 per cent., in specie, on the selling price of exports. In considering the amount of this tax one must reflect upon the truly marvelous output of the Tampico oil district. While, at the beginning of this year, the average productive well in the United States yielded about five barrels per day, the average production of the 184 wells in operation in Mexico was 6,855 barrels per day. Of course, in the United States, with a total of 228,700 wells, the average is brought down by the diminishing output of many old and well-worked districts. Yet the enormous output places the Tampico district in a class by itself. The total of the Tampico district for last year was enormous, even though many of its richest wells were temporarily

shut down because of the condition of the market. These included the famous Cerro Azul, the greatest producer in the history of the industry. At the comparatively low rate of a dollar per barrel, twelve days' flow will pay for the drilling of the average well. When the well flows for twelve years, as some of them have done, the profits are considerable.

When, last Summer, the present Mexican Government, in its slow way, at last set about the collection of arrears in taxes, it encountered all sorts of difficulties. Naturally enough, during repeated revolutions, there developed a habit of laxity and irregularity in connection with tax collection and tax paying. When there were two Governments fighting for control no one could blame an American corporation for refusing to pay taxes to either. Certain large foreign concerns paid a regular sum, estimated as averaging for some years $30,000 a month, to "General" Palaez for protection from the Government of Carranza. Palaez was plentifully supplied with arms and ammunition from the United States. He became a large shareholder in one of the greatest of American companies. With the incoming of the present Mexican régime, however, following the death of Carranza, Palaez realized that, for the future, discretion would be the better part of valor. He surrendered to the Government and was in turn made commander of the Federal forces in the Tampico district.

Many foreign oil companies have declared their willingness to abide by the provisions of Article XXVII. in connection with concessions secured since 1917, while bitterly objecting, however, to the application of the provisions of the Constitution to properties acquired by purchase or lease before the Constitution was adopted. They base their claims upon well-known principles of American or English law, and in support of their contention they naturally call to their assistance the diplomatic power of their home Governments. In the case of the United States this appeal is all the more effectual because the new Mexican Government desires immediate recognition by Washington. To secure that recognition the Mexican President and his Ministers have declared that they are only too willing to accept any reasonable compromise which is possible within the limits set by the Constitution and the laws of their country.

Meanwhile, the concessionaires claim exemption according to the provisions of Article XIV. of the Constitution of 1857, which is rewritten, in principle, in the new Constitution. Article XVI. states that "No law shall be given retroactive effect in the prejudice of any person whatsoever." The appeal lies to the Supreme Court of the nation, but this body has now waited for four years in the matter of trying a test case and rendering a decision. Perhaps international political considerations have been effectual in postponing action by the court; for, should the Supreme Court decide in favor of the Mexican Government before a satisfactory diplomatic settlement has been reached with the Government of the United States, the Mexican Government will be placed in a very difficult position indeed.

Numerous other taxation difficulties beset the agents of the Mexican Government. Next in importance to the refusal of certain interests to pay the 15 per cent. in kind on concessions prior to 1917 is the disagreement as regards the 10 per cent. ad valorem tax on exports. There has never been any difference of opinion concerning the legality of this tax. However, some of the companies are making use of the old and well-known American method of organizing "wheels within wheels." The same institution will incorporate half a dozen subsidiary companies. One of these will own the wells, another the pipe lines, and still another the tank-

ers for ocean transport. Sometimes a few more corporations are involved —purchasing agencies, holding corporations, selling concerns, &c. The representative of the Mexican Government notes, on a certain day, that crude oil is selling for $1.50 a barrel. The "producing company" in Mexico is very much pained, however, to state to the Mexican Government agent that it receives but 40 cents per barrel. The shipping corporations are extortionate, and give so little to the "producer." The banks have charged so very much for financing the industry. Really, only 40 cents per barrel is actually received in the district, as shown by the books with a "complete record" of transactions and balanced accounts. The Mexican Government declared repeatedly that when oil was $1.75 a barrel in New Orleans it would accept the 10 per cent. tax on a valuation of $1 per barrel. "We should be ruined," replied the agents of some of the concessionaries. "We are being squeezed on every side. We get but 40 cents a barrel, and this would leave us but 30." Wherewith the concessionaire shows a face expressive of the complete ruin he seems to visualize. Last Summer and Autumn the Mexican Government actually compromised a second time on the price of oil and the amount of the taxes.

The Mexican people are a very simple-minded folk. They do not understand these strange methods of having half a dozen different corporations with interlocking directorates functioning under one head, and yet each organization denying responsibility for the activities of all the others. All they see is that the oil goes out and they want their tax per barrel and per peso. In August last, in order to get its first taxes, the Mexican Government was forced to declare that if payment were not made by Sept. 1, no more oil would be permitted to leave Mexico.

For some mysterious reason there then entered as a party in the situation the United States Government. American naval vessels at Key West were ordered under steam. The pretext was that the tankers sailing from Tampico and Tuxpan were under the jurisdiction of the United States Shipping Board and that the board needed the oil for fuel. A crisis was finally averted through the statement of Mr. Foley, who was in charge of the fuel department of the United States Shipping Board. Mr. Foley observed that he had abundant supplies of oil on hand and that the Shipping Board could conduct its operations even if the Mexican Government prevented the sailing of every oil tanker from the Mexican ports. So the companies surrendered and the first tax was paid. It amounted to $3,000,000, being the first lawful sum paid by this group of concessionaires to the Mexican Government for the many hundreds of millions of barrels of Mexican oil they had extracted from the soil of that nation.*

Mexico Against Imperialism

We now come to the larger aspect of the controversy. As above quoted, Article XXVII. contains the following statement: "Foreign concessionaires must agree * * * not to invoke the protection of their Governments * * * under penalty * * * of forfeiture * * * of property so acquired." The issue here raised, the Mexicans claim, is greater even than considerations of international peace. It has to do with the whole matter of the political independence of the Mexican people. If the American, British and French Governments insist that the Mexican people and Government alter their Constitution in order to comply with

*Since this article was written new complications have arisen for American companies that have oil wells in Mexico. Congress for a time contemplated placing an import duty of 35 cents a barrel on crude petroleum and 25 cents on fuel oil. Thus oil crossing the Mexican boundary would be taxed heavily on both sides of the line. The Standard Oil Company of New Jersey announced on July 1 that it would discontinue all shipments of oil from Mexico and withdraw all its tankers from the Mexican service. The reason given was that under present conditions even the existing taxes were confiscatory and prohibitive.—Editor.

our conception of the law of contracts, Mexico, like Cuba, will have become only an economic colony of the United States. With an evident sense of this drift of events the Mexican Government replied to the British note of 1918 (which was almost identical with the American note) in a spirit suggested by the following words:

> In virtue of its freedom of fiscal legislation, it is opportune to declare that the Mexican Government does not recognize the right of any foreign country to protest against acts of this nature coming from the right to exercise interior sovereignty, and, in consequence, cannot accept the responsibility which it is pretended will be charged to her account as supposed damages as a consequence of this legislation.

During the past six months the leading British oil interests have entirely reversed their previous policy, thus disengaging themselves from the sanctions of their home Government. Following the specific declarations of the Aquila Oil Company (British) that it would obey all Mexican laws, it received certain concessions on Mexican Federal lands. A most curious incident followed. A secretary of the United States Embassy at Mexico City called on Acting President de la Huerta in November and presented a note containing the following: "I am instructed by my Government to inquire by what right the Mexican Government is granting concessions for drilling for oil on Federal lands." De la Huerta returned the note and left the American official without giving any answer whatever.

As regards the policy of the present Administration, it is generally believed that the Secretary of the Interior, Mr. Fall of New Mexico, is the special adviser of the President and of the Secretary of State with regard to our relations with Mexico. The general views of Secretary Fall are well known. Furthermore, he has recently made a specific statement of policy. Forty-eight hours before the inauguration of Mr. Harding, Mr. Fall, then a member of the Senate Foreign Relations Committee, gave an interview to the press, in which he observed:

> That Article XXVII., or any decree or law issued or enacted thereunder, should not apply to deprive American citizens of their property rights theretofore legally acquired:
>
> I have opposed, and shall continue to oppose, any recognition of any Mexican Government until all pending questions between the two countries and the people of the two countries shall be in course of settlement under the terms of a written agreement.

It is argued in many quarters that the political as well as the economic control of Mexico by the United States would be in every way the best solution of the question. Since the Mexican people have proved, it is said, by so long a period of civil war and anarchy their unfitness to rule themselves, they themselves would be happier in the long run if entire responsibility were assumed by the United States. Less than a year ago a publication favoring intervention quoted what it claimed to be an important newspaper in each but one of our forty-eight States. In an article by Mr. Chester Wright in the American Federationist of June, 1920, we read that "twenty-two of these editorials out of forty-seven demand some kind of policing policy, nine demand a 'firm hand' in dealing with Mexico, six criticise President Wilson and his policy toward Mexico and seven scold Mexico on general principles." Undoubtedly these papers were selected because of their pro-interventionist attitude. But the bare fact that in every State of the Union but one an important newspaper could be found so severely critical of Mexico is in itself an indication of the drift of journalistic opinion at that time.

The Mexican Government maintains—and in this it is solidly supported by an intelligent portion of the people—that Mexico's claim to independence is not at all disproved by her ten years of civil war. On the contrary, her representatives say, the results of the revolution prove

exactly the reverse, since it has made the way clear toward freedom and progress. With reference to the claims of foreign investors that Article XXVII. of their Constitution is "confiscatory," they point to the Nineteenth Amendment of the Constitution of the United States. It must be admitted that no American who happens to be in Mexico as resident or visitor can do otherwise than recognize the humor of this counter-claim. "If the American people," said a Mexican citizen to me recently, "can place in their Constitution an amendment which destroys the value outright of billions of property, including enormous investments by foreigners, how, then, can Americans, at the very time the Nineteenth Amendment was promulgated, criticise Mexicans for seeking to enforce Article XXVII. of their own fundamental law ?"

JERSEY AND THE KING OF ENGLAND

THE recent visit of King George, Queen Mary and their daughter to the Channel Islands, Guernsey and Jersey, was one of the great events in the history of those islands, and was attended by ceremonies which go back to the time of William the Conqueror. To understand the significance of what occurred at St. Helier, Jersey, on July 12, 1921, one must recall some very old history. Jersey was formerly a part of the English Dukedom of Normandy. When Normandy was lost, Jersey remained faithful to its English rulers. Many Jersey families trace their ancestry to these ancient days and beyond. The very names tell of feudal stock. The Lempriere (l'Empereur) family goes back in unbroken male line to the Conqueror. The de Carterets sent Frey de Carteret to fight with William at Hastings. These families—who once divided up the whole island between them—and many others still hold their lands in fief to the King of England.

The address of the Island Government leaders to the King on his arrival recalled these historical antecedents, and added:

> Today, as of yore, the people of Jersey, in their unswerving fidelity to the Throne of England, deem no sacrifice too great to uphold that connection. From time immemorial every Jerseyman owes service to the King on need arising for a call to arms. Throughout the great war Jersey has unsparingly given her sons. The women of Jersey, too, have done their duty. This very day, Sire, by a most gracious act your Majesty has further added to the justifiable pride of the survivors of those who have fought for their country.

King George, in replying, similarly referred to the ancient ties, and stated that 6,000 men of Jersey had done noble service in the war with Germany. Of this, he said, he had personal knowledge, as he had presented a Victoria Cross and other military distinctions to soldiers from Jersey.

In the Royal Court, subsequently, the King attended the old Assize d'Hommage, or Court of Homage. The King and Queen sat on a raised platform, the King in the identical oaken chair on which Sir Walter Raleigh—a former English Governor of Jersey—used to sit and smoke his pipe. Each in turn the noble scions of the old Norman-French nobility came to him, knelt on a raised cushion, and placed their hands between those of their liege lord, saying: "Je suis votre homme lige, a vous porter foy et hommage contre tous" (I am your liegeman, who will give you loyalty and homage against all). These ancient words were uttered amid a solemn silence. In the dark and austere hall, with all the scarlet and other bright hues of military and civil uniforms standing out in vivid contrast with the black gowns and wigs of the advocates, and the advancing line of seigneurs, kneeling one by one, and repeating these words formulated centuries before, the Middle Ages seemed to live anew. Only once or twice in Jersey history has this old ceremony been performed, and the island has no memory of ever receiving its monarch and liege lord in person and doing him this verbal homage.

After these ceremonies, the King reviewed the Officers' Training Corps, and visited Mont Orgueil Castle, a naked ruin against the deep blue sky and the blue tumbling waters of the English Channel.

THE CASE OF CONSTANTINE AND THE ALLIES

By N. J. Cassavetes

Vice President of the League of Friends of Greece

An indictment of the past acts of King Constantine of Greece, and a statement of reasons why neither the United States nor the Entente Allies should recognize his Government—His hostile and pro-German acts, with legal and other obstacles to recognition

SHOULD the Allies and the United States recognize Constantine as the ruler of Greece? This is a question which the students of international politics are asking themselves. The Royalist Greeks maintain that Constantine is the legitimate King of Greece because he was recalled from exile by a majority of the voters of the Kingdom of Greece, and that the Allies are not justified in withholding their recognition of him. To the argument of the Allies and America that Constantine cannot be recognized by them on account of his pro-Germanism during the great war, and that Constantine was no less an enemy to the allied cause than were Kaiser Wilhelm, Charles of Austria, and Ferdinand of Bulgaria, the Royalist Greeks reply that Constantine never was pro-German, and that he kept his country out of war through fear of the German power, which he honestly believed was invincible.

Now, there are several reasons why Constantine is not recognized by the Allies and the United States. Nor are these reasons alike for all the allied countries. France, for instance, refuses to recognize Constantine because on Nov. 1, 1917, he ordered the Royalist troops at Athens to open fire upon French and Italian detachments, which were landed there to remove certain stores of arms with the previous parole d'honneur of Constantine that the Royalist Greeks would not fire upon them. No French Government, therefore, could remain in power after granting recognition to a monarch who broke his word of honor to the French commander and had French sailors assassinated in the streets of Athens. France will never recognize Constantine, whatever the other powers may do about it.

Great Britain, like France, is pressed by a strong public opinion not to recognize Constantine. The British remember Constantine's aid to the German cause; they do not readily forget his treason to Serbia, to whose aid he was, by a specific treaty, bound to go; they remember even that Constantine not only did not permit Greece to honor her signature to the treaty with Serbia, but that he even refused the unfortunate, retreating Serbian troops a free passage through Greece, and compelled them to cross the virtually impassable fastnesses of hostile Albania, hard pressed by Austrians and Bulgarians. To an Anglo-Saxon, treason or cowardice—the refusal to honor solemn agreements—is a very repulsive thing.

The British, trusting the great Greek statesman, Eleutherios Venizelos, shaped their Near Eastern policy at the Peace Conference in a way which took into the British plan a Greater Greece as an ally of the British Empire. Mr. Lloyd George could trust a Venizelist Greece to act

honorably and to abide faithfully by her agreements. He had in mind the unsurpassed example of the loyalty of Mr. Venizelos, whose entire political career has been guided by a policy based on the higher conception of political morality.

Great Britain helped Mr. Venizelos to create a Greater Greece which should be an ally of Great Britain in the Near East. What guarantees can Lloyd George have that the same Constantine, who betrayed Serbia in her direst need and scrapped the treaty which compelled him to go to her assistance, will not likewise betray Great Britain in her hour of need? Who can trust a monarch who not only opposed the will of the Greek people to remain faithful to their obligation to Serbia, but even went so far as to assure Bulgaria and Germany that in case of an attack upon Serbia, he, Constantine, would not permit Greece to attack Bulgaria and thus fulfill the treaty obligations toward the Serbian people?

Obstacles to Recognition

But there are also other reasons for which France and Great Britain cannot recognize Constantine. These reasons are of a legal nature. Constantine and his Government refuse to recognize the legality of the reign of the late King Alexander. The Allies recognized Alexander as a rightful King of the Hellenes; they also recognized the revolutionary Government of Mr. Venizelos at Saloniki, to which they advanced funds for carrying on the war against the Central Powers. Constantine, in refusing either to honor the obligations of the Saloniki Government or to recognize Alexander as King of Greece, clearly indicates his purpose to induce Greece to waive her obligation to pay the Allies and the United States the moneys lent to Mr. Venizelos and to the Government of King Alexander.

This last argument, namely, that so long as Constantine refuses to recognize the legality of his son's reign, Greece may legally waive her obligations to the United States, is the reason so far publicly advanced by our American Government for the non-recognition of Constantine.

But the Allies and the United States are compelled by another very serious reason not to recognize him. This reason is the fact that the present Greek Assembly is illegal. Constantine summoned a National Assembly to revise the Greek Constitution. According to this Constitution, the delegates have no right to form themselves into a Constituent Assembly. Thus, every act of the present Government can be declared null and void when a new Administration comes into power at Athens. The Allies and America, therefore, refuse to recognize Constantine, not only on the ground that he was an enemy to them during the war, not only because they cannot trust him, not only because he refuses to recognize the obligations of Greece incurred under the reign of King Alexander, but also because Constantine and his Government have violated the Greek Constitution and because every obligation now incurred by Greece may be declared not binding by another Greek Administration on Constitutional grounds.

Constantine's Pro-Germanism

We now come to a brief consideration of facts dealing with the contention of the Allies and of the anti-Royalist Greeks that Constantine was, and is, pro-German. The royalist Greeks maintain that Greece was not bound to go to the assistance of Serbia in 1915; that the Treaty of Defensive Alliance with the Serbs had lapsed because it did not foresee the event of an attack upon Serbia by States outside of the Balkans. The question of whether Greece was bound to assist Serbia in the event of an attack upon her by other than Balkan enemies has been long debated. The foremost international authorities declare that the treaty placed an obligation upon Greece to assist Serbia when in 1915 the Austrians, and

in 1916 the Bulgarians, invaded Serbian territory.

The pro-Germanism of Constantine can be shown even if the Greco-Serbian Treaty be said not to have required of Greece to assist Serbia against Austria and Bulgaria. Serbia was an ally of Greece in any case. There might well be a dispute as to whether Greece was obliged to attack the Austro-Bulgarians. There could be no argument to justify Constantine's greater respect to the Germans and Bulgarians than to the ally of Greece-Serbia. On Jan. 26, 1916, the Constantinist Minister of War issued an order to the Greek commander in Macedonia to retreat and permit the Bulgars and Germans to enter Greek territory unopposed. "These measures shall be kept strictly secret," wrote the Minister of War, Mr. Yanakitsas. In accordance with this secret order, the strongest fort in Macedonia, which held the Germans and Bulgars at bay, was surrendered to Germans on May 14, 1916, without resistance, and made the Allies' position in Macedonia very precarious.

That Constantine was in constant touch with the German Government during the war and that he betrayed the movements of the allied armies in Macedonia will be made manifest from the following secret radio telegrams exchanged between Athens and Berlin via Sofia and Constantinople. On Dec. 1, 1915, the Minister of Greece to Berlin, now Minister of War, Mr. Theotokis, informed Constantine that the Kaiser advanced him a loan of 40,000,000 marks. In another secret radio telegram of Mr. Theotokis from Berlin to Constantine, dated Dec. 16, 1915, Mr. Theotokis informed his royal master:

> Von Jagow made known to me that the exchange of views between the Imperial Government and the General Staff continues and that in all porbability General Falkenhayn will arrive tomorrow in Berlin, which will permit Von Jagow to continue with him the study of my demands.

In a radio telegram dated Jan. 8, 1916, Mr. Theotokis transmitted the following information to Constantine:

> Supplementing my telegram of Jan 4 (17), I have the honor to bring to the knowledge of Your Majesty that General Falkenhayn informs me that the action against the troops of the Entente may be taken on the following conditions: (1) Our troops guarding the frontiers shall retire on the whole frontier from Lake Prespa to a place where the boundary touches the Mesta, northeast of Cavalla. (2) All our other troops shall retire beyond the line of Ekaterini, as far as to the southern shore of Lake Prespa. (3) Greece shall bind herself not to admit or tolerate debarkations of the Entente either in the Gulf of Cavalla or in the Bay of Ekaterini and, if necessary, to prevent them by force. (4) His Majesty, the King of the Hellenes, shall take the engagement toward His Majesty, the Emperor of Germany, that no public officer, soldier or inhabitant will be employed on the part of the Royal Government in hostile acts against the German troops and their allies. (5) Greece shall consent to the use of the (Xanthi), Drama, Serres and (Doiran) railway by Germany and her allies.

Betrayal of the Allies

The Greek White Book contains hundreds of secret radio telegrams exchanged between Constantine and Berlin, from which the following things appear to be true:

First, Constantine was negotiating secretly with Germany, in spite of the fact that according to the Greek Constitution only the responsible Ministers have the right to negotiate with foreign powers; second, Constantine was receiving moneys from Germany; third, he was urgently inviting the Germans to attack the Allies at Saloniki, and fourth, he had accepted the terms of Falkenhayn which required that the Greek troops be withdrawn without the knowledge of the Allies from certain strategic points in Macedonia, in order to give the Germans a strategic advantage over the Allies.

Such was the attitude of Constantine during the most critical period of the allied struggle. By contrast, when in 1916 the Serbians, allies of Greece, asked Constantine's permission to escape before the onslaught of Bulgarians and Germans into Greek territory, Constantine informed the Serbians that he would oppose their passage through Greek territory by

force of arms. Again, when in 1916 the reorganized Serbian forces asked Constantine to be allowed to use the Greek railroad line Athens-Saloniki in order to avoid the German submarines, Constantine refused permission. To the Allies and Serbia, Constantine offered resistance; to the Germans and Bulgarians, he opened the Greek frontiers, surrendered the Greek stronghold, Fort Rupel, and even sent secret radio telegrams advising the Kaiser to launch an attack upon the Allies at Saloniki.

These facts are well known to the world. Only the Greek people have not been allowed to know them. In the face of such a downright pro-German policy, is it any wonder that neither France nor Great Britain nor the United States can honor Constantine with recognition? Can the traitor of yesterday be trusted to be a friend and an ally tomorrow?

The Allies have no quarrel with the Greek people. The Greeks fought gallantly on their side and refused to be bought off by the gold marks of Baron von Schenk, or by the intrigues of Constantine and his consort. The Allies are waiting for the awakening of the Greeks to oust Constantine from Greece. And the ousting is not far distant. Today, three-fourths of the Hellenic race desire to put an end to all royalty in Greece. Constantine has cost Greece altogether too much. And although the Greeks are united in the supreme effort to finish their job with the Turks, they will turn their attention to settling accounts with Constantine as soon as the Turkish danger is eliminated. For some time now, while the guns are roaring on the plains of Asia Minor, a gigantic movement has been silently on foot to overthrow royalty in Greece and to establish a republican form of government in its place. The Allies and the United States cannot disgrace themselves by strengthening the hands of Constantine. To recognize him would be to help him against the progressive forces of Hellenism. To help Greece against the Turks on the one hand, and to refuse recognition to Constantine on the other, is the only sound and honorable policy for the Allies and the United States.

THOSE WHO DIED IN BATTLE

THE great majority of the heroes of many nations who fell on the blood-stained fields of France will rest forever in the land where they fell. The British dead occupy vast and well-kept cemeteries under the sunny skies of France. Canada has planted maples around the graves of her soldiers. America has identified and classified her 50,000 dead; some thousands of these have been removed and brought home, but the majority lie under the plain white crosses which mark their last resting places. France, to satisfy longing hearts, has already transferred 800,000 of her own dead from the scarred battlefields, many of them to quiet villages or town cemeteries where the bereaved families reside. The French Government has paid all transportation costs in 30,000 cases. Only 20,000 bodies have been removed at the expense of the families. The others have been reinterred in army cemeteries. The work of identification and removal has been gigantic. The bodies are carried in special trains bearing the Tricolor tied with crêpe. Deep sympathy and respect are shown by the French population as the long files of wagons bearing the fallen pass through the busy towns and peaceful hamlets.

German soldiers to the number of 475,000 fell on the soil of France. These German graves are also being opened and the bodies taken to special God's Acres, where they are reinterred with all honors due to a fallen enemy. When requested, the bodies are shipped to Germany. So far there has been little success in obtaining reciprocal action in the case of the 25,000 French who died in German prison camps or in Russia. Berlin's explanation is that Germany's transportation facilities will not permit of this for another six months.

THE CALIPHATE OF ISLAM

By Clair Price

Emir Feisal, the British choice for King of Mesopotamia, disclaims any desire on the part of his father or himself to wrest the supreme power of the Moslem Church from the Turks—How this threatens to upset the whole British plan for Arabia

ARAB events have taken an exceedingly interesting turn in the tentative election of the Emir Feisal as King of Irak, or Mesopotamia, as it is known in the West. His election by the Provisional Council at Bagdad, subject to ratification by the National Assembly, which is yet to meet, indicates that the British authorities have committed themselves to the Arab program known as Sherifianism. And the British adoption of Sherifianism is a turn of events which is of the highest interest to all students of Arab and Moslem affairs.

Its repercussion on the rest of the Moslem world is strikingly illuminated by a conversation with the Emir which is reported to have been had aboard the P. and O. steamer Malwa during Feisal's return from London to Mecca last Winter. Moslem sources in London have just made the interview public, explaining that it was withheld as long as Feisal remained in Mecca and was released only upon his departure from Mecca for Basra on June 15 to present himself at Bagdad as a candidate for the throne of Irak. The manifesto from Mecca which the interview forecasts has, of course, not been forthcoming, but there is no reasonable cause to doubt the authenticity of the interview.

According to the announcement in London, Feisal was told by M. Kaderbhoy, an Indian Moslem leader, who was one of his fellow-passengers aboard the Malwa, that Indian Moslems had not been able to forget the fact that his father, King Hussein I. of the Hedjaz, had revolted against the Sultan-Caliph during the war. In reply to this, Kaderbhoy says, Feisal snapped away the cigarette he was smoking, remarked that his father was responsible to Allah for his actions, and walked away. Later Feisal returned and explained that his father's action had been directed not against the Sultan-Caliph, to whom he had always been faithful, but against the Committee of Union and Progress, who had drawn the Sultan-Caliph into the war on Germany's side. Kaderbhoy says that Feisal went on to say that, immediately upon his arrival at Mecca, he would cause a manifesto to be issued in his father's and his own name, declaring that they recognized the Turkish Sultan as the Caliph of Islam and that neither of them sought the Caliphate.

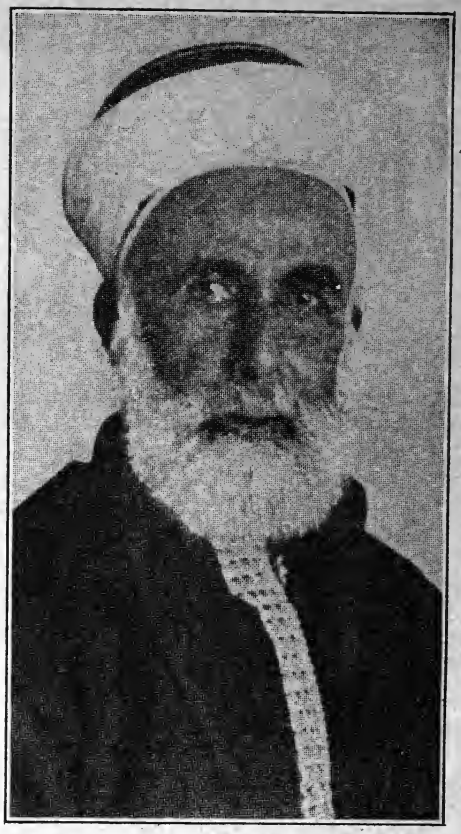
Moslems Boycotting Hussein

In view of the fact that Indian Moslems are the driving force of Islam and that Feisal's father is far and away the most prominent possibility in the field if one is to envisage a transfer of the Caliphate the interview is of the highest interest as illuminating Islam's attitude toward the Sherifian program. Further evidence of Islam's attitude is gleaned from the boycott which Moslems have adopted toward Hussein, a boycott which has gone to the quite un-

precedented length of stopping the pilgrimage to Mecca on the ground that Hussein's ability to guard the holy places is dependent on a British, and hence a non-Moslem, subsidy. In fact, Winston Churchill, British Colonial Secretary, said in his statement of June 14 to the House of Commons: "We are giving aid to the Sherif of Mecca (Hussein), whose finances have been grievously affected by the interruption of pilgrimage." In view of the fact that the pilgrimage to Mecca is one of the very foundation stones of Islam, the severity of Islam's attitude toward the family of the Sherif may be imagined.

France's attitude toward Feisal's coronation at Bagdad may also be imagined when it is remembered that General Gouraud drove the Emir out of Damascus last year. But the Colonial Office has not been dealing with an easy situation in the Arab country, and a very curious mix-up lies back of Churchill's announcement on June 14 that "if the people and Assembly ofIrak choose Feisal as their head he will receive the countenance and support of Great Britain." In that announcement the Colonial Office definitely adopted the Sherifian program, and its adoption may at least be welcomed as the first evidence of a clear policy in Arab affairs; for the war left the newly liberated Arab countries in such a mix-up as has rarely been equaled.

Before the war the Arab countries between Libya and the Persian Gulf were theoretically under Turkish sovereignty, but the Government of India had long been in treaty relations with a number of chiefs around the Persian Gulf, chief among them the powerful Emir of Nejd, Ibn Saud, whose territory extends from Bahrein Bay on the Gulf all the way across the great Arabian Peninsula to the now independent Kingdom of the Hedjaz. Ibn Saud's Wahabite sect of Moslems has represented Islam at its purest ever since early in the nineteenth century. On the Red Sea Coast of the Arabian Peninsula the



KING HUSSEIN OF THE HEDJAZ
Sherif of Mecca and Custodian of the Holy Cities, hitherto supposed to be a candidate for the Caliphate

Foreign Office, which has been supreme in Cairo ever since British troops broke Arabi Pasha at Tel-el-Kebir in 1888, maintained touch with the Grand Sherif of Mecca through the British Agency at Jedda, the port of Mecca; and the Grand Sherif possessed an important legal qualification for the Caliphate, should the possession of the Caliphate ever fall into question, in that he was a direct descendant of the prophet; at the same time he possessed an important disqualification in that he had no powerful standing which would enable him alone to guard the holy places.

There were then (and there are still, for that matter) two independent

military organizations within the British Empire, the War Office in London and the Commander in Chief, Indian Army, at Simla. Before the war they divided the Ottoman Empire for intelligence purposes, the War Office's sphere running north of a line drawn from Basra to Akaba, at the head of the Gulf of Akaba off the Red Sea, and Simla's sphere running south over the Arabian Peninsula proper. This arrangement had to be disregarded during the war, when Simla, at London's demand, launched its Mesopotamian campaign north from Basra. Simla later surrendered control of the Mesopotamian campaign to London, but the Government of India retained political control. At the same time the War Office was directing the Egyptian drive across the little Sinai Desert into Palestine, with the Foreign Office in political control.

(© International)

EMIR FEISAL

The Arab Prince whom the British are about to place on the throne of Mesopotamia.

Thus two independent British departments conducted political negotiations with the Arabs during the war, the Government of India through its chief political officer at Bagdad and the Foreign Office through the British Residency in Cairo. Each had a separate program for the Arabs, and under the stress of fighting it was impossible to attempt to harmonize the two until the war was over. The Government of India's program envisaged a new British Arabian Government with its seat at the ancient Arab capital of Bagdad, a program which was built on Ibn Saud, the powerful Emir of Nejd, who had long been in receipt of a Government of India subsidy. The Foreign Office proposed a far more inclusive British Arabia pivoting on Mecca, with provincial capitals at Bagdad and Damascus, where the Grand Sherif's two sons, the Emirs Abdullah and Feisal, respectively, were to rule. At that time it was, of course, the British expectation that the Turkish peace terms—which were afterward written into the Treaty of Sevres—would be imposed on the Turkish Sultan-Caliph, and, relying on a heavy Foreign Office subsidy, the Grand Sherif of Mecca was induced to proclaim his independence as King Hussein I. of the Hedjaz. At the same time the installation of Abdullah and Feisal on the thrones of Bagdad and Damascus was to strengthen his house, and the breaking of the Turkish Sultan-Caliph at the end of the war was to

find the powerful House of Hussein at Mecca in full official conformity with all the qualifications of the Caliphate. This use of the Grand Sherif of Mecca, a use which was first made by the Foreign Office during the war, is the program known as Sherifianism.

When the Turkish armistice was signed on the night of Oct. 31, 1918, there were probably few Arab leaders in Syria and Mesopotamia who did not favor the return of the Caliphate to Mecca. With Feisal commanding very strong support at Damascus, where he had been actually set up, Sherifianism seemed on the high road to success. But the French broke Feisal in Damascus, and far to the south in the Arabian Peninsula Ibn Saud, reopening his old war with the Hedjaz, would have captured Mecca had he not preferred to withhold his forces. (In London, where the Foreign Office and the India Office do not lie down together, this obscure war amid the sun-scorched rocks of the Arabian Peninsula was hailed as a great India Office victory.) Sherifianism now began losing its momentum and the conviction began gaining ground that the House of Hussein had no strength by which to stand except its Foreign Office subsidy.

Conflict of the Caliphate

Events in Turkey soon began weakening still further the Sherifian program. With the growth of the Turkish Nationalist Government at Angora, it became apparent that Islam would not accept the breaking of its Turkish Caliph. Far from being willing to transfer its Caliphate to the former Grand Sherif of Mecca, Islam now began a determined boycott of the former Sherif as a traitor, and, faced with the most serious crisis in its thirteen centuries of history, it has thrown itself into a desperate effort to maintain its Turkish Caliph in Constantinople.

The result is that the Arabs are compromised in the eyes of other Moslems, and Sherifianism became for a time a white elephant on Britain's hands. In the meantime, Arab restlessness under the curious interdepartmental mixup which the war brought about in their countries, increased to such a degree that the Arabs in Mesopotamia broke into a bitter revolt last year against Government of India rule. The Mesopotamia rebellion of 1920 confronted Great Britain with a war which would have focused British attention as the Boer War did, had not British attention wearied of wars. It was worthy of note in that traditional Arab military formations were abandoned for the first time, and British punitive columns marching to the relief of isolated garrisons found themselves confronted with six, eight and ten lines of barbed wire, and British attacks were followed with repeated counter-attacks. A month after the rebellion began, Bagdad had been isolated and was digging in; four garrisons had been invested between Bagdad and the sea; the Basra-Bagdad line had been cut in half a dozen places and the Bagdad-Kermanshah line into Persia had been severed. The result was an outburst from the war-sickened British taxpayer which caused Sir Percy Cox's hasty return to Bagdad to set up the promised Arab Government. On his arrival he organized the present Provisional Council and announced that elections would shortly be held for the National Assembly.

As soon as the rebellion had been put down the British Government took steps to straighten out its interdepartmental mixup in the Arab countries. Early this year both the Foreign Office and the Government of India were dispossessed, and the entire Arab region from Egypt to Persia, including Palestine and Mesopotamia, but excluding the French areas in Syria, was handed over to the new Middle East Department of the Colonial Office, with Winston Churchill as the new Colonial Secretary. Churchill's first move was to summon all his advisers in the Arab

country to a conference at Cairo, where two possibilities confronted him in the creation of a new British policy. One possibility was the adoption of the Foreign Office's Sherifian program, which has seemed to a number of outside observers to lack every essential of a durable regime. The other possibility was the adoption of the Government of India's protege, the Emir Ibn Saud of Nejd, as the first of a number of local Arab rulers—a line of procedure which would seem to conform more closely to reality.

From Cairo Churchill proceeded to Jerusalem, where the appearance of the Emir Abdullah afforded a clue to the choice which would ultimately be made. Abdullah was installed, with a Jewish adviser furnished by the Palestine Administration, as ruler of Trans-Jordania, where he stands astride the Hedjaz railway in order to contain the French within the Hauran until the Haifa-Akaba canal is begun and completed. Churchill's conference with Abdullah in Jerusalem, however, could hardly have been interpreted as more than a clue, for the Trans-Jordania situation is purely a local one and probably far from permanent. It was not until Churchill had returned to London and on June 14 made his momentous announcement of Near Eastern policy to the House of Commons that the Colonial Office's choice became generally known. In this announcement he declared that the Colonial Office had adopted the Sherifian program: That Feisal was to be backed for the throne of Irak, and that Ibn Saud was to be pacified with a subsidy of £60,000 a year, together with a lump sum of £20,000, which is the cost of a single battalion of infantry. "This subsidy," he continued, "will be paid monthly in arrear, contingent on the maintenance of peace and order externally. It must be understood that the granting of this subsidy gives the chief the power to establish that order on which control depends. We shall pay only in so far as good behavior is assured. If injury is done, a deduction will be made from the subsidy of the aggressor and will be handed over as compensation to the victim."

To many students of Arab and Moslem affairs it would seem that Islam's boycott of the former Sherif and its vigorous rally to the defense of its Turkish Caliph in Constantinople had killed Sherifianism. Whether the Colonial Office is able to revive it remains to be seen. Its attempt to do so must prove one of the most fascinating episodes in contemporary Islam.

OVER 50,000 GERMAN OFFICERS KILLED IN THE WAR

IN the Franco-Prussian War the entire German Army had only about 2,000 officers killed. In the World War, out of her total death roll of 1,808,545, Germany lost 52,006 of her best officers. These authoritative figures were published in a pamphlet by Lieut. Gen. von Altrock, "Concerning the Dead of the German Officers' Corps," which appeared in July, 1921. Nearly 25 per cent. of the active officers participating in the conflict are on the death list. Among the dead are 167 Generals, one Field Marshal, two "General Obersts," eight Commanding Generals, fifteen Lieutenant Generals, forty-nine Major Generals, 1,516 staff officers, 107 Colonels 145 Lieutenant Colonels, 740 Majors, 3,376 Captains, 1,199 First Lieutenants, 6,715 Lieutenants and 2,256 Ensigns. For every thirty-four German non-commissioned officers and privates killed, one army officer perished.

CREATING AN INDEPENDENT SYRIA

ADDRESS BY GENERAL GOURAUD

General Gouraud, commander of the French forces in Syria, delivered this important speech at Damascus on June 21, 1921, outlining the whole French scheme for that region of Asia Minor, a scheme which clashes in some respects with British Plans

GENTLEMEN: The first step taken by France for the establishment of harmony and national liberty in your midst was the creation of autonomous States with the object and result of satisfying particularist desires and providing a framework for the harmonious association of all. Experience has proved this to be the way to prevent differences—those differences which enrich the national life—from becoming antagonisms. Think of the example of Switzerland, where populations of differing religions and languages unite in brotherly co-operation to maintain a federation which rests on a common sentiment. For several centuries new cantons acceded freely, because the Federal form enabled them to join the association without abandoning their own character, and so enlarged the Swiss Confederation. Consider also the United States.

These considerations, and these examples by which they are justified, led me to create the autonomous States of Syria last year. * * * But I have never ceased to hold that these States ought to be linked together, and that they ought, thus associated, to constitute that independent Syria which France has always wished to create.

I will now examine the double problem which you and I have to solve. We must, on the one hand, complete and make more liberal the organization of the States, and, on the other, we must establish the Federal link. The organization of the States will not necessarily be the same everywhere; it may develop in a slightly different fashion at Damascus, at Aleppo and Latakia, according to the more or less rapid progress of the country. I do not mention Lebanon here among the Federated States, for special traditions will have to develop it separately in a less close and purely economic association with the Syrian Confederation until such time as it may decide to join on its own initiative.

In spite of the possible differences between the organization of the States it is nevertheless plain that they must, by a common regulation applicable to all, be provided with a representative body, the powers of which, as a basis, must be capable of enlargement.

Let us consider how this rule may be applied to the State of Damascus. You have been accustomed to a representative body, the General Council of the Vilayet, which can be reconstituted at once on a broader basis. In order thus to reconstitute it it is enough to take a census so that it may be possible to determine the number of electors of your future representative assembly. This Council will be called the Government Council and

must rest upon a franchise which, although at first it will be planned on the same basis, must be far wider than that which elected the former General Council of the Vilayet. The decree for the census is now being prepared in Damascus, and at the same time I am going to have a decree drafted fixing the qualifications for electing the Government Council and the powers which this Council will have at first. From the beginning it will be the Council's duty to express its views on the budget and the taxes and upon the laws and decrees which the Government contemplates; the Government will not be entitled to reach a decision in these matters without having heard the views of the Council.

All that I now want to do is to make a beginning and show you the path which is open to you. But in order to help your Government and myself to open it to you I am going to summon a certain number of your notables to meet here until the census is completed—that is to say, pending the elections—a nominated and provisional Government Council, which henceforth will have the same powers as the elected Councils will have later on, and which will help your Government to propose to me the reforms which cannot be delayed: for example, that of an administrative commission designed to help the Government. In the same way we shall have to revive and extend the Councils of Cazas and Sanjaks without delay, recalling that these organs of local liberty, modest as they appear to be, are the most perfect instrument for the control of the administration by the nation, and the best training school for the nation in self-government.

GENERAL GOURAUD
Commander-in-Chief of the French Forces in Syria.

Such must be the beginning of the internal liberties of your State; for, I repeat, nothing is in question here but a beginning; the future will depend upon yourselves and upon the Council of your representatives, whose activities will increase both by the enlargement of the number of questions on which it will have deliberative powers and by the widening of the franchise upon which it will be elected.

And now, how will the federation which I have just proclaimed to you find its expression and organization?

Even before I can have an organization arising from the representation of the people of the States I want to give this federation a provisional existence and provisional organs. I am going to invite the Governments of Damascus and Aleppo each to appoint five delegates, who will constitute the first Federal Council, summoned to sit alternately at Damascus and Aleppo, in order to maintain an equal balance between the South and the North. The President of the Federal Council will be elected by the Council for one year, and will be chosen alternately from among the representatives of Damascus and those of Aleppo. The Fed-

eral Council will itself choose and nominate the men from among whom it wishes to see appointed the Directors General of the necessary common services; one entrusted with the preparation of a common budget, that is to say, schemes for joint receipts and the application of these receipts, to be submitted to the Federal Council; and one for public works, who will have to say what works for the common benefit ought to be executed at the expense of the joint budget on the territory of each State, and to control their execution; and, finally, a Directory General of Wakfs.

I would emphasize the fact that the joint budget will not draw upon any of the resources over which the autonomous States at present have control. * * * Only experience can determine the number of joint Directors General when the Federal Council consists of members appointed by Government Councils, themselves the outcome of the elections which will take place directly after the census.

