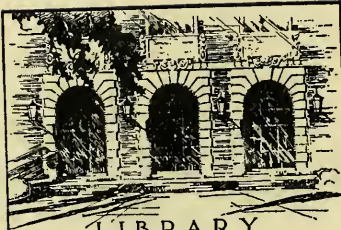


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PRESIDENT EDMUND JANES JAMES
(From portrait by Ralph Clarkson, 1919)

EDMUND J. JAMES
LECTURES ON
GOVERNMENT

FOURTH SERIES

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INTRODUCTORY NOTE

THE THREE following lectures form the fourth series delivered at the University of Illinois on a foundation established in 1935 by Mrs. George E. Frazer of Winnetka, Illinois, as a memorial to her father, the late Edmund Janes James, President of the University from 1904 to 1920. Under the terms of the gift the lecturers are chosen by a committee selected from the professors of political science and economics.

The first series of lectures, published in 1938, included a "Biographical Note on President James," by Evarts B. Greene, Professor of History at Columbia University (formerly Professor of History and Dean of the College of Literature and Arts at the University of Illinois), and lectures on: "The American State University: A Problem in Political Science," by Herman G. James, President of Ohio University; "Public Service and the University Graduate," by Leonard D. White, Member of the United States Civil Service Commission and Professor of Public Administration, University of Chicago; and "The Rôle of the Supreme Court in a Democratic Nation," by Robert E. Cushman, Professor of Government, Cornell University.

The second series, published in 1941, included lectures on: "The Constitution in Transition," by Thomas Reed Powell, Story Professor of Law, Harvard Law School; "The Compromise Principle in Politics," by T. V. Smith, Congressman-at-Large from Illinois and Professor of Philosophy at the University of Chicago; and "Historical Foundations for a Democratic China," by Dr. Hu Shih, Chinese Ambassador to the United States.

The third series, published in 1944, included lectures on: "Post-War Planning," by Charles E. Merriam, Professor of Political Science, University of Chicago, and Member of the National Resources Planning Board; "Democracy and the Manpower Crisis," by Clarence A. Dykstra, President of the University of Wisconsin and first Director of Selective Service; and "Democratic Ideals: London, Ottawa, Welling-

ton, Canberra, Washington," by Allan Nevins, Professor of History, Columbia University, and then recently returned from an extensive war mission to Australia and New Zealand.

The lectures in the fourth series were deliberately related to problems of special international significance at the moment of delivery, but in the light of developing events they may as well be considered expert contributions to an understanding of present, if not continuous, problems of government.

CLARENCE A. BERDAHL

H. M. GRAY

JOHN M. MATHEWS

THE STRATEGY AND POLITICS
OF RAW MATERIALS IN
PEACE AND WAR

THE STRATEGY AND POLITICS OF RAW MATERIALS IN PEACE AND WAR¹

By W. Y. ELLIOTT

Professor of Government in Harvard University and
Vice-Chairman of the War Production Board

IT IS A privilege to be a James Lecturer at the University of Illinois. This series of lectures has produced some of the most outstanding contributions to the discussions of public policy that have been made in American academic circles. It is a particular pleasure to pay tribute to the great figure honored by their name. It is not just that President James was a Harvard man, for I do not believe that all Harvard men are great — though persistent statement of this conviction may sometime cost me my chair! Nor is it just that I have respect for any professor who can weather governmental stresses the way President James did during World War I. Nevertheless, that is no small feat and should not be underestimated. A man who is able to develop a strong educational program in a large University, to house it in these fine buildings, to attract a faculty of sound scholars, to maintain excellent relationships with the general public as well as with the State authorities, is indeed a man of stature. His scholarly background at Northwestern, Harvard, Halle, his eight years as Professor of Public Finance at the University of Pennsylvania, his five years as Professor of Public Administration at the University of Chicago, and his two years as President of Northwestern University gave him the best traditions and pertinent experience for the significant life of public service which he lived. During the sixteen years that he was President of the University of Illinois, from 1904 to 1920, he was recognized as one of the outstanding university presidents in the United States. He left a great institution which has grown still greater because it was soundly grounded.

Mrs. George E. Frazer's memorial to her father in the

¹ Delivered April 17, 1945.

form of these lectures is a public service in President James' best tradition. I say this as a beneficiary of previous publications of these lectures in their printed form. As one who has the honor of giving a lecture under these auspices, I shall try to maintain the high standard set by my predecessors.

The Problem of Stockpiling

I want to discuss with you tonight the problem of "stockpiling," not only because of the immediate importance that it has had for the successful course of this war, but also because of its implications for the future of a world that is, we hope, emerging into an era of stable peace. The politics of stockpiling in themselves reflect most of the difficulties of executive, legislative, and administrative action in our national government as well as some of the most vexing problems that will continue to arise in the international field. It goes to the core of the interplay of economics and public policy.