I venture to hope that what I have said will make you feel that the mandatory power is frankly setting you on the path toward complete self-government for the country. If you consider the words in which I have just explained my intentions to you you will see that it is indeed the path of liberty which is opened to you, and my intentions will immediately be stated in constitutional declarations which may later be modified, as regards the organization of the federation, by the advice and then by the decisions of the Federal representative body springing from the Councils of State; that is to say, in the second degree, from your votes.

History is rich in examples of the part played by France as the missionary of liberty; and, speaking only of the East and of Syria, where can geographical or historical reasons be found to cause France to wish for anything in these parts except that moral ascendency and economic co-operation which act only with the consent of those who benefit by them? For centuries France has never sought direct military or political responsibilities in the East; with the consent of the inhabitants she assured for herself activities in this area deep-rooted enough to give her complete satisfaction in exercising her great traditional influence within the Ottoman Empire, the maintenance and improvement of which she desired as long as that was possible, for the benefit of the people which it embraced. The mad policy which dragged the Ottoman Empire into the war did not, moreover, affect our wish to resume our old friendly relations with Turkey in any way. This is proved by the generous convention which France agreed to in London last March, immediately after the brilliant success in the capture of Aintab. It is true that the Angora extremists refused to ratify this convention, and if they persist we are ready, as before, to resume the struggle and bring it to a victorious conclusion; but we may hope that the advice of enlightened patriots will finally carry it.

France, obliged by Turkey, who was led astray by Germany, to intervene in Syria, has accepted the task of helping the young independent nation which has to evolve here and guiding it by her advice. She will not fail. I believe that no further hindrances will arise, and that Damascus will not suffer further from the fomenters of the troubles which formerly compromised her future and delayed the liberal intentions of France for a year. The time seems to have come to efface the memory of those evil days, the recurrence of which your wisdom and our vigilance will prevent. It has been resolved that a general amnesty shall be granted to those whom the Damascus Council of War condemned in August, 1920, with the exception of those guilty of crimes under the common law.

(Translated from L'Europe, Nouvelle, July 16, 1921.)

WHY WE DID NOT DECLARE WAR ON TURKEY

By Frank Jewett

An interesting bit of diplomatic history, never before published, centring about Mr. Henry Morgenthau's secret mission to Constantinople for the purpose of getting Turkey to sign a separate peace with the Allies—Why he went no farther than Gibraltar

THERE have been some expressions of surprise and some of regret that the United States did not declare war on Turkey at the time she declared war on Germany. It has been said that this and that particular interest was at work to prevent the declaration. The failure to declare war was doubtless due to many reasons. Among them was the military reason urged by the French and British military leaders, that it would be unwise to divert any part of the American troops from the main attack in Europe; there might have been military disadvantages in being at war with a country which was not to be included in the zone of American operations.

Another reason was that the Germans were extremely anxious to have the United States declare war on Turkey, because the adherence of Turkey to the Central Powers was not whole-souled, and they feared that Turkey might be persuaded by America to withdraw from the war. They felt that their hold on Turkey would be stronger if the United States were to declare war. Of course, it was natural for the United States to do the opposite of what Germany wished. Doubtless, too, the Administration was influenced by the advice of those who argued that the United States had gone into the war because of specific provocations, and that it was the policy of the country to declare war only on provocation unless a distinct military benefit could be anticipated.

Some have given as one of the reasons for the failure to declare war on Turkey the personal influence of those interested in philanthropies in Turkey. If personal influences of any sort are to be considered, it is safe to say that the influence of Former Turkish Ambassador Henry Morgenthau counted the most. He was aware of the German feeling mentioned above, and the purpose back of Mr. Morgenthau's position was the belief that he could bring about a separate peace with Turkey and thus the victory over Germany would be hastened more by this means than by a declaration of war.

The story of Mr. Morgenthau's part in an attempt at separate peace negotiations with Turkey constitutes one of the most interesting bits of recent diplomatic history. It is said that the project of a separate peace with Turkey was broached by Mr. Morgenthau to Mr. Balfour at a reception in New York while the latter was visiting this country as a special ambassador. This was in April, 1917. Mr. Balfour fell in heartily with the project and made an appointment to discuss the matter more at length the next morning. During this discussion Mr. Morgenthau used the fact of his intimate relations with Enver Pasha, Talaat Pasha and the

other leaders of the Ottoman administration. He had evidences of their confidence in him, and Mr. Balfour became quite enthusiastic. The plan, as Mr. Morgenthau had worked it out, was for him to go to Egypt and thence up to the advanced British lines in Palestine. Enver Pasha was to come to Palestine on the Turkish side, and the two were to meet between the opposing lines for a frank discussion of the situation. Mr. Morgenthau was to dangle the prospect of generous loans to Turkey in case it broke away from the alliance with Germany, and was to urge the cogent reasons why it would be better for Turkey to abandon the war under the terms that Mr. Morgenthau would be able to offer. The latter counted also upon his own personal influence.

Mr. Balfour cabled the plan to the British Foreign Office, where it aroused consternation, as it was entirely at variance with the British plans for the overthrow of the Ottoman Empire, the acquisition of Mesopotamia and the liberation of Palestine. Nevertheless, Mr. Balfour was plenipotentiary, and the British Foreign Office was not able to veto the plan.

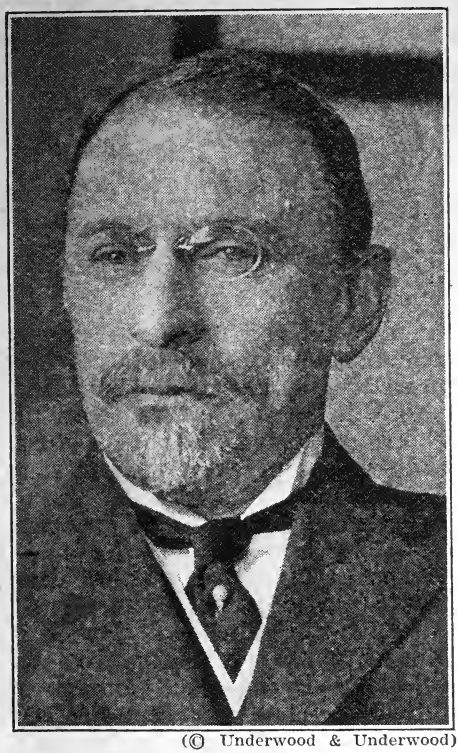
Of course, negotiations with the Turks at Constantinople were necessary, and it is said that Mr. Elkus, who was then American Ambassador at the Turkish capital, interviewed Djavid Bey, and that before he left Constantinople at the end of May, 1917, he had succeeded in arranging the matter so far as the Turkish part was concerned. It will be remembered that Mr. Elkus was taken ill with typhus fever after the United States entered the war and that he remained in Constantinople for some time after diplomatic relations were broken with Turkey. The Turkish Government did its best to prevent the rupture of diplomatic relations with the United States, but the Germans became alarmed over the great hold that Mr. Elkus was obtaining and insisted that relations be broken.

The arrangements were then completed in America to have the attempt on Mr. Morgenthau's part carried out. The Turkish Secretary of the Embassy at Constantinople, who, by the way, was an American, came out with Mr. Elkus, and was to meet Mr. Morgenthau at Gibraltar and was to accompany him into Egypt, to act as interpreter to the negotiations with Enver Pasha. Gossip has it that Haim Effendi, the Grand Rabbi at Constantinople, was also scheduled to play a part in the negotiations, coming to America and accompanying Mr. Morgenthau to Egypt and then to the British front lines in Palestine. It may be that his name has been connected with the plan only because he was on intimate terms both with the Young Turks and also with Mr. Morgenthau, and because he attempted to come to America in the Spring of 1917. In any case, he got as far only as Holland, where the British prevented his proceeding further.

Mr. Morgenthau set out from New York via Gibraltar with his son-in-law, Mr. Wertheimer, and Major Felix Frankfurter, in July, 1917. It was reported in the press that they were on a mission to distribute alms to the Jews in Egypt.

Meanwhile the news had begun to leak out at London, and naturally came to the ears of Professor Weitzmann, the leader of the Zionist movement, who has recently been to the United States to stir up interest in Zionism. He realized at once that a separate peace with Turkey would put an end to the Zionist hopes for Palestine. He was able to exert a powerful influence in the British Foreign Office, but was told that inasmuch as Mr. Balfour had agreed to the Morgenthau plan, they could not interfere with it. They suggested that he intercept Mr. Morgenthau at Gibraltar and persuade him to abandon the plan. There are those who say that his credentials gave him a semi-official position and that he was able to indicate the attitude of the British Foreign Office toward the plan.

Mr. Weitzmann was fitted out with the necessary papers to speed him through France and Spain, and had to make the trip from Cherbourg to Gibraltar in automobiles. At Gibraltar



(© Underwood & Underwood)
HENRY A. MORGENTHAU
Former United States Ambassador to Turkey

he found the Constantinople Embassy interpreter also awaiting Mr. Morgenthau, but the interpreter was not there to stop Mr. Morgenthau. The interpreter expected to embark on the same steamer and go on to Egypt with the commission.

At Gibraltar was waiting also Mr. Weil, who represented the French Government and had been sent to arrange the details of Mr. Morgenthau's plan from the French point of view. Naturally, if Mr. Morgenthau should discuss terms with Enver Pasha, he would want to know what the French were demanding or willing to concede. Mr. Weil was a Hebrew who had been director of the Government tobacco monopoly at Constantinople. It has been figured out that Mr. Morgenthau, Mr. Weitzmann and Mr. Weil, all Jews, representing the United States, Great Britain and France, respectively, must have used the German language in their conferences at Gibraltar, because it was the only language that they had in common, Mr. Weil not knowing English and Mr. Morgenthau not being familiar with French.

Just what arguments Mr. Weitzmann used in his talks with Mr. Morgenthau upon the arrival of the latter at Gibraltar, it is not easy to conjecture; because Mr. Morgenthau was not at all favorably disposed toward Zionism, and the possibility of his plan's interfering with the formation of a Jewish State in Palestine would not impress him greatly. It is said that Mr. Weitzmann first obtained the aid of Major Frankfurter, who is an ardent Zionist, and that then the two of them succeeded in dissuading Mr. Morgenthau from continuing with his project. In any case, the result was that the entire party went to Paris to talk the matter over with various and sundry persons of importance, and finally the project was postponed. America, however, had been kept from declaring war upon Turkey, and as time went on the need for declaring war appeared to grow less and less.

If those who regret that the United States did not declare war upon Turkey wish a reason for the failure, Mr. Morgenthau's plan for a separate peace furnishes a sufficient one.

DEMOCRATIC CZAR AND PEASANT PREMIER

By Constantine Stephanove*
Professor in the University of Sofia

How Stambolisky, leader of the powerful agrarian party in Bulgaria, accepted the kingship of young Prince Boris—His methods in crushing communism and putting everybody to work—Some of the mistakes the new Government has made

IN many European countries, particularly in those of the Central Powers, the internal condition of things since the Autumn of 1918 has been, and continues to be, revolutionary and warlike. Germany, Austria, Hungary, Turkey—of the Entente ex-enemies—and Jugoslavia, Poland, Greece, Rumania, and the new Baltic States—of the allied nations—still find themselves in a state of intense political and, in some cases, military turmoil. Rumania's invasion of Hungary and Poland's war on Soviet Russia are still comparatively recent. Turkey and Greece, even now, are locked in deadly conflict in Asia Minor.

"Bulgaria is the only country in Central and Southeastern Europe which I have just gone through that is not at war with somebody," I was recently told by an English writer who had come to the East as correspondent of one of the big London papers. And yet the impression one gets from the outside world is that the country is being torn by internal dissensions, swept by all sorts of revolutions, harassed by armed Macedonian and Thracian bands. According to the foreign press, Sofia has been time and again attacked, sacked and destroyed by reactionary forces. The land has been declared to be now a Bolshevist Soviet, now an Agrarian Republic; reports have been spread that it had been invaded, dismembered and gobbled up by rapacious neighbors. King Boris is represented as dancing to the fiddle of all this variety of regimes. He has been repeatedly reported abroad as having become the "first citizen" of a new Balkan republic. And if Lloyd George betrayed his ignorance of the Teschen region, why should Georges Clemenceau know more about a particular State in the forlorn Balkan Peninsula? Hence his whisper to his Secretary, Mr. Tardieu, at the Paris Peace Conference: "Bulgaria—is she a republic or a monarchy?"

*Professor Stephanove was born in Macedonia, graduated from the American Collegiate Institute of Samokov, Bulgaria, and came over to America and worked his way through Yale University, receiving his Master's Degree about 1901. After pursuing graduate studies in Berlin and Paris he returned to Macedonia and was thrown into prison by the Turkish authorities on suspicion of being a spy. The British Government obtained his release. He visited the United States during the St. Louis Exposition, and on his return to Bulgaria accepted the chair of English Language and Literature in the University of Sofia, which he has filled with distinction ever since. In the Summer of 1915 Professor Stephanove was sent to London by the Bulgarian Government to try to get Great Britain to recognize Bulgaria's rights in Macedonia under her treaties of 1912 with Greece and Serbia, as a preliminary to Bulgaria's coming into the World War on the side of the Allies. He asked Sir Edward Grey to send at least two divisions of British troops into Macedonia as a guarantee against Turkish attack, but his request was refused, and Bulgaria eventually joined the Central Powers. In 1917 the Bulgarian Government sent him to Switzerland to get in touch with allied representatives and pave the way for peace, and later he was one of the delegates appointed to help negotiate the Bulgarian Peace Treaty, but France vetoed him on account of his previous activities in Switzerland. His fellow-countrymen regard him as one of the ablest men in Bulgaria and the best qualified to speak on Balkan affairs.—Editor.

"A monarchy, sir," was the answer, delivered only after hesitation.

The poor Bulgarian, after reading all these various versions of the state of things in his country, if he has any wits left, and if he has any Irish humor in him, feels like cabling abroad, as Mark Twain once did from Paris to his friends racked with anxiety at home: "The reports of my death have been greatly exaggerated."

The truth is that Bulgaria is still a monarchy, which form of government she has stubbornly clung to from time immemorial, especially ever since her new existence, commencing from 1878—a regime with which even Mr. Alexander Stambolisky, her present Premier, known as the most dangerous enemy of monarchies, has seen fit not to meddle. This change in the mind of the uncompromising leader of the Agrarian Party, which, prior to its coming into power, professed to be more republican than any other republican Government in existence, is the most remarkable phenomenon in the history of party politics in Bulgaria.

COMPULSORY RESEARCH WORK

University graduates in philology and history doing excavation work at the Church of St. George, Sofia, where valuable archaeological discoveries have been made.

When in September, 1918, Stambolisky, the "ex-convict" of the fatal Radoslavoff regime, had got the best of old Czar Ferdinand and had caused his speedy expulsion from the country, the youthful new King, son and successor to the throne of his ill-fated father, called the sturdy farmer Premier to his palace and bluntly asked him:

"Do the people want a republic? If they do, tell them that in that case I, too, am a republican, which right no man can deny me, for I am Bulgar born, Bulgar bred, and Bulgar christened."

The Premier, deeply impressed, but non-committal, closed the interview. He at once left the palace, however, and drove to the party's council, where a hot and stormy discussion ensued. Shortly afterward the same "chunky," broad-shouldered, stern and awe-inspiring spokesman of the people returned to the boy King, reported his action, and said:

"The people want no change of government with you in the palace."

Bulgaria's Young King

Czar Boris's tact, frankness, fearlessness and patriotism, manifested in those critical moments, acted magically not only upon the Agrarians, but upon all parties, even the Communistic wing of the Socialist faction. Already loved by the people as heir apparent, he now became their idol as their Czar, and his popularity has been increasing ever since. Today he is generally recognized as the most popular of the young monarchs on the Continent.

At the General Peasant Congress held in Sofia in February last, when some one questioned Premier Stambolisky about his republican principles and asked what had become of them, he quickly silenced the inter-

BOYS AND GIRLS OF THE GYMNASIA (BULGARIAN HIGH SCHOOLS) DOING COMPULSORY LABOR SERVICE BY CLEARING UP THE PREMISES IN FRONT OF A NEW SCHOOL ANNEX IN THE CITY OF SOFIA.

pelator by saying: "Gentlemen, you couldn't have a better republican government than that which the country enjoys today with Czar Boris at the head." In a similar manner Mr. Stambolisky has silenced all attacks in the National Assembly bearing on the question of the Agrarian Party's desertion of its republican standard.

Fortunately for the country, young Boris's democratic bent of mind, his nobility of character, his sincerity and plain dealing and his scrupulous adherence to the provisions of the Constitution have won him the favor not only of his people, but also of all discerning foreigners who have visited the country, and particularly those brought into close contact with him, such as the members of the diplomatic staffs, the various international committees sent for the regulation of the provisions of the Neuilly Treaty, the Reparation Committee, &c. Through them Czar Boris has been able to win the good will of their respective Governments. He has formed close personal ties with many influential foreign personages. And, what is no less important, he has gained the press and public opinion outside of Bulgaria also. Articles that have appeared in leading newspapers and magazines have described him in flattering terms. His popularity has been spreading, particularly in England, France, Italy, and even in the United States. It was only the other day that Governor Miller of New York sent to the amiable Bulgar ruler the four beautifully bound volumes of the "Birds and Flowers of New York State," a gift of the Brooklyn National Library, with the dedication signed by him: "To His Majesty, Boris III., King of the Bulgarians, with the good will of the People of the State of New York."

England's sympathy for the young Bulgarian Czar is largely due to her traditional respect for a democratic and truly constitutional ruler, such as she finds him to be. That was proved in May last when Serbia, Rumania and Greece, on the plausible pretext of applying the sanctions upon "unyielding," "disobedient" and "band-infested" Bulgaria, secretly decided to rush into Sofia and put an end once for all to the "brigand State." France was the

BULGARIAN LABOR SERVICE GANG, WITH THEIR INSTRUCTOR, WEARING THEIR NEW REGULATION SUMMER HATS.

first to sound the alarm and send forth her warning to Belgrade, the Jugoslav capital, whence the directions for the intended *fait accompli* had issued. Italy, the United States and Great Britain followed suit. The English Premier's prompt admonition to the conspiring Balkan States, to the effect that any such rash move on their part "would be highly disapproved by the great Entente Powers, and the transgressors would be held responsible for any fresh disturbance of the Balkan and European peace," acted like a cold douche upon the heated Balkan atmosphere.

Those were terrible times for the Bulgarians, who were daily expecting to see their land seized by their hostile neighbors. The moment for such an adventure was most propitious, and a Serbian statesman ejaculated: "Now or never! Such opportunities come to nations once in a thousand years." And the Bulgars remembered the words of Mr. Spalaikovitch, Serbian delegate at the framing of the Bucharest Treaty, 1919, who declared in the very faces of the Bulgarian representatives: "Remember, we will never be satisfied until we have stuck our dagger into the very heart of Sofia."

Need of Standing Army

Had such an event taken place, not so much Serbia, Greece and Rumania would have been to blame as the framers of the Bulgarian Peace Treaty. As has been often pointed out in European and American journals, owing to internal discontent, the Governments of these States, particularly of Greece and Serbia, would always snap at an opportunity to divert home opinion to some foreign subject, especially toward Bulgaria, a conflict and even a war with which country would always be popular.

Among the other peace clauses, that one providing for the abolition

of Bulgaria's standing army has been considered a blunder by all versed in Balkan matters. By this arrangement Bulgaria was rendered defenseless and exposed to both local and outside dangers, for it made her an easy prey to greedy neighbors, whose appetites at present have grown keener by virtue of their triple and quadruple territorial enlargement, as compared with Bulgaria. The country was thus weakened, and offered a great temptation to political and military adventures which in Southeastern Europe pass for patriotic exploits. Premier Stambolisky repeatedly entreated the Entente's Supreme Council to modify that clause of the treaty so as to allow Bulgaria to retain at least the military organization in vogue in peace time; this, he pleaded, was indispensable not only for her own protection at home and against eventual aggression from without, but indirectly to Balkan and European peace. The great powers, however, showed themselves for a long time deaf to his words.

Stambolisky Faces a Crisis

The first occasion when the Entente representatives saw the serious mistake of the measure was on Dec. 24, 1919, when the extreme Socialist or Communist Party, aided and abetted by Russian Soviet agents shipped into the country with the Russian refugees who were fleeing from Lenin's terror, almost caused the overthrow of the Government and the intoduction of a Bolshevist form of Government. It was known that money and even arms and ammunition had been supplied to the Communists by the Russian emissaries, and that night drills of Communist bands had been taking place in the suburbs of Sofia itself. A general strike of all labor organizations, including the postal clerks and railroad hands, was to herald the revolution which was to usher into the country a Soviet Government.

The situation was most critical. Premier Stambolisky was new in office; his Cabinet was composed of inexperienced village schoolmasters and peasant farmers, and he had only a shattered military force for defense; furthermore, a young and untried ruler was at the head of the State. The strike was boldly proclaimed with big and high sounding headlines printed on flaring red placards. December 24, 1919, will long be remembered by Sofians. People had no confidence in the new Govenment, whose real strength and effectiveness were still unknown. No grown-up person laid his head on his pillow on the eve of that day. The Government sent out an order that all citizens remain within doors under pain of being shot dead.

Early the next morning, when the phalanxes of the working masses commenced marching in the streets in long processions, with ugly determination in their faces, almost everybody concluded that the days of the Government were over and that Bolshevism was about to become supreme in the country. But scarcely two hours had elapsed after the first shout of "Long live the Commune!" was heard, when something miraculous happened. Stambolisky, the idol of the peasant folk, the intrepid leader of the Agrarian Party and the savior of the country after the army debacle at the Macedonian front a year before, now had to show his mettle once again. He appeared on the balcony of the Foreign Ministry, and in a clear and resolute voice asked, or rather ordered, the vast throng to disperse. His words were drowned by fierce cries from thousands of throats. At that moment there dashed from all sides groups of armed men, in village garb—it was Stambolisky's trusted military force —drafted from the various agrarian organizations and gotten into shape and readiness for just such an emergency. With the aid of the local police force and the small military garrison the Communists were surrounded. In a short time the ringleaders were arrested, the throngs

dispersed, and the streets cleared. By 10 o'clock in the morning the capital was again in safe hands, and Stambolisky was absolute master of the situation. So completely crushed was the Bolshevist attempt to overthrow the Government that most of the shops of the capital were opened in the afternoon.

What the result would have been had not the Premier been so provident and fearless is easy to imagine. It soon became patent that Lenin's agents in Rumania, Jugoslavia, Greece, Turkey and other places were planning for a general coup in the Balkans, which would open the way to the Red armies of Soviet Russia. The repeated bomb explosions by Bolshevist adepts in the capitals of the Balkan States were in harmony with this plan.

To all foreign diplomats it now became plain how urgent it was for defenseless Bulgaria to be provided with an adequate military force, if only for the protection of the Entente's highways in the centre of the Balkans from a sudden swoop of the Red army down the Danube or the Black Sea.

By this exploit Mr. Stambolisky won his spurs as a statesman. Since that date the Supreme Council has been very favorably disposed toward him. His cordial reception in England, France and Italy since that time is clear proof of that. Thanks to the implicit confidence the Governments of these three great nations have in the Bulgarian peasant Premier, Bulgaria's position has been enormously strengthened, not only abroad, but also at home. This has enhanced the prestige of the Agrarian Government, rendered the crown of King Boris more stable and freed the people from the fear of foreign invasion. When Stambolisky returned from his so-called "hundred day" tour abroad, he told the national representatives at the assembly the truth when he said:

> Gentlemen, I am glad to report to you that during my visit abroad I was able to win to Bulgaria the strongest men of England, France, Italy and other countries. We have broken the ring of calumnies, falsehood and intrigues with which our unhappy country has been for a long time blackened and stifled. Once more we have regained the confidence of the great democracies of the world. Our future is guaranteed. All we have to do now is to set to work, give ourselves to honest labor and production. In this lies the salvation of our land.

"Compulsory Labor"

If we wished to sum up in a single word the program of the Agrarian Government, which is an exceedingly complex affair, perhaps the most complex in the history of the country—no other Bulgarian National Assembly ever dealt with so many bills—that word is *work, work, work,* which in the language of the English Premier is, produce, produce, produce. The difference between the two Prime Ministers in this respect is that the British Chief is unable to impose his "key to relieve the present economic distress in England," while the Bulgarian leader, as soon as he took the reins of Government in his hands, set all State machinery in motion for the promulgation of his long-conceived measures for making his people resume work, in order to enlarge the labor capacity of the country and increase production. With this main idea in view Premier Stambolisky worked out his now world-famous system of compulsory labor service.

When his project was made public, it was received with jeers and scathing criticism by all the parties of the opposition, on the ground that it violated the Constitution and was against the traditional spirit of the Bulgarian people. Bulgaria's neighbors, too, raised a hue and cry on learning of it, and filed repeated protests against its application, arguing that the so-called compulsory labor service was but a disguise for the old compulsory military service. The International Commission stationed in Sofia was instructed to investigate and call the attention of the Bulgarian Government to the suspicions of the Serbians, Rumanians and Greeks.

Stambolisky, with his wonted imperturbability, informed the members of the committee and formally notified their respective Governments that his bill had no other but a cultural, useful and practical aim in view, and that its working and application could be watched easily and controlled by the Entente agents. On the contrary, he argued, the Entente powers should give Bulgaria the greatest encouragement for the realization of such a noble project, and to her efforts to increase general productivity in the land by inducing all of its citizens of both sexes to contribute their personal share to that end. The arguments of the peasant chief were so plausible that no serious opposition was encountered from abroad.

It was during those discussions that Professor Golder of Stanford University visited Sofia, where he remained for a week. At the meeting accorded him in the Foreign Ministry, Premier Stambolisky, questioned on the subject by the American professor, entered into a detailed description and analysis of the bill, speaking of it with enthusiasm. He said in part:

> This is the greatest bill ever devised by a Parliament. I am proud that small Bulgaria initiated it, and I am prouder that it originated with us, the Agrarians. It is the greatest measure we are adopting to raise the country from its terrible economic distress, financial bankruptcy and national demoralization. Work—that is the panacea for our frightfully upset state. We have been called to account by some of our Entente friends, and I suspect some opposition to its application in certain quarters at home; but I am resolved to see it through, for I am sure no good, honest and sensible man can be against such a humane and beneficial program. However, should the European Governments try to hinder us in its realization, then we shall turn to the United States, yes, to working America, for redress.

Labor System Effective

Happily, Premier Stambolisky had no occasion to appeal to America. His system has been in operation now for over six months, though the bill passed the National Assembly on June 5, 1920. The keen observer of its working, no matter how pessimistically inclined, cannot help being convinced of the great results thus far obtained, though this is but its virgin trial. The Government had made practically no preliminary preparations for its application. It had provided no trained staff of supervisors and teachers. There was a lack of the necessary implements, apparatus and machinery for its effective operation. There existed no real organization for the purpose. But, as one of the Ministers expressed it, "All we want now is to get started. We are fully aware of the fact that all the regular Labor Service recruits, to the number of 23,000 people, and all those of the temporary labor service—a grand total of 600,000 people—could not all be properly employed in this first trial."

This defect was most clearly seen during the School Labor Week, when all school boys and girls from 8 years up, and all the university students to the number of 6,000, were called out to perform their labor obligation. It was plain from the very beginning that it was a physical impossibility to utilize the efforts of over half a million youngsters in the short interval of one week without due preparation in advance. Still, taking the lowest average of their usefulness at 20 levs per day (the ordinary labor wage is 100 levs per day), that would yield some ten millions of levs earned per day, or some hundred millions of levs for the ten days' labor done for the State, the district or the commune, at the minimum.

The character of the work done varied with different localities. Within a week all the school buildings throughout the country were cleaned and whitewashed, the windows washed, the premises cleared, plots dug, trimmed and planted, school apparatus polished, books and pamphlets sewed or bound, and many other little offices performed. The grown-up pupils, besides, planted trees, did a good deal of digging and excavation work under the supervision of their classical teachers, and

various other kinds of heavier manual labor. The 6,000 university students, men and women, did almost the same kind of work, only more effectively, as their younger brothers and sisters of the lower grades. Extensive excavations were made by them with far better results. The girl students were sent to hospitals to help in mending, sewing, cleaning, &c.

Throughout the country, contrary to expectations, the labor week was welcomed with enthusiasm, songs and merrymaking. The young people took pride in going to work and returning home with tools, with shovels and brooms on their shoulders, and singing:

We're jolly, jolly *trudovaks*,
We gladly help our Land
With picks and hoes and father's axe,
And cheer to beat the band.

Whatever arguments or objections there might be brought out against the system, it was plain to everybody that, at the worst, it was a recreation week for all; many of the teachers and professors admitted that that was the first real holiday respite they had had for years. It was a forced rest for many overworked people, for scholar and master, apprentice, clerk or official.

The regular *trudovaks* are being called in their respective districts, and are employed in the repair of public buildings, schools, churches, &c., that were injured during recent wars. Parks, highways, village roads, public fountains are being repaired or newly made; weeding of vegetable gardens and of sown fields is done by large gangs, and other urgent work is being performed by the labor service recruits. Here and there some grumbling is heard, but in general the allotted task is being accomplished with good humor, jokes and songs. It is sufficient to say that within a short period the country roads, particularly the village communications, were repaired and the school houses put in order. The country folk are elated over the facilities rendered them. In many places the *trudovaks* have of their own accord prolonged the limit of service in order to complete the work on a public building or highway. The villagers would often remark, "It should have been done long ago."

This is the brightest feature of the internal situation in Bulgaria. The Bulgarian is proverbially industrious and thrifty. Work is his traditional heirloom. Work and thrift have been extolled by Bulgarian folksong and sung by Bulgarian poets from earliest days. One of the well known Bulgarian proverbs runs: "The reason why the wolf's neck is strong is because he does the job himself."

The Cabinet's Mistakes

Outside of this useful measure, however, the Agrarian party has done very little to be proud of. The mistakes and blunders the present cabinet has made are many, and are mainly due to lack of trained and efficient men. Its greatest mistake lies in the fact that it tries to do all things by men from its own organization or party—that is, mainly by untrained peasants. Because of this shortsightedness and narrowmindedness, the financial and economic problems of the country have been badly bungled and mismanaged. Legislation has done enormous injury both to local and foreign trade. Excessive taxation on capital and real estate, and indiscriminate persecution of the wealthy by favoring the rural class, have tended to drive capital out of the country and gold out of the market. Commerce has been hindered rather than facilitated by the new tariff laws. The evil results from narrow partisan enactments are everywhere in evidence.

In the course of a year the value of the lev has dwindled 100 per cent. and that in a land richly blessed by Providence with a highly fertile soil, rich mineral resources, vast forests—a land more ideally distributed among its inhabitants than any other in the

world. Its tobacco is famous all over the world, while its rose industry is unique upon the planet.

The Government itself has seen the evil working of some of its measures, and is already taking steps to remedy them. It is abolishing the consortium, which functioned very detrimentally to the country's interests. The Bulgarian people, properly led, can accomplish miracles. And the Premier is right when he says that Bulgaria's greatness lies in her peace achievements rather than in her military prowess. In cultural progress and achievement she can successfully compete with her older neighbors. Her Vasoff is the greatest poet in Southeastern Europe; her Morphova is the prima donna at the Prague Opera; her Raitcheff was a leading star at the Petrograd Theatre prior to the Bolshevist regime, her Michailoff is leading portrait painter in Berlin, her Nikoloff is the most popular sculptor in Rome. The high standard of education prevailing in Bulgaria is well known.

STATEMENT FROM THE RUMANIAN MINISTER

To the Editor of Current History:

In the July number of your magazine Theodore Vladimiroff takes issue with my article on "Rumania in the New Europe," published in CURRENT HISTORY for May. An analysis of Mr. Vladimiroff's assertions will, by divesting them of their emotional trappings, reduce them to the following statements of substantial and relevant fact:

1. That conditions in Rumania are not perfect.

2. That the effort of the Rumanian Government to transform the land system of the country in accordance with the spirit of modern democracy does not accomplish the desired results overnight.

3. That Rumania, while granting full political and civil rights to all native residents regardless of race and creed, reserves the right to regulate the naturalization of immigrants.

4. That the Rumanian press is allowed full freedom in criticising the Rumanian Government.

No impartial reader of Mr. Vladimiroff's letter will maintain that there is anything particularly and specifically discreditable to Rumania in these charges. Conditions in Rumania, exhausted and partly devastated by years of war and an interlude of an exceptionally ruthless foreign domination, fall short of an ideal standard; but in that respect, at least, Rumania does not stand alone. Only a hopelessly hopeful Utopian would expect that a system of landholding that has lived through many centuries can be changed overnight. The great initial step is taken, the execution of the law is in progress and the Rumanian land reform is an instance of peaceful evolution toward a fuller democracy that may serve as an example to other nations. After all, an "oligarchy" which yields up its established privilege for the sake of justice and national betterment is doing fairly well in this age of class bitter-endism. As to the regulation of the conditions under which citizenship will be granted to immigrants, Americans will be the last people in the world to question the right of any State to do so.

It is plain that the real grievance behind Mr. Vladimiroff's somewhat heated denunciations is not what Rumania is today, but what she did in 1913. In that year Rumania interceded in behalf of Serbia and Greece, then treacherously attacked by their ally Bulgaria, and decided the conflict in the former's favor. That by checking the hypertrophied ambition of Bulgaria, Rumania rendered a service to Europe has been brought home rather forcibly by Bulgaria's rôle in the World War.

Possibly Mr. Vladimiroff would be satisfied by a readjustment of Southeastern European frontiers that would protect the racial minorities of Transylvania by turning them over to Bulgaria. These minorities, however, might be less enthusiastic after consulting the Greeks and Serbs of Macedonia, who are acquainted with Bulgarian methods at close range.

ANTOINE BIBESCO,
Rumanian Minister.

Rumanian Legation, 1,607 Twenty-third Street, N. W., Washington, D. C., Aug. 8, 1921.

JAPAN'S HOSTILITY TO FOREIGNERS

By Cecil Battine

Drastic laws, sternly enforced, limit the liberties of aliens in Japan—California's restrictions mild by comparison—Chief points of difference between the two countries

This article is by a Major of the British Army and was originally written—at greater length—for the Fortnightly Review of London. The part here given is reproduced by special permission of the American publisher of the Fortnightly Review, Barr Ferree. Major Battine's summary of Japanese laws against foreigners—notably the fact that the authorities forbid immigration of laborers from China and Korea "because it degrades their own labor"—is of especial significance as bearing upon the California situation.—Editor Current History.

EARLY in the European War Japan had shown a disposition to profit by the troubles of the world. Although it cannot be alleged that her rulers failed in loyal co-operation within the terms of their commitment to the Allies, yet, in fact, the Japanese Army struck but one blow, and that was to seize the German port of Kiao-chau in Shantung for Japan. There was a considerable sympathy for Germany even when war flamed out, which increased through 1916 and the Spring of 1917, and which found expression in remarkably outspoken press campaigns, for the Japanese press, especially in wartime, is well under the control of the Cabinet. From 1915 onward Japanese diplomacy strove energetically to obtain preponderating authority in China, where revolution and civil war gave both excuse and occasion for intervention while other powers were preoccupied. The Peace Conference in Paris achieved very little in harmonizing Japanese aims with the policy of her allies in the Far East, and ever since military preparations have been pushed forward on a scale which it would be futile to ignore.

Twenty years ago the Japanese Army, in peace, numbered 150,000 of all ranks, including 8,500 officers. After the Manchurian War the establishment was raised to 250,000, and it has recently been augmented to 275,000 officers and men. The Japanese military code provides for seven years' service with the colors and the first echelon of the reserve, and ten years in the second line. Thus Japan will soon be able to call out one and a half million field troops fully trained, besides considerable trained reserves of older men, and several classes of untrained youths in case of a prolonged war. The complementary and auxiliary services of the army, which is reckoned at thirty-three field divisions in peace, are organized on a liberal scale and fitted with all the latest technical improvements. In proportion to its resources, no country in the world is so well prepared to wage war on land at short notice and with such formidable numbers. The Japanese Navy already includes ten capital ships in commission, ninety destroyers and forty submarines, besides other less important vessels. These ships are manned by 80,000 highly trained officers and sailors. In construction, or planned, in addition, are fifteen capital ships and sixty submarines.

Among the three or four questions which are pending between Japan and the United States are those of

the Island of Yap, the Japanese immigration in California, the evacuation of Shantung, and the open door in China. The interests of the United States differ in no essential particular from those of England, France and Belgium. Belgium is interested in the open door in China; France is interested in the question of the open door in China and in the protection of Indo-China; and Great Britain is interested in everything, not only on her own account, but through Canada, Australia and New Zealand.

The question of Yap is entirely a commercial one. It is merely a cable landing, and is of as much importance to the Dutch East Indies as it is to Great Britain. It is a desire to keep another country from controlling the commercial cable to the detriment of commercial interests. The same interest inspired Germany to lay her cables—to be independent of possible British commercial censorship. The United States is very much in earnest about the Yap question, and it is not so much strategic and military as it is commercial. The United States is opposed to the dismemberment of China, and interested in its division into spheres of influence. China cannot be dominated by Japan, because China will ultimately absorb the Japanese if they try. China is on the map to stay, and she will be backed by the United States in this endeavor.

Preparing for War

Japan is feverishly preparing for war. She is purchasing war material in nearly every country in the world. This may mean very much or very little. For instance, she may wish to have on hand what she needs before the proposition comes for disarmament. Or she may wish to make herself more worth while for England to renew the Treaty of Alliance. Or she may be preparing for eventualities to enable her to satisfy her ambitions in Asia through being strong enough not to be dictated to, should her interests require that her policy run counter to that of other countries. Under any circumstances Japan is justified in strengthening her military position without aiming at any particular country.

The question of the Japanese in California is really only a side issue. Australia, Canada and New Zealand are much more firm and drastic in their exclusion of Japanese than the State of California. Under the American form of government forty-eight States are federated into a union. Each State makes its own laws and these are sometimes in conflict with those of the Federal Government, in which case they are annulled by the Supreme Court. The various States do not always respect the treaty agreements of the United States in laws which they pass, but they ultimately have to do so. This is the penalty America pays for local self-government. To show how little there is in the Japanese contention about discrimination against foreigners, Baron Goto stated that "Japan is willing to put a further check on emigration to America and is willing to meet America more than half way should the gradual elimination of the Japanese population be desired." The trouble with the question is, America has accepted "the gentlemen's agreement" to restrict emigration and Japan has lived up to it, but, nevertheless, the Japanese population of California has increased from 30,000 to nearly 100,000 in the last few years through evasion of both the good intentions of the United States and of Japan. California is greatly alarmed and some solution must be arrived at.

Japanese irritation is, perhaps, exaggerated, as any one who is familiar with the restrictions imposed by the Japanese on all foreigners will readily see. This is important on account of the plea of "racial equality" which the Japanese threatened to make at the Peace Conference, and will continue to make in the League of Nations, much to the disturbance

of Australia, New Zealand, Canada, the Dutch East Indies, and French Indo-China, however much the Governments of Great Britain, France and Holland may appear to be indifferent to it. The following is a list of Japanese discriminations against all foreigners:

Laws Against Foreigners

Foreign labor immigration into Japan is forbidden by Imperial Ordinance No. 352, dated July 28, 1899; foreigners cannot own land in Japan as individuals; they cannot engage in agriculture in Japan; they cannot sell either fruits or vegetables in Japan if they raise them; they cannot engage in the fishing business in Japanese waters.

Foreign doctors of medicine cannot engage in the practice of their profession except in missionary hospitals (foreign doctors who were practicing medicine in Japan before this law was passed are excepted) unless they pass a medical examination in the Japanese language, both written and oral, before a board composed of Japanese doctors. (This does not apply to foreign dentists.) Quack doctors, dealers in charms, doctors of ancient Chinese medicine, are numerous in Japan. Foreigners cannot become owners of ships flying the Japanese national flag, and all executive interest they can attain is subordinated by law to Japanese control. Foreigners cannot become shareholders in Japanese national banks, the Bank of Japan, or the agricultural and industrial banks. The articles of some private companies exclude foreigners from membership. Foreigners cannot, as individuals, engage in mining; they cannot become members, shareholders or brokers of various Exchanges nor members of Japanese Chambers of Commerce; they cannot engage in the emigration business, either as individuals or as shareholders in emigration societies or companies; they cannot hold any public office and cannot become members of the Japanese bar.

Foreigners do not enjoy the franchise; foreign commercial juridical persons are recognized by law, but private non-commercial corporate bodies are not, except in virtue of a special treaty or convention. Foreign life insurance companies cannot write insurance in Japan unless a large per cent. of the money collected is left in the country. The laws of Japan also permit rebates being given by Japanese steamship companies on all goods imported or exported by Japanese merchants. This system is being practiced as a means to undersell foreign merchants.

The real issue, however, is much deeper. Japan aims at a Monroe Doctrine which shall exclude foreign powers from exercising any political control in the Far East. At the present minute she feels that the United States stands in her way, whereas America is merely standing for the open door and against the grab game which is going on in Europe and Africa, and which America feels should not be carried on in Asia. America would willingly join with Japan and the rest of the world in a doctrine of League of Nations in Asia, but not for the exclusive benefit of Japan in exploiting that region. Japan has overflowed into Formosa, Korea, Manchuria, the Hawaiian Islands, and California, under the pretext of finding room for her overcrowded population, which is increasing rapidly. On the other hand, if the Japanese used modern methods of cultivation of unproductive lands on hillsides and by irrigation, five-sixths of the land surface of the country could be cultivated, and she could support from three to four times her present population. For the cost of a couple of battleships she could reclaim land in the territory which she now absolutely controls for her surplus population.

Intense hostility to all foreigners is now evident everywhere in Japan, but it is being very carefully cultivated against Americans. This irrita-

tion has the effect of making the Japanese workmen and smaller merchants forget their own troubles, but may be carried too far by inflaming the Oriental mind beyond control, especially if some sharp crisis should occur in the relations of Japan and America. A severe economic crisis in Japan, which cannot be averted owing to overproduction and the general readjustment which is going on in the world, may produce so much unrest in the Japanese population that a war might easily be a diversion from local troubles. The policies of America are direct and open. America asks nothing but the right to trade on equal terms without having to suffer from the closing of legitimate markets by exploitation for the benefit of any one country. At bottom, Japan really resents the attitude of America, which is that of a policeman trying to maintain the *status quo*.

Degrading Japanese Labor

A peculiar part of Japan's claim for consideration of her subjects in California is that Japan herself forbids the immigration into her borders of Korean and Chinese laborers because it degrades her own labor. The Japanese claim that Korean and Chinese laborers lower the standard of living for the Japanese, but they are not willing to concede that Japanese labor does the same thing for American labor. As a matter of real fact, the serious issue between Japan and America is neither the immigration question in California nor the Yap cable question. The fundamental questions lie deeper. The United States, in her policy in the Adriatic, has appeared to stand in the way of the Italian grab game in Dalmatia, and Japan regards it that the United States is solely responsible for Japan's not being able to work her will in Asia since the armistice. As a matter of fact, America has been hauling chestnuts out of the fire for all the Allies as against any one particular ally, and is managing to interfere with the selfish interests of each ally in turn, thereby making herself very unpopular. As she is not herself, however, trying to grab anything, and is not looking for compensations, it may be that in time the Allies will recognize America's relative disinterestedness.

The Japanese have, of course, their side to the question. Without denying altogether the generous and magnanimous motives of American foreign policy, they assert and point to modern instances to confirm their contention that the American Government, like that of other democracies, is subject to pressure of public opinion, capable of being aroused by press propaganda, by incorrect appreciation of the facts, and by interested parties. Washington has been known to act in an extemely high-handed, not to say incorrect, manner under the pressure of electioneering exigency. The fact that America at this moment is the base and arsenal of the Sinn Fein party in Ireland is assuredly not overlooked in Japan. The Japanese claim as much right to a predominant position on the Asiatic shores of the North Pacific as the Americans claim on their side of that ocean. As a military power ruled by aristocracy, there is unquestionably latent distrust of the United States system of government, not unmingled with the feeling that the Japanese should gain something from their patriotic sacrifices, even though American citizens shrink from that view. No doubt the Japanese also greatly underrate both the military power, economic strength and patriotism of the rival nation. Unquestionably, too, the floods of oratory which proclaimed the "passing of the trident" from British to American hands, the organization of an American navy "second to none in the world," have given birth to an idea that, if a war is to be expected, it had better come soon, while America is relatively war weary and Japan fresh, and while American preparations are still inadequate to the task. Doubtless the exposed condition of American possessions within easy reach of Japan is a temptation

to bring about an early settlement of international differences.

Certainly there are moderating and even pacifist influences at work in Japan, and the former include the most capable and influential of her statesmen, but the strength of the militant party cannot be ignored, and events might play into its hands, as in Europe, 1914, if diplomacy were mishandled, or if unexpected events suddenly roused national jealousies and passion. Forewarned is forearmed in such cases.

WHAT BROKE RUSSIA TO PIECES

By John Spargo

Evidence showing that all the small States which have split off from Russia did so only because they were forced to it by Bolshevist misrule—Under the original and valid revolution they all expressed a desire for close federal union

It is a mistake to suppose, as so many writers upon this phase of the Russian revolution have done, that the propaganda of separatism among the various nationalities of Russia carried on through the Summer of 1917 by the Bolsheviki, and their propaganda of desertion and revolt among the soldiers, had no other motive than bringing the war to an end; that they were extreme pacifists and haters of war to whom any means of compelling Russia to abandon the war and to make peace seemed justifiable.

When it suited their purpose, the Bolsheviki were always ready to denounce as a libel the charge that they wanted anything of the kind. We must therefore regard both forms of propaganda as sabotage, having for its aim the destruction and overthrow of the Provisional Government, and as part of the same comprehensive policy which led the Bolsheviki to propagate sabotage in the factories and upon the railroads at the same time. Their aim was to cripple the democratic Revolutionary Government at every point, even though they were perfectly well aware that in so doing they were incurring the risk of destroying the machinery, political and economic, upon which they would have to rely when they seized the reins of government, as they all along intended to do.

Kerensky realized this, as he afterward told the present writer, and set himself to the task of defeating the *saboteurs*. The conferences of workers convened to consider the seriousness of the decline in production had this ultimate object in view. At the great national conference held in Moscow in August the position of the various nationalities in Russia and their relation to Great Russia under the new condition brought about by the revolution were also thoroughly discussed. At that important gathering it was made manifest that there was no considerable demand for separation from Russia in any of the border provinces from the Gulf of

Finland to the shores of the Caspian Sea.

The representatives of Esthonia, Latvia, Ukrainia, White Russia, Georgia and other Transcaucasian districts testified, with hardly an exception, that what they wanted was not separation from Russia, but a generous autonomy in a federative Russian Republic. The Provisional Government had provided for the spokesmen of the various nationalities a free and open platform for the exposition of their views. In the absence of any evidence of a boycott of the conference by influential political groups, surely the views expressed at the conference must be taken as authentic interpretations of the prevailing opinion. It is well worth while to take note of some of the declarations made at the conference.

Speaking for the Mussulman representatives, Toptchibashev, in an address of great eloquence and power, declared that the Mussulmans would give full and unqualified support to the Provisional Government, "although we are not yet everywhere recognized as full-fledged citizens." Answering the direct questions submitted by Kerensky to the non-Russian nationalities, he said that the Mussulmans were "at one time with revolutionary democracy," and that they stood for the revolutionary program of peace without annexations or contributions, on a basis of self-determination of nationalities, adding: "In the Constituent Assembly the Mussulmans will defend the principle of Federalism for the border lands. For the present the Mussulmans deem it necessary to inaugurate national and cultural home rule."

At the same conference, Tcheidze, the Georgian Socialist, read a declaration of principles pledging loyalty to the Provisional Government and to the Russian revolution. He was supported by Tchkhenkelli, another Georgian representative, who said: "The nations of Transcaucasia have never made a single move toward secession, nor do they contemplate any in the future." He supported, on behalf of the Georgians, the following program, submitted by Tcheidze:

On the national question, the Provisional Government must issue a declaration recognizing the full right to self-determination for all nationalities, to be confirmed by the people's Constituent Assembly. We must issue a decree granting equal rights to the non-Russian nationalities in the use of their own languages, and extend civil and political rights to schools, to the courts, and so on. We must form a council to deal with national problems, in which the representatives of all the nationalities of Russia will participate.

Sentiment in Baltic States

On behalf of the Letts, Zahlit said that the Lettish people were ready to make any necessary sacrifice to maintain liberty, "upholding the Provisional Government in all its democratic undertakings without any superflous discussion." He further declared: "Not only do the Letts not desire to secede from Russia, but they do not even care to have any border line between the two territories. The Letts strive to unite the territory inhabited by them, which they regard as an autonomous part of the whole." On behalf of the Esthonians, Piip declared that "it has always been the fondest dream of the Esthonians that Esthonia become autonomous, united to all Russia by federation. The fulfillment of this hope is what Esthonians expect from the Constituent Assembly."

The spokesman of the Lithuanians, Yarnushkevitch, endorsed the position taken by the representatives of the Georgians, the Mussulmans, the Letts and the Esthonians. In this he was acting in strict harmony with the well-established policies and programs of the principal Democratic and Socialist Parties of Lithuania, influenced by the strength of the revolutionary movement in Russia in 1905. There was, for example, a great national Lithuanian congress at Vilna, in November, 1905, which was

attended by more than 2,000 delegates. This congress, by an enormous majority, voted for Lithuanian autonomy within a federative Russian union. At about the same time, or shortly thereafter, the Democratic Party of Lithuania adopted a demand, not for separation from Russia, but for "large democratic autonomy" within the Russian Empire. The party, in order the better to renounce any suggestion of separatism, changed its name to the Party of Democratic Lithuanians. In 1905 the Lithuanian Social Democratic Party abandoned its demand for a Lithuanian Constitutent Assembly, and adopted in place of it a demand for an all-Russian Constituent Assembly. In 1907 it joined with the Russian Social Democratic Party. A very similar movement took place among the Lettish Democrats and Socialists. The former declared that for them to "separate themselves from Russia would be equivalent to suicide," while the latter denounced separatism as the reactionary tendency of the barons and the clericals. Finally, the Ukrainian Social Democrats specifically repudiated holding separatist aims, contending that culturally and economically the Ukraine was welded to Russia.

Such facts as the foregoing, which are entirely typical of a great mass of easily accessible evidence, afford the best possible answer to the suggestion that the pro-Russian speeches delivered at the Moscow conference of 1917 were part of an "inspired" propaganda. That could not be alleged of the acts of the Lithuanian and Lettish political parties already cited. Nor could it be reasonably alleged of the strong desire for unity with Great Russia expressed at the sessions of the Esthonian Council, which was convened in July, 1917, for the purpose of organizing the local Government of Esthonia upon the basis of full Esthonian autonomy, in accordance with the decision of the Provisional Government. There was an absolute absence of anything like separatism in that national representative body of Esthonians.

It may then be accepted as an incontestable fact that prior to the Bolshevist counter-revolution, despite the labored efforts of German and Austrian military agents and Bolshevist agitators, there was very little desire for separation from Russia in any of the border provinces. Throughout the period of the régime of the Provisional Government, representatives of all the nationalities were loyally working with the Provisional Government toward the ideal of a federal State.

In September, 1917, a conference of representatives of various nationalities in Russia was held at Kiev. That conference was presided over by Professor Grushevsky, one of the most radical of the Ukrainian Nationalists. It was attended by delegations of Esthonians, Letts, Lithuanians, Jews, Ukrainians, Cossacks, Georgians and Tartars. Its demand as ultimately formulated was:

> Russia must become a democratic Federal Republic. There must be formed a council of representatives of nationalities which is to co-operate with the Provisional Government. The Russian delegation to the future Conference of Peace should include representatives of such nationalities whose interests are immediately involved in questions to be decided by the conference. The Russian Army is to be reorganized in the form of national units. National legislatures are to be convoked in order to establish the mutual relations between the members of the Federation and the Federal organs.

Federation Under Soviets

Even after the Bolshevist coup d'état there was for some time no perceptible movement among the border peoples looking to separation from Russia. Two weeks after that event, in its declaration of Nov. 20, 1917, the Ukrainian Rada proclaimed that its purpose was to remain united with Russia. The declaration said:

> And we, the Ukrainian Central Rada, by your will, for the sake of creating order in our country, and for the sake of saving the whole of Russia, announce that henceforth

the Ukraine becomes the Ukrainian National Republic. Without separating from the Russian Republic, we take our stand firmly on our lands, that with our strength we may hold the whole of Russia and that the whole Russian Republic may become a federation of free and equal peoples. * * * Having authority and power in our native land, we will defend the rights won by the revolution, not only in our own lands, but in all Russia as well.

These quotations make it clear that the Ukrainians were not contemplating separation and complete independence from Russia when they set up their republic, but national autonomy within a federative Russian Republic. They were, in the first place, emancipating themselves from the rule of the Bolsheviki and establishing a sort of disinfected and quarantined area. In the second place, they were giving form and reality to the old ideal of cultural, political and administrative autonomy, creating a sovereign State to be a member of a Federal Union of States like our own.

Immediately after the elections to the Constituent Assembly were held, at the end of 1917, while the Bolsheviki were in control of the governmental machinery, a commission of elected members was created to formulate the fundamental constitutional laws to be submitted to the Constituent Assembly. Among the most active and influential members of the commission were Mr. Poska, who later became the Esthonian Minister for Foreign Affairs, and Professor Avaloff, who was subsequently Minister to France from Georgia. The commission agreed upon the following formula, which was presented to the first and only meeting of the Constituent Assembly, on Jan. 18, 1918: "The Russian State is hereby proclaimed to be a Russian democratic Federal Republic which unites in insoluble union peoples and territories which are to be sovereign within limits established by the Federal Constitution."

The manner in which the so-called Independent State of Transcaucasia was brought into existence and the attitude of the local population upon the question of separation merit our attention. At the Trebizond Conference, in March, 1918, Turkey—undoubtedly acting as Germany's vassal—demanded recognition of the Brest-Litovsk treaty and the establishment of Transcaucasia as an independent State. The people of Transcaucasia had no choice in the matter at all. There were no Russian bayonets to protect them against Turkey.

Two weeks before the Trebizond Conference the whole matter was thrashed out in the Seim, the Transcaucasian Parliament. Out of 112 delegates in this popular representative body, 106 voted for unity with Russia in a federative republic, and there was only one vote for the complete independence of Transcaucasia. The members of the Seim were divided into representatives of political parties and representatives of the three non-partisan nationalist groups. The representatives of all the political parties and groups voted unanimously for unity with Russia. The representatives of the three nationalist groups—Mussulmans, Armenians and Georgians—with the exception of one member of the Georgian group, voted unanimously for the same resolution. It is quite evident that separation was forced upon Transcaucasia. M. Jordania, one of the Georgian Deputies, explained that although the Georgians would prefer autonomy within a federated Russian republic to complete independence, they would prefer the latter to union with Turkey, either with autonomy or without it. "If we only had a choice left between secession and federation, we would be in favor of federation," he declared. On behalf of the Mussulmans, Khan Khoysky asserted that the question of separation and independence never existed for the people of Transcaucasia until the Bolsheviki, by their destruction of Russian democracy, made isolation inevitable. Another Moslem Deputy, M. Agaiev, declared: "There is no other

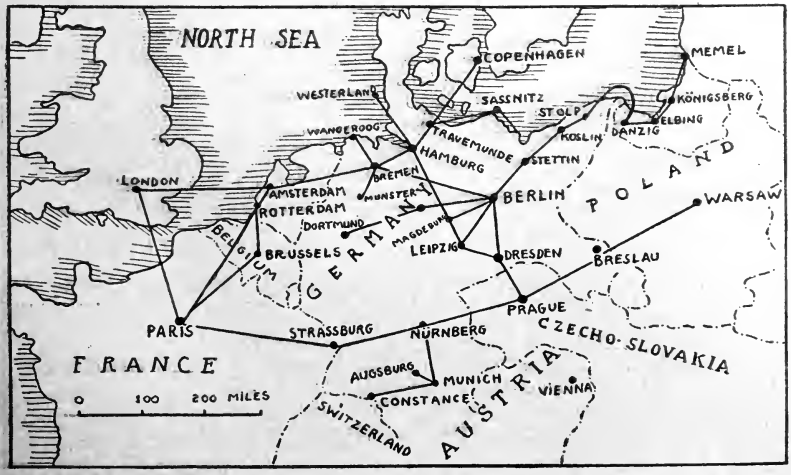
way for the restoration of a Russia of free peoples except federation."

The authentic representatives of the Russian nationalities made it perfectly plain that there was no great desire for separation from Russia, either in the years immediately preceding the war, during the war itself, or after the revolution of March, 1917. There was among the Letts, the Esthonians, the Lithuanians, the White Russians, the Georgians, the Rumanians, the Cossacks and the Tartars a pronounced desire for autonomy, and that desire was favored by the great majority of Russian Democrats and naturally became a fundamental principle of the policy of revolutionary Russia.

The conclusion is unavoidable. No political party or representative body that can be regarded as an authentic exponent of any one of the nationalities occupying the border provinces of Russia ever demanded separation from Russia until the cumulative evils of the Bolshevist régime drove them to it. On the other hand, every such party and representative body, without exception, demanded a great federative all-Russian republic, with complete autonomy for the component parts.

GERMANY'S STRIDES IN AVIATION

GERMANY, one of the foremost nations of the world today in respect to aerial development, has the honor of being the first to publish an aerial Bradshaw—a substantial pamphlet of nearly a hundred pages—filled with aerial time-tables as definite as those of any railway guide. There are fourteen pages of regular daily departures and arrivals at towns within Germany. It is impressive to see the rows of figures giving the schedules, when one realizes that these are for the trackless deserts of the air. The long-distance services, by arrangement with the various surrounding countries, extend to Amsterdam, Brussels, Paris and London, on the west; to Copenhagen on the north; to Prague and Warsaw, on the east, and to the lost German territories of Memel and Danzig on the northeast. Airplanes loaded with German newspapers leave Berlin every morning for these former dominions, which it is Germany's intention to keep constantly in touch with Deutschtum. Hydroplanes serve the same purpose for Schleswig. These planes are waiting at Hamburg for the train deliveries, and immediately after the mail is transferred they leave for the Island of Sylt, off the coast of Schleswig, the residents of which can thus read the opinions of their German compatriots at home on the issues of the day. Among the advertisements in the aerial Bradshaw is one in which the Hamburg-American Line offers to send passengers or goods to any town in Germany.

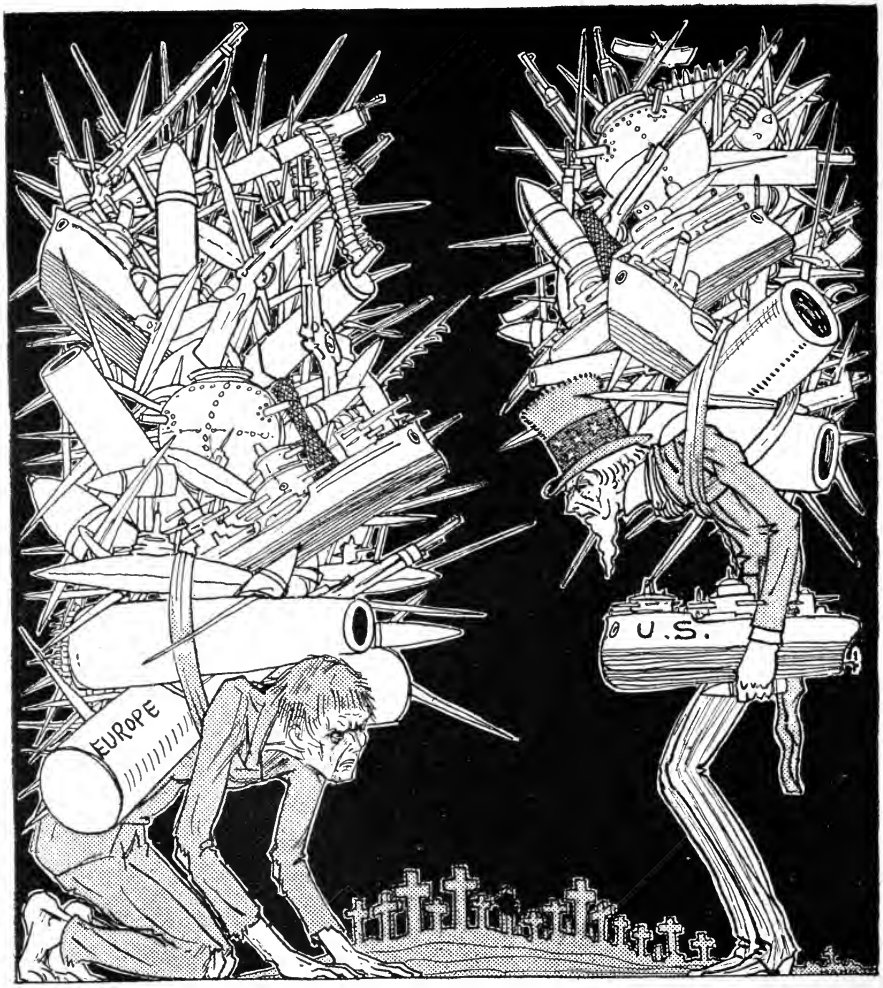


BLACK LINES CONNECTING VARIOUS CITIES SHOW WHERE THE GERMANS ARE RUNNING FREIGHT AND PASSENGER AIRPLANES WITH THE SAME REGULARITY AS RAILWAY TRAINS

INTERNATIONAL CARTOONS OF CURRENT EVENTS

[Dutch Cartoon]

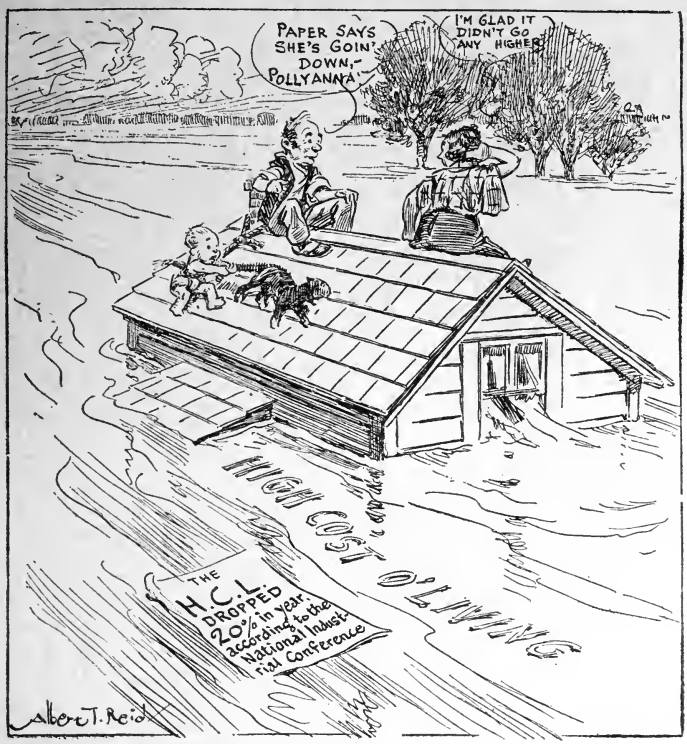
DISARMAMENT



—De Notenkraker, Amsterdam

UNCLE SAM: "Do you also find it a bit too heavy? Well, let us see if we can both unload some."

A thrill of hope was felt by a burdened world, when it was announced on July 10 that President Harding had sent out a call to Great Britain, France, Italy and Japan to join a conference on disarmament. The invitation elicited prompt and enthusiastic acceptances from the first three nations named, and a little later Japan also accepted, although with qualifications.



[American Cartoon]

FLOOD NEWS

—*New York Evening Mail*

The decline in the cost of living, which began in 1920, has thus far restored the American dollar to two-thirds of its pre-war value.

[American Cartoon]

What makes more noise than a pig under a gate?

—*St. Louis Post-Dispatch*

The public especially resents the tendency of retailers to go on profiteering after wholesale prices have declined somewhat.

[American Cartoon]

A RACE FOR HIS LIFE

—*New York Evening Mail*

Added to the other horrors in Russia under Soviet rule is that of famine, which is afflicting the sorely tried people to an extent unknown in modern times, except perhaps in China. Appalling stories are told of the population in nine or ten provinces leaving their homes in a panic-stricken exodus westward, driven by the terror of starvation and also by the fear of Divine vengeance upon the country for the sins and atheism of the present rulers. The famine has affected upward of 20,000,000 people. What is now happening in Central Russia is said to be a repetition on a gigantic scale of the flight of the French peasant population before the German invaders. The roads leading westward are crowded with miserable fugitives, whose wagons are piled high with household goods, children and the aged, drawn by skeleton horses and oxen with bones showing through their skins. Beneath a sky of steel gray the fields are parched and the wheat withered on its stalk. Since March no rain has fallen.

Maxim Gorky, the eminent Russian writer, has appealed for help to Secretary Hoover, United States Secretary of Commerce, who has promised aid from charitable organizations, but has made a condition that all American prisoners in Russia be first released. Offers of help are also pouring in from other sources.

[American Cartoon]

OVER THE BACK FENCE

—*Rochester Democrat and Chronicle*

The lethargy that afflicted most of the European nations following the war has largely disappeared and the "will to work" is more in evidence. But raw materials are necessary to set their industries going again, and the chief source from which these can be obtained is America.

[American Cartoon]

THE BANYAN TREE

—*San Francisco Chronicle*

The recent expansion of Japan has been remarkable. Korea is under her control, China under her influence, parts of Manchuria and Russia occupied by her troops, Yap under her mandate, and her "peaceful penetration" is noted in Hawaii and California.

[German Cartoon]

THE LEAGUE OF NATIONS

—*Kladderadatsch, Berlin*

AMERICA: "Pardon, my friends, you will crush the man to death."
FRANCE AND ENGLAND: "Just so. That's the idea."

[German Cartoon]

THE ENDLESS REPARATION TASK

—*Simplicissimus, Munich*

"I can't see the sun for Damocles' swords. Never mind, I shall be able to work all the better in the shadow."

[American Cartoon]

Tails That Wag the Dog

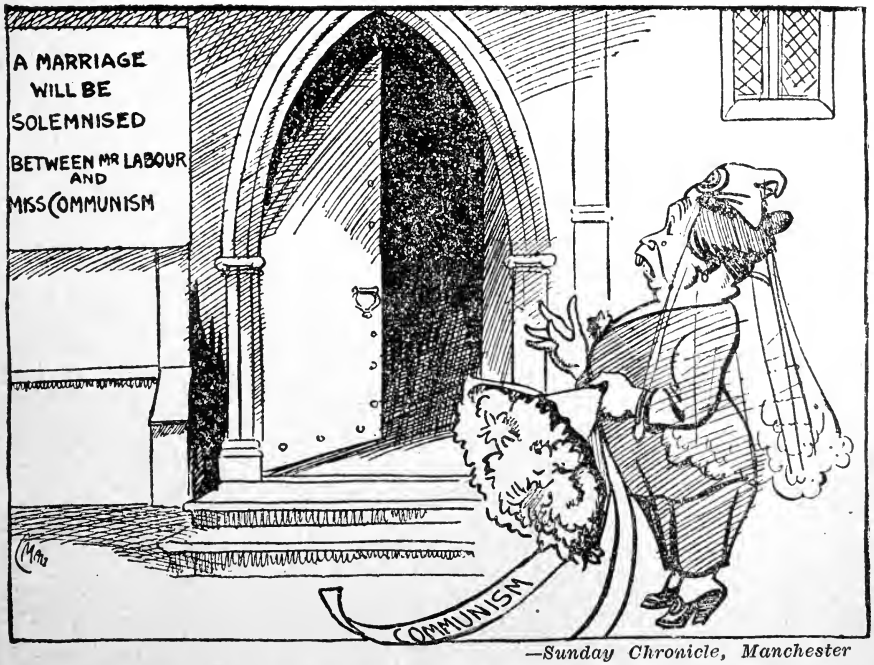
—St. Louis Star

The conference of Dominion Premiers in London has had a marked influence on the policies of the empire. This was evidenced by the postponement of the renewal of the Anglo - Japanese Treaty, and by the part played by Premier Smuts of South Africa in bringing about the conference between Lloyd George and de Valera.

[English Cartoon]

Left Waiting at the Church

[Apropos of the British Labor Party's refusal to endorse Bolshevism]



—Sunday Chronicle, Manchester

[English Cartoon]

German "Justice"

Suggestion for a new statue at Leipzig

—*Passing Show, London*

[American Cartoon]

Vite-voshed!

—© *Philadelphia Inquirer*

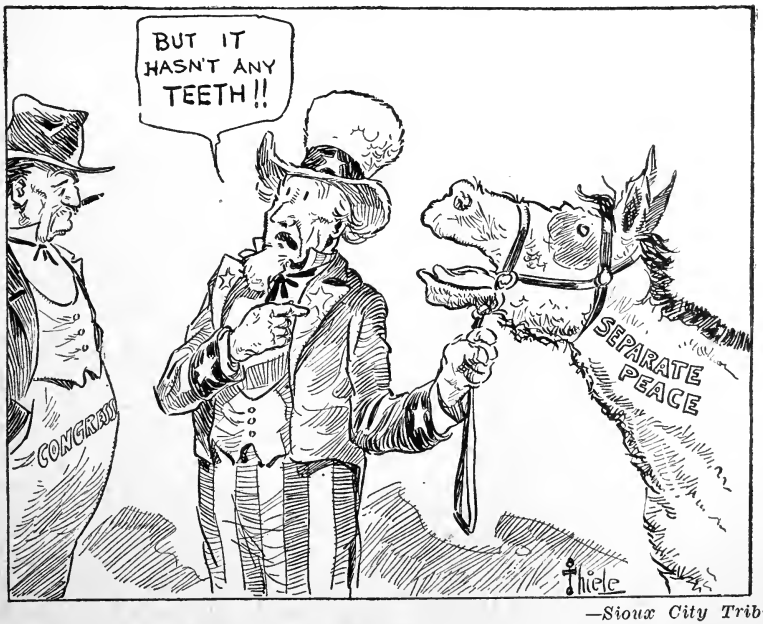
[Dutch Cartoon]

America Makes Peace With Germany

—*De Amsterdammer, Amsterdam*

GERMANIA: "What does peace cost me?"
UNCLE SAM: "Nothing."
CHORUS OF OTHER POWERS: "He's dotty!"

[American Cartoon]



—*Sioux City Tribune*

Uncle Sam looks his gift horse in the mouth.

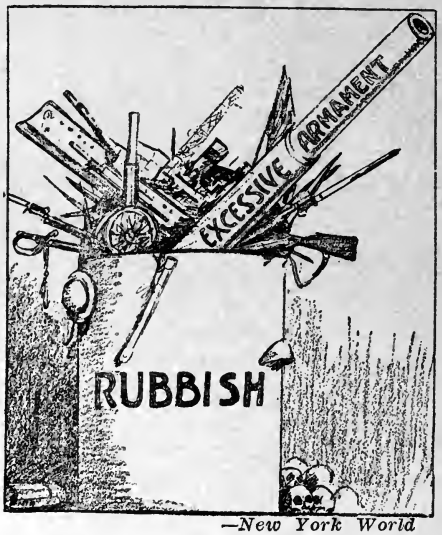
[American Cartoon]

The New Poet

—*Rochester Democrat and Chronicle*

[American Cartoon]

The Great Aspiration



—*New York World*

[English Cartoon]

Burying the Hatchet

—*Sunday Chronicle, Manchester*

[English Cartoon]

"THE HARP THAT ONCE—"

—*Passing Show, London*

JOHN BULL: "It's now or never, boys. Let's patch up the poor old Harp and have some harmony at last!"

[British Cartoon]

LOOKING ON THE BRIGHT SIDE

—*Western Mail, Cardiff*

ULSTERMAN: "Never mind, Pat; even if he goes, you can always have a schrap wid me."

[American Cartoon]

P-s-s-t, Man—Don't Move!

—*New Orleans Times-Picayune*

[American Cartoon]

Mixing the Colors

—*Rochester Democrat and Chronicle*

—*Sioux City Tribune*

[American Cartoon]

The President "roughing it" in the "solitude of the wilds"

[American Cartoon]

Two other powers interested in disarmament

—*New York Times*

[American Cartoon]

The Shipping Board's Record

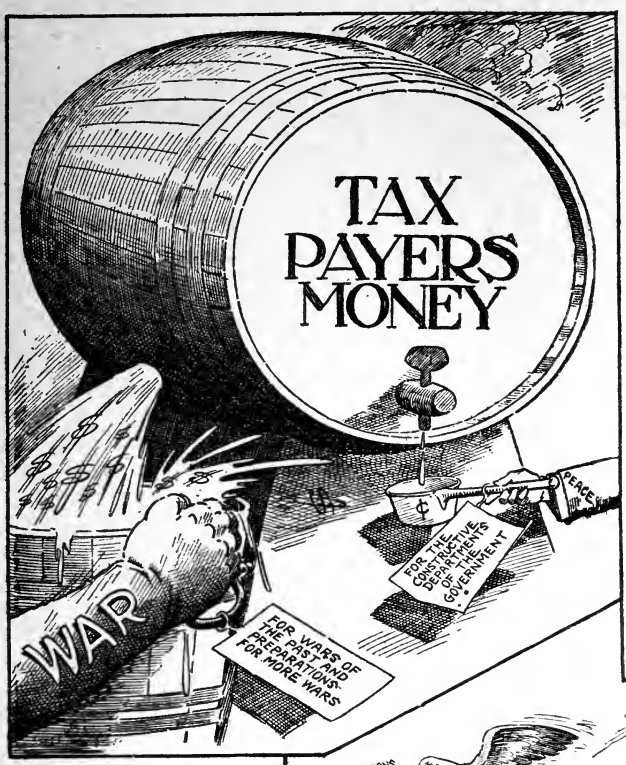
That's what comes of trying to make a sailor out of him by putting one of those imitation sailor suits on him.

—© *New York Tribune*

"Still Posing"

—Detroit News

One of several causes that are hindering the development of the American merchant marine is the legacy of extravagance and incompetence left by the old United States Shipping Board. Worthless wooden ships alone occasioned a loss of $380,000,000.



[American Cartoon]

Bunghole and Spigot

—Dayton News

The relative cost of peace and war is so disproportionate that the elimination of the latter would quickly reduce the tax burden under which the nation is staggering.

[American Cartoon]

Heavy Handicaps to Flying

—Dayton News

Some of these handicaps, it is hoped, will be eliminated as a result of the disarmament conference to be held at Washington in November, where some of the Far Eastern problems will be discussed.

THE COMMUNIST INTERNATIONAL: HOW IT STANDS

Refusal of the third Moscow conference to modify the "twenty-one articles" has emphasized the split in the labor movement of the world—Lenin stands with the extremists in demanding uncompromising tactics outside of Russia —Itemized survey of the present status of communism in all countries

DISHARMONY among the Socialist and Communist forces of the world for an indefinite period was assured when the third congress of the Third (Communist) International, held in Moscow, from June 23 to July 12, 1921, voted to stand by the famous Twenty-one Articles of Faith adopted by the second congress, held in the Russian capital a year ago. There was a four-day debate over the mooted points, and Nikolai Lenin, the Bolshevist Premier of Russia, was obliged to come to the aid of Leon Trotzky, G. Zinoviev and Karl Radek when they found themselves hard pressed by delegates supporting modification of the Communist program in the interest of international unity.

The Twenty-one Points, which were printed in full in the January number of CURRENT HISTORY, insist, among other things, upon the carrying on of illegal, as well as legal, propaganda for the overthrow of so-called capitalist Governments, the adoption of the name "Communist," and the expulsion of such "notorious opportunists" as Morris Hillquit, Karl Kautsky, Jean Longuet, Felipe Turati and Ramsay MacDonald from their respective Socialist Parties in the United States, Germany, France, Italy and England. The result of the promulgation of this program last year was the division of the Socialist armies in nearly every country where such organizations existed. France was the only large country where the partisans of the Moscow program succeeded in getting possession of the main party machinery and appeared to be in a majority.

The bitterness evoked by the internal party fights over the Communist program had reacted to the disadvantage of the prestige abroad of the Soviet Government of Russia, as its influence was held responsible for the adoption of such an extreme platform, and many moderate Socialists who had been enthusiastic in their defense of the Soviet régime became rather lukewarm when they saw that the Russian leaders of the Third International were not at all inclined to practice the toleration they demanded for themselves. Consequently, there was a good-sized minority among the 500 delegates to the third congress favoring the abatement of some of the more offensive points, in the hope of bringing into line the sympathizers with the general Communist program who could not swallow the Twenty-one Articles of Faith. But the Bolshevist steam roller was too powerful, and the minority was flattened out.

In explaining the apparent inconsistency of the Russian Communists, who were insisting upon absolutely uncompromising tactics by the other Communist and Socialist Parties of the world, while at home they, under the guidance of Lenin, were making all kinds of modifications of their program in order to remain in power, Trotzky, as quoted in the cable reports, remarked that it was permissible to make reforms in a country where the proletariat was already in power, but that it could not be allowed in countries where the Communists were still struggling for control. Lenin's support of the extreme program for foreign consumption was said to have been won by a promise on the part of Zinoviev, Trotzky, Radek, Bukharin et al. not to oppose his internal program of conciliation and concessions.

In addressing the Congress upon this matter of concessions Lenin said Soviet Russia was using the breathing spell ob-

tained by negotiations with foreign nations for the purpose of rebuilding her own industries, and that in the meantime the Communists must use this same breathing spell to prepare a revolution against all capitalistic countries. He added that he could not promise anybody any liberty or any democracy, because all the reactionaries were using those slogans. Lenin also declared war must be continued upon the Mensheviki and the Social Revolutionaries. His speech was loudly applauded, and a resolution was passed approving his position.

President Zinoviev's victory was made complete by being authorized by the Congress to inform the Italian Socialist Party that it could not be readmitted to the Third International until it expelled Signor Serrati and his comrades. The delegates of the Communist Labor Party of Germany heard their party condemned to unite at once with the regular United Communist Party of Germany and to drop its open warfare against all parliamentary activities. A program of world-wide propaganda, worked out by Karl Radek, was adopted by the Congress and made binding upon all affiliated parties, despite the objections of some delegates who, while agreeing with its general principles, thought these could not be applied to their own countries. Zinoviev was unanimously re-elected President of the Executive Committee.

Among the Americans present were William D. Haywood, the I. W. W. leader who left this country last Spring with a twenty-year sentence for violation of the Espionage act hanging over his head; Ella Reaves Bloor, a veteran Socialist agitator and Left Wing leader, and Jack Crosby, a marine worker and a member of the Executive Committee of the Third International. Haywood was made the object of a demonstration by the delegates. He was in Moscow to attend the first convention of the International Council of Trade Unions (the economic annex of the Third International), which began on July 3 with 200 delegates and lasted a fortnight. A congress of Communist Young People's Societies, with 150 delegates, was also held in Moscow in July. The Communist Women's International closed a five-day congress on June 18 by electing Clara Zetkin, the veteran German Communist member of the Reichstag, as President of the organization. The eighty-seven women delegates were said to have come from twenty-eight countries.

The extent to which the radical labor forces of the world have been divided by the World War and by the agitation of the Russian Communists is shown by the fact that there are now three so-called international political labor organizations, viz., the Third International, the Second International (the remnant of the pre-war Socialist International) and the International Working Group of Socialist Parties (the so-called Two-and-a-half International organized in Vienna last February); there are two contending revolutionary trade union internationals, viz., the Moscow body, with possibly 10,000,000 adherents, and the International Federation of Trade Unions, with headquarters in Amsterdam and an affiliated membership of about 27,000,000; and there are two Young People's Internationals, viz., the Communist organization and the Young Workers' International, organized in Amsterdam last May. Then there are many powerful labor bodies—such as the American Federation of Labor—which are not affiliated with any of the international groups.

The status of the political and economic labor organizations in most of the principal countries in relation to their international affiliations may be summed up as follows:

UNITED STATES—Both the Socialist Party of America and the American Federation of Labor, at their June conventions, rejected affiliation with any of the existing Internationals. The two underground Communist groups, obeying an order from the Executive Committee of the Third International, have united in the Communist Party of America, which, of course, accepts the twenty-one articles. At a meeting held in Toledo in June another Communist Party, composed of elements favoring open political agitation and rejecting the illegal part of the Moscow program, was organized. In July an organization called the American Labor Alliance was started in Brooklyn, presumably to act for the Communists in carrying on open propaganda. The small Socialist Labor Party holds aloof from all Internationals. The Industrial Workers of the World are in the Moscow Trade Union International.

MEXICO—While there is a great deal of

radical labor agitation in Mexico, with many of the members of the Chamber of Deputies calling themselves Socialists, the movement is greatly confused and the line of demarkation between legal and illegal agitators is hard to find. The regular Mexican Federation of Labor, headed by Luis Morones, is lined up with the American Federation of Labor in the Pan-American Federation of Labor, while a small group of extremists belongs to the I. W. W. There is a Labor Party, which generally supports President Obregon; a Socialist Party, headed by Salvador Alvarado, ex-Governor of Yucatan, and a Communist Party, but the international stand of none of these is clearly defined, although the Communists are vociferous in their applause of Moscow tactics and there has been considerable talk about Bolshevist money being spent in Mexico. On July 22 it was reported that the State of Yucatan had been selected by the Communist International as headquarters for propaganda in Latin America.

ARGENTINA—The Socialist Party has left the Second International and refused to affiliate with the Third, while the Communist Party accepts the Moscow program. The larger of the two wings of the labor union movement is affiliated with Amsterdam and the other is made up mostly of semi-anarchistic elements.

CHILE—The Socialist Party has decided to affiliate with Moscow. It won its first seat in the Chamber of Deputies in the March elections.

URUGUAY—The Socialist Party is affiliated with Moscow.

GREAT BRITAIN—The British Labor Party remains affiliated with the Second International, while its radical advance guard, the Independent Labor Party, has rejected both the Second and the Third and decided to adhere to the Vienna International. A tiny faction of the I. L. P. has split off and joined the British Communist Party, which accepts the Moscow program. When a motion to allow the Communist Party to affiliate with the Labor Party was made at the Labor Party's June convention, it was defeated by a vote of 4,115,000 to 224,000. The Scottish Trades Union congress held last April voted by a narrow margin for affiliation with the Moscow organization, but the British trade union organization, as a whole, has never seriously considered leaving the Amsterdam group.

CANADA—The main trade union body is affiliated with the Amsterdam International. The political groups are independent.

SOUTH AFRICA—The extreme elements of the political labor movement in the Union of South Africa have united in a Communist Party, which accepts the Twenty-one Points, while the moderate elements remain in the Labor Party. The Cape Federation of Labor Unions supports the Moscow program.

AUSTRALIA—There is a tiny group called the Communist Party, but the bulk of the workers are sticking to the Labor Party and the regular trade unions, although Moscow claims thousands of followers among the rank and file.

RUSSIA—The Communist Party (Bolsheviki) forms the backbone of the Third International, while the Social Revolutionary Party and the Social Democratic Labor Party (Mensheviki) belong to the Vienna International. The Russian trade unions, with some 6,000,000 members, head the International Council of Trade Unions. Similar party lines are drawn in the various Soviet republics under the rule of Moscow, such as the Ukraine, Azerbaijan, Georgia and Armenia.

FINLAND—Neither the Finnish Socialist Party, with 80 of the 200 Deputies in the Chamber, nor the Trade Union Federation is affiliated with any of the international organizations, but there is an illegal Communist Party adhering to Moscow.

LATVIA—The Latvian Social Democratic Party supports the Vienna International, while the Communist Party, which is being attacked by the Government, takes its orders from Moscow.

LITHUANIA—The Socialist Party is affiliated with Vienna.

POLAND—The Polish Socialist Party, embracing in its membership Joseph Pilsudski, President of the republic, is reported to have decided to leave the Second International and to apply for admission to the Vienna group. It has become so nationalistic as to lose many of its prominent officials to the Polish Communist Party, which adheres to Moscow. The bulk of the Polish trade unions support Amsterdam,

but there is a strong minority favoring Moscow.

SCANDINAVIA—When the March convention of the Left Wing Swedish Socialist Party voted, 173 to 34, to accept the Moscow program and change its name to Communist Party, the dissenters left the meeting and organized the Independent Swedish Socialist Party, to be affiliated with the Vienna organization. The regular Swedish Socialist Party, headed by Hjalmar Branting and constituting a power in the political life of the country, remains in the Second International. The Left Wing secessionists from the Swedish trade union movement have voted to join the International Council of Trade Unions. In Norway the majority of the old Labor Party has accepted the Moscow program, with the exception of the paragraph calling for a change of name, and has declared itself a section of the Third International. The minority group has organized itself into the Social Democratic Party, which embraces most of the Labor members of Parliament. The Danish Socialist Party, which has almost attained control of the Government, stays in the Second International, while a tiny Communist group and the diminutive Left Wing of the trade unions have decided to join the Third.

GERMANY — The Social Democratic Party (generally called the Majority Socialists), with 108 Deputies in the Reichstag and several members in the Cabinet, belongs to the Second International. The Independent Social Democratic Party, with 61 Deputies, adheres to the Vienna International, and the United Communist Party, which, following the split in the Independent Party last October had 24 Deputies, but which lost several of them as a result of the abortive revolt promoted by it last March, is affiliated with Moscow. The Communist Labor Party, a small group of anti-parliamentary extremists which was admitted to the Third International as a " sympathizing " member last Winter over the protest of the United Communist Party, has withdrawn from the Moscow body as the result of the decision by the third congress calling for its union with the United Communists. In announcing its defiance of the Moscow edict the Communist Labor Party denounced the Third International as a " reformist body." The General German Federation of Labor, with about 8,500,000 members, belongs to the Amsterdam International, while some comparatively small labor groups are lined up with Moscow, the Christian Labor Union International and the International Syndicalists.

SPAIN—Following its decision at its April convention, by a vote of 8,808 to 6,025, not to accept the Moscow program, the Spanish Socialist Party, with its six Deputies, has been unaffiliated with any of the Internationals. Many of the supporters of Moscow have joined in the Communist Party of Spain. The General Union of Workingmen is affiliated with Amsterdam, while the other labor bodies are more or less anarchistic, and the Syndicate of Metal Workers voted to adhere to Moscow.

BELGIUM—The powerful Belgian Labor Party, with 620,000 members, many Deputies in the Chamber and four members in the Cabinet, belongs to the Second International. A tiny group of Communists, headed by M. Jacquemotte, seceded from the party in May and decided to organize a Communist Party in competition with a small party of that name founded last year and recognized by Moscow. The Belgian labor unions are affiliated with Amsterdam—excepting the Christian groups.

HOLLAND—The Dutch Social Democratic Labor Party decided at its 1921 convention by an overwhelming vote to remain in the Second International. The Communist Party, whose strength is insignificant, is affiliated with Moscow. The Dutch labor unions are divided among Socialist, independent and Christian organizations, with the first-named affiliated with Amsterdam and the last named with the Christian Labor Union International.

LUXEMBURG—This tiny Grand Duchy also enjoys the luxury of a divided labor movement, having a regular Social Democratic Party and a Communist Party, the latter supporting the Moscow program.

PALESTINE—Even in the Holy Land have the seeds of Communist division borne fruit, for there is a Communist Party of Palestine formed of extremist elements of Paole Zion, the old Jewish Socialist organization which is not " revolutionary " enough for the Moscow group, but supports the Vienna International.

RUSSIA SCOURGED BY FAMINE

Tragic situation caused by famine in the Volga Basin and by the Bolshevist economic policy, which had prevented the accumulation of surplus foodstuffs—Epidemic of cholera and vast exodus of stricken people—Maxim Gorky's appeal, and Mr. Hoover's prompt and practical response

[PERIOD ENDED AUG. 10, 1921]

THE people of Russia, whose fate has been more tragic than that of any other European people, now face famine in its most cruel form. Not until toward the end of June did the world learn of this new affliction of a nation which has already suffered much. The Bolshevist official organ, Pravda, stated in its issue of June 26 that "as a result of the drought and the crop failure, famine is raging among a population numbering about 25,000,000." The famine territory embraces the Provinces of Ufa, Tzaritzin, Saratov, Samara, Simbirsk, Viatka, Perm, Kazan and the Northern Caucasus—in other words, the formerly rich and fertile land of the Volga Basin. The dispatches indicate that the catastrophe is much greater in view of the fact that a considerable area of agricultural land in Russia has not been sown at all, owing either to the lack of seed or to the peasants' resentment of the Government's requisition policy. Where there is any surplus of foodstuffs the ruin of the transportation service makes its distribution impossible.

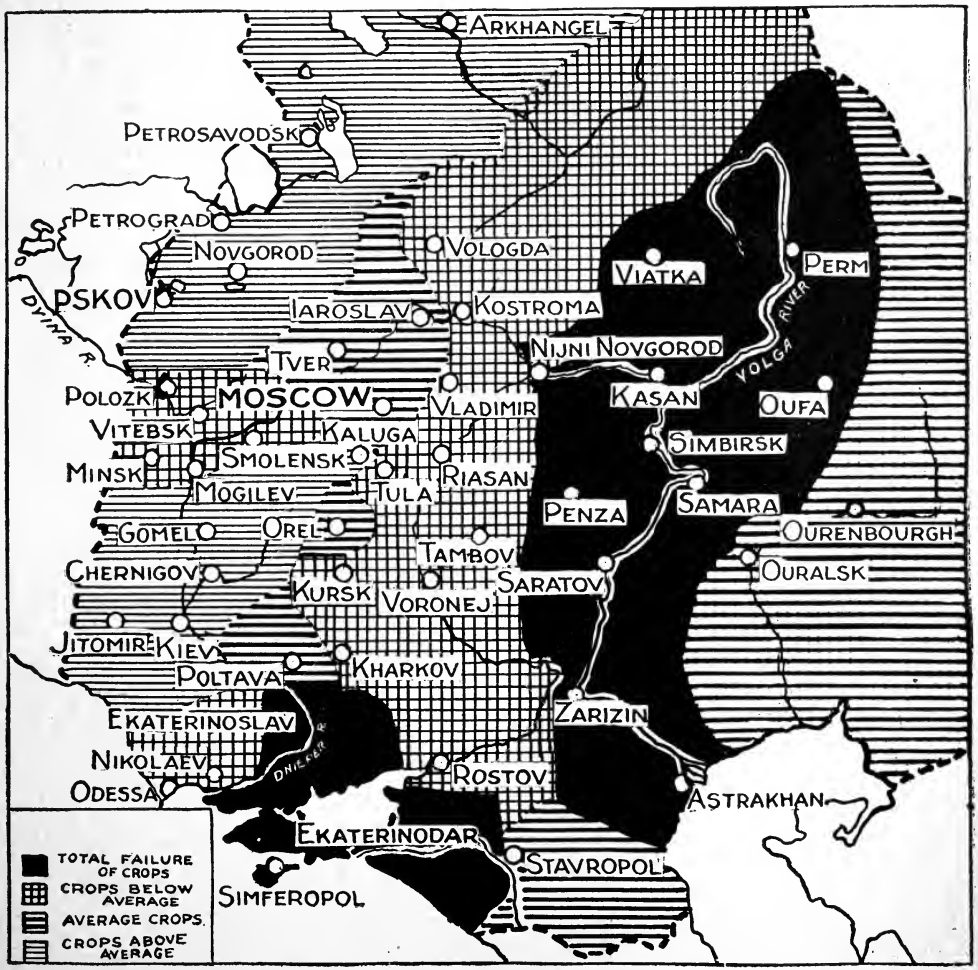
This news, bad enough in itself, was given to the world with a sensational accompaniment of wild inventions and fantastic legends which turned the disaster into a chapter of the Apocalypse. The peasants, starving, desperate and furious, were reported to be leaving their famine-stricken villages by the thousands, and to be marching on Moscow, which was digging trenches and throwing up fortifications to repel the anticipated onslaught. The peasants were said to be looting, rioting and burning as they went. Other stories told of a mysterious Czar of India who had arisen, and who would feed the famished multitude if it could get to him, and of how a vast exodus had started toward the East, the like of which had never been seen since the days of the great migrations. All these tales, if weighed in the balance of the Soviet Government's subsequent official statement, were pure inventions. The facts as given in this statement were as follows:

> The commission of the Central Executive Committee for Aid of the Hungry has recognized a state of famine in ten provinces, including Astrakhan, Tzaritzin, Saratov, the German (Volga) Commune, Samara, Simbirsk, the Tartar and Tchuvask territories, as well as districts of Ufa, Viatka and other places in that region. In these provinces on account of the prolonged drought the harvest has been completely destroyed and will give only 10 or 15 per cent. of normal. In some districts of these provinces the bad harvest affects only some cereals.
>
> The population of the ten provinces is about 18,000,000 people. Feeding the rural population according to the lowest standard—that is, half the ordinary consumption, and not including animals—calls for 41,000,000 poods of wheat. (A pood is equal to about thirty-six pounds.) For the city population the need is 17,000,000 poods. To sow fields in localities where the crop is absolutely lost there is needed before the 15th of September 15,000,000 poods of wheat.
>
> In view of the absence of exact information as to the extent of the harvest of other districts of Russia it is as yet impossible to estimate the quantity of wheat which can be furnished by Russia herself. In the stricken provinces there are no reserves of wheat and the gifts of other provinces can be only limited.
>
> The misery is great in these districts, but nowhere are there the excesses and violences of which the West European and American press spread false news. In certain localities where complete absence of food places the population in a hopeless position great numbers of the population are seeking to migrate, with the help of the Soviet authorities, into more favored districts of the republic; but this migration of hungry peoples has taken no form menacing social security or public order.

The disaster is intensified by the appearance of cholera, with all the horrors which cholera has always brought to Russia in its visitations. The fact that there had already occurred nearly 50,000 cases of this dread epidemic between January and July, of which 24,000 appeared in June and 7,000

cases were concentrated in the province of Saratov (Southeastern Russia), came as a surprise to many abroad, though the anti-Bolshevist foreign press had printed from time to time reports of the outbreak of cholera and other epidemics. The marching multitudes who left their homes by thousands on the eastern trek to the Caucasus and the Khirgiz steppes spread the disease over many districts. The calm and matter of fact statement of Tchitcherin and Rykov concerning the migration of these famishing, epidemic-ridden multitudes contained no word to describe the long processions of people moving along the eastern roads, carrying what few effects they could transport, dropping with weakness due to long hunger, or falling smitten with lightning cholera, which disposes of its victim within a few hours. Only those who have lived through a cholera epidemic in Russia can realize the full extent of the tragedy; only such can know the meaning of towns that have not been cleaned out for years, market places piled high with rotting refuse, peasants so ignorant and supersitious that they refuse to submit themselves or their children to vaccination, attack the doctors who seek to give them medicine, hide their sick and bury them secretly, and indulge in superstitious rites by incantation and otherwise to ward off the disease. As it has been in the past, so it is in the present; the medical forces of the Soviet Republic have had and are having the same heart-breaking struggle with the medieval, panicstricken multitude.

The Soviet leaders, faced with the inroads



MAP OF THE RUSSIAN FAMINE REGION, WITH DETAILS OF LOCAL CONDITIONS IN EACH DISTRICT, BASED ON AN OFFICIAL REPORT

of these two grim horsemen—Famine and Pestilence—have been bending every energy to combat them. Besides the Executive Committee of the Soviets, which at once gave up all its normal work to aid in fighting the twin scourges, a special Famine Relief Committee, made up of sixty-three members, was formed from all parties, the communists even being in the minority. Noted Mensheviki and Social Revolutionaries rallied to work shoulder to shoulder with the men whom they believed responsible for all the woes of Russia. The Soviet statement above referred to admitted unreservedly that all classes, even those who belonged to the hated bourgeoisie and aristocrats under the Czar, were making every sacrifice, straining every effort to save the country. The very exiles in Paris and other capitals, inveterate enemies of the Bolshevist leaders, sent out appeals to the whole world to save their torn and struggling country.

Only two appeals were sent to the outside world from Russia. One of these was made by the Archbishop Tikhon, head of the Orthodox Greek Church in Russia. In a short but eloquent telegram on July 11 to the Archbishop of Canterbury and York the Patriarch said:

> Fearful famine in Russia. Greatest part must die of hunger. In those regions which ordinarily produce most foodstuffs all grain now annihilated by drought. Epidemics following in wake of famine. Immediate help large scale imperative. Populace deserting fields and houses, and running eastward, crying, "Bread!" Send immediately foods and medicines. May God help us!

Another voice was raised—that of the great Russian author, Pieshkov (Maxim Gorky)—which may be said to have reverberated throughout the world. In the name of the great Russian authors of other days, Gorky on July 13 sent an appeal to Gerhardt Hauptmann, Anatole France and Blasco Ibâñez on behalf of the millions of Russians threatened with destruction. In words corroded with bitterness Gorky asked the world to prove that it still cherished ideals of humanitarianism, faith in which had been so shaken by the "damnable war and its victors' unmercifulness toward the vanquished." Gorky's appeal, psychologically interesting, read as follows:

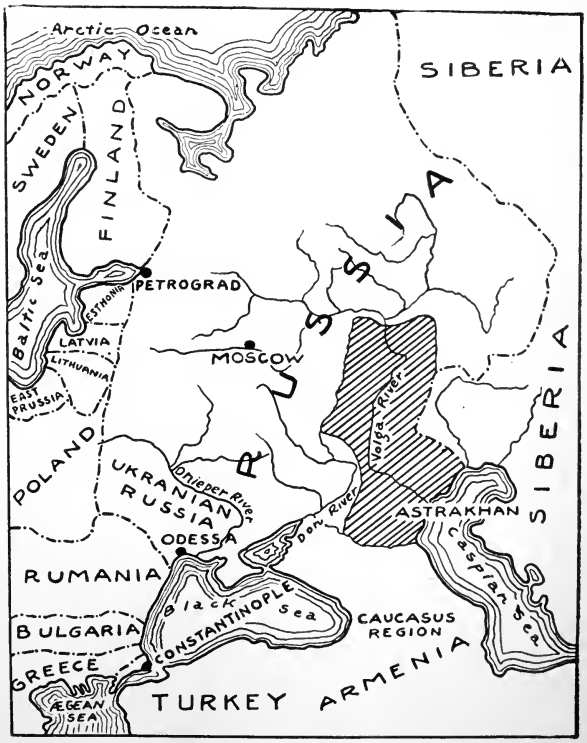
> Moscow, July 13.
>
> To All Honest People:
>
> The corn-growing steppes are smitten by crop failure, caused by the drought. The calamity threatens starvation to millions of Russian people. Think of the Russian people's exhaustion by the war and revolution, which considerably reduced its resistance to disease and its physical endurance. Gloomy days have come to the country of Tolstoy, Dostoyevsky, Meneleyev, Pavlov, Mussergsky, Glinka and other world-prized men, and I venture to trust that the cultured European and American people, understanding the tragedy of the Russian people, will immediately succor with bread and medicines.
>
> If humanitarian ideas and feelings—faith in whose social import was so shaken by the damnable war and its victors' unmercifulness toward the vanquished—if faith in the creative force of these ideas and feelings, I say, must and can be restored, Russia's misfortune offers humanitarians a splendid opportunity to demonstrate the vitality of humanitarianism. I think particularly warm sympathy in succoring the Russian people must be shown by those who, during the ignominious war, so passionately preached fratricidal hatred, thereby withering the educational efficacy of ideas evolved by mankind in the most arduous labors and so lightly killed by stupidity and cupidity. People who understand the words of agonzing pain will forgive the involuntary bitterness of my words.
>
> I ask all honest European and American people for prompt aid to the Russian people. Give bread and medicine.
>
> MAXIM GORKY.

Another appeal sent directly to Herbert Hoover, United States Secretary of Commerce and head of the Relief Administration, received an immediate, sympathetic, yet businesslike reply. Mr. Hoover's vast organization, which is still tremendously active in feeding the starving children and peoples of the countries devastated by the war, was ready to help Russia. But first of all the Soviet Government must free all Americans confined in Soviet prisons: this preliminary was essential. Secondly, Mr. Hoover laid down certain conditions to insure the freedom and independence of the Relief Administration, once it entered Russia. The Soviet Government must give a direct official statement to the Relief Administration representative in Riga that help was needed and desired; that the representatives of the organization should then be given full liberty to come and go and move freely about Russia; that they should be allowed to organize local committees without Soviet interference; that they should be afforded free transportation for supplies; that they should receive free

housing, fuel and equipment; that the Government rations must be continued to the sick despite the importation of food by the committee; that the members of the committee should have in all directions full liberty, without Soviet interference of any kind. The committee, on its part, promised to distribute aid to all sects and classes impartially, and to refrain scrupulously from every kind of anti-Soviet propaganda. Walter Lyman Brown, European director of the American Relief Administration, then in London, was to be sent to arrange these matters with the Soviet authorities.

On receipt of this offer Gorky at once sent a grateful acknowledgment, stating, however, that the Soviet Government itself must give the final decision on the terms laid down. Subsequently Gorky forwarded a note signed by Kamenev, as Chairman of the All-Russian Central Executive Committee for Helping the Famine Stricken Populations, in which he stated that the Soviet Government found the proposals acceptable as a preliminary basis, and urged that Director Brown be sent at once to Riga with full powers to fix the precise conditions "on which this association will begin immediate realization of its humane intention to guarantee the feeding, medical treatment and clothing of a million children and invalids." On receipt of this reply, Mr. Hoover at once notified Mr. Brown to proceed from London to Riga, and to take all necessary steps, instructing him, however, to see that all American prisoners "are out of Russia before negotiations for relief are begun with the Soviet authorities." Word came from Riga, shortly before these pages went to press, that the Moscow Government had freed all American citizens held in its prisons, and that the negotiations were proceeding. Mr. Hoover made it plain in all his statements that he was acting in close touch with Secretary of State Hughes.

The Third Congress of the International adjourned on July 20, after re-electing M. Zinoviev Chairman of the Executive Committee. The Soviet newspapers, in summing up the work of this Congress, contrasted the tone of these later sessions with that of the First and Second Congresses, where the hopes of the Russian leaders for world revolution ran high. The speeches and resolutions of the Third Congress showed a decided movement away from extreme radicalism, admitted that the world revolution was progressing but slowly, and advocated that the Communist Party should "go slow." The utterances of Lenin, Trotzky and other Bolshevist leaders, however, showed plainly that their revolutionary purpose had by no means been abandoned. The Executive Committee of the International on Aug. 2 sent to The Daily Herald of London a long and fiery appeal to all the workers of the world to come to Russia's aid, declaring that the Entente capitalistic countries were all in league to utilize Russia's new calamities for the purpose of reorganizing the counter-revolution on Russian soil, and that the proletariat would take



THE SHADED AREA INDICATES THE CHIEF FAMINE REGION AND ITS LOCATION WITH REGARD TO THE REST OF RUSSIA

measures to make all such efforts abortive. Special appeals to the German Government were not enthusiastically received by the German leaders, but later reports indicated that something would be done, despite Germany's own difficulties. Foodstuffs already being sent by Germany or other countries in the way of trade via Petrograd were to be used wholly for the hungry populations of the former capital and Moscow. In marked contrast with Soviet Russia, the new republic of the Far East at Chita, Siberia, was reported to be living in plenty. The Siberian situation had undergone no definite change. The new provisional Anti-Bolshevist Government which took over Vladivostok a few weeks ago was still in power, enjoying, it was said, the tacit support of the Japanese. Word came on Aug. 6 that the new Government had annulled the concessions granted by Soviet Russia to the American financier, W. B. Vanderlip, declaring that Kamchatka was a part of the maritime province of which Vladivostok was the capital, and that Moscow had no right to dispose of it.

NO MENACE IN THE ANGLO-JAPANESE ALLIANCE

To the Editor of Current History:

I am a firm believer in viewing international affairs with clear eyes and alert mind; there is no benefit to any nation in ignoring actual facts, however unpalatable; but I am an equally firm believer that every statement with regard to international questions should be made with meticulous precision. Therefore, I am writing to protest against the basic premise of Mr. Koehn's article on the Anglo-Japanese Alliance in your issue for August.

The second article of that alliance, as it now stands by the adjustment of 1911, says: "If, by reason of *unprovoked attack or aggressive action* on the part of any power or powers, either high contracting party is involved in war, * * * the other high contracting party shall at once come to the assistance of its ally," &c. Under the term, "unprovoked attack or aggression," Japan was bound to aid Great Britain in 1914, when Germany, by invading Belgium, indirectly attacked her guarantor. Under these same terms, Great Britain would have to join Japan in a war against the United States only if we were the aggressors, and only then if there were no adequate provocation. I am aware that the question here would be the construction placed by Great Britain upon the Japanese action which seemed to us sufficient cause for war; but, on the other hand, we should not involve ourselves in a war with Japan unless the necessity were beyond all cavil.

I am not a champion of the Anglo-Japanese Alliance; its usefulness may be outworn, and it may be neither wise nor politic to continue it under present world conditions. I am not an expert on problems of power in the Pacific; but I am one of the many among the reading public who are weary of even the less sensational sorts of loose thinking and loose writing on international topics, feeling that, in the present oversensitive state of mind of all peoples, there is no field of publicity which should be kept so scrupulously free from all suggestion of exaggeration or misrepresentation.

MARY K. ALLEN.

1,390 Longmeadow Street, Springfield, Mass., Aug. 2, 1921.

JAPAN'S FEAR OF THE ARMS CONFERENCE

National danger seen by many Japanese in the coming discussions at Washington—Opinion in Japan divided between suspicion of the Western powers and desire to curtail the ruinous armament expense—What Japan most desires

[PERIOD ENDED AUG. 10, 1921]

JAPAN has accepted President Harding's invitation to participate in the Washington conference for reduction of naval armament and the clearing up of troublesome problems in the Pacific, but it is an acceptance with reservations. It is tied down to the condition that the subjects to be discussed shall be previously sifted and agreed upon, and that subjects already settled, or which concern solely a given nation, should be excluded from the deliberations.

Meanwhile both the Government and the press of Japan seem to be in a kind of panic over the coming conference. The conservative elements profess to see a national danger in it, due to an apprehended domination of the Anglo-Saxon races, aimed at checking Japan's political and economic advance in Asia, and particularly in Siberia. The liberal elements, on the other hand, declare that Japan should enter the conference fearlessly, and should frankly state exactly what it is that Japan is working for and needs in the Far East, and then fight to obtain approval for her legitimate intentions, though opposing no just claims set forth by the Western powers. All factions seem agreed that Japan is facing a crisis, to handle which successfully will require statesmanship of a high order. Members of the Privy Council show distrust of a possible Anglo-American coalition. A basis for such a view is found in the fact that the Anglo-Japanese Treaty was not promptly renewed by the Imperial Conference in London, largely owing to Dominion opposition to the clauses which seemed to be directed against the United States. This distrust is sharpened by the ominous fact that China has been invited to participate in the Washington conference. The Japanese Government naturally scents some danger to its policies on the mainland of Asia.

The Nichi Nichi stated late in July that the Government was earnestly seeking a settlement of the Shantung controversy with China, and that the problem of evacuation of Siberia had already been attacked. M. Matsushima, Attaché of the Foreign Office, had left for Chita, the capital of the Far Eastern republic, on July 15, to begin negotiations to this end. In view of China's firm and continued refusal to negotiate with Japan over the Shantung issue, it is difficult to see what can be accomplished along this line. Not long ago Dr. Wellington Koo, China's representative on the Council of the League of Nations, cabled back to Peking asking what the Government's desire was as regards Shantung. The answer was that it was still intended to appeal the whole case to the League of Nations next year. Japan has repeatedly expressed her willingness to give back Shantung to Chinese sovereignty, on the condition, however, that she be allowed to retain all the economic advantages and concessions which she took over from Germany. This China refuses to accept, holding that she never accepted the Japanese settlement incorporated in the peace traty. As for Siberia, it has been the Japanese contention throughout that they cannot evacuate their forces so long as the unsettled conditions endanger the lives of Japan's nationals in the Maritime Province. Japan still holds Saghalien.

As for Japan's naval program, the Nichi Nichi declares that the nation's whole armament problem is merely relative to that of the United States, and that if the latter country consents to curtail its program Japan will follow suit. If, however, the United States continues building, Japan cannot allow herself to be so far outstripped. Prominent Japanese point out that the United States is increasing its fleet units in

the Pacific, and that it has constructed fortifications at Hawaii, the Philippines and Guam.

Sir Charles Eliot, the British Ambassador to Tokio, had a conference with Foreign Minister Uchida on Aug. 5 over the preliminary negotiations for the conference. At this time the trend of Japanese public opinion was already veering in favor of the conference, which, it was pointed out by various publicists, might prove an epoch-making short cut to peace and understanding in the Pacific, and enable Japan to divert the vast sums now being expended on naval armament to commercial development in Asia. A forecast of the Japanese view as to the line the discussion would take was made by the Osaka Mainichi Shimbun. The Japanese are ready, it said, to dismantle their fortification in the Pacific if the United States does the same; but they are resolved to press on for the right of Japanese nationals to migrate, with the guarantee of the freedom of labor and protection. Australia and New Zealand are hostile to both these aspirations.

When the Japanese exclusion question came up in the United States Congress on July 22 it was decided to discuss the "gentleman's agreement" concluded with Japan in 1908, in view of official information that Japan was not observing this agreement, in so far as Hawaii was concerned. Hawaii, it was declared, was being flooded by Japanese immigrants.

Eminent Japanese continue their efforts to gain for their country what they term a better understanding. The views of Count Soyeshima, as expressed in the Diplomatic Review, were summarized by the Japan Chronicle on June 2. He complains that four anti-Japanese Korean associations in the United States, all of which he names, are being backed by influential Americans, by Senators, university doctors, &c.; that American propaganda on the Shantung dispute is extremely active in favor of China, and that American public feeling is hostile to Japan both in regard to the Japanese occupation of Siberia and the "temporary" occupation of Saghalien. The issue created by California's legislation had sharpened Japanese resentment. These grievances, however, could have been settled diplomatically, he adds, had the Japanese Government not shown great lack of diplomatic efficiency.

Mr. G. Katsuda, a member of the Japanese House of Peers and Chairman of the Assembly of Kobe, while passing through New York on a tour of the world, published on July 24 a review of the prevailing situation from the viewpoint of the Japanese business man. Mr. Katsuda repudiated energetically the belief that Japan cherished imperialistic designs of conquest on the Asiatic continent, and declared that, on the contrary, Japan had conceived deep distrust of the imperialistic designs of the western nations which were exploiting a large part of Asia, including China, and that her whole desire had been to gain protection; thus he explained the fortifying of Japan's position in Pacific waters, undertaken "in order to escape the unfortunate fate of her neighbors in Asia." Mr. Katsuda admitted that Japan's methods in China had often been "crude and harsh during the last few years, though probably less so than those of England in Persia or France in some of her black colonies, where enforced military service has been required of subject peoples"; but Japan's methods, he asserted, were now becoming much more liberal, in knowledge of the fact that "no nation can afford to defy the public opinion of the world."

> Our real field of interest [he continued] is the economic one. We wish to have free access to the resources of China, Manchuria and Eastern Siberia, and also free and uninterrupted channels of trade constantly in operation between these countries and ours. * * * The terrific density of our population compels us to choose one at least of two alternatives—territorial expansion or industrial development. * * * To expand territorially is against the most enlightened public opinion of the world today. On the other hand, if we are to develop ourselves industrially only, we must be supplied with raw materials and must not be constantly subject to interferences on the part of other nations in securing them.

Mr. Katsuda then pointed out the extreme demoralization prevailing in China, with a Government corrupt and incapable, pitifully impotent before the triumphant power of the Tuchuns, and declared that as long as this chaos continued Japan had the right to secure and hold "a partial control of a few positions on the Continent to insure an unrestricted flow of commerce."

The Japanese Government, while anxious-

ly looking abroad for a strengthening of the national position, had to cope also with unfavorable economic conditions at home. Unrest and strikes were increasing in the shipyards, steel works and engineering plants, and the strikers were demanding higher wages and the recognition of their unions. Some 25,000 workers were on strike at the end of July. The ship strikers at Kobe, according to Tokio dispatches of Aug. 1, had won consent to the establishment of workmen's committees, an eight-hour working day and workmen's pensions. Other shipyard concerns were expected to follow suit. The old war between labor and capital, which for so long has been fought in the West, is only beginning in Japan, but it is already formidable, and there are signs that the Government is not at all certain of the best way to cope with it.

CHINA—THE SICK MAN OF THE FAR EAST

The situation one of political and financial chaos, which the Canton republic would cure by overthrowing the Peking Government—China prepares to plead her case before the Washington conference

THE Republic of China, aged 10 years, is very sick and with a malady so complex that the most skilled foreign specialists are beginning to despair of ever curing it. One specialist declares that the main seat of the republic's troubles lies in extraterritoriality and in general foreign interference. Another places it in the military despotism of the Tuchuns, or Military Governors, which leaves the Peking Government only a shadow of authority. Still another blames the Canton rebels for the whole muddle. Mr. Lennox Simpson, adviser to the Chinese Government, who has been sent to London to tilt against the renewal of the Anglo-Japanese alliance, puts much of the blame on the existence of this alliance, under cover of which Japan has got her economic and political stranglehold on China. This, with the incredible fact that China has no customs revenue, all but a small percentage of which is held by foreign powers in mortmain, to his mind, explains most of the chaos prevailing in China today.

China is virtually a bankrupt nation, its Treasury looted by the Tuchuns to pay their private mercenary armies, its domestic loans dishonored, its Government officials, especially its teachers in school and college, unpaid. The foreign consortium to help China financially is encountering a strong current of Chinese opposition; Chinese bankers—the only hopeful sign—are combining to help the Government only on the basis of irreproachable security. Politically Peking still holds out against the Japanese in the matter of Shantung, campaigns against Japan abroad, combats the renewance of the Anglo-Japanese alliance, and prepares, with the greatest eagnerness, to present its case against extraterritoriality and against Japanese encroachments at the new conference on armament reduction called by President Harding. Dr. Sun Yat-sen, meanwhile, the newly elected President of the rebel Canton republic, declares that the whole trouble in China is due to the Peking Government, which he denounces as usurping, unconstitutional, criminally weak, and unspeakably corrupt. The Northern and Southern forces are again at war in the Kwangsi Province. What will be the outcome of this chaos? The President of the China Society declared recently in London that the Chinese Republic was a failure. The Chinese diplomats replied by pointing out that no republic was ever established without disorder, and that it takes more than ten years to gain stability. The Chinese Legation at London issued a statement on July 18, which said in part:

In the graver statements which have been

made about political unrest in China, little knowledge is shown of the very great handicaps which the Chinese people have necessarily to overcome before complete reform of the administration is accomplished. It is a historical fact, easy of verification, that no nation has erected a new system of government on new ideas, and owing its existence to new forces, in less than two decades. There are the cases of the great Republics of the United States and France, which in the first dozen years or so of their political experience under an entirely new form of government encountered many of the difficult problems confronting China at present. The Chinese people rely largely on the sympathy and friendship of Western peoples for their progress and for the solution of their difficulties, and expressions of views precipitately taken or of opinions hurriedly formed not only unnecessarily discourage them in their admittedly difficult task of building up a stable republic, but are hardly conducive to the cause of general enlightenment.

The Legation further declared that the charge of apathy was without foundation. Innumerable telegraphic and cable messages had been received from Chinese organizations, protesting against the renewal of the Anglo-Japanese alliance, and insisting on China's rights. This was proof, declared the statement, "that the public mind of China has been sorely distressed," and that if the whole deplorable muddle is clarified by the Dominion Conference in London and by the Washington Conference in the Fall, it will bring much-needed relief to an intolerable situation.

There is no doubt that the new republic set up in Canton by Dr. Sun Yat-sen, ably supported by the veteran Dr. Wu Ting-fang, and by Mr. Tang Shao-yi, respectively Minister of Foreign Affairs and Minister of Finance in the new Cabinet, and both men of European training, is the Peking Government's most formidable opponent. Chinese opinion is much divided over the personality of Dr. Sun, in whom some see a dreamer and visionary of high but Utopian ideals, who will lead his followers to destruction, while others have the very highest regard for his practical abilities. All, it seems, are at one in granting to him the possession of the purest patriotism. Dr. Sun has recently sent an appeal to President Harding for permission to have his Government represented at the Washington conference, and seized the opportunity to launch into a new denunciation of the Peking Government, which he declared did not represent the Chinese people. The chances of his overturning that Government seem slight at present, as the funds of the Canton Government are lower, perhaps, than those even of Peking, owing chiefly to the fact that it has been deprived by the foreign powers of its share of the already small fraction of the customs revenues formerly allotted to it.

The failure of the Banque Industrielle de Chine is having an unfortunate effect on French credit and prestige in China, and is strengthening the position of the Chinese banking group organized in opposition to the consortium. This banking group has established headquarters in Peking and Shanghai. Its maximum financial strength is estimated at about $600,000,000. This group has begun to make loans to the Government, though only on the strongest security, and furnished the money—about two and a half million dollars—necessary for the construction of the new giant mint at Shanghai. The group is taking care to keep its silver deposits—virtually sub-Treasuries—in places of safety at Shanghai, Hankow and Tientsin, where it can snap its fingers at the greedy Tuchuns.

The famine is past. Over 600,000 people have been saved from starvation by the work of the Red Cross. Employment has been given to many needy families in the construction of new roads, payment being made in food. More than 74,000 thus employed built a total of 903 miles of road, one effect of which is expected to be the minimizing of the danger of future famines.

A noteworthy attempt by the Government to facilitate communications is the long-projected aerial mail service, which early in July was placed in full operation as far as Tsinanfu, and was expected soon to extend to Shanghai. The Tuchuns of Chihli and Kiangsu were already raising obstructions to further their own control.

A STRONG CHINA—AMERICA'S BEST INSURANCE

To the Editor of Current History:

An article in the August issue of CURRENT HISTORY from the pen of George L. Koehn contains this significant paragraph:

> We see Japan increasing her army from 1,500,000 to 4,000,000 men. We see her spending huge sums in a gigantic naval program. It is very questionable whether she will join the great powers in an agreement to reduce armaments. She is frantically exploiting the raw materials of China for purposes of her own self-sufficiency. She is preparing her people for the coming war. America realizes that Japan's vast preparations are directed against her and feels only too keenly the menace of the Anglo-Japanese Alliance.

Only one statement of Mr. Koehn as quoted above is subject to criticism or contradiction. Unfortunately, America does not realize that Japan's vast preparations are directed against her. The greatest failing of the American people and the American Government has ever been that they refuse to sense either diplomatic or military conspiracies aimed at their well-being until after they have become accomplished facts. One glance at Japan's military and naval estimates covering recent years should send a shudder of apprehension up America's back. Here are the figures:

1914	Army appropriation	$49,000,000
1920	Army appropriation	205,000,000
1921	For military aviation alone	200,000,000
1914	Naval appropriation	46,000,000
1921	Naval appropriation	235,000,000

A Japanese military author, Mr. Tasukava, supplements these figures with a recent volume in which he goes so far as to outline Japan's probable campaign against the United States, visioning Japanese army corps in control of the Philippines, Hawaii and the States of the Pacific Coast. Is the American legislator interested in this menace steadily creeping closer to our island possessions and our Pacific Coast? He is not. Will America be warned by the fate of China? She will not.

Few Americans have taken the trouble to review the history of the Orient since Japan emerged from her Asiatic seclusion and assumed the rôle of a world power. Had they done so there would be far less smug complaisance on America's part in viewing conditions in the East today. Korea knows the worth of the Japanese word and the bite of the Japanese sword. China cringes from the flash of Japanese guns and winces at the deceitful voice of Japanese diplomacy, while she wallows in the cesspool of disintegration dug for her by Japan and polluted with the vilest intrigue ever practiced by a nation aspiring to be classed among civilized powers. The United States of America and the great powers of Europe, especially England, must take shame in their unhallowed part in the Japanese rape of China. Europe may swallow her shame, England may attempt to save her face by the excuse of war's expediency. There is no great menace to Europe in the present attitude of Japan, but America, with the Japanese sword already pointing out across the Pacific, will be more than culpably negligent if she heed not the warning in the western sky.

On Aug. 24, 1914, Count Okuma of Japan, in a message to the people of the United States, said Japan "had no thought of depriving China or other peoples of anything which they possess." In September of the same year Japanese troops were landed in Shantung Province under the fictitious and highly fantastic assertion that it was necessary for Japan to take over the German-controlled railroad there. These Japanese troops promptly and needlessly, from a military standpoint, proceeded to violate Chinese neutrality by overrunning the country, taking what they desired, maltreating the Chinese inhabitants and extending their lines of military occupation far beyond any necessity connected with the railroad. In Shantung Japan followed the same shameless tactics toward the Chinese inhabitants that she used against the defenseless Koreans when she thrust her piratical crew upon that unoffending country. These were the actions of a country which, according to her leading statesman, "had no thought of

depriving China or other peoples of anything they possessed."

Is a country which is guilty of such tactics, a country which is today undermining morale and Chinese politics by bribery, by debauchery of officials, by the reintroduction of opium where the people have made a valiant fight to abolish its horrors, a country which is feverishly increasing its military and naval forces, to be trusted by the great, rich, resourceful, non-military nation on the other rim of the Pacific? China is non-military. China is rich in natural resources. China has 400,000,000 inhabitants, while Japan has less than 100,000,000, yet Japan is tearing China to pieces. Is there any reason that, to serve her own ends, Japan would hesitate to tear America to pieces? There is not.

If the American people continue to wallow in their ignorance of Asiatic affairs; if American Congresses, always more interested in local elections than in vital world problems, continue to ignore America's problem in the Pacific; if American Administrations continue their childlike trust in the smiling, diplomatic front of Japan, the time may come when, having overrun China, Japan will feel herself strong enough to carry out her design of drifting eastward across the Pacific.

But, suppose the American people force their political rulers to heed the warnings flashing from out the Western sky. What then? Must the nation be beggared in order to meet the tremendous military expenses necessary to combat this threatened invasion? Must our hard-earned dollars be thrown into great armaments and vast armies and navies? Must we spend our entire substance upon insurance against attack from Japan? Most certainly not. There is absolutely no need for increasing our military and naval forces beyond their present size. In fact, by taking out the only reasonable and rational insurance against attack from Japan we will be able materially to reduce our expenditures for national defense.

America's greatest insurance against Japan's proposed absorption of her island possessions in the Pacific and domination of the western confines of the American Continent will be found in China.

Today China is making a valiant struggle to fit herself for admission to the society of world powers. She is emerging from her age-long sleep and is attempting to construct a modern Government along democratic lines. Hampered though she is by intrigue and dissension fostered from without, China is making headway as a republic. Her patriotic statesmen, especially in the south, where President Sun Yat-sen is holding his own against China's enemies within and without, are building an enlightened popular Government and gaining power. Japan has seen the handwriting on the wall and is making every effort to hold down this growing movement toward modernization. Japan sees what it would be well for America to see, that a strong, upstanding, commercially and militarily competent China will mean the end of Japanese imperialism.

Here, then, is America's insurance for the future. Let the American people and the American Government assist China in her laudable effort to construct a self-reliant Government. Let America develop Chinese trade; let her assist Chinese industries and Chinese development; let her, if necessary, advance the amount required to train and maintain a Chinese army equal to that of Japan. It would be far better employed than some of the loans recently made to European Governments, and it could be secured by bonds as gilt-edged as anything we have in the shape of security from the beggared lands across the Atlantic. Let the United States of America indicate her boasted friendship for China, her devotion to the cause of democracy, by something more tangible than empty words, and she will find in a strong, peaceful, prosperous China, freed from the debasing intrigue and influence of Japan, her own insurance for the future.

Japan will never turn her eyes across the Pacific when there is a strong China on her flank friendly to America. The friendship, the development, the strengthening of China should be America's first thought today. In that lies peace, the retrenchment of armament in the United States, the expansion of trade in the Pacific and America's everlasting insurance against attack rom the West. RICHARD HATTON.

1,024 Munsey Building, Washington, D. C., Aug. 8, 1921.

GERMANY'S SEPARATE PEACE WITH CHINA

Text of the treaty which China has made with the German Government in place of the Versailles pact—Germans regain their property in China on favorable terms—China takes the opportunity to abolish extra-territorial courts

CHINA, having refused to sign the Treaty of Versailles, has made a separate peace with Germany, and the ratifications were exchanged on July 1, 1921. The text of the treaty and related documents is published in full below. The allied powers have by no means bestowed their full approval on this treaty, because it provides for the return of property owned by Germany in China before the war; the French press, especially, contends that the properties, according to the provisions of the Versailles Treaty, must be delivered to the Reparation Commission.

It was on March 14, 1917, that the Chinese Government broke off diplomatic relations with the German Government, and on Aug. 14 of the same year it declared war. The armistice came; the sessions of the Peace Conference at Paris dragged along, and finally the bulky Treaty of Peace with Germany was signed by all the allied and associated powers and by Germany at Versailles. But China did not sign. The solution found by the President of the Chinese Republic was to end the state of war officially by decree. This he did on Sept. 15, 1919. The decree was not officially communicated to the German Government. Its chief effects were to remove the disabilities to which the Germans in China had been subject during the war. The prohibition of trade with the enemy, however, was not lifted, and China maintained the sequestration of German property in China and continued the process of liquidation. No legal basis remained, however, for mutual relations, as all previous treaties had been annulled when the state of war began. It became apparent both to Germany and to China that a special treaty was necessary to liquidate the effects of the war and to lay a foundation for future relations. A German commission was sent to Peking, negotiations were begun, and on May 20, 1921, the conventions published herewith were signed by the plenipotentiaries of both nations in Peking.

The whole series of documents was published in the German White Book, from which source they have been translated for CURRENT HISTORY. It will be seen that they fall into five main groups:

1. Germany's preliminary declaration regarding the liquidation of the war, and China's acknowledgment of this declaration.

2. The covering note of the German plenipotentiary, confirming Germany's inability to acknowledge anew the Versailles Treaty, in view of hopes for future revision, and sanctioning China's use of certain treaty rights.

3. The German-Chinese agreement establishing future relations between the two countries, and dealing with diplomatic agents, customs and taxes, the freedom of movement of the nationals of either country in the other country and the jurisdiction to which they would be subject. Herein lies innocently concealed one of the most drastic new policies of the Chinese Government. The provision making the alien nations subject to the jurisdiction of the local courts means that China had abolished the principle of extraterritoriality, under which foreign aliens in China have been placed under the protection of their respective Consuls and tried for crimes and offenses by special courts, non-Chinese, or only partly Chinese.

4. A German supplementary note, covering Chinese goods and property in China, war compensation charges to be paid to China, and the special engagement of Germany to pay China $4,000,000 in cash and Chinese railway bonds to cover these costs and to release for return the German property either liquidated or not still held by China. In this supplementary note Germany asks a certain number of questions regarding the working of the new ruling against extraterritoriality, all directed to ascertaining exactly what the rights of German nationals and German advocates will be in the courts newly established by China to deal with all cases alike.

5. The reply of the Chinese Foreign Minister, pledging his Government to cease all further liquidation of German property, and in consideration of the sum to be paid by Germany in cash and bonds, to return the receipts of the liquidated property and the balance of unliquidated property still in its possession. This

note also answers the German queries regarding the working of the new régime opposed to extraterritoriality.

If the Treaty of Versailles is examined, it will be seen that this treatment of the German property in China differs from that laid down under Article 133 of that Treaty. The Chinese terms are much more favorable for Germany and for German-Chinese firms. China, following the example of the Allies, had liquidated about 1,200,000 taels worth of German property to cover war damages; the value of the sequestrated German property still held by her is estimated as at least ten times that amount. This property has been regarded by the Chinese Government as security for her war reparations claims, which have been estimated to exceed the total value of the property held. By the new agreement, China ceases all further liquidation, and releases all property still held on payment of a sum estimated as one-half the value, this sum to be regarded as partial payment of the reparations charges still to be fully determined by the Chinese financial experts. Both this arrangement and the new ruling of China against extraterritoriality may yet be productive of trouble with the entente powers.

The text of the various Treaty documents follows:

(1) Germany's Preliminary Declaration

The undersigned, duly authorized plenipotentiary of the Government of the German Realm, has the honor to make the following communication to the Minister of Foreign Affairs of the Chinese Republic in the name of his Government:

The Government of the German Realm, guided by the desire to restore relations of friendship and commerce between Germany and China, and in consideration of the fact that such relations, in accordance with the general rules of international law, must be based upon the principles of complete equality and absolute reciprocity; and

Whereas, the President of the Chinese Republic issued a decree on Sept. 15, 1919, concerning the restoration of peace with Germany, Germany engages to fulfill the obligations toward China which arise from Articles 128 to 134 of the Treaty of Versailles of June 28, 1919, which came into force on Jan. 10, 1920;

Further, Germany states that she has been compelled by the circumstances of the war and by the Treaty of Versailles to abandon all her rights, claims and privileges which she acquired by her treaty with China of March 6, 1898, as well as by all other agreements regarding the Province of Shantung, and so is deprived of the possibility of returning them to China;

Germany also formally declares that she will agree to the abolition of consular jurisdiction in China, that she will abandon in China's favor all rights which the German Government possesses over the "Glacis" attaching to the German Embassy in Peking, admitting that the said ground must be understood to be included in the term "public property" in the first paragraph of Article 130 of the Treaty of Versailles, and that she is prepared to repay to the Chinese Government the cost of interning German military persons in the various internment camps in China.

Peking, May 20, 1921. VON BORCH.

[Mr. W. W. Yen, Minister of Foreign Affairs of the Chinese Republic, on the same date acknowledged receipt of the above agreement, which his note reproduces textually.]

(2) The German Covering Letter

Peking, May 20, 1921.

Your Excellency:

In accordance with the instructions of my Government, I have the honor of repeating my statement to you that the German Government cannot now make a renewed declaration acknowledging the Treaty of Versailles, since such a step would amount to free acceptance of that treaty on its part and would prejudice the question of future revision; but it will raise no objections to China making use of certain other treaty rights, beyond those contained in Articles 128 to 134, if these rights should appear to be of advantage to the country in their present form, or, if the treaty should be revised, in their revised form. VON BORCH.

(3) The German-Chinese Peace Treaty

The Government of the German Realm and the Government of the Chinese Republic, guided by the desire to restore relations of friendship and commerce by means of an agreement between the two countries, taking the declaration of the German Realm of today's date as a basis and acknowledging that the only means of maintaining friendly relations between the peoples is the application of the principles of respect for territorial sovereignty, of equality and reciprocity, have accordingly appointed as their plenipotentiaries:

The Government of the German Realm: Mr. H. von Borch, Consul General;

The Government of the Chinese Republic: Mr. W. W. Yen, Minister of Foreign Affairs.

The plenipotentiaries, having communicated to one another their full powers found in good and due form, have agreed upon the following stipulations:

Art. 1—Both High Contracting Parties shall have the mutual right to send duly accredited diplomatic representatives who, on the principle of reciprocity, shall enjoy the privileges and immunities in the country of their sojourn which are granted by international law.

Art 2.—The two high contracting parties mutually accord to one another the right to appoint Consuls, Vice Consuls and Consular Agents in all places where the Consulate or

Vice Consulate of another nation is established, and these shall be treated with the respect and consideration which are accorded to officials of the same rank of other nations.

Art. 3.—Nationals of either republic in the territory of the other shall be at liberty, in accordance with the laws and ordinances of the land, to travel, to settle, and to carry on commerce or industry in all places where the nationals of any other State may do so.

They shall be subject to the jurisdiction of the local courts as regards both their persons and their property; they shall be required to conform to the laws of the land of sojourn. They shall not pay higher taxes, imposts, or levies than native citizens.

Art. 4.—Both high contracting parties acknowledge that all questions of customs shall be determined by each solely through internal legislation. But no higher tariff shall be imposed upon raw materials or manufactured goods originating in either of the two republics or any other country, on import, export, or transport, than those paid by native citizens.

Art. 5.—The declaration of the German realm of today's date and the terms of the present agreement shall serve as a basis in negotiating the final treaty.

Art. 6.—The present agreement shall be written in German, Chinese and French; in case of differences in the interpretation, the French text shall be authoritative.

Art. 7.—The present agreement shall be ratified as soon as possible and shall come into force on the day on which the two Governments announce to one another that ratification has taken place.

Done in two copies at Peking on May 20, 1921, corresponding to the twentieth day of the fifth month of the tenth year of the Chinese Republic.

W. W. YEN,
VON BORCH.

(4) German Supplementary Note

Peking, May 20, 1921.

Your Excellency:

The undersigned has the honor of making the following statement to your Excellency on behalf of the German Government, with the object of elucidating further the text of the German declaration and that of the German Chinese agreement:

Tariffs on Chinese Goods in Germany—The customs regulation contained in Article 4 of the agreement, by which the import, export, and transport dues of both countries are not to exceed those paid by nationals of the country itself, does not prevent China from making use of the privilege given to her by Article 264 of the Treaty of Versailles.*

Compensation for Damages—The willingness expressed in the German declaration to pay to China the expenses of the various internment camps is to be understood in the sense that Germany is prepared to make this payment in addition to reparation in accordance with the principles of the Treaty of Versailles.

The German Government engages to make a partial payment to the Chinese Governmnt of $4,000,000 in cash and the rest in Tientsin-Puku and Hukuang railway bonds on the Chinese demands for war damages reparation to a total amount which shall be agreed upon, being half the receipts from the liquidated property of Germans in China, and half the value of the sequestrated property.

Chinese Property in Germany—Chinese movable and immovable property in Germany will be restored after the ratification of the agreement.

Chinese Students in Germany—The German Government will gladly give all possible assistance to Chinese students in Germany to enable them to be admitted to schools and to receive practical training.

The undersigned would also be grateful to the Minister for information on the following points:

1. Future Guarantees for German Property—Can the Chinese Government promise to accord full protection to Germans in the peaceful pursuit of their occupations and not to sequestrate their property again, except in accordance with the generally accepted principles of international law or the provisions of Chinese law?

2. Legal Guarantees—Will all cases of German litigation in China be dealt with by the newly established courts, with the right of appeal, and will the proceedings be conducted correctly? May German barristers and interpreters who are officially admitted to the courts give legal assistance for the duration of the case?

3. Cases Before the Mixed Courts—What procedure does the Chinese Government contemplate for cases before the Mixed Courts in which Germans are actively or passively involved?

4. Chinese Regulations Concerning Trade with the Enemy—Will all such regulations cease to hold good on the day of the ratification of the agreement?

5. Regulation of Chinese German Obligations—Does the Chinese Government intend to take part in the general clearing office contemplated in Article 296 of the Versailles Treaty?

VON BORCH.

(5) The Chinese Reply

Peking, May 20, 1921.

Sir: I have the honor to acknowledge your kind communication in which, with the object of elucidating further the text of the German

*Germany undertakes that goods which are of the produce or manufacture of any one of the allied or associated States imported into German territory, from whatsoever place arriving, shall not be subjected to other or higher duties or charges (including internal charges) than those to which the like goods the produce or manufacture of any other such State or of any other foreign country are subject.

Germany will not maintain or impose any prohibition or restriction on the importation into German territory of any goods which are of the produce or manufacture of the territories of any one of the allied or associated States, from whatsoever place arriving, which shall not equally extend to the importation of the like goods which are of the produce or manufacture of any other such State or of any other foreign country.

declaration and that of the Chinese-German Agreement, you make the following statement:

[Text quoted of four statements made in above note.]

To the questions which you ask I have the honor to reply as follows:

1. Future guarantees for the property of Chinese and Germans: The Chinese Government promises to accord full protection to Germans in the peaceful pursuit of their occupations and not to sequestrate their property again except in accordance with the generally accepted principles of international law, or the provisions of Chinese law, on condition that the German Government observes a similar line of conduct toward the Chinese living in Germany.

2. Legal guarantees: German cases of litigation in China will all be dealt with by the newly established courts, with the right of appeal, and in accordance with the new laws, and correct procedure will be followed. German barristers and interpreters who are officially admitted to the courts may give legal assistance for the duration of the case.

3. Cases before the Mixed Courts: Regarding proceedings before the Mixed Courts in which Germans are actively or passively involved, China will in future seek to find a solution which will be just to all parties.

4. Chinese regulations concerning trade with the enemy: All such regulations will automatically cease to hold good on the day of the ratification of the Agreement.

The German trade marks formerly registered with the Marine Customs Office will acquire validity again through renewed registration with the Marine Customs Office by the original owners.

Until the autonomous customs regulations are generally applied German imports will pay customs dues in accordance with the general customs regulations.

5. Regulation of Chinese German obligations: It is not the intention of the Chinese Government to take part in the general clearing office contemplated in Article 296 of the Versailles Treaty.

The Chinese Government engages, in view of the above declaration of the German Government, by which it undertakes the obligation of making a partial payment to the Chinese Government on the demand for war damages reparation, to cease all liquidation of German property with the signing of the treaty, and in return for the receipt of the above sum paid for reparation to give back to the owners the receipts from liquidation as well as the property retained after the ratification of the German-Chinese Agreement.

The above settlement involves the decision of the question mentioned in Paragraph 2 of Article 133 of the Versailles Treaty, of the liquidation, sequestration and seizure of German property.

The competent Chinese authorities will negotiate separately with the German Asiatic Bank and the Ching-Hsing mines concerning the procedure to be adopted.

The immovable property of the German Asiatic Bank in Peking and Hankow which has not yet been liquidated will, however, in accordance with the above-mentioned procedure, be restored to the owners. W. W. YEN.

THE EX-KAISER'S FORTUNE

THE dispute between the former Kaiser and the local municipality of Doorn over the question of taxes has centred the eyes of the world on his ex-Majesty's income. First of all, William filed an appeal for complete exemption. Assessed on an income of 350,000 florins, he protested, declaring that his income was only 150,000 florins. The municipality then placed on him the burden of proof, declaring that it was impossible for the ex-monarch to live in his present style and to maintain such an establishment as his house and large staff of servants on the income declared. Deputies of the Province of Utrecht, members of the aristocracy, supported William in his contention, though it was generally understood that the latter had large deposits in the Amsterdam Bank in the name of his majordomo.

A documented history of the Hohenzollerns, compiled under the auspices of the Majority Socialist Party by Kur Heinig, was published meanwhile in Berlin. Heinig, after years of study of the imperial archives, declares that the Kaiser was one of the thriftiest of monarchs, and amassed by successful speculation and private enterprise a large fortune, estimated at over $12,000,000. Stock-market speculations, investments in the Hamburg-American Line and the German Electric Company, personal loans to the Krupps, $2,000,000 invested in mortgages on Berlin homes, 6,000,000 marks in German war bonds, the income from fifteen estates producing half a million quarts of brandy for public sale—all, it seems, was grist for the Kaiser's financial mill. It is further declared that when the Kaiser fled he took with him fifty-three vans of furniture, 1,000 silver plates, 300 gilt service plates and a solid silver service for 100 guests. Heinig's statements will not be overlooked by the Doorn burghers.

GERMANY'S BUSINESS RECOVERY

Hugo Stinnes dominates the strenuous campaign for foreign trade, which is fast recovering Germany's antebellum business in South America and the Far East—Reparation Commission reports progress toward the first payment

[PERIOD ENDED AUG. 15, 1921]

MIDSUMMER was marked by a real business revival in Germany, despite the hot weather and the dire predictions of economic ruin voiced in Berlin in connection with the possibility of losing part of Upper Silesia and the likelihood of indefinite continuation of the sanctions along the Rhine. So far as the French Government is concerned, Premier Briand has said that, unless the Supreme Court at Leipsic functions more effectively in punishing German war criminals, there can be no thought of evacuating the Rhine zone. [Both Upper Silesia and the Leipsic trials are treated elsewhere in this issue of CURRENT HISTORY.]

All through the period there were reports of big profits by German industrial concerns and stories of trade expansion abroad, especially in South America and the Far East, where Germany is strenuously trying to regain her pre-war business. Owing to the low exchange value of the mark, it is easy for German manufacturers to underbid their American and British competitors. Data compiled by American consular agents show that during the last few months Latin-American buyers have been rapidly increasing their orders for goods "made in Germany."

Hugo Stinnes, Germany's leading industrialist, plays a large rôle in the campaign for foreign trade through his ever-growing lines of freight steamers and his reaching out after profitable enterprises all over the world. Since being ousted from the Board of Directors of the Hamburg-American Line for opening a steamship service to South America in competition with that company, Herr Stinnes has intensified his shipping activities. On Aug. 10 William B. Ryan, Vice President of the United American Lines, the Harriman concern operating in connection with the Hamburg-American Line, arrived in Buenos Aires with Richard Peltzer, a Director of the latter company, on a tour of inspection of South American ports. It was generally believed that they were laying plans to meet the rate war instituted some time before by Herr Stinnes.

The steel and iron industry showed great improvement, but the textile business led all the rest, with the result that the number of unemployed persons and their dependents drawing allowances from the Government fell from an average of 742,000 in June to 657,000 in July. The cost of living, however, increased materially. The minimum necessary to support a family of four in Berlin rose from 285 marks per week in May to 324 in July. An advance of about 40 per cent. in the price of bread in Berlin, bringing it up to 7 marks for a two-pound loaf, was scheduled for Aug. 15, coincidental with the lifting of the restrictions on dealing in bread, except for a certain rationed quantity. The index figure for wholesale prices of foodstuffs was 963 in July, against 896 in June, and 924 in January last. Demonstrations against high prices were reported from various parts of Germany. Hamburg's shipping traffic in July amounted to about 60 per cent. of what it was in July, 1913, the tonnage of the vessels entering the port being 873,588, against 688,444 in June.

That Germany might complete on schedule time the actual cash payment of the 1,000,000,000 gold marks due not later than Aug. 31, under the final reparation terms, was indicated by a statement of the Reparation Commission in Paris on Aug. 11, that since July 1 Germany had paid off five of the twenty $10,000,000 three-months' notes issued on May 30, making a total of seven thus redeemed. On the same day the Berlin Vorwärts positively announced that they would all be paid off on time. Of this first billion in gold marks, Belgium was to get

850,000,000, according to a statement made by the Reparation Commission on Aug. 3. This decision was revised on Aug. 13 by the Interallied Finance Conference so as to give 600,000,000 marks to Great Britain on account of occupation costs, and let the balance go to Belgium on her priority account of 2,500,000,000 marks. The Reparation Commission notified Germany that within the next six months 29,400 additional horses, 130,000 sheep and 175,000 horned cattle must be delivered under the treaty terms.

At a meeting of the Supreme Council held Aug. 13 it was agreed that if Germany completed the payment of the 1,000,000,000 gold marks on time the economic penalties would be lifted on Sept. 15. The matter of withdrawing the troops occupying Düsseldorf, Duisburg and Ruhrort was put over to the next meeting of the Supreme Council at the suggestion of Premier Briand. In discussing the lifting of the economic barrier along the Rhine, Louis Loucheur, Minister of the Devastated Regions of France, said that France demanded in return that the German boycott of French goods cease.

It was reported from Paris on Aug. 5 that the Reparation Commission had decided that the United States Government would have to negotiate directly with Germany regarding payment for the upkeep of the American Army on the Rhine, because the United States is not a signer of the Peace Treaty. This upkeep so far amounts to almost $300,000,000. Informal pourparlers between Ellis Loring Dresel, the American Commissioner in Berlin, and Dr. Rosen, the German Foreign Minister, were held during the period, and it was understood that there would be no great difficulty in working out the terms of a formal peace between the United States and Germany after proclamation of a state of peace by President Harding.

On July 23 the Interallied Military Control Commission reported that the Bavarian Home Guards, which were formally disbanded on June 30 under pressure from the Allies and the German Socialists, had turned in 170,000 of the 250,000 rifles admitted to have been in their possession. On Aug. 11 Vorwärts declared that the work of disbanding the so-called self-defense organizations in Upper Silesia and along the Silesian border would soon be accomplished. Nevertheless, impartial observers in Germany have no doubt that hundreds of thousands of good rifles have been concealed by the reactionary farmers and some of the urban bourgeoisie for eventual use, either in a monarchist coup d'état or in putting down a Bolshevist revolt. On the other hand, there is said to be plenty of hand grenades and revolvers in the possession of the Communist organizations, although the costly failure of the Red uprising last March has put a damper on the fiery young rebels who imagined Germany was ripe for a Soviet revolution.

There was much talk of what the reactionary Junker and big business parties were going to do to Dr. Wirth and his Government if he should turn the tax screw too hard to suit them. The latest reports indicated that, with the status quo likely to be maintained in Upper Silesia for some time owing to the Supreme Council's decision to submit the whole Upper Silesian problem to the League of Nations for settlement, the Reichstag, when it reassembles early in September, will accept the Chancellor's plan for raising some 80,000,000,000 paper marks a year by taxation. This sum is to be divided about equally between the masses and the classes, despite Socialist threats to wreck the Cabinet unless drastic levies are made upon the property held by war profiteers and other wealthy persons.

The trend toward eventual consolidation of the Majority Socialist Party and the Independent Socialist Party continued to become more marked. Unless the Majority Socialists take too moderate a stand at their September convention in Goerlitz, it seems as if shortly there would be only one German Socialist Party, facing the reaction represented by the Nationalists and the bulk of the People's Party, while the Democrats and a large fraction of the Centrists occupy a middle position, and the handful of Communists oppose everybody.

On Aug. 11 there was an official celebration of the second anniversary of the coming into effect of the Constitution of Republican Germany.

Revised figures on Germany's losses in the World War given out in Berlin on July 27 put the killed at 1,792,368 and the wounded at 4,246,874, with 200,000 men still reported missing. [See the somewhat different estimate printed on Page 985.]

FRUITS OF THE BRITISH IMPERIAL CONFERENCE

Definitely settled that the various Dominions shall have a voice in the foreign policy of the Empire—Principle of separate Dominion navies also adopted—Collapse of British Government's housing enterprise—Other English affairs

[PERIOD ENDED AUG. 15, 1921]

THE public mind in England has been principally concerned with the Silesian and disarmament problems, balanced, respectively, on the brighter side by the prospect of a working accord with France, the call of a conference in Washington by President Harding, and a general feeling of relief at the hopeful trend of Irish affairs. Unquestionably a clearing is discernible of the political, financial and industrial skies.

Meetings of the Imperial Conference of Colonial Premiers continued into August, but little was officially given out concerning the proceedings, and that little was sometimes delayed. Thus the address of A. J. Balfour on the League of Nations before the conference on July 8 was not published until the 12th. Mr. Balfour said:

> If the League were to dissolve, a new peace treaty would have to be framed and new machinery would have to be devised to carry out the duties with which the League has been entrusted. The most serious difference between the League as it was planned and the League as it exists is the absence of America and Russia.

The final meeting of the conference took place on Aug. 5. The feeling prevailed among the members that the gathering had been successful. From an authoritative source some important results were disclosed. An agreement had been reached defining and settling the constitutional position of the different parts of the empire in giving advice to Downing Street on foreign affairs. Thus, according to the statement:

> It is now agreed as a part of the Constitution that the British foreign policy must be representative of all the democracies in the empire, so that the empire speaks with one voice. The foreign policy of the empire is to be determined by a conference of Prime Ministers, but when this conference is not in session the foreign policy must be carried on by the British Government, subject to such consultation with the Dominion Governments by cable or otherwise as is possible. The home Government, when the conference is not in session, might therefore be described as managing director for the empire democracies in foreign affairs.

All the Dominion Premiers and Mr. Lloyd George were willing to go to the United States immediately for a preliminary conference on disarmament, but as the suggestion was not taken up by the United States Government the proposed Washington conference in November was regarded as holding the field.

A third subject of deliberation, as supplemental to the principle of co-operation with the United States, was the position of the British Empire as a bridge or link between the European and white races and the Asiatic races. As against the idea that the Anglo-Saxon races combined in a common interest might safeguard the world's peace, the view of the conference, it was said, was that greater hope for the peace of the world lay in the character of the British Empire. Thus:

> It was argued that in India there are innumerable Asiatic subjects of the Crown, while the empire, too, has long been in friendly association with Japan, and that these facts point the way to a truer conception of world amity than could be found in a more marked division of the races. The British Empire, acting as a link between Europe and Asia, co-operating in world affairs with the United States and wielding influence through friendly comradeship in the Far East, would be the greatest promise of world peace.

After a full discussion on Pacific questions in relation to naval defense and the renewal of the Anglo-Japanese Treaty, the conference agreed that the needed co-operation with the United States in world affairs should be the first principle of British

policy. The discussion of Pacific questions and of the Anglo-Japanese alliance, therefore, was postponed until after the Washington conference on disarmament. The Imperial Conference, it is understood, reaffirmed the principle of separate dominion navies and coastal defense, with a policy of imperial co-ordination in time of need.

A sensation in British political circles was the resignation from the Cabinet on July 14 of Dr. Christopher Addison, Minister without portfolio and former Minister of Health. Dr. Addison was responsible for the housing schemes which the Government once supported with enthusiasm. In a long letter to the Prime Minister, with whom Dr. Addison had been on terms of close friendship, the former Minister contended that the precipitate abandonment of his plans on the ground of financial necessity was not true economy, but a betrayal of solemn pledges to the people, and, however much one may allow for justifiable necessity, he did not think that "the Government could safely rest on shifting opportunism, to the neglect of conviction." To this Mr. Lloyd George, in "bitter-sweet" brevity, replied: "The financial situation has forced us to cry 'Halt' in the development of your housing plans. Time will be given to the new Minister of Health to put these schemes on a more businesslike footing."

When the subject was brought up in the House of Commons on the 15th, in juxtaposition with the Government policy in the Middle East, it was characterized as an ironic jest that they were unable to keep the housing pledge to the country on account of financial stringency, while asking for more millions for Mesopotamia to carry out a project to which, as Mr. Asquith said, they were committed by no pledge.

On July 14 the War Office issued a statement regarding reduction in the Territorial Army. For the future the number of battalions required to furnish the infantry brigades was definitely fixed at 168. This would permit allotment of 12 battalions to each of the 14 divisions and give a total peace establishment of 4,704 officers and 114,240 men of other ranks. Before the war the infantry brigades comprised 208 battalions, and of these 40 were required for coast defense and lines of communication. Now coast defense was entrusted entirely to the Royal Garrison Artillery and the Royal Engineers, due to reduction of the danger of invasion to a minimum. This reduction saves £390,000 a year.

Decontrol of the railroads, fixed for Aug. 15, moved the Minister of Transport to introduce a bill in the House of Commons on Aug. 7 to obtain greater efficiency and economy of operation as well as that normal extension of transportation facilities which war demands had prevented. The most striking feature of the bill was the regrouping of British railway lines into six large systems, each serving a given area. The companies assigned to each group were left to arrange their own plans of amalgamation, provided an agreement was reached by June 30, 1922. Other clauses provided for a new rate tribunal, the settlement of wages, and the Government offer of £60,000,000 to settle claims for compensation in respect to Government control. The bill passed its third reading in the House of Commons on Aug. 9.

That the Throne had not escaped the prevailing financial stress was made evident in a bill introduced in the House of Commons on Aug. 10 to provide money to meet a heavy deficit in the King's household budget. Mr. Austen Chamberlain explained that although the King had cut out all unnecessary expense, the increased cost of the royal household compelled him to seek assistance, since the Government was unwilling that he should further reduce the ceremonial state associated with the traditions of the British throne.

CANADA AND OTHER BRITISH DOMINIONS

Installation of Lord Byng at Quebec as Governor General of Canada amid elaborate ceremonies—Canada's award of $300,000,000 as her share of German indemnities—Land settlement in Australia—British rule in Egypt

[Period Ended Aug. 15, 1921]

BARON BYNG of Vimy, Canada's new Governor General, a favorite war hero, arrived in Quebec on Aug. 11 and was greeted at the wharf with impressive demonstrations of popular enthusiasm. He was welcomed officially by Justice Anglin, the Acting Administrator, who headed a party including members of the Federal Cabinet, Provincial Premier Taschereau, and members of the Provincial Government. Accompanied by Premier Arthur Meighen, Lord and Lady Byng were escorted to the Provincial legislative building by a troop of cavalry through flag-bedecked streets lined with cheering multitudes. In this building the new Governor General took the oath of office amid impressive ceremonies. Then, after a day's social program, he departed for Ottawa to assume his new duties.

Canada's share of the $30,000,000,000 of German reparation money was fixed by the Imperial Conference on July 15 at $300,000,000. This is 4.5 per cent. of the 22 per cent. allotted to Great Britain, and amounts to about one-eighth of the Canadian national debt.

A farmers' Government with a clear majority over all other groups, singly or in combination, now rules the Province of Alberta. In a Legislature of 61 members the farmers have 39, the Liberals 14, the Independents 4 and the Labor Party 4. It had been generally thought that the Liberal Government, under the Premiership of Hon. Charles Stewart, would be returned to power by a small majority. The result was an all-around surprise. The Conservative Party, which was not very strong in the former House, but was the only opposition to the Government, was completely wiped out in the elections of July 18. The former Government was regarded as one quite friendly to the farmers and as worthy of their support in many respects; but, as in Ontario, the farmers, after many years of work in co-operative buying and selling, had determined to organize for political purposes and to dissociate themselves entirely from the old political parties. Their organization was a revelation to most politicians not connected with it. Subsequent to their victory the farmer members-elect chose as their preference for premier Herbert Greenfield of Westlock, who was not a candidate in the elections, but is Vice President of the United Farmers of Alberta. Greenfield is the embodiment of the type of settler made by the West. He is 52 years of age and came to Canada from his native country, England, in 1892. For some years he engaged in farming in the Province of Ontario, and then homesteaded in the West, where he has since remained. From the inception of the political branch of the United Farmers of Alberta he has been an active worker, and his gifts as a student of politics and a master of homely phrasing have made him a leader among his fellows. One of his first declarations as to policy was that he would select as Attorney General a man who was in complete sympathy with the Prohibition act and would fearlessly enforce it in the Province. The new development in Alberta is expected to have an important influence on the larger sphere of Dominion politics.

Hon. Arthur Meighen, Premier of Canada, who arrived home on Aug. 7 from the Imperial Conference at London, was accorded fine receptions in Halifax and Ottawa. The Premier, who is a strong supporter of the Washington disarmament conference, has voiced his conviction of the real value of imperial conferences and his satisfaction with the results of the one just closed.

AUSTRALIA—Every effort is being made by Australia to attract white settlers to help build up the country. Today it is one of the richest and emptiest lands in the world. Queensland, for instance, more than three times the size of France, and several times larger than Great Britain and Ireland, has a population of only about one person to every square mile, though it has actually room for twelve or fourteen million people. Australia possesses a million acres containing barely a single white man.

The States and the Commonwealth are now co-ordinating their immigration work. Sir Joseph Carruthers, the former Premier, announces a comprehensive colonization scheme for Australia, and the creation of a fund of £30,000,000 jointly backed by Great Britain and Australia, to be raised as required and to be used in the settlement of unoccupied land. He advocates the slogan of "A million farmers and a million farms" for Australia.

Premier Hughes on July 15 in London issued an emphatic denial of rumors that Australia intended to sell the Commonwealth Government line of steamers. He said the line had proved of great value in fostering trade with Great Britain and had earned a substantial profit, proving that a Government could conduct such ventures as well and economically as private enterprise.

Wireless authorities, checking Australia's position on world maps by radio with standard time clocks at Lyons, France, say there is an error of perhaps 100 yards in the indicated position of all Australian north and south lines.

NEW ZEALAND—W. S. Massey, Premier of New Zealand, at a banquet given to him in London on July 14, declared in favor of "empire preference" in tariffs. If one country, he said, closed its doors to the products of another which adhered to a policy of free trade, the latter would be placed at a serious disadvantage. Recently a country with which Britain does a large trade had increased its customs duties upon everything which it could produce itself. He would be surprised if something were not done to protect the interests of those who had been affected by that customs increase. He suggested that countries of the empire should give preference one to the other within the empire. Meat, wool and sugar, he said in conclusion, the empire could grow for itself, and it would soon be able to do the same with cotton. Thus, the United States' high tariffs help to bring closer together the States of the British Empire, increasing a tendency to trade with each other as freely as the forty-eight States of the American Union, whose policy has been called the greatest experiment in free trade the world has ever seen.

Natives of the former German island of Samoa, now held under mandate by New Zealand, have drafted a petition asking that the Government of the island be transferred from New Zealand to Great Britain. The Samoans are dissatisfied because they were not consulted as to the disposition of their territory, and European settlers are discontented owing to the drastic prohibition regulations. The petition was withdrawn temporarily, but the New Zealand Foreign Secretary expected it to be renewed.

EGYPT.—A dispute has arisen between British shippers and the United States Shipping Board lines for the transportation of cotton from Egypt. The board charged that discrimination was used against its vessels, even when the American bids were materially lower. The American position was that other nations must give every proper opportunity to ships which fly the Stars and Stripes, or else run the risk of encountering retaliatory measures. It was reported on July 28 that the Shipping Board had delivered an ultimatum that unless fair treatment was accorded its ships it would "declare an open market" and inaugurate a freight war. Conferences were held in London, and the British lines on Aug. 4 agreed to allocate to the Shipping Board 50 per cent. of the shipments to American vessels direct from Alexandria to the United States, but refused to assent to the participation of Shipping Board vessels in the indirect movement of Egyptian cotton from England to the United States. The Board insisted that American vessels were entitled to carry at least half the cotton brought from Egypt to the United States by way of British ports. This produced a deadlock, and on Aug. 9 it was reported that negotiations had been broken off. The Egyptian cotton crop amounts to about 665,000 tons, about 37 per cent. of which comes to the United States.

Lord Milner's scheme of independence for Egypt has evidently fallen through, and Great Britain intends to remain in control at least for the present on account of the disturbances in Cairo and Alexandria, in which a number of Europeans were killed, as related in CURRENT HISTORY for July. Minister Winston Spencer Churchill, Secretary of State for the Colonies, in a speech at Manchester, officially announced that Great Britain had definitely decided upon maintaining troops in Egypt and retaining military control for a considerable time to come. Meanwhile the Egyptian delegation, headed by the Premier, arrived in London on July 11, and began conferences to negotiate a treaty regarding the future status of the country. Zaglul Pasha, the Egyptian extremist, who has been the bitterest opponent of Great Britain, and who has clamored for immediate absolute independence, is said to have lost much of his popularity; one of his principal supporters, Prince Aziz Hassan, a cousin of the former Khedive, was deported early in July.

SPAIN'S MOROCCAN REVERSES

Berber tribes seriously set back Spain's colonial rule by inflicting defeats comparable to Italy's at Adowa, under a master mind alleged to be a young Moor, Abd-el-Krin

[PERIOD ENDED AUG. 15, 1921]

ONLY a few miles south of the coast of Spain, in full view of the Mediterranean traffic that passes through the Strait of Gibraltar, is a strip of African soil, averaging only three modern cannon shots deep, which Spain has been trying to subdue for over 500 years. This littoral, extending from the Atlantic to the confines of Algeria, is inhabited by Moslem tribes of varied origin, called at different periods of history by various names. Chief among them are the Berbers. Although possessing the suppleness and dignity of the Arabs, in many cases their giant stature and blond appearance belie their supposed tropical origin. They are supposed by anthropologists to have in their veins the blood of Norse Vikings, who are known to have been shipwrecked on the coast at about the time the Empire of Rome fell, and of Gaiseric's Vandals.

They thrice conquered Spain and were thrice pursued across the strait between the Pillars of Hercules—the guardian rocks of Gibraltar and Ceuta. In attempting to subdue them in the mountains, which were always their ultimate refuge, Spain through the centuries suffered many reverses. But so have the Sultans of Morocco, who have attempted to do the same thing, for the Berbers would acknowledge neither the authority of Madrid nor that of Fez, or of the other capitals, Mequinez, Marakesh or Rabat. Successive Kings and Sultans have passed away in trying to make them do so.

Since 1859, however, when Spain invaded the littoral in force, there has been a sort of armed neutrality; but now, after all these years, the invader has suffered a defeat which can be compared only to the disaster which overtook England at Khartum in 1885 or Italy at Adowa in 1896.

In order to understand the military catastrophe some attention must be paid to the political setting in which the tragedy took place. Germany's objection to the Franco-British agreement in 1905, which gave Great Britain a free hand in Egypt and France in Morocco, brought about the Algeciras conference of 1906. This practically confirmed the French claim to that part of Morocco controlled by the Sultan as a protectorate. A year later the Sultan Mulai Yusef signed a treaty at Fez accepting the protection of France. But this agreement conflicted with Spain's historic claims to the littoral, the Rif coast. So France and Spain got together, and at Madrid, Nov. 27, 1912, signed a treaty by which France acknowledged the right of Spain to exercise her "protection" over a zone embracing the Ceuta peninsula (all but the northwestern corner, which had

been designated as an international zone at Algeciras), and the littoral, averaging sixty miles deep, extending eastward to the frontier of the French colony of Algeria. Spain, on her side, acknowledged the protectorate of France over a zone to the south also extending from the Atlantic to the colony of Algeria. By agreements with the Sultan each zone was to be administered by a High Commissioner acting under the nominal authority of the Sultan's Caliph.

During the great war little attempt was made to administer these zones, but at its close France sent General Lyautey as her High Commissioner and General Poeymirau as the commander of 30,000 men. Spain sent General Domaso Berenguer as High Commissioner and General Silvestre in command of 50,000 men.

In January, 1920, it was decided in both Paris and Madrid that the pacification of the two zones should begin. By September the various expeditions under General Poeymirau reported success. Those under General Silvestre could not report the same. So General Silvestre marched on. Leaving strong detachments at Ceuta, Larache and Melilla, he finally invested and captured the strongholds of Sidi-Dris and Tafer Sit, but the country was not subdued. When Winter came he had established more than a dozen posts, but with few trustworthy and no impregnable lines of communication.

Last Spring that bird of ill-omen, El Raisulo, crossed over from the French zone and prepared to make trouble among the peaceful valley people south of Tangier. At about thirty-five miles from that city he was surprised by an army of about 15,000 Spanish troops and native levies and forced to accept a siege in a mountain fortress. While the siege was favorably progressing a Spanish column with native levies was sent to open the coast road from Melilla to Alhucemas, with the idea of making the latter a point of departure for an expedition into the interior.

El Raisuli has been in many tight places, but this time his fate seemed sealed. He was about to capitulate when a mutiny breaking out among the native troops on the Melilla-Alhucemas road, followed by a formidable descent of the Berber tribes from the Rif Mountains on Spanish posts and lines of communications, caused the siege to be raised. El Raisuli thus again escaped. What had happened to release him is the story of the Spanish disaster.

General Silvestre, with the co-operation of General Barrerd, who was operating on the Larache side, and General Berenguer, on the Tetuan side, was preparing for the occupation of Alhucemas and its surrounding country as soon as the coast road should offer safe communication by land from Melilla. Several positions had already been established, when in May the mutiny occurred, and one after another the Spanish posts became isolated from Melilla, Larache and Tetuan by similar revolts of the native levies.

On July 20 Madrid received the first news of the initial defeat which within forty-eight hours developed into a disaster so stupendous as to wipe out nearly all the interior posts with over 5,000 casualties and a loss of nearly 2,000 square miles. The news caused 2,000 troops to be sent from Ceuta to Melilla and a warship from San Sebastian, and the fall of the Allende-Salazar Ministry, probably to be succeeded by one formed by former Premier Maura. After the mutiny in May the High Commissioner at Melilla had asked for a division, but, as was pointed out in the August CURRENT HISTORY, the Minister of War, on account of the unpopularity of the Moroccan campaign, dared not send it.

The news received on the 20th at Madrid told how General Silvestre had heard that the Ayguaren post was being attacked by the Kabyles, and had gone to attempt its rescue with the Alcantara Regiment, composed of Spaniards, some batteries of artillery and several units formed by native troops organized as a column of reinforcements. The column almost immediately found itself surrounded by superior forces, very well entrenched, and after a bloody combat the General gave orders to withdraw. The two positions of Ayguaren and Anuen were abandoned and a disorderly retreat began. At a certain point in the retreat the General and his entire staff committed suicide.

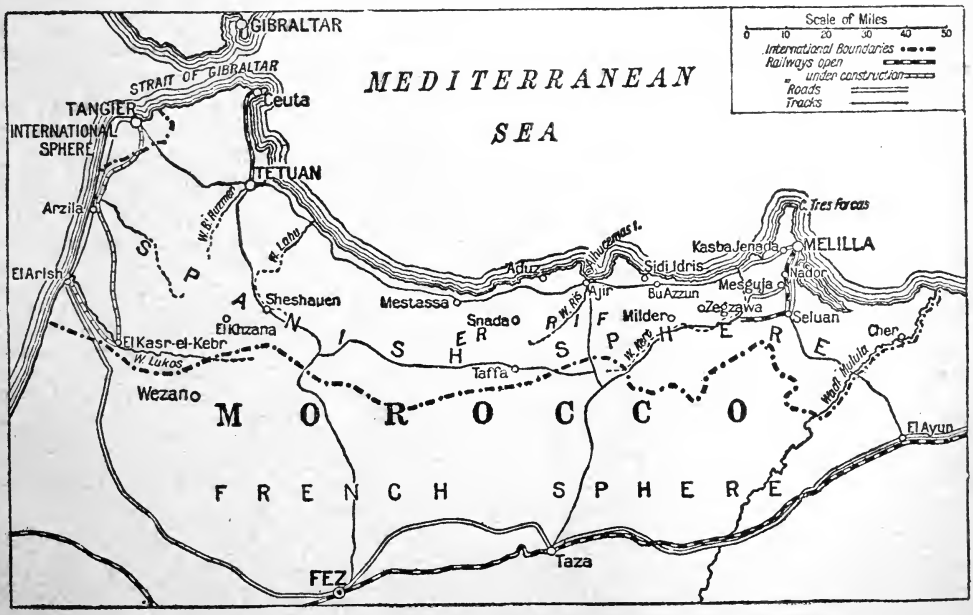
General Silvestre was a great friend of King Alfonso and one of his aides de camp. He had seen nearly all his service in Morocco, and before the occupation of the Spanish zone had served at Casablanca as chief on the Spanish National Police, and was commander of the Spanish sector.

The Madrid papers are filled with stories of heroic Spanish officers, like the cavalry commander Colonel Primo-Rivera, who led 400 horsemen repeatedly against an ambushed enemy until all his troopers were slain. A warship attempted to cover the retreat from Sidi-Dris, but without avail. Nador surrendered and its garrison was slain to a man. Two Spanish Generals, Sanjuro and Navarro, were taken prisoner in the Mount Arruit district, after nearly all their men had been slain. Some Madrid papers are accusing German firms of having supplied the Moors with rifles and ammunition; the German-language press there replies by accusing the French.

There is no doubt that the tribesmen are well supplied with modern arms and munitions and are instructed how to use them, and have also been trained, to a certain extent, in modern strategy and tactics; nor is there any doubt that the successive mutinies which broke out at post after post, so as to invite the neighboring detachments of the enemy to attack, had been prearranged.

The whole affair indicates some master mind. At first it was thought that El Raisuli was the man. But this Moorish bandit is as much an enemy of the Berbers as he is of Spain, as he is of the Sultan himself. Besides, from his mountain retreat subsequently he made an offer to pacify the Spanish zone provided he be made the Caliph-Sultan of the territory. If his offer should be accepted it will bring him into armed contact with the real leader of the master stroke against Spain. According to Melilla advices, via Buenos Aires, this is Abd-el-Krin, a youthful picturesque Moor educated in Spain. La Nacion of Buenos Aires, quoting its Melilla correspondent, gives the antecedents of the alleged phenomenal military genius as follows:

> Before the war Abd-el-Krin, then faithful to Spain, was employed in the Office of Native Affairs in Melilla—a post equivalent to that of Supreme Judge of the Moors. When the war broke out, the young, energetic Moor became active in favor of the Germans, whereupon France protested, and Spain, in observance of neutrality, interned him. Later Abd-el-Krin escaped from prison, crippling one leg in so doing, and swore vengeance on the Spaniards, and especially on General Silvestre, whom he hated to the death. He appealed to religious fanaticism, and raised an army of 20,000 men.



SCENE OF SPAIN'S CURIOUS DEFEAT ON THE RIF COAST

Under the direction of the Spanish High Commissioner, General Domaso Berenguer, and with the approval of the Sultan's Caliph, some Spanish soldiers and native auxiliaries were repairing the road between Melilla and Alhucemas. To the west, a few miles northwest of Sheshauen, El Raisuli was being besieged under the direction of General Silvestre. A mutiny of auxiliaries at the former place, followed by an attack by the Rif tribes and the capture of three guns, cut off two Spanish columns sent out from Melilla, isolated Melilla, raised the siege against the arch-bandit, El Raisuli, and scattered the besiegers.

FRANCE IN THE ROLE OF HAMLET

The Briand Government, torn between conflicting motives, has been halting between two opposing policies regarding Germany—The Entente in peril for a time—New promise seen in the movement to favor Germany economically

[Period Ended Aug. 15, 1921]

DESPITE all the gloom and pessimism in France today, despite the low-water mark of the French Treasury, the insufficiency of the national revenue, even with increased taxation, to cover the outgo, and the grave fears for the future in case Germany does not pay, there is some evidence that France is getting on her feet again. Reconstruction work in the devastated areas is progressing, finances are far from hopeless. M. Paul Doumer, the Minister of Finance, in his report on the budget for 1922, pointed out that the financial disaster caused by the war was not as great as had been believed; he estimated it at 240,000,000,000 francs—a vast sum, but considerably below the 400,000,000,000 estimated by some experts as a minimum figure. The total debt is 264,341,000,000 francs; of this amount some 35,000,000,000 francs is owed abroad, over 15,000,000,000 francs being due to the United States. The budget for the coming year can be balanced, M. Doumer is confident, by drastically cutting down Government waste and expense and by raising certain taxes. Other financial experts, notably M. François Marsal, the former Minister of Finance, opposed M. Doumer's suggestion to increase the revenues by further taxation, and declared that the whole financial and economic future depended on Germany's being made to pay. The great expense involved in keeping up so large an army, M. Marsal argued, must be reduced, and this could not be done until Germany had disarmed.

That Germany must both pay and disarm has become a French axiom, but the national French feeling still runs strongly counter to French disarmament. In all public speeches made by President Millerand, by Premier Briand and by other leaders of the Government the note of national security is sounded again and again. The French papers welter in reports of Germany's hatred and fever for revenge, of Germany's insolence and determination to balk France of her pound of flesh. With amazement and grief France has seen her great ally, England, back the claims of Germany to Upper Silesia, thus bringing on another of the many crises with which Anglo-French relations have for many months been starred. Vehemently President Millerand declared at the naval celebration in Havre on July 25 that alike on land and on sea France desired only to secure her future safety, and that a strong fleet, even as a strong army, was necessary for the execution of her undeviating policy.

This maritime fête at Havre brought out some interesting facts, notably that France is becoming again a great maritime nation. Despite the chaotic conditions prevailing after the war, which necessarily reacted on shipping, France's merchant fleet has already made good beyond the losses caused by the war. On July 1, 1914, its tonnage had stood at 2,400,000; in the near future it will reach a total of 4,000,000 tons. The Temps says:

> In former days foreign shipping companies drove us out of our own harbors. Today the flag of France is hoisted by French lines over the docks of Hamburg. At Antwerp French companies rank only second in importance. It is from Antwerp that the Moroccan liners of the Transatlantic Company sail as well as French steamers for the Far East and India chartered by the Messageries Line.

As for French harbors, through the active aid of the French Chamber of Commerce, such important ports as Marseilles, Havre, Bordeaux, Rouen and Dunkerque will be able, declares the Temps, to compete with any of the great harbors of the world, when the 1909 and 1917 programs are completed.

Although by every possible means, with fleet and army, by force and diplomacy, France is determined to guarantee herself

against future aggression, even at the cost of being called imperialistic, she is faced with problems which would discourage any but the strongest hearts. President Millerand and Premier Briand, who have shown remarkable harmony since Briand took the Premiership, are steering a perilous course. France's whole policy—the maintenance of her forces in the Ruhr, the continuance of a tariff régime there barring the region from the rest of Germany, the fostering of a strong Poland, all at the economic expense of Germany—has run absolutely counter to Lloyd George's policy, which is directed toward the economic strengthening of Germany.

Security! That is the word which epitomizes the whole French ambition. But combined with this, and almost in opposition to it, are the French financial and economic needs. Germany must pay, but if she is so weakened by the French policy as to be unable to pay, where will France be then? There are evidences that a certain body of opinion is arising in France which leans toward the English tendency. Philippe Millet, a well-known political writer, in an article published in one of the Paris papers on July 14, took this line of argument, and strong in knowledge of facts presented to him by American and British officials, and even by members of the Rhineland High Commission, declared that if France wanted Germany to be placed in a position where she could pay, the economic barrier of the Ruhr must be abandoned.

It is exactly this problem which the Franco-German commission appointed to carry on the negotiations for an economic agreement begun by M. Loucheur, French Minister for the devastated area, and Dr. Walter Rathenau early in June at Wiesbaden, was called upon to solve. The news that an agreement had been reached came to Paris toward the middle of July, after the adjournment of Parliament, the Nationalist majority of which has been consistently opposed to all concessions to Germany. The importance of this agreement for France's future relations with Germany cannot be overestimated, for in it France at last consents to receive payment in kind. Any Frenchman who has suffered war damage will notify a duly constituted board regarding his needs. German producers will be called on to send the goods needed, and in return are to receive bonds to be liquidated in marks by the German Government, which will also probably tax the producers. In this way Germany will be paying reparations, but without a ruinous outlay of cash.

Above all, this agreement, if accepted, will stop the flooding of the Rhineland with French goods, on the one hand, and the boycott of French goods by Germany on the other; France will promise to cease commercial penetration, Germany to abandon her boycott. If this agreement is executed, it is obvious that it will do much to lay solid economic foundations for the future between the erstwhile enemies. The French military occupation will continue provisionally, but it is believed that France will withdraw her soldiers as soon as she perceives that Germany means to pay her, in kind, if not in cash, and gains assurance that Germany is not arming secretly for revenge.

The latest reef which has thrust its head out of the troubled international waters is the Silesian situation. In the month under review it seemed to threaten shipwreck to the Anglo-French Entente. Briand's desire to send reinforcements to the disturbed Silesian area was disapproved by Lloyd George, but he finally consented to join in a note to the German Government notifying the latter that it must give its consent to the passage of reinforcements across Germany if at any time they should become necessary. The main conflict, however, was over the question of what part of the Upper Silesian territory should be allotted to Germany, and what part to Poland. Here again the English view that Germany must be aided, not crushed economically, came to the fore. Here Briand held firm, realizing that French sentiment was irreconcilably opposed to the British scheme of giving most of the rich mining districts to Germany. It was announced from Paris on Aug. 13 that the Premiers, in despair of coming to an agreement, had referred the whole question to the Council of the League of Nations. [See the brief article on Upper Silesia elsewhere in these pages.]

The income tax, from which the Government hoped to find considerable resources to tide it over while awaiting German payments, is proving disappointing in its re-

sults. In 1919 only half a million people declared their incomes, in 1920 only a slightly larger number. This year again only 500,000 have declared their incomes. Half of these, furthermore, have returned figures so small that the revenue will be little or nothing. The Ministry of Finance is planning to increase its personnel of inspectors and to trace down the delinquents. Meanwhile the budget estimate has fallen short by 2,500,000 francs.

Despite the drought, which in France has been almost continuous since last Autumn, the French wheat crop for the present year is the best that the country has had since the period before the war. The former product was about 90,000,000 quintals. This year's wheat totals 80,000,000. The wine harvest is large and of exceptionally fine quality.

The foundation stone of the new library at Rheims, which will take the place of the library destroyed by the Germans, was laid on July 21. The funds were donated by the Carnegie Foundation for International Peace. The President of the Foundation, Dr. Nicholas Murray Butler, President of Columbia University, made the presentation speech, after a short address by Mr. Myron T. Herrick, the American Ambassador. Dr. Butler declared that this ceremony proved again that "the human mind cannot be broken by force, and that even the greatest machinery of destruction can no longer destroy what is best and most significant in human life." This building, he said, was the first of many which would be erected between the Vosges and the sea to testify to the irrepressible power of the peoples devoted to liberty and progress. By this endowment, the Carnegie Foundation, he added, had wished "to express the conviction that France in 1914 was the victim of a cruel, premeditated, and unprovoked attack."

HOLLAND'S INTERNATIONAL RELATIONS

[Period Ended Aug. 15, 1921]

GERMANY was expected to be represented at The Hague Congress on International Law to be held at the Carnegie Peace Palace at the end of August. Geheimraths Niemeyer, Dove and Katz were expected to attend. Meanwhile the League of Nations is rapidly making preparations for the organization of the Court of International Justice, 41 nations having signed the statute of the court. Brazil has named Elihu Root for one of the Judges and Chile has nominated Lord Finlay.

The Rotterdam Chamber of Commerce has petitioned the States General to reject a bill for the increase of the tariff on imports, as they deem it a danger to national commerce. The Third International Free Trade Congress will be opened at Amsterdam on Sept. 13.

Holland would like to take part in the Disarmament Conference. With a population of 59,000,000 subjects in the Dutch Indies, she feels that she has a voice in Pacific questions, especially as the colonies are open to international trade without preference tariffs of any kind. A scheme of naval defense proposes forty submarines and fifty destroyers and larger vessels for the East Indian fleet. Should the powers, especially Japan, agree to disarm, Holland would be spared this burden. Holland is now the sixth sea power, with a tonnage of more than 2,000,000, or 736,000 tons more than she possessed in 1914.

The Dutch Cabinet crisis was settled on July 27, Premier Ruys de Beerenbrouck having reconstructed the Ministry with Burgomaster de Geer of Arnheim holding the portfolio of Finance and M. Van Dyk, former Chief of the Topographic Institute, at the head of the War and Navy Department. The American Minister, William Phillips, returned to The Hague on July 26, but made no further attempt to get a footing for the Standard Oil Company in the Djambi East Indian fields.

ITALY'S INTERNAL PROBLEMS

Growth in prestige and power of the new Italian Cabinet, headed by Signor Bonomi—Last echoes of the Fiume controversy in the problem of Porto Baros—The Fascisti stirred anew by rise of a hostile league

THE Italian Chamber adjourned on Aug. 6, after which the President of the Council, Signor Bonomi, and the Minister of Foreign Affairs, Marchese della Torretta, immediately departed for Paris to attend the sittings of the Supreme Council, where, as has been reported by the semi-official journals of Rome and confirmed by those of Paris, the Marchese exercised a strong influence in preventing an imminent breach between the British and French Premiers on the Silesian and Turko-Grecian problems.

The Chamber, under the auspices of the Bonomi Ministry, had been in session at Montecitorio since July 18. In spite of the dismal predictions made by both Nationalist and Socialist extremists, it continued to gain in prestige and in both legislative and popular strength. The exposition of the Government program showed three main features: (1) The Adriatic question, provision being made for an honorable observance of all treaties; (2) economic problems, beginning with reforms in many departments of public service, and including a more equitable relationship between capital and labor, not only in industry, but in agriculture as well, and (3) the problem of public order, including the disarmament of all citizens not legally authorized to bear arms.

The session had not proceeded far before it became evident that Signor Bonomi would turn to the Right for the execution of his foreign policy and to the Left for the execution of his home policy. He was credited with the intention of satisfying the Conservatives and Nationalists in foreign policy and keeping the Socialists quiet by stern repression of the Fascisti agitation. Although the session was far from calm—cries of the Socialists for the repression of the Fascisti were met by cries from the latter for the observance of the laws, so that their work would be unnecessary, and on one occasion thirty-five Socialists almost caused bloodshed by voting against honoring Italy's " unknown dead soldier "—nevertheless, on July 23, the Government received the largest vote of confidence given to any Government since the famous vote of April 28, 1919, which enthusiastically sent Orlando and Sonnino back to the Peace Conference, from which they had withdrawn on the publication of President Wilson's memorandum advising the Italian people in regard to the Pact of London and Fiume.

This last unfortunate question has again come up, this time in regard to the nationality of Porto Baros, the most eastern harbor of Fiume. According to the Treaty of Rapallo, this part of the boundary was left to be determined by subsequent Italo-Jugoslav negotiations. Because the preceding Foreign Minister decided that the harbor, lying across the river, which geographically divides the new State of Fiume from Jugoslavia, should go to the latter country, the Ministry of which he was a member was rebuked and resigned. The Italian delegates at Belgrade, now working under the direction of his successor, the Marchese della Torretta, are understood to be trying to have the Jugoslavs accept political rights at Porto Baros and to have its commercial administration go to Fiume. To foster this solution Signor Zanella, the leader of the autonomists of Fiume, went to Belgrade on Aug. 8

According to the Treaty of Rapallo, if the delegates do not reach a decision in regard to the Fiume-Jugoslav boundary, the question will go for arbitration to the President of the Swiss Republic, whose decision will be final. But what makes the question so difficult is the fact that the late Giolitti Government, in attempting to oust Gabriele d'Annunzio, declared, either specifically or by suggestion, that Porto Baros was in no way involved. This was a point strongly insisted on in the Senate on July 20 by General Caviglia, who bore the mandate of the Giolitti Government to negotiate with the poet-leader, and had reassured him to that effect. But d'Annunzio continued to reply

that, although the text of the treaty implied that the boundary would be fixed to the east of Porto Baros, a note verbale assured the Jugoslavs that it was to be fixed in the west.

Signor de Nicola, President of the Chamber, had by Aug. 1 succeeded in bringing about a truce between the Socialist and Fascismo Deputies, and the Ministry of the Interior had put into effect certain effective measures outside Montecitorio, when suddenly a new organization made its appearance called the Arditi del Popolo, whose program is the defeat of Fascismo violence, just as the Fascismo program is the defeat of Socialist violence. This new anti-Fascisti Fascismo, which grew into being among violent anarchist and communist elements, sought to gain moral support from the public after the killing by the Fascisti of one of the sons of the Hon. Lucy Beckett, daughter of the second Baron Grimthorpe, and the wounding of two others. The mother and sons were fired upon by mistake while proceeding in an automobile to Viterbo, contrary to all warning, on July 13. Both the Government and Fascismo organizations showed their horror of the deed and made every possible reparation, the offenders, to the number of five, giving themselves up to the police.

It seemed that the effect of the tragedy would be to modify overt acts on the part of the Fascisti, when the rise of the Arditi del Popolo, with its avowed purpose of putting into active effect the Third International, caused the Fascisti to realize that, in spite of accidents, mistakes and the killing of tourists, there was still work for them to do, unless the Government itself should take the Arditi del Popolo in hand.

PORTUGAL'S NEW CHAMBER

[Period Ended Aug. 15, 1921]

ALTHOUGH the Republic of Portugal has only about the area of the State of Connecticut and a population equal to that of New York City, it was the middle of the month before the exact figures of the great national election of July 10 were known in Lisbon, so the celebration over the results and the welcome to Rear Admiral Charles F. Hughes, United States Navy, and his squadron became mingled.

The election constituted the new Chamber as follows:

Government Party	65
Democrats	57
Monarchists	5
Catholics	2
Other groups	5

Among prominent men not returned are Senhores Bernardino Machado, Domingues dos Santos and Paiva Gomes, respectively Premier, Minister of Labor and Minister of the Colonies in the last Cabinet.

Senhor Barros Queiros, the present Premier, formed a Liberal Government after the revolutionary movement at the end of May. Parliament was dissolved, however, before the new Ministry had presented itself, on the ground that for two years it had failed to pass a budget or any important laws.

The new Chamber convened July 25. The Premier welcomed the presence of monarchists in Parliament, observing that a strong republic should also be tolerant; his program includes economy in administration, reorganization of public service, taxation reform, introduction of a general income tax, the conversion of the total internal debt, and the issue of a loan for the consolidation of the floating debt.

POLITICAL DEVELOPMENTS IN SCANDINAVIA

Reactions against machinations of Russian Communists are manifest in Norwegian and Swedish Parliamentary campaigns—Denmark's King makes a life-saving record on his visit to Greenland and other outlying dominions

[PERIOD ENDED AUG. 15, 1921]

THE unearthing of the Bolshevist plot to take possession of Finland and the northernmost parts of the Scandinavian countries in order to turn these regions into a Soviet republic has had a powerful effect on the political situation in both Sweden and Norway. The excellent work of the Swedish and Norwegian police systems in balking this movement has put a quietus on the frantic cries of revolution in the ranks of labor and caused a reaction against the leaders who have attempted for the last few months to turn the labor parties to Bolshevism. This victory over the machinations of Moscow has an important bearing on the Parliamentary elections to be held this Autumn, and for which both countries are preparing.

The formation of a Soviet republic, to include Far Körelen, the Murman coast, Northern Finland, Northern Norway and Northern Sweden clear down to the Umea regions, was the plan disclosed by the captured documents. The promoter of the conspiracy was believed to be the exiled Hungarian communist Bela Kun, who was arrested at Lemberg on his arrival there from the Moscow communist congress by the Polish authorities. All Northern Europe was stirred by the unveiling of this plot and the arrest of its leaders, including the well-known Finnish communists Niemi, Jacobsson-Heikkinen and Paulin. The scheme was recently traced by the Swedish authorities to the Finnish (Finlander) Bolshevist leader, Gyllings.

The direct implication of Lenin and Trotzky in the plot has not yet been demonstrated. The relations between Soviet Russia and the Scandinavian countries—especially Finland—are not very cordial. Tchitcherin recently sent a note to both the Swedish and Finnish Governments protesting against their conference called for the neutralization of the Aland archipelago without notifying Russia, and insisting on being invited. Tchitcherin said that so long as the Alands remain simply a Finnish province the Soviet has no occasion to intervene, but that if the international position of the islands is changed in any way Russia must be heard.

NORWAY—As in most other countries there has been considerable unrest in Norway since the end of the war. All efforts, however, of a small minority of communist elements in the Norwegian Labor Party to develop a revolutionary spirit have utterly failed. Large numbers of the working classes left the old party and formed a new organization—the Social Democratic Party— openly opposed to the Soviet views and methods, and urging adherence to the old and lawful parliamentary methods in attempts to solve the social problem. The new party, undoubtedly in the majority, is steadily growing; it gained new strength through the detection of the Bolshevist plot. All precautions are being taken to prevent recurrence of similar political machinations, and the responsible political leaders of the country have no longer any fear that Bolshevism can make any serious headway among the inhabitants. This impression is confirmed by the decisive victory of the community in suppressing the great strike.

Parliamentary elections are held in Norway every third year and the next will come in October of this year. There are three main political parties—the Rights (Höire), the Lefts (Venstre) and the Social-Democrats (Socialisterne). The Rights constitute the conservative element in Norway's political life, working for the preservation of the present social order and the maintenance of private initiative in all branches of

business, though lending a willing ear to all timely reforms that do not endanger the finances of the Government. Its adherents may be characterized as moderate progressives, and are found chiefly in the cities, among all classes of urban inhabitants.

The Lefts constitute the liberal—in some respects even a radical—element in the nation's political life. They are mainly an agricultural party, supported by the rural districts and working for the advancement of agricultural demands and interests. The chief distinction between the Lefts and the Rights is found in the position of each regarding the scope of necessary social reforms, the financial policy of the Government, the language question and the problem of prohibition. In the two matters named first the Lefts are inclined to go further than the Rights. In the language question the Lefts are friendly to the movement for introducing as the single, lawful, written language the "New Norse" (Landsmaal), more or less artificially formed by the amalgamation of various rural dialects; whereas the Rights are guarding the interests of the present book-language (named Riksmaal by Björnsterne Björnson), the origin of which is found in districts where the influence of the Danish tongue has been more marked. The Lefts are in favor of the present system of absolute prohibition, whereas the Rights have outlined a policy for public control, as in Sweden, the State Treasury to reap the benefits of the sale.

The Socialist party, as mentioned above, is divided into two groups. The Communist group adheres to the Third International and the noted Moscow theses; the Social-Democratic group (frequently referred to as the "Right-Socialists") aims at establishing a new order of society, but through parliamentary methods.

Besides these main political parties there are minor groups, such as the Liberal Lefts, collaborating with the Rights during later years; the Labor-Democrats, ranking in their four views somewhere between the Social-Democrats and the Lefts; and, finally, the Association of Agriculturists. Only recently has the latter been turned into a political organization. Its leading purpose is advancement of the farmer's interests, and its political ideas are generally believed to be not far from those of the Rights.

No single party obtained an absolute majority at the elections in 1918. The 126 seats of the Storthing (Parliament) were divided as follows:

Lefts	51
Rights	40
Socialists	18
Liberal Lefts	10
Labor-Democrats	3
Association of Agriculturists	3
Independent	1

The new electoral method to be used this Fall will increase the number of seats in the Storthing from 126 to 150. The Socialist seats, however, will be reduced by the split creating the Social-Democratic Party.

When the Storthing elected in 1918 convened, a Government of the Lefts had been in power six years. As the Lefts still constituted the largest parliamentary group, the old Cabinet lasted until its overthrow in the Summer of 1920, when the other groups in the Storthing combined against it in the debate on an interior political question. Mr. Gunnar Knudsen, the "strong old man" of the Lefts, had to retire at the head of his Cabinet. The new Cabinet was formed of Rights and Liberal Lefts under the leadership of Mr. Otto B. Halvorsen.

Exactly one year later, this Cabinet has been overthrown by an alliance on a question of no political significance. Apparently, however, the Socialists gladly lent a helping hand to defeat the Halvorsen Cabinet because of the manner in which the Government handled the recent strike situation; also the Lefts seem to have grown more and more impatient with the rule of the conservative elements. Mr. Blehr of the Lefts, for many years prominent in parliamentary life, formed in a few days the present Cabinet, which consists exclusively of Lefts and has as its Foreign Minister the prominent specialist on international law, Dr. Arnold Raestad.

The present political issues are economic questions, especially those concerning commercial treaties with France and other wine-producing countries. The French treaty, which provides for unlimited importation of French wines and brandies up to 14 per cent. alcohol, is being eagerly discussed, particularly in the prohibition press, and the debate on it in the Storthing is awaited impatiently. The Lefts, as a prohibition party, will find it difficult to sanction heavy imports of liquor. Meanwhile,

new commercial treaties are being negotiated with Spain and Portugal, and the Government will have to use the utmost tact and sagacity in handling all these questions.

The most important social event of the month was the celebration of the silver wedding anniversary of King Haakon VII. and Queen Maud on July 22. The press was unanimous in its greetings to the King and Queen, who are very popular. In the morning, deputations from the Cabinet and Storthing presented gifts. Later, Prime Minister Blehr and his wife, the President of the Storthing, Gunnar Knudsen, and the President of the Shipping Society presented a gift from the nation of 500,000 kroner, with the request that the King and Queen themselves determine to what use the money should be put. Other gifts were made by the municipality of Christiania, by the British subjects in Norway, and by the Norwegian colony in London. King George and Queen Mary of Britain and Queen Alexandra also sent handsome gifts. Members of the royal household presented a painting of Crown Prince Olaf, the only child of the Norwegian sovereigns. Prince Olaf is admired as a viking type, in his fondness for athletics and outdoor sports. When he became of age on his eighteenth birthday, July 2, the King introduced him to the Cabinet Council, to participate in its proceedings, though without a vote.

Captain Roald Amundsen, in Seattle, received notification from Christiania, on July 19, that the Storthing had voted him an additional 500,000 kroner to continue his quest for the North Pole, which was delayed last year when his power-schooner, the Maud, lost a propeller in the ice at Cape Serdze, Siberia.

DENMARK—The event of the Danish month was the visit of King Christian X. and Queen Alexandrine to their outlying dominions, the Faroe Islands, Iceland and Greenland, the Danish press teeming with descriptions of the distinctive festivities for the royal visitors which took place in each region. The women of Iceland presented to Queen Alexandrine, the first queen to visit their remote island, a handsome Icelandic national costume. After an uneventful journey from Reykjavik, Iceland, across Denmark Strait, the sunlight showed the rocky west coast of Greenland against fantastically colored clouds, to the first royal eyes that ever beheld that country. Off Godthaab the vessel overtook a lone Eskimo in his kayak. As this was the first of his Greenland subjects he met, the King had the kayakman hoisted on board, and presented him with a rifle. The royal

(Bain News Service)
PRINCE OLAF OF NORWAY
The Norwegian heir apparent has become very popular on account of his athletic prowess

vessel—called the Island—reached Godthaab the night of July 9. In the firth, hemmed in with snow-clad mountains, a great fleet of kayaks and larger boats rowed out to greet the King; the natives in these boats included many women in the vari-colored costume characteristic of Greenland, with short trousers and high skin boots.

The next day the King and Queen were received on shore by Bishop Ostenfeld, who had come from Copenhagen for the occasion, a number of local clergymen and officials, and crowds of Eskimos. Mr. Rasmussen, the Arctic explorer, also was present. After church service in the morning, the people made festival, the Greenland huntsman, Iver Mathaeussen, interpreting the words of their Majesties to the gathering. The King was presented with a kayak and the Queen with a splendid eiderskin blanket. The gifts bestowed by the King were very practical, including many rifles. Later the party left for Northern Greenland, where

the sovereigns visited Mr. Porsild's farthest north station for scientific research. On the return voyage the expedition rescued the crew and passengers of a wrecked steamer, the Bele, which had on board two Danish Bishops—Ostenfeld and Ludwigs—and a number of scientific men. Part of the cargo was recoverable, but some of the equipment for Knud Rasmussen's new Arctic expedition was lost. Shortly after leaving the Bele, the King's ship sighted Rasmussen's vessel, Sökongen, and took the explorer and his wife aboard.

SWEDEN—At the September elections of members of the Second Chamber of the Riksdag, Swedish women will vote under the new electoral law, which then becomes operative. The extension of the franchise to women over 25 years old, and to all persons irrespective of former tax payment restrictions, is expected to increase the number of voters by 165 per cent. * * * The recent success of the Community Aid organization in Norway and Denmark in protecting the public in labor disputes has induced the formation of a like organization in Sweden, which has received considerable support from all classes.

Sweden's quarantine restrictions on trade with the Soviet, necessitated by the insanitary conditions in Petrograd, have caused the Soviet, in a huff, to order its commercial delegates in Stockholm to refuse the transport of goods on any Swedish ship to or from Russia. Swedish shipping circles are not taking the action seriously. More important is the fact that German competition is causing a trade and industrial slump, which is felt by both skilled and unskilled workers all over Sweden. The difference in standards of living and wage costs between the two countries is severely felt in Swedish plants.

FAILURE OF THE BALTIC LEAGUE

1921

Helsingfors Conference ends without results, after an open threat by Moscow —Repatriation of Lettish Red Guard soldiers from Russia

THE relations of the small Baltic States bordering on the vast and demoralized territory of Soviet Russia are very much like those of cat and mouse. Conscious of their peril of being swallowed up, these States have long been trying to effect a union, not merely economic but political. Month after month the negotiations have dragged on and always, for some mysterious reason, have ended fruitlessly. Fear of incurring the resentment of Bolshevist Russia has undoubtedly been one of the main causes for these failures, of which the Helsingfors Conference, which ended without result on July 28, is the most recent example. Preliminary economic discussions were held at Riga in the middle of July, which resulted in the signing of a full alliance between Esthonia and Latvia and a close economic accord between Latvia and Lithuania. This, however, was but part of an ambitious scheme for the formation of a Baltic League, closely compacted, aimed to constitute a solid defensive and offensive blow—an aspiration which the Baltic States have cherished for two years.

The Helsingfors Conference opened on July 25, already under the serious handicap of Soviet displeasure. The Moscow Government went so far as to send duplicate notes to Reval and Riga, announcing that it would regard the projected alliance as a casus belli. The situation was discussed in detail by the assembled delegates, consisting of M. Holsti, the Finnish Foreign Minister, M. Meierowicz, now the Lettish Premier, M. Piip, Foreign Minister of Esthonia, and M. Dombski, Vice Minister for Foreign Affairs for Poland. The deliberations were kept secret. On July 28 the conference adjourned without forming the projected alliance or arranging for a military convention. An official announcement was issued, stating that another conference would be held later in Warsaw. Behind this new failure towered the ominous shadow of Russia. [See also page 1005.]

FINLAND—Finland has been the sponsor and one of the main movers of Baltic

union. Her own relations with Soviet Russia have been by no means settled by the Finnish-Russian peace treaty, and she maintains close guard over her frontier. All people who cross the Finnish border from Russia are closely examined and subjected to quarantine at Terijoki, the former brilliant watering place, to which so many of St. Peterburg's inhabitants took flight during the heat of Summer. Peter the Great's former capital is distant only an hour and a half. Up to the rickety little bridge across the Systerback puff the dilapidated Russian trains which bring refugees from Russia. With contemptuous smiles, the Finnish engineers pull them across.

Down through the straggling wooden village the refugees are then taken to the quarantine station among the fir trees, where they are examined, fumigated, and finally housed in the neighboring villas, which form a sort of hospital colony. This quarantine station, established in 1918, and originally planned to hold 400 people, has now been expanded to take care of 800. All who come out of Russia, many of them in a filthy condition, have to spend fourteen days there, the only exception being in the case of official delegates, who are carefully chosen by the Moscow Government, and who invariably receive a clean bill of health. A new station has now been established at Kellomaki, a few miles to the east, to receive the Finnish citizens who are being returned by Russia under the terms of the Finnish-Russian treaty.

LATVIA—Like the Finns, the Letts are receiving back across the Russian border the hordes of Lettish war prisoners returned according to the Lett-Russian treaty. Day after day these repatriated Letts, hungry, ragged and miserable, have been pouring over the frontier. Many are undesirable, many not Letts at all, but Jews; some are Russians who had opted for Lettish nationality. The only Letts sent back who received a hearty welcome were those who formerly served as guards in the Red Army.

The repatriation of these former Bolshevist soldiers has a truly dramatic quality. Latvia has long suffered under the charge that the bloody work of the Bolshevist leaders was distributed between Chinese and Lettish mercenaries. After the fall of the Lettish capital, Riga, many of these Lettish soldiers, driven by hunger and despair, had joined the Red Army. Some 20,000 of them fell on different fronts. After the Bolsheviki evacuated Riga, nearly 4,000 Letts made terms with the legitimate Government, and remained in their home land. About 2,500 remained in Trotzky's service. After these Red Lettish soldiers began to witness the repatriation of their compatriots from Russia, they also desired to return, but their appeals to the Moscow Government met with a cold response, as the Bolshevist leaders were by no means anxious to lose these sturdy fighters from their army. Furthermore, the Lettish Government itself, knowing that these Letts had been Communists, was by no means anxious to have them back.

Moved finally by their earnest pleas and by their insistent declarations that they had abjured Bolshevism, the Riga Government decided to grant their petition. After a long period of anxious waiting they finally received their passports and were transported to Moscow; there they demanded and received clothing decent enough to go home in. These former Red Guards had so turned against the Bolsheviki that when propaganda agents went to the station from which they were departing and tried to preach to them the pure communist doctrine, the Letts hissed them and gave them rough treatment. It was with demonstrations of the greatest joy that these exiles got back on Lettish soil.

The policy of the new Lettish Cabinet, headed by M. Meierowics, has been to work for friendly relations with the Entente, with Germany and Russia, and with all neighboring States. A concordat with the Vatican was arranged in July. M. Meierowics admitted that this policy was difficult of realization in the case of Russia, but declared that his Government was doing all it could to improve at least the economic relations between the two countries. The army was being reduced as far as consistent with the national security, the budget was being cut, and the finances, according to M. Kalnin, Finance Minister under the new Government, were improving progressively with industrial conditions. [For the Vilna controversy see Poland.]

POLAND'S TROUBLES WITH RUSSIA

War reopened on the Lithuanian and White Russian border—Protest of the Ukraine National Committee against Petlura's activities on Polish soil—Moscow's drastic demands

[Period Ended Aug. 15, 1921]

THE new Republic of Poland, according to official surveys of the economic situation made by M. Witos, the Polish Premier, is making a remarkable record in its efforts to overcome the many handicaps caused by the war, the German occupation, and the Russian Bolshevist invasion. The Government is doing everything in its power to help the farmer and producer, and to develop Polish resources. Trade is increasing in ratio with the increase of Poland's commercial and political contacts with the Western world. The depreciation of the Polish mark still remains a cause for anxiety to the Polish Government, but the Diet and the Minister of Finance are giving constant attention to this problem. The exchange value of Polish currency, it is expected, will automatically become regulated with the steady growth of favorable trade conditions.

The dispute with Lithuania over the Vilna area has become more and more embittered since the failure of the joint conference at Brussels under the auspices of the League of Nations several months ago. When it became apparent that the two parties could not agree, M. Hymans, as representative of the League Council, proposed a compromise whereby the Vilna district should become a canton in a Lithuanian Federation on the Swiss pattern, this federation, however, to be closely associated with the Polish Republic by the formation of a joint council and the conclusion of a defensive military alliance. This scheme met with scant enthusiasm from both parties, the Lithuanians especially showing opposition. The League Council, however, still trying to bring about a settlement, sent the Warsaw Government a request to regulate the position of the irregular forces of General Zeligowski, the Polish General who had cut loose from the Polish Army, and, following the example of d'Annunzio in Fiume, had occupied the Vilna territory by force. Meanwhile, the Council sent an invitation to both Governments to meet again in conference at Brussels on July 25. The invitation was accepted by Poland; the Kovno Government, however, declined in diplomatic language to attend, thus protracting still further the effort to bring about peace between the Vilna Poles and the Kovno Lithuanians and White Russians.

The tense situation thus left outstanding became worse with the resignation of the Polish Deputies from the Kovno Diet as the result of their receiving rough treatment at the hands of their fellow-Deputies for having appealed to the League of Nations to secure better treatment for the Polish minority in Lithuania. The Lithuanians, on their part, lived in constant apprehension of a new raid by Zeligowski or some other anti-Lithuanian General. These smoldering resentments led to a new conflict in July, when Lithuanian and White Russian elements, encouraged, it was said, by the failure of Korfanty's Polish insurrection in the plebiscite area of Upper Silesia, reopened hostilities in the Vilna sector. The Ruthenian mission in Berlin declared that the entire peasant population, incensed by the arbitrary acts of Zeligowski, was in revolt.

Poland also found herself involved in diplomatic troubles with her southeastern neighbor, the Ukraine, over the presence of the former Ukrainian anti-Bolshevist General, Petlura, with whom Poland had allied herself in the ill-starred campaign against the Soviets in 1920, which almost lost Poland her capital to the invading Muscovite armies. M. Marcotun, President of the National Ukrainian Committee, which assumes to represent the real Government of the Ukraine, despite the claims of the Soviet régime established there, on July 14 sent to the Polish Government and the Entente powers a bitter protest against the alleged preparations of Petlura on Polish soil to invade the Ukraine anew in the coming Fall. The Ukrainian

protest specified exactly the locations where Petlura's divisions were billeted, and asserted that the Polish Government was supporting them with subsidies and tolerating their impressing of Ukrainian elements now domiciled in these Polish areas into their military organization.

Not only the Ukrainians, but the Soviet leaders, it appeared, were incensed at Poland's toleration of Petlura. The Soviet grievances, however, were by no means confined to this. The Moscow leaders in July addressed to the Warsaw Government a note on the whole subject of anti-Bolshevist organizations in Poland, which was said to be one of the most emphatic diplomatic expressions ever sent by one Government to another in time of peace. One Warsaw newspaper compared it with the Austrian ultimatum to Serbia, which started the World War. In this note the Soviet Government, through M. Tchitcherin, the Bolshevist Foreign Minister, accused Poland of encouraging not only Petlura, but also Boris Savinkov—an anti-Bolshevist plotter who has been for some time established in Warsaw—and others to foment insurrections in Russia. Various other charges were made tending to show that Poland had violated the letter and the spirit of the Riga Peace Treaty. Tchitcherin demanded the expulsion of all anti-Bolshevist organizations still on Polish soil on the demand of a mixed commission, whose business it would be to identify all offenders—Poles or otherwise. In the case of Polish officials punishment was demanded.

Poland answered all these charges by a detailed attempt at refutation, and with counter-charges against Russia. She declared that the Bolshevist leaders were training Polish Communist agitators in Russia, and were encouraging Ruthenian and White Russian attacks upon the Polish border. The Polish Foreign Minister, M. Skirmunt, based his charges on official documents, and concluded by declaring that so far as anti-Bolshevist organizations in Polish territory were concerned, Poland insisted on her right to grant refuge to as many persons of Russian origin as she saw fit. At latest accounts the two Governments were seeking to effect an understanding.

THE GREEK TRIUMPH IN TURKEY

How Constantine's armies, despite all allied warnings, recovered from their former defeats and broke the power of the forces of Kemal—Constantinople the prize at stake—Allies now declare neutrality

[Period Ended Aug. 15, 1921]

CONTRARY to the solemn admonitions of the Chancelleries of England, France and Italy, delivered to Greece at the London Near East Conference in March; contrary to the subsequent warnings of the French military experts and the apparent materialization of these warnings in April, Greece has since then, on the battlefield between July 11 and Aug. 1, convincingly shown that she is able to take care of herself and has made definite progress toward executing the Treaty of Sèvres and making Asia Minor safe for its non-Moslem population and for the civilization of the West.

Even had the armies of the enigmatical Constantine been defeated, the attitude of the Entente Chancelleries would not have been particularly praiseworthy; but with a victorious Greece they can with difficulty preserve their face before an intelligent world. Their last effort to do so had much the appearance of making a virtue of necessity. At Paris, on Aug. 10, the Supreme Council made a scrap of paper of the Sèvres Treaty, declared that Greece and the Turkish Nationalists were engaged in a private war, and proclaimed the neutrality of England, France, Italy, and even of Japan. The British Prime Minister took occasion to observe that this neutrality would be of about as much use to the An-

gora Government as that of the United States had been to the Berlin Government before this country entered the war. The two resolutions adopted by the Supreme Council, which were intended to establish the disinterested status of the Allies, read as follows:

1. The allied Governments decide to maintain an attitude of strict neutrality in the Greco-Turkish war. They are agreed not to intervene in the conflict with assistance of any kind, either by supplying troops, or arms, or credit. But this decision does not affect the liberty of private trade under existing international law.

2. While reserving the possibility of offering their mediation, the allied Governments consider the hour has not arrived when an operation of this kind can yield any results.

The steps which led toward this extraordinary proclamation are perfectly obvious. Being unable, on account of the revolt of the Turkish Nationalists, to execute the Sèvres Treaty themselves, and unwilling that the Greece of Constantine should do so, the Allies at the London Conference offered a modification of the treaty which Greece declined to accept; after the military check to Greece in April, they offered mediation on her behalf; again Greece declined, and again she sought a decision by force of arms, this time to be crowned witth success. Faced with this triumph the Allies felt constrained to declare neutrality.

With curious feelings they must now contemplate the text of the Greek note politely declining their mediation on June 25. A salient passage of this note, as drafted by M. Baltazzi, the Greek Foreign Minister, is given herewith:

By defending the traditional aspirations of Hellenism, dating back many centuries, and the rights recognized as her own by the Treaty of Sèvres, in compensation of her sacrifices during the great war, Greece has the conviction that she is defending at the same time the rights of the civilized world in the Eastern Mediterranean and the Straits, and, fully alive to the importance of her two-fold mission, she has, by an extreme effort of all her moral and physical resources, reached the point of being able to impose the decisions taken in common accord with the Allies which originally induced her to proceed to the military occupation of Asia Minor, and which, as regards the sacrifices imposed on Greece, are a direct emanation of the solidarity created by the alliance of which the treaty was a solemn expression.

This conception of her duty led Greece to make all the sacrifices demanded of her until the conclusion of peace, and to consent to undertake with her own resources after peace was concluded a fresh war against the Turks, who are endeavoring, by a process diametrically opposed to good faith and to international obligations, to evade the application of the treaty.

By devoting herself whole-heartedly and with ardent faith to the necessary preparations for action which the military requirements dictated, Greece is faced with a situation in which military considerations alone must guide her conduct and her decisions. For these imperative reasons, and notwithstanding its ardent desire to conform to the counsels of its Allies, the Royal Greek Government is unable to accede to the proposals.

Starting from a line which was approximately that from which General Papoulas started last March, General Polymenakos began his offensive. Unlike the strategy of his predecessor, his was a thoroughly synchronized movement. Simultaneously three movements were made: the first along the line Pazerkeuy-Ismid; the second in the direction of Yenishehr, thirty odd miles east of Brusa; the third in the direction of Ainegeul, twenty-four miles southeast of Brusa. When these movements had sufficiently developed, a concentrated attack was made on Kutahia, which broke the enemy's centre along the Bagdad railway line, Eskishehr-Afium Karahissar, and opened the way to these objectives.

Between July 11 and Aug. 1 the Greeks had recaptured all the old objectives taken in March and relinquished in April, and had gone beyond them. In the North they were threatening the Ismid Peninsula; in the centre they had proceeded fifty miles east from Eskishehr, over the railway in the direction of Angora, with the Kemalists attempting to block the way at Sivrihissar, fifteen miles beyond; in the South they were controlling the Bagdad line from Afium to the foothills of the Taurus.

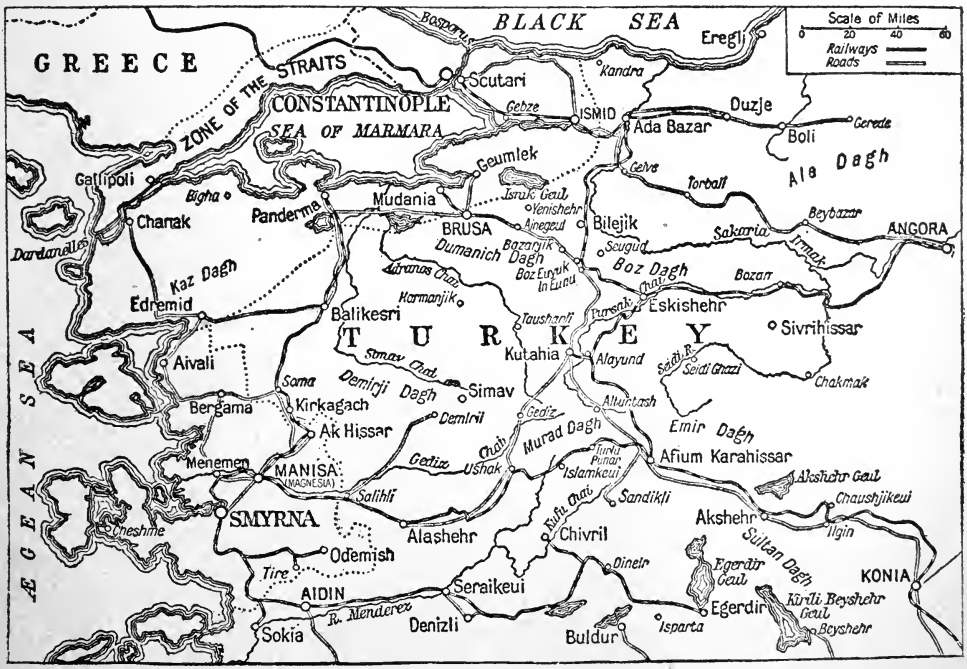
In that time, even with due attention paid to the qualifying communiqués from Angora, the Turks lost between 11,000 and 15,000 in killed and wounded and between 6,000 and 8,000 in prisoners; the Greek loss was 7,500 in killed and wounded and 2,000 in prisoners. In the Greek dispatches the number of Turkish desertions is placed at 10,000; the Angora dispatches admit an equal number of wounded. The contrast tells its own story.

The boast of Athens, however, that the entire force of Mustapha Kemal had been reduced to 50,000 men cannot be confirmed even by the Greek figures denoting the enemy's casualties. It may be true, however, if the 50,000 refers to those troops now in formation and under the control of the Angora headquarters staff, without taking into account the many undisciplined detachments wandering about the country south of Angora.

We are told that Constantine and cold steel, for both of which the Turks have a horror, did the business. Remembering Constantine at Saloniki in November, 1912, it is easy to believe this. But what about the Greek morale, which suffered such a shock last April? One of the many proclamations issued by the Greek commanders on the eve of the offensive, in this instance emanating from General Metaxas, the commander of one of the attacking corps, indicates that both the traditional hatred of the Turks and the inspiration of Constantine's personality were invoked to bring about a revival:

Officers and Soldiers: The great and sacred moment of combat has arrived. We shall begin the offensive. You know well the enemy who is facing you. It is the one over whom you have been victorious so often at Sarantaporon, Jannitza, Manolissa, Bizani, Sardis, Philadelphia, Axar, Baloukesser, Brusa and Adrianople. The decisive blow must now be struck, and be assured that in this new combat all Greeks follow you with gratitude in their hearts and tears in their eyes. Our crowned and glorious King, chief of our glorious army, is leading you. His eagle regard is fixed upon you. Our country from one end to the other follows with sacred, palpitating emotions the exploits of her sons. Forward! Be generous to the vanquished, gentle and kind to the unarmed inhabitants; give them an evidence of Greek humanity that they may be grateful. Future generations will celebrate your courage; history will speak of your strength. Forward, with the help of God, under the command of our glorious King; onward to where your country's voice calls you! I ask you all to cheer for our country, for our King, and for our valiant army.

Under such inspiring words the Greeks went "again to the battle" and produced almost another Vittorio Veneto from what had been almost another Caporetto. The obstacles against achieving a complete Vit-



SCENE OF THE GREEK ARMY'S SUCCESSES IN ASIA MINOR

The strategy of General Polymenakos on July 12 was different from that of General Papoulas on March 24, although their fronts were practically identical—from the Mumanich Mountains south to Ushak and thence southwest to Alashehr. Papoulas allowed his left wing to advance and lose contact with his centre; a costly retreat ensued. Polymenakos synchronized his advance; a decisive victory followed.

torio Veneto, however, are obvious: The field opened to the Turkish retreat is almost infinite; the Greek transportation service is finite. Besides this, the further the Greeks pursue their initial victory, the more "difficult" will become the Allies diplomatically—but the further the Turks retreat, the more amenable will Mustapha Kemal find the allied leaders.

Behind the words of both the Greeks and the Nationalist Turks, however, there is one concealed stake for which both are fighting, and the Allies are exerting every artifice known to diplomacy to keep it from their possession. That stake is Constantinople. In the oyster of the Near East it is the pearl, and the shell is Asia Minor. Neither of the two peoples who are shedding their blood at this moment will be content to receive the shell instead of the pearl. Angora has already proclaimed this fact; Athens is now beginning to hint at it.

There was consternation in Angora when the Greek successes were confirmed; there was surprise in Paris; there was ill-concealed satisfaction in London; in Rome the papers reviewed the relations between Italy and Greece to show how common interests bound them to reciprocal favors in the Levant. And while the heads of these Governments continued to watch events with folded arms and ironical visage, the National Bank of Athens, in which London bankers have large interests, loaned the Government of Constantine 150,000,000 gold drachmas, and a formidable memorial, signed by some of the big men of England, was sent to the Greek Minister at London. The memorialists state:

> We have been indisputably informed that as soon as armed pressure is removed from the Turks, it is their deliberate intention to exterminate every Armenian and Christian—man, woman and child. We find with amazement that statesmen representing the so-called Christian powers view this tragic ending of a historic Christian people as "inevitable." * * *
>
> The Greek armies offer the one hope of deliverance for the Armenians and the other Christian peoples, which with shameless treachery the so-called Christian powers are preparing to hand over again to the Turk. We have observed with hot indignation the attempts of the allied powers to intervene for the purpose of checking the advance of the Greek hosts of liberation. * * *
>
> We therefore beg to assure you, and through you your fellow-countrymen, that in your purpose of liberation you have our warmest moral support. We profoundly deplore the apparent readiness of the British Government to sacrifice to lower political expediencies in India and elsewhere the highest interests of humanity and religion. We put on record our opinion that in this respect the British Government does not represent the vast majority of the British people.

The Greek Minister replied to this as follows:

> The Greeks went to Asia Minor under a mandate from the great powers to enforce, if necessary, respect for an international pledge to which the great powers had set their signatures, and which was subscribed also by the Greeks and Turks. The object of the pledge was to liberate forever non-Moslem communities under the rule of the Turk. That no other guarantee of liberation for these peoples could be secured than that of eradication of all Turkish dominion over, or administration of, the territories inhabited by these populations, is manifest from the long history of cruel oppression of every race which has come under the yoke of the Turks ever since that people left their Asiatic birthplace to impose the law of the sword.

But before the decisive end of the Turko-Greek conflict there will always be displayed, in more or less materialistic form, the bogey of Bolshevism. Angora has constantly informed the Greeks through propaganda that this danger existed, and has just as constantly told the Allies that it did not exist. So far the Grand Parliament at Angora has merely ratified the treaties with Moscow which refer to the eastern frontier of Turkey, and various dispatches have made it clear that the Commissioners of Kemal are having a hard time with Lenin, whose friendship for the Turks has by no means been convincingly demonstrated. All rumors that Russia is sending several army divisions under the former Czarist General Brussilov to aid the Turks bear their own contradiction on their face, in the amazing ignorance that they display of all geographical considerations. There is, furthermore, good evidence now existing that this gallant conqueror of the Austrians from Pinsk to the Rumanian frontier in 1916 died from a Bolshevist bullet wound—followed by a Bolshevist operation—in a Moscow hospital in December, 1918.

FRANCE'S PLANS FOR SYRIA

[Period Ended Aug. 15, 1921]

THE French High Commissioner for Syria, General Gouraud, made an important declaration at Damascus in regard to the administration of that mandate. The territory will be divided into six autonomous districts, each with different Governments organized in accordance with the local exigencies of race, language, industry, and customs, all without customs frontiers, and, in all of them, the Syrian pound of 100 piastres of 20 French centimes each, would take the place of the Turkish and Egyptian pounds, as respectively used or introduced during the occupation of the territory by the Egyptian Expeditionary Force. Only in the military area in the northeast would the French exercise full colonial control.

The High Commissioner spoke of the modified terms of the Treaty of Sèvres reached at the London Near East Conference last March as accomplished facts, declaring that France would ignore the faithlessness of Turkey, but that if the Nationalists at Angora refused to keep their pledges, France would then be prepared to resume hostilities. Making no reference to the Turko-Grecian conflict, he continued:

> The hesitation of France in carrying out her good intentions toward Syria was caused by reasons beyond her control. The first step toward unity and national independence will be the creation of different independent federal States. Each of these, while satisfying the special wishes and requirements of its own people in internal administration, will be linked to other States, on the same principle as prevails in Switzerland and the United States of America.
>
> The success of the principle there augurs well for its introduction into Syria. The organization of the respective States may differ, but the basis of government will be a Representative Council, whose duties and powers will develop from day to day. As regards the State of Syria, including Damascus, Hama, Homs, Hauran, a Representative Council will replace the Vilayet Council. The members will, for the time being, be nominated by the Government, pending a general census, when the people will elect representatives. Local representation will also be given, the districts forming the nucleus for training the people in self-government. The same organization will be established in the State of Aleppo. Each council will elect five members to meet alternately at Damascus and Aleppo.

ENGLAND DESPAIRS OF PERSIA

[Period Ended Aug. 15, 1921]

JOHN L. CALDWELL, for seven years American Minister to Persia until he resigned last May, arrived in New York on Aug. 6 and confirmed the story of the Teheran coup d'état in February which repudiated the Anglo-Persian Treaty and opened the way to the treaty with Soviet Russia. The 5,000 Cossacks who brought about the coup, he believes, are in Teheran for good, and whatever relations the Persian Government may establish with Moscow, their presence will continue to be a protection against Persia going Bolshevist, which, indeed, would be against all Persian culture and religion. He added that "the newly appointed Minister to the United States, Mirza Hussein Khan, is 36 years old and an Oxford graduate. He speaks English perfectly, and is one of the brightest men in Persia."

Mr. Caldwell's opinion of Persia's future, freed from the Anglo-Persian Treaty and in cordial relations with Moscow, is more optimistic than that expressed by the British Foreign Minister, Marquis Curzon, in the House of Lords on July 26, when he declared that "the Persian Government has deliberately rejected the chance of recovering its fortunes with British aid * * * it has fallen back on the game of playing off one foreign country against another, and now seems not unwilling to accept the caresses of the Soviet Government—caresses which generally end in strangling those to whom they are applied."

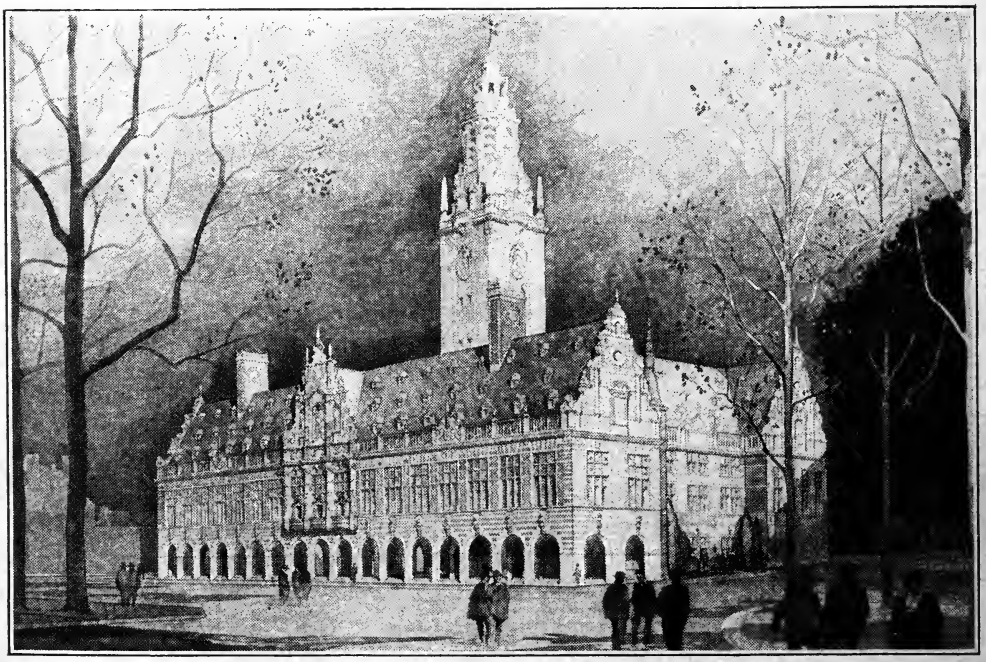
The Marquis, therefore, viewed the situation "with a feeling of disappointment and almost of despair," and had to confess that all his own efforts and those of the British Government had been "largely in vain."

Nor did he see any encouragement to persevere. But he warned Persia, as an old friend, that the chief sufferer would be Persia herself. Finally he declared that "all the forces of corruption, selfishness and intrigue" were being arrayed against Mr. Armitage Smith, who was trying to reorganize the Persian finances.

There is a striking resemblance between the experiences of this Mr. Smith and those of the American, W. Morgan Shuster, who actually succeeded, as Treasurer General, in placing Persian finances upon a firm basis in 1911, with the important difference that the forces arrayed against the British financier are chiefly native, while those which succeeded in ousting the American were from abroad—from Downing Street, acting on behalf of St. Petersburg.

BEGINNING LOUVAIN'S NEW LIBRARY

THE cornerstone of the new library of the University of Louvain, planned as a gift of the American people to the people of Belgium, was laid with elaborate ceremony on July 28. King Albert, Cardinal Mercier, former President Poincaré of France and Premier Carton de Wiart of Belgium delivered addresses, and a letter was read from President Harding. Cardinal Mercier blessed the site and Nicholas Murray Butler of New York laid the cornerstone. The building is to cost $1,000,000 and will be completed in 1925. Across the entire front are to be sunk great letters reading "Furore Teutonica Diruta, Dono Americano Restituta"—Destroyed by Teutonic Fury, Restored by America's Gift. The new library is not being erected on the site of the one burned by the Germans, but on the Place du Peuple, the highest elevation of the city. It will be one of the most beautiful structures of the kind in the world, and will constitute another of the many new ties which the war has created between Belgium and the United States. The design is by Whitney Warren, the American architect.



DESIGN FOR THE BEAUTIFUL LIBRARY AT LOUVAIN, BELGIUM, TO BE BUILT BY AMERICANS IN PLACE OF THE ONE DESTROYED BY THE GERMANS. WARREN & WETMORE, ARCHITECTS

HUNGARY, AUSTRIA, CZECHOSLOVAKIA

Sensational indictment of Count Karolyi for alleged treasonable relations with France and Italy—Austria's new appeal for financial assistance—Foreshadowing of an economic rapprochement between the Czechs and Hungarians

HUNGARY continues to be agitated by political storms. The sensational revelations by Prince Windischgraetz regarding revolutionary propagada by Count Karolyi, and his alleged treasonable relations with France during the war, threw the Hungarian Parliament into a turmoil. In 1908, Karolyi and his adherents communicated with both France and Italy, which action, according to Prince Windischgraetz, prevented an honorable peace with the Entente powers, and led to the Piave disaster, as Count Karolyi had revealed military plans to the enemy powers. The Prince substantiated his accusations by reading the official records of a session of the French Senate, in which one Senator read letters written by Count Karolyi to Government authorities regarding favorable action to French interests. The Prince also asserted that the French Government used Count Karolyi only as a spy, and that it had no confidence in him because of his radical tendencies and alleged relations with the Soviet Government.

The speech caused enormous indignation in the Assembly, and the Premier called upon Prince Windischgraetz to submit his evidence to the courts. The Prince did so, and an indictment is now pending.

Another sensation was caused by Finance Minister Hegedüs. His defense against repeated attacks for his alleged failure to restore financial stability was that the Hungarian crown had trebled in value in consequence of his financial policy. Then destructive elements, who care little for the prosperity of the country, caused the crown to drop on the Zürich Exchange by purposely spreading false and exaggerated rumors of a new coup by King Charles to be attempted on Aug. 20, and also by publishing the falsehood that the Allies had subjected Hungary to a nine hundred billion reparation levy. This naturally caused depreciation of the Hungarian crown, as the national wealth is estimated at but six hundred billions. Since then the crown has again rallied and gained several points in a few days.

The cession of the three western counties to Austria has become an imminent problem. The Hungarian Government was notified by the Allied Council that evacuation of the military must begin on Aug. 10 and be concluded by Aug. 27. In order to prevent clashes between contending factions, Austria was ordered at the same time to keep soldiers away from the vicinity of the border. In the same note the Allies promised immediate restoration to Hungary of the coal mines around the city of Pecs, now under Jugoslav control.

The decision of the Danube commission under Arbitrator W. D. Hines and the allotment of shipping facilities represent a total loss of 1,400,000 tons in barges and 100,000 horsepower in tugs. Although exacting further sacrifices of Hungary, this caused little surprise. It is eagerly expected that navigation will begin on a larger scale. Hungary will be in a position to export in all directions, especially to the Balkans, largely offsetting the heavy loss suffered in tonnage.

Ratification of the peace treaty with Hungary was exchanged with the French Foreign Office on July 26. Praznovsky, the Hungarian Minister to France, promised that Hungary would execute the treaty in good faith, and hoped that the bordering States would also show their good-will and protect the rights of racial minorities.

Ex-Premier Friedrich, who was criminally prosecuted for his alleged participation in the plot that led to the murder of Count Tisza, was allowed to go free. The State's attorney almost apologized for his long detention and declared that the charges had proved wholly unfounded. Friedrich, upon his release, received great ovations. He publicly declared that he would in time ex-

pose the interests behind the charges preferred against him. He is strongly anti-Horthy and is expected to wage bitter war against the present Government.

New clues were discovered to the smuggling of highly colored news to the Vienna expatriates, tending to discredit whatever had happened in Hungary since the elimination of the Bolsheviki. Several contributors to the daily press and writers with good names were arrested.

Disarmament of Hungary has been begun since the arrival in the country of an allied committee in the latter part of July. There are Italian, French, English and Japanese experts on this committee.

An agreement had been reached between the Hungarian Government and the Soviet, whereby all Hungarian war prisoners will be released by the end of the year. In exchange the Hungarian Government will permit 400 communists, sentenced to imprisonment, to proceed to Russia.

AUSTRIA—Austria has appealed to the allied Supreme Council, which met in Paris on Aug. 8, for immediate financial aid on the ground that the international scheme for her rehabilitation has thus far failed to function. Dr. Maximilian Bach, Austrian Minister to London, stated that his nation faces a critical situation owing to the failure to obtain loans. This, he said, was due to the American policy of granting no further credits to Europe unless authorized by Congress. He added:

> When in May the Financial Commission of the League of Nations worked out the plan for the financial reconstruction of Austria, it confidently expected that an immediate loan would be given to Austria in advance. No bankers are now willing to make any advances until definite word is heard from America.

Austria seems to have been informed that the United States withheld its consent to a postponement of the paying of Austria's debts for twenty years. In consequence the value of the Austrian crown again decreased, and now 1,000 crowns are the equivalent of one American dollar. A committee of seven from the Chamber of Commerce at Washington, headed by President Defrees, arrived in Vienna July 22, to gather economic and financial information. They were received by President Hainisch.

The desire to incorporate three counties of West Hungary into Austria is agitating Austrian political circles. It is held by many, including former Minister of Foreign Affairs Count Czernin, that despite the edict by the allied Supreme Council, the matter should be settled in a friendly manner with Hungary and some concessions made to the latter State in order to avoid an eternally troublesome problem between the two countries.

CZECHOSLOVAKIA—Czechoslovakia desires to maintain the equilibrium of Central Europe if her interests are not in conflict with any settlement that may be reached, especially in her relations to Hungary. The frequent parleys at Marienbad between Dr. Benesh and Count Bánffy, Foreign Ministers of Czechoslovakia and Hungary, respectively, in regard to a commercial treaty between the two countries are promising to bear fruit.

This indicates a rapprochement, both of an economic and political nature, between the two countries. This is so much more significant because hitherto, on both sides, stiffness was manifest in their dealings and unwillingness to concede anything because of the enmity that ensued upon the division of the territory of Hungary. Both Foreign Ministers now speak in a tone of friendliness and point out that the two countries are economically interdependent and that politics should be forgotten when it comes to the great question, to live or not to live.

In a speech Dr. Benesh declared:

> History teaches us that we and the Magyars cannot live in permanent opposition and hostility to each other. Our task for the future is a simple one, namely, we must as speedily as possible resume our interrupted connections with Hungary regarding means of communication, railway, post, telegraph, telephone. We must without delay arrive at an agreement on the question of the Danube and transport by water. We must come to an agreement regarding the supply of various articles indispensable for us and for Hungary. There is really no reason, after the ratification of the Peace Treaty, why we should not commence work on these questions. People are always talking of the consolidation of Central Europe and of the restoration of normal conditions of economic life. This is the only way which leads to the goal.

Count Bánffy had spoken along similar lines in the clubrooms of the Christian National bloc, upon his temporary return from

Marienbad, emphasizing that, however painful the mutilation of Hungary might feel, economic reconstruction must not be kept in abeyance for political reasons.

The Czechs seem to value highly an economic reconciliation with Hungary, as shown in the speeches of leading politicians, such as Tusar, President of the Social-Democrats and now Minister to Germany, and Smeral, somewhat more radical in his socialism.

Some of the members of the Nationalist Party, supporting Czech supremacy and disinclined to listen to any arguments on the part of the Slovaks to gain autonomous rights, left the party and aligned themselves with the People's Party, at Trencsén. This ends the factional war between the Túrócz-Szt-Márton and Rózsahegy Slovaks. From the viewpoint of the Slovak autonomists a decisive point was thus gained, and the Nationalistic paper Robotnicke Noviny satirically remarks that the two factions were drawn together because of the general depression and their dislike for the Czechs.

The Nationalist-Socialists have presented a bill in the Prague Assembly to make Hapsburg propaganda a crime. According to its provisions, any Hapsburg apprehended on Czechoslovak territory will be criminally proceeded against, and, in case of repetition, will be sentenced to death.

The American Relief Administration announced on Aug. 5 that the feeding of children conducted for two years would be discontinued within 60 days. The Hoover organization on its withdrawal will leave the work to the Czech Club Welfare Commission, organized by the American Relief Administration.

LEAGUE OF NATIONS TO DECIDE THE SILESIAN TANGLE

IRRECONCILABLE differences of view between the British and French Premiers as to what should be done with Upper Silesia led to a decision of non-possumus at the meeting of the Interallied Supreme Council, which opened in Paris on Aug. 8, 1921, and to the referring of the whole controversy to the Council of the League of Nations.

This deadlock and passing of responsibility to the League, it was realized by all the Premiers, might have serious consequences in view of the tenseness of the situation in Upper Silesia, where the French apprehended a new attack by the Germans, under General Hoefer, on the still menacing Poles. The French Government on July 17 had demanded of Germany that she disarm all the German bands on the border, whose demobilization it declared to be mere camouflage, and that she consent to the transportation across Germany of French reinforcements. Germany in reply insisted that these demands should be made, not by France alone, but by all the Allies collectively.

A vigorous and at times heated exchange of notes between France and Great Britain finally culminated in a joint note demanding Germany's consent to the transportation of reinforcements in case the allied Governments found it necessary to send additional forces.

But though Lloyd George, who was opposed to the French desire for reinforcements, had yielded on this, he seized the opportunity to insist on an interallied meeting, which France, despite repeated requests, had persistently avoided, to reach a final settlement of this complex and dangerous problem.

At the sessions in Paris, M. Briand, though opposed by both the British and Italian Premiers, fought valiantly to secure the rich industrial region in Southeast Silesia for France's protégé, Poland. The vexed question of boundaries, however, which the plebiscite, by its extraordinarily commingled vote, had served only to confuse still more, could not be settled in view of radical differences of opinion, and at the last moment Lloyd George, to avoid an open rupture of the Entente, proposed that the whole dispute be referred to the League Council—a suggestion which the French Premier, despairing of a solution and no less anxious to avoid a rupture, found himself compelled to accept.

RUMANIA AND JUGOSLAVIA

[Period Ended Aug. 15, 1921]

PREMIER PASHITCH of Jugoslavia, the Foreign Ministers of Rumania and Czechoslovakia, respectively, M. Take Jonescu and Dr. Benesh, met in Marienbad, Bohemia, during the first week in August, for the purpose of outlining the work of the military and commercial conventions provided for in the treaties of the Little Entente. The Rumanian-Jugoslav Treaty, signed June 8, it has been authoritatively learned, provides against an attack from Bulgaria as well as from Hungary, which latter country is the chief concern of the other treaties.

Take Jonescu has made a public statement showing that the Rumanian-Jugoslav Treaty does not provide for intervention as between the Greeks and the Turks, although it might be invoked should there be a Bulgarian attempt to upset the present Bulgaro-Greek frontier.

Urged on by the complaints of Greece, of Jugoslavia, and possibly of Rumania, the Interallied Military Commission sent an abrupt demand to Bulgaria on Aug. 6 to demobilize her old army and form a volunteer army of not over 12,000 men by Oct. 1, in accordance with the terms of the Treaty of Neuilly. In its reply the Sofia Government declared that the conscripted force was lower than the prescribed 12,000, and that a volunteer army was against the principle of the nation's laws, which even provided for enforced labor.

In reply to interrogations made by the Ministers of France, Great Britain and Italy at Sofia on July 20, the Bulgarian Premier, M. Stambolisky, replied that neither of the Bulgar missions sent to Moscow and to Angora was official, and that in regard to the allied fears of a Bulgar invasion of Thrace, he had taken every measure to maintain order on that frontier and to prevent Bulgar irregulars from crossing it.

Parallel with the treaty decisions regarding free traffic on the Rhine (delivered on Jan. 8) and on the Elbe (delivered on June 14), the decision on the Danube was delivered by the arbitrator, Walker D. Hines, on Aug. 2.

The Danube negotiations were by far the most complicated and important of all. The most difficult question related to the seizure of more than 600,000 tons of barges and 48,000 horse power in tugs by Serbia, Rumania and France in the last days of the war. The issue hinged on whether this was private property and thus immune from seizure under international law.

Mr. Hines decided that the greater part of this shipping was being used by the Austro-Hungarian War Ministry for military purposes, and therefore was not entitled to immunity. A few of these boats were being operated by private owners, and, therefore, Mr. Hines decided that these must be given up.

A complicated question was how much of the former Austrian shipping facilities should be ceded to the allied nations on the Danube to meet their traffic needs. Mr. Hines had to take into consideration not only the changes the war had made in Europe's political map, but also the changes in the economic map. More than 1,400,000 tons of barges and 100,000 horse power in tugs were involved.

Mr. Hines decided that the legitimate needs of Jugoslavia and Rumania are fully met by the fleets they own and by the seizures which have been confirmed. He held that Germany, Austria and Hungary should cede 70,000 horse power in tugs to Czechoslovakia for its Danube freight traffic.

The German peace treaty provides that the German Government shall pay private owners for the amount of shipping ceded; but, strangely enough, under the Austrian and Hungarian terms, the nations receiving the shipping are to pay the original private owners. Therefore, Mr. Hines will begin in Vienna on Aug. 22 a series of hearings to fix these values.

In concluding his report Mr. Hines pointed out that if the nations on the Danube would dispense with red tape and really try to facilitate river traffic, delays could be avoided and 200,000 tons could be added to the shipping facilities of the river without any capital expenditure. On the average

Danube trip he estimated that four days are needlessly lost in present conditions.

It is learned from Belgrade that the assassination at Delnice, Croatia, on July 21 of M. Drashkovitch, the Jugoslav Minister of the Interior, was not due to any discontent over the new Constitution, but was incited by the repressive measures which the victim had employed against the communists. The murderer was a Bosnian communist and not a Moslem of Bosnia, as was reported at the time.

MEXICO'S EFFORTS FOR RECOGNITION

Congress begins to discuss revision of Article 27 of the Constitution, which nationalizes oil wells—Obregon urges that it be made non-retroactive, while the Supreme Court considers 150 protests against its application—Recognition by Japan and Spain—Prosperity with enforced law and order

[PERIOD ENDED AUG. 15, 1921]

CONSIDERATION of Article 27 of the Mexican Constitution, nationalizing petroleum deposits, began in the Mexican Congress on Aug. 8, giving rise to expectations of early recognition by the United States; for the chief point of difference between the two Governments lies in the interpretation given to that article. A committee of the Liberal Constitutionalist majority in the Chamber of Deputies voted in favor of immediate settlement of the oil controversy and requested the co-operation of President Obregon, who urged that in the bill defining the scope of Article 27 it should be distinctly stated that the provisions in it were not retroactive.

Meanwhile the Mexican Supreme Court began consideration of more than 150 protests against the application of Article 27 which have been filed with the Court since 1918 by petroleum companies. The Court's decision relative to these protests, it was expected, would have a direct bearing on the controversy, even in advance of legislation by Congress.

Regarding the export tax on oil, which became effective on July 1, and against which the Association of Producers of Petroleum protested, members of Congress held that the cry of confiscation was absurd. In practically all contracts for marketing oil, they said, it is provided that any increase in taxes shall be borne by the purchaser. Thus the consumer pays, not the companies who proclaim that they are facing ruin and clamor for Government intervention. The Standard Oil and allied companies and the Mexican Petroleum Company are the ones chiefly concerned. They organized a shut-down of the wells to force Obregon to rescind the export tax increase. Mexicans assert that the purpose was to cut off a chief source of revenue and make it difficult to pay the soldiers, so that the army might start a revolution. Other important companies refused to take part in the shut-down.

Withdrawal of the American warships which visited Tampico in July [See CURRENT HISTORY for August, Page 894] produced a good impression in Mexico and was followed by the despatch of two thousand Government troops under General Guadalupe y Sanchez from Vera Cruz for the oil region from Tuxpan to Tampico to guard property and keep order in view of the ten thousand laborers thrown out of employment by the shut-downs. The President declared he would make every effort to enforce indemnification by the companies. Article 123 of the Constitution provides for an indemnity of three months' pay to employes dismissed without sufficient cause.

On July 18 the Mexican Petroleum Bureau issued a circular announcing a reduction of 10 per cent. of the valuation on crude oil as a basis for taxation. There was a great shift of exports owing to the oil tax and the subsequent shut-downs. First, all the companies increased shipments at a rapid

rate to get the oil out of the country before July 1, raising the exports for June to 17,581,971 barrels, an increase of more than 3,500,000. In July shipments fell to about one-fifth of those for June, and it was estimated they would be still less for August.

General Calles, Secretary of the Interior, said that if the Washington Administration did not obstruct the Mexican Government it would prove its sincerity to the world. The attempt to exact a signed protocol from Mexico in return for recognition, he declared, was the work of a prominent American politician who knew that the President had no authority to sign such a document. If he did so Congress would impeach him, anarchy would follow, and the next step would force intervention. One or two of the oil companies, Señor Calles said, are also actively working for intervention, not only in the United States but through hired agents in Mexico.

Despite these obstacles, it was announced on July 21 that both Spain and Japan had recognized the Obregon Government in autograph letters. Count Adolf Montgelas, who for some time has been in charge of German affairs in Mexico, instructed by Berlin, called on the Mexican Foreign Secretary on Aug. 8 and announced that Germany would formally recognize President Obregon as soon as arrangements were made for the presentation of his credentials. That Mexico expects finally to obtain recognition from the United States is evident from her purchase in July of the McVeagh house at 2,829 Sixteenth Street, Washington, for use as an embassy. She has also purchased a fine building in Belgrave Square, London, for a legation at a cost of £15,000.

Two oil wells in the Amatlan district were brought into operation on July 19 and immediately caught fire from the boilers. The flames spread to other wells and caused damage estimated at $7,000,000. A force of more than a thousand laborers was organized to fight the fire under direction of the Secretary of War, finally checking it. Cornelius Ferris Jr., American Consul at Mexico City, reported on July 15 that oil production in Mexico had increased from 10,345 barrels in 1901 to 163,540,000 barrels in 1920. Old wells are beginning to give out, but a comparatively small portion of the Mexican oil area has been exploited. The area extends along the Gulf of Mexico to the Isthmus of Tehuantepec and Tabasco. [See also "Mexico and the United States," Page 969.]

President Obregon on July 13 issued a proclamation inviting the Governments of all countries whose nationals say they have suffered damage through the Mexican revolution to establish a permanent International Claims Commission to undertake immediately a study of the claims. The invitation was sent to Washington and to Mexican Legations in European and Asiatic countries.

Conditions in Mexico are improving daily. The Obregon Government is mustering out the national army in all the Central and in some of the Southern States of the republic. The Generals and high officers receive tracts of land on which to place a colony of former revolutionary soldiers. Each man gets fifteen or more acres of land to work as his own, and grain and farm implements are supplied. The only difficult problem is the rush to the cities. Mexico City, for instance, has increased more than 100 per cent. in six years, from less than 500,000 to well over a million. The traffic congestion is so serious that it is proposed to build underground passages at twenty of the principal street crossings to accommodate pedestrians, the cost to be covered by rentals from various concessions which are to be located underground.

There are approximately 30,000 Americans in Mexico, of whom 8,000 live in the capital. The latter number represents a decrease of 65 per cent. from pre-revolutionary days. Americans outnumber all other foreigners—with the exception of Spaniards—and many more are now going to Mexico to start business enterprises. To emphasize its prosperity, Mexico has opened an interesting exhibition in Los Angeles of all the nation's most important products and manufactures.

On Sept. 12 Mexico will begin the celebration of her hundredth anniversary of independence from Spain. A centennial exposition will be held in the National Legislative Palace, a building costing $5,000,000 and occupying two city blocks, the largest structure in Latin America. All American manufacturers and exporters have been invited to exhibit their wares under its roof. The exhibits will enter free of consular fees, duties and freight and will be fully

insured. The exposition officials are Mexicans and the enterprise is a private undertaking, but has Government backing.

Decrees enforcing drastic economies went into effect on Aug. 1. They included a reduction of 10 per cent. in all Federal salaries except those of less than 3 pesos daily. The reduction applies to military and civil employes alike. By July 10 the army had already been reduced to 81,000 officers and men, including all branches of the service. It was announced that the reducing process would be continued until a minimum of 50,000 is obtained. While other nations talk of disarmament, Mexico is effecting it.

An order was issued on July 26 dispensing with the necessity for passports in a forty-mile zone along the international boundary. The order stipulates that persons must have lived within the zone for one year before becoming entitled to the privilege. Four days later President Harding issued an executive order permitting citizens of Mexico to enter the United States through border ports without presenting to the control officers any travel document, provided that such persons have been residents of the forty-mile zone for one year or more.

General Manuel Pelaez, returning from the United States, arrived in Mexico City on July 13 only to find that his second in command of the troops in Tamaulipas, General Daniel Martinez Herrera, had revolted on that day and with less than 200 men was endeavoring to gain recruits from the idle oil workers. Pelaez immediately disavowed Herrera's action and announced himself in complete harmony with President Obregon. He charged that the revolt was inspired by the oil companies to occur simultaneously with the presence of American warships at Tampico and to force an immediate landing of marines. General Sanchez had a brief encounter with the forces of General Herrera on July 16, after which the latter surrendered unconditionally.

A long-standing personal quarrel between two high military officers, both well known in the United States, ended in a tragic encounter in the streets of Mexico City on Aug. 8. General José Allesio Robles, driving an automobile, was shot dead by General Jacinto Trevino, who was in another machine with four companions. Trevino surrendered voluntarily to the police, stating that he had shot in self-defense after Robles had fired at him. Robles, however, was found dead with his hands on the wheel of his machine when the crowd rushed up after the shooting. Trevino was one of the best-known Generals under Carranza and was Secretary of Commerce and Industry in President de la Huerta's Cabinet. Robles was a follower of Victoriano Huerta, while his brothers were Carranzists. One of the brothers is Minister to Spain and another is owner of the Democrata, the second largest paper in Mexico City.

A PLEA FOR THE BRIGHT SIDE

To the Editor of Current History:

Admiration for your valued magazine, which has been coming to me during my two years in China, is tempered by the feeling that it is, in its selection of material, its comment and exposition, consistently pessimistic and ultimately depressing. Documents and facts cannot be questioned, of course, but as careful a review of the world's doings as a busy life here affords convinces me that there are facts and evidences coming from other sources that are not so universally drab and disheartening as those you select for emphasis. Horrible cartoons are plentiful, but why omit those which portray humanity's hope and buoyancy?

There are facts enough here in Kwantung to plunge any observer into the depths if he does not open his eyes to other great living currents and dominant achievements that are in this marvelously vital moment making for better things.

I am not pleading for the vapid optimism of a seed catalogue, nor the irresponsible allurements of The House Beautiful or the travel maganizes, but the muse of CURRENT HISTORY certainly should see through her tears some of the light of this great present age. Are you quite fair to us, your readers—or are you really hopeless?

JOHN C. GRIGGS.

Canton Christian College, Canton, China, June 23, 1921.

CENTRAL AMERICAN AFFAIRS

The new Union's Constituent Assembly working on its Constitution, Nicaragua and Costa Rica sending unofficial observers—Panama still unwilling to abide by the White award on the Costa Rican boundary decision—Menacing unpopularity of Nicaragua's Government

[Period Ended Aug. 15, 1921]

THE Central American Constituent Assembly, consisting of representatives from Salvador, Guatemala and Honduras, met in Tegucigalpa on July 20 to perfect a federal constitution and arrange for its signing on Sept. 15, the centenary of Central American independence. Nicaragua and Costa Rica sent unofficial observers to represent them, neither State having finally joined the federation. Costa Rica, however, is withdrawing its legations in foreign countries, as if in preparation for their replacement by Federal officials. The Costa Rican Congress remained hostile to the scheme.

COSTA RICA—France, in a note received at San José on Aug. 6, protests against the imposition by Costa Rica of a high tariff on French merchandise as prejudicial to trade. To help establish credits in the United States, Costa Rica in July sent coupons from Government bonds amounting to $500,000 to New York to be collected as they fall due.

Guatemala also is trying to stabilize foreign exchange by exporting gold coin. Its withdrawal has caused a shortage of currency which the Government met by putting in circulation 70,000,000 nickel coins. A brief revolt headed by General Isidro Valdez was suppressed on Aug. 6.

NICARAGUA—Diego Chamorro recently succeeded his uncle as President of Nicaragua after an election which the Liberal Party declares was fixed so as to keep the Presidency in the family. The uncle, Emiliano Chamorro, went to Washington as Minister, and on his way north was stoned by the populace in Guatemala City. The Chamorro Government is said to be extremely unpopular and to depend on the support of United States marines in Managua. An American coterie of bankers is also declared to be exploiting the country, having a strangle hold on agriculture and owning the national railway. The finances are administered by a High Commission consisting of one representative of the Nicaraguan Government, one representating the American State Department and one American employe of the bondholders. The Nicaraguan Government is always outvoted when any difference of opinion arises. The monopoly of the bankers, it is charged, prevents other American firms from entering the field.

SALVADOR—A grave economic crisis has overtaken Salvador, owing to the decline in the prices of her products. Coffee is not worth the cost of moving. The mines are closed, throwing thousands of miners out of work. Except for exports of sugar and a small amount of hennequen, foreign trade has almost stopped. Martial law is in force, but robberies are increasing. Salvador has the highest import duties in Latin America, amounting on an average to 125 per cent. Insurance companies are canceling policies, and banks are calling all loans and refusing to accept silver on deposit.

PANAMA—Further efforts were made by Panama in July and August to have her boundary dispute with Costa Rica settled in some other way than by the decision Secretary Hughes imposed upon her to accept the award of Chief Justice White. In a note sent to the State Department on July 25 Dr. Narciso Garay, Panama's Foreign Minister, who came to Washington to try to settle the dispute, asked the United States to submit to The Hague Permanent Court the question whether the White award was within the terms of the arbitration so as to make it valid against Panama. Secretary Hughes refused.

Dr. Garay on July 30 sent another note to the State Department calling Secretary Hughes's attention to the fact that both Panama and Costa Rica were bound by

treaty to submit their differences to arbitration—said treaty being that of Versailles. No reply, apparently, was made to this note. Panama earlier had appealed to Argentina to exert her good offices in the boundary dispute, but the State Department found it out and sent a communication to the Argentine Government indicating that the United States had become responsible by treaty for Panama's fulfillment of her international obligations and could not admit intervention by outsiders. Thereupon Argentina gravely informed Panama that she was not able to lend the good offices requested.

Panama on Aug. 9 appealed to Chief Justice Taft, objecting to suggestions by Costa Rica that he name two Commissioners to mark out the boundary in dispute on the ground that the convention of 1910 had lapsed through Panama's rejection of the White award, and that it could not be "revived to make it produce juridical effects in detriment to Panama." Such appointment of Commissioners, Dr. Garay said, would be a "direct attack against the sovereignty of Panama to which the Hon. Chief Justice Taft most assuredly would not be a party."

Costa Rica named Luis Matamoras as its member of the engineer commission to mark the boundary, but Panama declined to name one, and it was stated in Washington that the United States might have to use force to effect a settlement.

CANAL ZONE—Washington on Aug. 5 gave out figures showing a total of 11,599,214 tons of commercial cargo carried through the Panama Canal during the last fiscal year, or 23½ per cent. more than in any previous year, while the tolls amounted to $11,276,890, or 32½ per cent. above previous records. American vessels carried 45 per cent. of the total and British 32 per cent., Japanese being a bad third with 7 per cent. The total number of ships passing through the canal was 2,892, of which 1,212 were American, 970 British, 140 Norwegian and 136 Japanese.

WEST INDIAN TRADE CRISIS

Fordney tariff bill is declared likely to cause alienation of Latin America from the United States—Customs union between British West Indies and Canada—Cuba driven by financial stress to seek American loan.

[Period Ended Aug. 15, 1921]

THE West Indies, so largely dependent on the United States for their trade, owing to their proximity, have been stirred to protest by the provisions of the Fordney tariff bill. Jamaica is alarmed at the proposed duty on cocoanuts and bananas and the Government has been asked to make representations to Washington in the matter.

Cuba sent a special mission from Havana to protest before the Senate Committee against the sugar and tobacco provisions of the Fordney bill. The members arrived on Aug. 7 and gave out interviews showing that the two principal industries of the island would be practically ruined if the bill became a law. Herbert S. Rubens, former counsel of the Cuban Patriots, sent a letter to the Senate Finance Committee declaring that the proposed tariff of 2 cents a pound on raw sugar would ruin the island politically and financially and would be likely to lead to another American intervention or to enforced annexation. This would probably increase the antagonism Latin America feels for the United States.

Both Cuba and Bermuda are endeavoring to halt liquor smuggling into the United States. Orders were issued in Havana to search all vessels leaving port and confiscate liquor not shown on the manifest. Bermuda's colonial legislature passed a law fining any one shipping intoxicants to American ports £25 for a first and £50 for a second offense. Bermuda remains wet, but the Government

will not permit rum running. The seizure of a British vessel beyond the three-mile limit without protest from London against the action of the United States revenue officials is said to have hastened the passage of the law in Bermuda. Porto Ricans, although under American rule, are more independent, meeting violation of the prohibition regulations by the lightest possible fines and sentences.

An executive order was promulgated on July 30 in Washington providing that citizens of Bermuda, the Bahamas, Newfoundland and other British Islands, as well as Canada and the French Islands of St. Pierre and Miquelon, may enter the United States without passports, identity cards, or permits.

JAMAICA—In connection with the proposed establishment of Port Royal as a naval station on account of the strategic position of Jamaica in the Caribbean Sea, it was announced in Kingston on Aug. 5 that provision was being made to coal and victual British ships, especially those passing through the Panama Canal, thus making Kingston a rival of Cristobal in the Canal Zone.

The resolution introduced in the United States Senate inquiring whether Great Britain would consider ceding the West Indies was publicly resented in the Jamaica Legislature on Aug. 4. At the same time a motion favoring federation with Canada was voted down. Steps were later taken to send a deputation to London to urge the necessity of a wider measure of representative government for Jamaica.

A Canadian naval squadron, with the cruiser Aurora as flagship, received a cordial welcome at Kingston on July 14. It left four days later, homeward bound by way of the Bahamas.

Announcement was made at Kingston on July 28 that the colonies of the British West Indies had decided upon a uniform customs tariff, giving preference to Canadian goods, principally flour. Canada will give preference in return to West Indian products, principally sugar and oranges.

Meanwhile the trade crisis in Jamaica is acute. Money was voted to aid the sugar industry, but is said to be inadequate. Sugar estates are laying off a large percentage of employes, and those retained will have their pay cut 20 per cent. The rum trade is in a critical position, prohibition in America having been followed by the imposition of a duty of £500 a puncheon on the English market.

PORTO RICO—E. Mont Riley, new appointee as Governor of Porto Rico, was inaugurated on July 30 and made a speech in which he advised against the movement for the independence of the island and urged advocacy of Statehood. As a result Antonio R. Barcelo resigned as head of the Unionist Party, which has an independence plank in its platform.

CUBA—The Cuban Congress met on July 18 and began consideration of means to relieve the financial situation. A deficit of $45,000,000 is estimated in the Government budget, and a loan of $50,000,000 was suggested by the mixed legislative committee, which holds over during the recess of Congress. The loan was favored by General Crowder, but only as an absolute necessity. His report on conditions in Cuba, received in Washington early in August, was very discouraging about the prospects of Government stability and the financial situation in Cuba. At the same time he pointed out that Cuba must have money if she is to survive, and therefore recommended that the State Department approve a loan, with a strong reservation by which American interests would supervise the use of the money.

Señor Gelabert, Cuban Secretary of Finance, came to Washington to urge the State Department to approve the proposed loan. Secretary Hughes reserved his decision. President Zayas in a message to Congress suggested that a commission of three be appointed to disburse the proceeds when received.

The Cuban Government threatens to extend Government control over house rents as a public utility. Unless rents in Havana and the larger cities were cut it was said there would be wholesale evictions and demonstrations against profiteering landlords. On the theory that high rents might cause an infraction of public order it was argued the Government might step in to regulate rents. A petition for lower rents was presented to President Zayas by a large crowd on Aug. 10, and the President, speaking from a balcony of the National Palace, promised that if the municipality of Havana did not act promptly he would inaugurate remedial measures by decree.

HAITI—The United States Senate on July 27 adopted a resolution providing for an investigation of American occupation and administration of Haiti and Santo Domingo. At the same time an organization was formed in New York called the Haiti and Santo Domingo Independence Society to expose and correct American maladministration. Ernest Angell, its attorney, was authorized to appear before the Senate committee and demand the punishment of Americans guilty of atrocities. Oswald Garrison Villard, publisher, and Horace Knowles, former Minister to Santo Domingo, on Aug. 3 gave the committee an outline of the charges, describing intervention as the blackest chapter in American history in the Caribbean.

The body of Harris Lipschitz, a naturalized American who was murdered in Haiti, was expected at New York, accompanied by the widow and the daughter, Representative Isaac Sigel announced. He had heard from the former that natives were seizing the land held by her late husband. Previous to the murder, Lipschitz had charged that certain American marine officers were inciting the natives against him and that he expected to be assassinated.

SANTO DOMINGO—In pursuance of the resolutions passed at the enormous mass meeting of Dominicans in June against the conditions of withdrawal sought to be imposed by the United States, including a new issue of 8 per cent. bonds, which some claim will work out at about 14 per cent., the Dominicans organized a "Junta of Electoral Abstention" to express their disapproval. The American authorities promulgated an electoral law, and on July 14 issued a decree ordering elections on Aug. 13. The Junta thereupon issued an appeal denouncing the American proclamation of June 14 as hypocritical, because it summoned the Dominican people to surrender their sovereignty and their finances to American hands. They protest against the decree ordering the elections, warn against any one becoming a candidate or an elector and against any local officials acting as registrars of election or in any way assisting it. The appeal is signed with the names of more than threescore prominent Dominicans.

Charges that American marines sent to Santo Domingo committed murders, terrorized the people and burned their homes were presented to the Senate Investigating Committee by Horace G. Knowles, adviser and assistant to the Dominican National Commission, in a report made public on Aug. 14. He said that the marines' presence was an act of war, that private rights were invaded and personal and corporate property destroyed. The administration of the military government, he asserted, was incompetent, wasteful and extravagant.

FILM CENSORSHIP IN INDIA

THE censorship of films in the United States is almost exclusively moral, the object being to eliminate anything which, in the opinion of the censors, may poison the moral conscience of the public. A similar censorship has been established in far-off India, whose dark-skinned masses flock to the picture houses with keen interest.

From the report of the Calcutta Board of Censors, published early in July, on the workings of the Cinematograph act in Bengal, it appears that the board from April to December of last year examined 4,256 films, refused certificates to fourteen, and caused alterations to be made in nine. Though the board explains that it has kept four principles in mind—moral, racial, religious and political—it is quite apparent that the censorship has been guided mainly by racial and political considerations. The most serious criticism made by the board is that 99 per cent. of the films portray the characters of white people; that the villain and the villainess carry their wicked deeds through most of the picture, and that "this does not tend to uplift the prestige of the British race in India."

Even so-called propaganda films, whose purpose is reformatory, come under the ban, for, in order to accentuate the evil against which they are preaching, they exaggerate its effects. In a prohibition film, for example, white men and white women are shown in an exaggerated condition of drunkenness. "Such scenes shown to an illiterate Indian audience can have no other effect than to lower the prestige of the white woman and the white race in general."

TRADE RIVALRY IN SOUTH AMERICA

Many American concerns, underbidden by both German and Belgian agents, close their South American offices—Harriman vs. Stinnes in keen competition —A dangerous Tacna-Arica episode pending settlement of the dispute

[Period Ended Aug. 15, 1921]

GERMAN and Belgian agents are underselling American goods in South American countries at prices ranging from 20 to 75 per cent. less, and many American concerns were closing their South American offices, according to reports made public in Washington on Aug. 1. American goods in Argentine warehouses are being disposed of slowly or returned to the United States. Extreme depression occurred in Brazil, and five important American houses were closing their offices in Rio. Peruvian importers were withdrawing from the market, and the import trade in Chile was very dull, people buying only necessary commodities.

Commander Fernandez of the Argentine Navy, in The New York Evening Post, writes that the Fordney bill will do much harm to commerce with the United States. "Therefore," he says, "our commerce will turn again to Europe, and very promptly we will say farewell to America. After such great efforts have been made to strengthen our common relationship, it is a pitiable thing that American commerce loses a market like this for want of tact and a well-conducted commercial policy."

ARGENTINA — Keen competition has been inaugurated in Argentina by Hugo Stinnes, the German financier, and American trade represented by the Harriman interests. War is on because of the break between Stinnes and the Hamburg-American Company, due to the operation by Stinnes of a fleet of ships between Germany and South America in competition with the Hamburg-American vessels. There are six steamers in the service under the Harriman-Hamburg agreement, four of them belonging to the United American Lines, Inc., and flying the American flag. Stinnes has six ships in operation. Both plan to add others, and both are competing with Dutch and Scandinavian companies. William B. Ryan, representing the Harriman interests, arrived at Buenos Aires on Aug. 10, and Karl Deters of the Stinnes forces was expected.

Meanwhile Mr. Stinnes was reported to have twelve outfits boring for oil near Buenos Aires, and the Standard Oil Company also had exploring parties out.

Argentina some months ago began tentative efforts to learn the feasibility of a short-term loan for $50,000,000 in the United States. American bankers wanted 8½ per cent., and the loan was declared off early in August.

President Irigoyen, on July 13, in a special message to Congress recommended an increase of exports and a cutting down of imports to adjust the adverse exchange situation, dollars at one time rising more than 50 per cent. above par.

Negotiations for the exchange of wool valued at $30,000,000 for locomotives and railway material were begun by the Government with German and Belgian banking houses.

President Irigoyen is at odds with Congress. He failed to apply the provisions of the Homestead law enacted last year and Congress asked an explanation. He replied in a sharp message on Aug. 3 that he did not recognize the right of Congress to question his motives. This provoked a storm. The Conservatives, the Socialists and eight members of the Radical Party left the Chamber, blocking all business for lack of a quorum. Political observers see in the situation indication of a combination to defeat President Irigoyen for another term at the election which takes place next March.

Laurence Ginnell, on Aug. 5, requested to be received by the Argentine Foreign Minister as "special envoy of the Government of the Irish republic to the Governments and peoples of South America," his credentials being signed by de Valera.

Dr. José A. Cortejarena, founder and publisher of the Razon, the largest after-

noon newspaper in South America, died at Rosario de la Frontera on July 25.

BOLIVIA—Five engineers, representing the Ulen Contracting Company of New York, have gone to Bolivia to construct a line to link up the railroad systems of Bolivia and Argentina, giving the former a connection with the Atlantic. It will be 128 miles long and will shorten the time between New York and Buenos Aires, by way of the Panama Canal and Chile, by two or three days. Work will start in January and the road is to be completed in five years.

BRAZIL—A new steamship record between New York and Rio de Janeiro was made on Aug. 8, when the Munson liner American Legion arrived after a voyage of twelve days and twenty hours. Her arrival was made the occasion of festivities by the American colony.

Already there are preparations for the Presidential election, which will take place on March 1, 1922. The Government candidate is Dr. Arthur Bernardon, while the opposition candidate is Dr. Nilo Pecanha, who did so much to induce Brazil to join the Allies in the war.

Work in newspaper offices in Rio Janeiro between the hours of 8 o'clock Sunday morning and 8 o'clock Monday morning is prohibited under the provisions of a municipal ordinance adopted on July 20. As a consequence Sunday afternoon and Monday morning newspapers were discontinued.

CHILE—The Chilean Cabinet resigned on July 25, after the Senate had voted disapproval of a decree granting rate increases and certain other concessions to an English railroad transporting nitrate from the Tarapaca Province. The Council of State decided that it would be necessary for the concession to be approved by Congress. President Alessandri confided the organization of a new Cabinet to Hector Trancibia Laso, Radical Senator for Antofagasta. Ernesto Barros Jarpa, a Liberal, was chosen Foreign Minister.

Senator Malaquias Concha, founder of the Chilean Labor Party and one of the most prominent political figures of Chile, died on Aug. 5, aged 62. By his death Chile loses her foremost social economist.

COLOMBIA—The Colombian Congress met on July 20. It was announced that the Conservatives would name General Pedro nel Espina, former Colombian Minister to the United States, as a candidate for President at the elections next year.

ECUADOR—The Ecuadorean Congress opened on Aug. 10. José Julian Andrade was elected President of the Senate and Juan Martinez Mera President of the Chamber of Deputies.

Arrest of an Indian chieftain in the province of Chimborazo resulted in a general rising of Indians in that province which spread terror among the inhabitants for more than a week.

PARAGUAY—Several thousand Mennonites from the United States and Canada are about to settle in Paraguay. They are conscientious objectors to military service and had considerable trouble during the war on account of the draft laws. Fred Engan, a Minnesotan Mennonite, went to Paraguay some months ago to consider the proposed settlement. Paraguay passed a law on July 22 exempting sons of the Mennonites from military service and granting them concessions of 5,000 square miles for colonization. They can import agricultural implements duty free for ten years.

PERU—An American mission to the centennial celebration of Peru's independence arrived in Callao July 22 on board a special naval squadron composed of the battleships Arizona, Oklahoma and Nevada. The mission was headed by Albert Douglas of Washington, who had the rank of Ambassador Extraordinary for the occasion. The celebration had been preceded by commemoration of the anniversary of the battle of Arica between the Peruvians and the Chileans, and a memorial was presented to President Leguia in which he was asked to grant parliamentary representation from the "unredeemed" provinces of Tacna and Arica. A statue to José de San Martin, liberator of Peru, was unveiled on July 24.

National spirit was running high on July 28, the actual date of the centennial, and a grand banquet was given at Lima at which the American delegates were conspicuous. Mr. Douglas was the principal speaker. He touched on the Tacna-Arica controversy and was quoted as saying that Peru did not forget, nor would she forget, that "in her hour of trial and spoliation she had not only the sympathy but the approval and respect" of the United States.

This made a sensation all over South America. The Nacion of Buenos Aires declared the words indicative of a deep-laid policy. The Peruvian papers were delighted and the Chilean press was furious. Santiago inquired of Washington what it meant, and Washington asked Mr. Douglas to explain. He cabled back on Aug. 5 that, though he had expressed American friendship for Peru, he had shown no partiality between the two countries. The American Legation in Santiago communicated this to the Chilean Government, and the incident was closed.

Reports were current on Aug. 11 that the Chilean Foreign Department was endeavoring to settle the Tacna-Arica dispute by direct negotiations with Peru. The Peruvian Government, in accord with Great Britain, has requested the Swiss Federal Tribunal to act as arbiter in a dispute concerning boundaries of certain petroleum wells in Peru belonging to an English company, and Switzerland has consented to act. The Reparation Commission of the League of Nations, after hearing the arguments of the Peruvian delegate, Commander Aubrey, unanimously decided that Peru was legally entitled to the German ships seized by her during the war, and that the Allies had no right of requisition over them.

A revolt broke out in Iquitos, capital of the Department of Loreto, among the Government troops shortly before Aug. 13. The uprising was caused by failure to pay the troops for six months. Iquitos is eighteen days' travel from Lima. The unpaid mutineers had seized £23,000 in cash held by the Peru and London Bank. Cash contributions were also levied on commercial houses, the radio station was occupied and a censorship established. The Government authorities had ordered a battalion of Federal troops from Lima to restore order, and the Governments of Colombia and Brazil had been asked to blockade the river to prevent the revolutionaries from escaping.

Census figures given out on Aug. 13 showed the population of Lima and the Callao district to be 280,000. The largest foreign element consists of Japanese, who total 4,600; Chinese come next with 4,400.

URUGUAY—A loan of $7,500,000 Uruguayan bonds, to run for twenty-five years at 8 per cent., was floated in New York on Aug. 8 at a price of 98½. The bonds were all sold the same day, the issue being oversubscribed. The money, it is understood, will be used to establish a telephone system.

VENEZUELA—Rumors were in circulation in Willemstad on Aug. 5 that General Penaloza, the notorious Venezuelan rebel leader, had invaded the Venezuelan State of Tachira.

The Admiralty Division of the British Law Courts on July 29 ordered the steamship Barrier, formerly a British gunboat, forfeited to the Crown for being equipped to start a revolution against President Gomez, dictator of Venezuela.

LENDING $5,000,000 TO LIBERIA

SECRETARY HUGHES, in a letter to President Harding on July 29, 1921, gave his opinion that the United States was morally bound to extend a credit of $5,000,000 to Liberia in accord with an agreement entered into between the two Governments on Sept. 12, 1918. Several other countries have unexpended balances of credits, but Secretary Mellon did not think it necessary to advance any more money on them. The President of Liberia came to Washington to get the money, and President Harding transmitted Secretary Hughes's letter to the Senate on Aug. 1, urging the moral obligation of the country. If Congress refused to sanction the loan, it was stated in diplomatic circles, the result would be to lower American prestige and hurt American trade, as British and French interests are ready to lend money to Liberia to get an entering wedge for a railway to the interior.

THE CHILEAN PRESIDENT'S ATTACK ON GRAFT

WHEN the Chilean people last year elected for their President Don Arturo Alessandri, a triumph for democratic ideals was obtained in a country where class domination has ever been an ingrained tradition. Immediately after assuming office the new President published a program promising reform in almost every branch of the public service and greater protection for the people against the much-abused power of the aristocrats, the plutocrats, and the bureaucrats.

At the time of the election—or rather on the occasion of the revision of the voting in August, 1920—the leaders of all parties, including the rich men of good family who had hitherto held the destinies of the nation in their hands, showed a high degree of patriotism and good-will when they proclaimed the triumph of the people's candidate by a narrow majority; but that the President has encountered tremendous and almost heart-breaking opposition on the part of the bureaucracy, whose inveterate grafting proclivities are well-nigh impossible to eradicate, is conclusively shown in the following free translation of an open letter addressed by him this year to an unnamed Deputy who had solicited political preferment as remuneration for his aid at the time of the election. This letter, which is a document of notable value in a matter that concerns every citizen in all the American republics, follows herewith:

Esteemed friend: I beg to acknowledge receipt of your letter dated ——, and in reply I have to say that I am truly grateful for the efforts and sacrifices you have made on my behalf. I shall never forget them, but I ask you to believe me when I say that it never occurred to me that the hope of obtaining a Government post was the moving factor of your activity.

I have plunged into an honest and loyal campaign for the vindication of principles and ideals. I have reecived a solemn mandate from the nation to carry out a program of reform vital to its prosperity and greatness. If I had ever thought that my friends carried me to the Presidency of the Republic only to be an agent or distributer of public appointments I should not have made the immense sacrifices and gigantic efforts required by the campaign, but would have remained quietly at home; and it will not be surprising if, some day, I am led to adopt this resolution, seeing that my conviction grows continually that it is impossible to govern this country and at the same time work for the public interests. Nothing is thought of but official preferment, and obstacles are placed in the way of good government because every Deputy or Senator from whom the appointment he desires is withheld considers himself justified in taking offense and in abandoning the public business which duty and patriotism demand should have his closest attention. Under this system the President of the Republic is a mere puppet, tool, or intermediary of the will of others, although he is responsible for the acts of the Government and of the functionaries whom he nominates.

I do not accept this situation, nor does it conform with the standards and doctrines of a party founded for the very purpose of strengthening the influence of the Executive and supporting the constitutional prerogatives of the President of the Republic. In conformity with these standards, and in view of inevitable party disagreements, let us consent to allow the Government to settle these matters and to make, once and for all, the necessary appointments, without consulting anybody, thus putting an end to the shameful spectacle which has been apparent in the matter of the selection of Governors and other high officials, and which has been censured by the public opinion of the whole country.

I have learned with much regret of the letter you addressed to one of my secretaries, and I herewith warn you that if you propose to bring about a ministerial crisis on account of this trivial matter I shall publish the facts of the case, ask for a vote of confidence in the Chamber of Deputies, and assume the responsibility of my procedure before the country, as I am determined not to accept the resignation of any member of the Government if inspired by the private interests of parties or individuals. Any such procedure would imply senseless relaxation of parliamentary rule, and I will resist it, regardless of personal interests—fighting for the re-establishment of those doctrines which cost President Balmaceda his life.

ARTURO ALESSANDRI.

The effect of this letter, published in all the newspapers of the country, was magical, and it is realized on all sides that the President has struck a blow at corruption in the public services which may have a far-reaching and beneficent effect.

THE DEATH OF CARUSO

ENRICO CARUSO, a humble Neapolitan mechanic's son, who became the greatest operatic tenor of his time, died in Naples on Aug. 2, 1921, at the age of 48 years. The direct cause was an abscess beneath the liver, supposed to have been due to poison remaining from the pleurisy which had brought him to death's door in New York. The news of his death caused universal grief throughout Italy and the rest of the world. King Victor Emmanuel ordered special obsequies in the royal basilica of San Francesco di Paola, a famous church in Naples resembling the Pantheon at Rome. The ceremony in the crowded edifice, buried in flowers, with 400 singers in a specially constructed choir, was solemn.

Caruso had begun singing when he was still a boy in Naples, where he belonged to a local choir. His father, however, had no faith in his singing future, and apprenticed him to a mechanical engineer. This work he hated, and aspired to become a mechanical draftsman. When his mother died, Caruso, then only 15, left his father's house forever, to devote himself to art. He picked up a meagre livelihood by private singing. At 18 he was called to do his service in the army. One of his officers, Major Nagliati, was impressed by his marvelous voice, and found a singing master for him. After a few years' study, he made his début in a new opera at the Teatro Nuovo, Naples. Local jealousies made this first venture a failure. The future opera star was undiscouraged, and soon afterward appeared with notable success in "La Bohême" in the Teatro Lirico at Milan (1898). His brilliant career then began. He sang in all the large Italian cities, and in most of the capitals of the world. The late Maurice Grau made the contract to bring him to America, but it was Grau's successor, Heinrich Conried, who introduced him to this country, where he soon became a national celebrity.

Caruso left a fortune estimated at about 30,000,000 lire, which at the normal prewar rate of exchange would represent approximately $6,000,000; at the actual rate prevailing, however, it equals only $1,263,000. He enjoyed a large income in the United States from royalties on Victrola records, which he made under an exclusive contract. His first records for the United States were made in 1911, and his contract was to have expired only in 1935. His total income from this source since 1906 has been estimated at about $1,500,000. His regular royalty from records alone each year was about $150,000. About 160 records were created by his matchless voice, some thirty of which had not yet been released at the time of his death.

MR. HOOVER'S REPORT ON BELGIAN RELIEF

THE final report of the Committee for Relief to Belgium was made public on July 16, 1921. The Chairman of the committee, Herbert Hoover, who signed the report, stated that $1,300,000,000 had been expended for food and clothing in Belgium during the six years from September, 1914, to September, 1920. Help had been given to 10,000,000 people. The administrative cost of the work accomplished was only .42 of 1 per cent. of the funds handled. Profits on outside operations more than paid all the board's overhead expenses. The report contained a full survey of the conditions under which the committee worked, and of the devotion of the people who worked under it, many of whom drew no pay. The report says in part:

> No set of accounts or figures can reflect the intense anxiety, the patience and skill required of the 55,000 volunteers who toiled in this complex agency, defending 10,000,000 lives. Inspired with humane sympathy for these people, who, having no responsibility for the war, suffered most from its hardships and barbarities, they labored that this service might be done efficiently and with economy. It is to their unflagging devotion that we are now able to publish exact figures of accountability for funds and to trace each ton of food from the place of purchase to the ultimate consumer among the civil population of the invaded regions. Surrounded by terror and suffering, this multitude had but little concern for the bookkeepers in the back rooms of the 4,000 branch offices of the relief organization. It was of the utmost concern, however, to those in official direction not only that the work might be effectively performed and presented to the world, but that our honor and the honor of our country in this trusteeship should never be challenged.

BUSINESS AT THE UP-TURN

A brief survey of the causes that are gradually overcoming the forces of depression—Firm grasp of credits by the banks a stabilizing influence—Labor's loss of faith in Bolshevism an important element—Some interesting figures

TO a great extent, an extent much greater indeed than business men themselves generally realize, the condition of business is a reflection of the country's state of mind. There is a feeling that the turn has come, that things are to change for the better and, behold, they do so change; business starts ahead with renewed vigor, an atmosphere of optimism becomes as discernible to the senses as the tonic quality which characterizes the first Spring breezes.

In just the same way, at the very peak of business expansion and activity, unexplainable apprehension suddenly dulls the zest and keenness of industrial enterprise; new ventures are held in abeyance, commitments are curtailed, the sails of industry are trimmed, first slowly and then with feverish haste, and the craft loses headway, misses stays and comes to a shuddering halt.

Behind these states of mind are sound economic reasons, but those who can discern and appreciate them are few compared to those who only sense them; and even the latter do not sense them until the work of these causative forces is almost completed, and the turn, so-called, either from the peak of prosperity or the trough of depression, is close at hand.

The United States is at such a turn today, a turn from the violent business disturbance which began in May of last year to a steady, if slow, advance along the path of renewed prosperity. This is the opinion of those especially endowed among the business leaders who base their judgments upon a study of economic conditions, and reassurance is lent to their view by the fact that business in general is beginning to evidence that quickening of interest and renewal of optimism which always mark the shift from a long term of falling prices and slackening business to a resumption of so-called normal times.

That the changes which have taken place and are daily taking place in the business world have not been more widely recognized is not surprising. On the contrary, it would have been an occasion for surprise had they been more generally or sooner appreciated. There have been adequate reasons for this. In the first place, business's long illness, so to speak, has chanced to terminate in the midsummer period, which, even in times of unusual prosperity, is always marked by dullness. The crisis has been reached and successfully passed at a time when the small evidences which disclose this condition, at best difficult of discernment, are doubly obscured by the seasonal depression which has gripped all industry.

Then, too, business in general has been actually misled by its failure rightly to understand the credit situation, which, so far from being an obstruction in the path of business resumption, as so many believe, has actually been the means of smoothing the path along which industry must progress to renewed prosperity.

Not a few, but many, firms will complain today that lines of credit to which they believe their positions entitle them are withheld by the banks, and they point to this as a paramount cause of their continued stagnation. There was insufficient credit some time ago, and some complaints of this sort were doubtless justified then. They are not so at present, nor is there any shortage of credit. For those who are entitled to it there is credit in abundance. The change that has come about is that there is no longer credit for the mere asking.

On the authority of a great New York banker it may be said that the banks have never before in their history been in possession of such comprehensive credit information as they have at present. They

know the standing of their clients and customers as they have never known it before, and they thus are enabled to employ the credit at their disposal in conformity to a program designed to promote the national welfare rather than the less important fortunes of individuals.

In a recent confidential chat, this banker, whose name, for obvious reasons, may not be mentioned here, said:

"The honest banker will be the first to admit that the credit situation has not always been handled wisely, especially just after the conclusion of the great war. Numerous mistakes, and costly ones, were made then, but it is due the banker to appreciate that most of these were made with honesty of purpose. The first great essential seemed to be that a panic, like those which previously came upon us periodically, should be avoided."

How a Panic Was Avoided

To insure against this the banks strained their resources to the utmost to take care of the business world. There was small inclination, and less time, to inquire closely into the merits of each individual case. The prime object was that failures should be avoided, for it was realized that business was like a house of cards, and that one collapse might wreck the whole structure. Concerns whose inflated inventories, unwise commitments and inadequate capital, thinly spread over too wide fields of ambitious venture, made them deserving of sympathy, perhaps, but certainly not of continued support, were enabled to keep going, themselves not realizing that ultimate collapse was inevitable, because the banks had not time to gain an intimate knowledge of their affairs and so erred upon the side of general safety.

The plan was effective. Those who follow the statements of the number and volume of failures, as they are reported from time to time, will recall that few failures, and these of no especial significance, occurred in this period under consideration. But, if they were slow in these critical times to act upon it, the banks, nevertheless, were busily engaged in acquiring the information which now gives them complete control of the credit situation. Today they know the concerns which are deserving of help and which ones proper help will enable to readjust their affairs upon the basis which a renewal of prosperity demands. And, too, they know the firms which are beyond help. To these latter undeserved assistance will not longer be extended, and to the former the credit which they need will be forthcoming only upon the assurance that they will conduct themselves in a manner which will guarantee their future self-sufficiency.

In plain words, those in control of the credit situation have taken it upon themselves to see that inventories shall be written down to a point where profits shall be made on real values only and that the inevitable losses shall be taken where heavy investments have been made in plants and equipment at inflated prices. What is aimed at is an evening, a balancing of the processes of liquidation.

Much of the trouble with business today lies in the fact that the course of liquidation in various branches of industry has not been harmonious. In some branches it has progressed to a point below what we are accustomed to think of as normal. In other branches it has shown only a trifling reduction from the peaks reached at the height of inflation. A chief obstacle in the way of a general revival of business has been this maladjustment among the prices of important commodities.

It is apparent, at once, that such a condition occasions hardships for those concerns which have liquidated the most. The purchasing power of the owners and employes is curtailed, and so the hardship which the least liquidated business thus thought to escape is passed on to them. The circle is completed with poor business for all and prosperity for none. Equal liquidation on the part of all branches of industry would put all upon a level footing. Buying power would return to normal, for it makes, at least in this respect, no difference upon what price level business is conducted so long as the price level is relatively equal for all.

The Harvard University Committee on Economic Research recently completed a study of this subject, the results of which are well illustrated in the accompanying Table A. The column of index numbers consists of relative numbers based on those of 1913 equaling 100.

The average of these index numbers is

INEQUALITIES OF PRICE CHANGES

TABLE A.

Commodity.	Unit.	Price in 1913.	Price July, 1921.	Index No.
Corn, No. 2 mixed, Chicago	Bushel	$ .59	$ .625	106
Wheat, No. 1 Northern Spring, Chicago	Bushel	.90	1.4075	156
Flour, straight Winter	Barrel	4.52	6.50	144
Cotton, middling upland, spot, New Orleans	Pound	.127	.1188	94
Wool, clean basis, Boston, Ohio fine delaine and Ohio ¼ blood	Pound	.55	.62	113
Tobacco, Burley red, common, short, Louisville	Pound	.09	.07	78
Sugar, 96 degree centrifugal, duty paid, New York	Pound	.035	.0438	125
Cattle, fair to choice native steers, Chicago	100 lbs.	8.18	8.10	99
Hogs, good merchantable, pigs and rough stock excluded, Chicago	100 lbs.	8.49	9.40	111
Pig iron, basic, Valley furnace	Gr. ton	15.11	19.00	126
Steel billets, open hearth, Pittsburgh	Gr. ton	27.00	33.00	122
Copper, electrolytic, early delivery, New York	Pound	.1575	.1238	79
Lead, pig, early delivery, New York	Pound	.044	.0455	103
Tin, New York	Pound	.449	.2775	62
Zinc, prime Western, early delivery, St. Louis	Pound	.058	.0425	73
Coal, bituminous, run of mine, f. o. b. mine, Fairmount, W. Va.	Gr. ton	1.04	2.40	231
Coke, furnace, Connellsville, at oven, prompt shipment	Net ton	2.38	2.85	120
Petroleum, crude, at well, Pennsylvania	Barrel	2.39	2.25	94
Cotton goods: Brown sheetings 4-yard, standard prints, staple ginghams, New York	Yard	.061	.101	166
Silk, Shinshiu, No. 1, New York	Pound	3.65	5.90	162
Rubber, Para, up-river fine, New York	Pound	.93	.165	18
Hides, green salted packers', No. 1 heavy native steers, Chicago	Pound	.1825	.13	71
Calfskins, No. 1, Chicago	Pound	.20	.18	90
Leather, scoured oak backs, medium weight, New York	Pound	.45	.55	122
Brick, Hudson River, common, New York	1,000	6.88	15.00	218
Lumber, hemlock, Pennsylvania, base pr	1,000 ft.	24.04	38.80	161

117, so that the degree by which these various commodities have been liquidated may be measured by a comparison of the specific index numbers with 117. Corn, for instance, is selling below the general average, and so has undergone undue liquidation in comparison with the general liquidation of the twenty-six commodities considered, although it is still selling for 6 per cent. more than it brought in 1913. Wheat, on the other hand, is above its 1913 price by 56 per cent. and well above the general average considered. Most striking, of course, is the showing made by rubber, for as much can now be bought for 18 cents as a dollar would have purchased in 1913. At the opposite end of the balance is coal, the price of which has increased 131 per cent.

The study accompanying this table in the Harvard circular calls attention to the fact that of the commodities considered "the great majority are either raw materials or agricultural products; only a very few are finished manufactured goods. If a larger number of the latter class were considered the dislocation of individual commodity price levels would undoubtedly appear greater than it is in the case of the twenty-six commodities here considered."

Dislocation of Prices

The point of the whole matter lies in the fact that, in what are called normal times (here considered to be 1913), commodities bear a definite exchange relation, one to another, although this fact is seldom thought of in such simple fashion, and these relations, subject, of course, to moderate fluctuations, are fairly constant. In 1913, for instance, a ton of bituminous coal at a West Virginia mine cost about the same as a pound of rubber in New York. Today it takes more than thirteen pounds of rubber to equal in value a similar ton of coal. Most of us deal neither in coal nor rubber, and certainly none of us ever exchanged a pound of rubber for a ton of coal by actually handing over a parcel containing the rubber and receiving in return the 2,240 pounds of coal. Yet, in effect, that is just what all of us are doing all the time, and dislocations in these exchange relations affect every one of us, the more so as we are dependent for our livelihood upon any one of these individual products. The rubber

dealer, for instance, and the thousands of persons dependent upon branches of the rubber industry for their wages or dividends, are under a severe handicap at the present moment and must remain so until liquidation in other lines more closely approaches the liquidation which has occurred in their own. In the case of rubber, of course, there have been contributing causes other than liquidation which have brought the price so far below other prices and so far below the level which obtained before the war. In consequence, it is not to be expected, or even desired, in fact, that other commodities should experience the same shrinkage in value which rubber has suffered. The distinction is one of degree only, however, and it is none the less desirable that all prices should move harmoniously from level to level.

It is this condition which those in command of the credit situation are trying to bring about. They have ready assistance for those concerns which will adjust their business to new conditions and seek profits upon a level where business can be done. But credit for fresh speculation or for the further withholding from the markets of speculative stocks which have so far proved a disappointment is not to be had. It is a proper use of credit and one which, were the fact only universally recognized, cannot retard the resumption of business activity but must, on the other hand, be of prime assistance to it.

Much is heard, too, of high interest rates, and the idea seems prevalent among many who should know better that the bankers fix the rates in accordance with their own desires based on some arbitrary notion that loans, should earn such-and-such a rate of interest. Interest rates, actually, are highly competitive, and no banker, however powerful, has the ability to fix them above their market value. They vary considerably in different localities and to different persons, but in every case the law of supply and demand, the supply of money or credit and the need for it, determines the interest rate. Thus a big organization with banking affiliations in several cities places its loans where it receives the best terms, and the banker who would keep his funds at work cannot arbitrarily fix a rate which will be cut under by his neighbor in another bank or another city.

But it is not rates so much as control of credits which is harrowing those businesses not yet ready to admit that they will have to take their losses and readjust their operations. Nevertheless, persistent adherence by the banks to this new program is having its result, and it may be said that price stabilization is not far ahead. The period of general liquidation of the raw material markets in the United States is pretty well over. Irregularities exist, but these are due to conditions of supply and demand in specific lines and are an evidence or normality. Wholesale prices, too, have been generally deflated, and the tendency to get in line is evident now in those businesses which have most vigorously resisted the general trend heretofore.

Situation Clearing Up

What, then, is the outlook for business? Certainly it can be only for the better. Harmony in liquidation will result in quickened trading upon any price level, and harmony we are on the road to attaining. For the immediate future much depends upon the crops. The farmer has undergone greater liquidation, perhaps, than any other branch of industry. He bought and planted and cultivated in the era of high prices, and he reaped when prices were falling rapidly. He has taken his loss, and he does not purpose to take more if it can be avoided. Forecasts are not for bumper crops, and it is as well that they are not. Smaller crops this year will enable the agriculturist to move some of the surplus stock of the preceding year, and there is every reason to believe that the farmer will come into the market again this year with purchasing power adequate to meet his needs. He will buy, but he will buy carefully, and, it is needless to say, only at price levels in keeping with the level of his own returns. He should be and will be a great factor for stabilization, for the farmer represents approximately half the population of the country, and if half the people enter the market their presence will be felt throughout all industry.

Abroad the situation seems also to be clearing up somewhat, though there, too, improvement is slow and not too readily to be recognized. A study of conditions abroad made by the National City Bank of New

THE FOREIGN TRADE OF THE UNITED STATES

TABLE B
(000 omitted)

	Imports From				Exports To			
	Month of June		12 mos. ended June		Month of June		12 mos. ended June	
Grand Divisions:	1921.	1920.	1921.	1920.	1921.	1920.	1921.	1920.
Europe	$54,784	$118,500	$937,950	$1,179,400	$177,762	$296,133	$3,408,390	$4,863,792
North America	54,523	211,799	1,207,459	1,486,250	92,182	175,315	1,646,016	1,634,193
South America	19,645	81,166	485,249	860,944	17,496	46,255	523,450	490,898
Asia	48,437	118,276	815,445	1,368,669	36,787	70,751	547,247	798,216
Oceania	5,159	13,792	153,471	157,891	8,695	26,143	257,181	193,229
Africa	3,129	6,069	54,871	185,195	4,033	14,778	134,029	128,658
Total	$185,679	$552,605	$3,654,449	$5,238,352	$336,958	$629,376	$6,516,315	$8,108,988
Principal Countries—								
Belgium	$2,623	$4,056	$42,464	$29,748	$8,915	$25,238	$184,533	$317,112
Denmark	286	1,066	17,179	13,791	3,686	3,359	63,005	125,170
France	10,805	16,164	149,851	172,022	12,675	36,800	432,567	717,568
Germany	6,975	8,540	90,773	45,085	30,795	19,700	381,771	202,176
Greece	1,919	3,037	24,331	22,229	3,693	1,918	37,809	48,672
Italy	4,945	5,503	59,096	92,420	22,742	21,915	302,140	397,265
Netherlands	2,965	10,415	61,315	100,635	13,838	16,834	250,830	254,449
Norway	928	1,340	18,849	15,025	2,369	6,590	57,918	115,332
Spain	1,603	3,676	32,154	49,416	2,744	10,362	118,568	123,909
Sweden	956	2,052	27,921	21,616	2,815	8,525	76,615	129,179
Switzerland	2,994	6,083	46,797	46,394	297	4,607	25,632	49,415
United Kingdom	14,842	50,955	327,786	525,400	64,428	120,154	1,326,377	2,151,115
Canada	23,238	48,196	529,355	537,444	49,171	102,323	789,051	889,440
Central America	3,685	7,238	46,571	58,981	3,981	7,490	73,450	73,207
Mexico	10,213	18,447	154,993	168,278	21,106	10,553	267,209	143,788
Cuba	14,055	125,964	420,399	645,571	12,302	43,489	403,285	395,790
Argentina	4,061	16,852	124,299	257,783	7,388	13,586	200,890	167,146
Brazil	4,682	25,718	147,520	281,217	3,698	9,683	128,746	115,020
Chile	3,682	19,083	77,854	112,637	1,487	4,774	49,745	44,290
Uruguay	830	2,900	17,564	52,118	673	2,077	27,960	27,805
China	10,200	20,209	113,193	226,887	9,205	14,447	138,282	119,276
British India	7,510	10,704	121,800	178,951	4,816	9,232	92,549	79,143
Dutch East Indies	2,248	7,207	141,668	95,801	1,871	4,290	61,180	45,647
Japan	20,252	40,510	253,210	527,220	17,057	35,355	189,181	453,098
Australia	626	3,099	31,461	56,771	4,551	13,008	120,985	85,785
Philippine Islands	3,299	6,758	94,353	72,962	2,540	8,793	85,925	71,009
British So. Africa	594	1,357	10,838	36,513	1,018	5,571	46,925	48,698
Egypt	1,226	2,185	26,437	105,872	1,089	3,214	29,118	27,129

York justifies the statement that the outlook is better than at any time since the war, and has improved very much in recent months. There has been a steady improvement in physical conditions, the bank finds. All over Europe conditions are better and the greatest gain of all has been in the spirit of industry and social order.

The revolutionary spirit is fast disappearing, says the bank in summary of its finding. The revolutionary element has had its day; it made the most of the confusion following the war, of Government management in industry, Government doles, and the vague though generous sentiment for a new order of society. The people are tired of agitation and of being "fed up" on idealistic theories, conceived without any working knowledge of real conditions. Government management of industry is everywhere discredited, and the people are turning back with a feeling of relief to the old ways and methods by which they know how to get things done.

Perhaps the greatest influence of all has been that which has come from the calamitous failure of the Socialist revolution in Russia. A knowledge of conditions in Russia pervades all Europe. The labor organizations have not trusted to newspaper information, but have sent delegations of their own to Russia to learn the truth, and the reports have satisfied them that however much they may be dissatisfied with what they call the capitalist management of industry they have nothing to gain by exchanging it for the state of things existing in Russia. This information has had a far-reaching effect upon the temper and policies of organized labor. It has tended to restore

the authority of the old leaders, which for a time was shaken by the more aggressive and radical aspirants for power who came to the front. This change is a fundamental one. It is the most important thing that could have happened for the improvement of the situation, because no recovery could take place unless the stability of society was assured. It affords a basis for credit and encouragement to enterprise.

Improvement in Europe

In France the railroads have been completely restored, as well as the highways and the canals, while the farming land is 98 per cent. restored to crop-bearing condition, although probably not fully to the pre-war state of cultivation. The industrial districts of France are restored to more than 50 per cent. of pre-war capacity.

Best of all, conditions are quiet; wages and prices have been on the downward scale, but there has been no serious labor trouble for some time. This is the more gratifying in view of the fact that the housing situation in France is still very bad. By the hundreds of thousands persons are living under improvised shelters, and this lack of home comforts, of which the French as a race are especially appreciative, has been anything but a harmonizing factor. The housing program is being pushed with all effort, however. A corollary of this effort has been the attempt of the Government to restore conditions necessary to a revival of industry, so that as swiftly as possible the people may become self-supporting. Much is left to be desired in the condition of French trade and home finances, but even here improvement is to be seen. A balance of exports over imports of 410,487,000 francs was reported for the first five months of this year, the first favorable balance which French trade has experienced in recent years. The national budget is not yet balanced, and revenues for the present year are not equaling the hopeful estimates which were made at the beginning of the year. Nevertheless, the paper money circulation has not increased in the last year, which would indicate that the deficit has been made up out of savings of the people, although not out of the current revenues of the Government.

In England there has been also a general clearing up of the labor situation. The general strike, which was threatened in April, has been successfully prevented. The mining situation has apparently been solved. Much was dreaded from this situation, for the miners were insistent upon nationalization of their industry and the pooling of all the mining districts, with other radical changes which it was thought would be dangerous in the extreme to the country. The return to work of these men at reduced wages is, therefore, of the utmost importance. Wage reductions have been accepted as well in other fields, and, while there is considerable unemployment and poor trade, there is, nevertheless, the beginning of that feeling of optimism which, it was stated earlier in this article, usually precedes a turn for the better.

The political situation throughout Europe is somewhat more encouraging also. The passing of the Silesian crisis and the misunderstanding resulting from it between France and England, which seemed ever-growing in bitterness, must be recorded as a tremendous gain. Even the attempt at a solution of the Irish question, uncertain as it still is at this writing, is a move for the general good.

Less encouraging is the foreign trade showing, especially of the United States, and yet it is apparent that the record volume to which our trade expanded after the war could not have been maintained in a world which, outside of this nation, is strained as to resources, to phrase it mildly. The accompanying Table B shows the total value of merchandise imported and exported from and to each of the principal countries in June last and in the twelve-month period ended June last, compared with the corresponding periods of the preceding year. The figures are the official figures of the Bureau of Foreign and Domestic Commerce, Department of Commerce.

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