The term "stockpiling" has been used to cover the deliberate building of reserves of strategic materials — for protection during wartime against inadequate supplies to carry on the production programs necessitated by modern total war.² Every prudent business carries inventories calculated to protect it against emergency interruptions of its supplies. Under the conditions of modern industrialism, a nation must build up huge stocks of those materials without which its whole civilized standard of living, as well as its chances of survival, and victory in warfare, are jeopardized.

² The official Army-Navy Munitions Board definition of strategic and critical materials for stockpiling purposes is as follows: "Strategic and critical materials are those materials required for essential uses in a war emergency, the procurement of which in adequate quantities, quality, and time is sufficiently uncertain for any reason to require prior provision for the supply thereof."

Within this definition, materials are listed either in Group A, Group B, or Group C according to the following provisions:

Group A comprises those strategic and critical materials for which stockpiling is deemed the only satisfactory means of insuring an adequate supply for a future emergency.

Group B comprises additional strategic and critical materials which can be insured either by stimulation of North American production or by partial or complete use of available substitutes.

Group C comprises those strategic and critical materials which are not recommended for long term stockpiling because the difficulties of storage are sufficient to outweigh the advantages to be gained by this means of insuring adequate future supply.

Stockpiling in World War I

In 1914, the prediction that World War I was upon us in the summer days of that fateful year was widely expressed in various foreign offices because Germany had begun to import through Holland stocks of copper, tin, and rubber at rates several hundred per cent beyond her normal volume of use. However, Germany's efforts to provide for a self-sufficient economy by piling up stocks of these important materials, from which she was almost certain to be cut off, did not prove to be adequate, even with the extension of her control over substantial parts of Eastern Europe after the downfall of Russia. She was unable to continue the production of the necessary materials of war without very inferior substitutes which helped to bring about her collapse. Although the creation of reserve stocks is usually planned in terms of nonperishable items, there are historic times and special circumstances which lend themselves to the creation of protective stocks in perishables as well. For example, the submarine blockade of England showed that food itself in an importing nation is a critical item requiring stockpiling. The same situation was true of the tight blockade imposed by the Allies on Germany, for it was food shortages, as much as anything else, that helped to destroy the morale of Germany in World War I.

Few people are aware that we ourselves suffered from critical material shortages that almost brought our own program to a standstill during World War I. We were at one time within a very few weeks of the exhaustion of our manganese supply which is essential to modern steel production. Had we not been able to turn to Brazil for a greatly accelerated production program during the emergency, we might well have been knocked out of an effective war program. At that time, we had small difficulty in maintaining access to the raw materials of the Far East, since Japan was allied with us against Germany. We did not then have the prospect of critical shortages of tin, rubber, and quinine, which have been so difficult a problem in this war.

For Britain, the cutting off of petroleum reserves, accessible through her fleet, would be fatal to any war effort. The

British, therefore, followed the German pattern of trying to build up at least a limited production of oil from coal through the hydrogenization process. Germany had learned this lesson thoroughly when she faced a breakdown of her internal transportation, after the loss of the Rumanian oil reserves toward the end of the last war.

The Imperatives of Stockpiling

In order to fight a war without imports, it is not enough for a modern nation to have within its own boundaries reserves that are adequate for its peacetime uses. The tremendously expanded production requirements of wartime lead to astronomical increases in the use of materials such as aluminum and magnesium. The consumption of iron ore, coal, and all the products that go into steel, such as manganese, chromium, tungsten, and alloying materials, as molybdenum and nickel, are doubled and trebled. Furthermore, there is the inevitable question of the capacity of facilities for treating these materials. If domestic deposits are low grade, they must be benefited to bring them up to usable standards. This often involves the expenditure, not only of hundreds of millions of dollars, but of great amounts of manpower and equipment which could be more directly applied to the war effort.

There is no single nation which, on a prewar basis, is self-sufficient in strategic materials against the threat of war, not even the United States or Russia. The very vulnerability of some nations leads them to assume the classification of "have nots" and to reach out for territory which would assure them possession within their own control of the sources of raw materials needed for fighting modern war. Japan first took over Manchukuo, industrialized it, and then reached out further into China, eventually launching her treacherous attack on Pearl Harbor, in order to prepare for the acquisition of the Philippines, the Dutch East Indies, and British Malaya, for the purpose of forming a self-sufficient empire which would dominate the entire Far East.³ Nazi Germany, though

³ G. C. Allen, M. S. Gordon, E. B. Schumpeter, and E. F. Penrose, *The Industrialization of Japan and Manchukuo 1930-1940* (Macmillan, 1941, 944 pp.).

professing no colonial designs, continually upset European equilibrium by annexing territories, primarily with the intention of acquiring, not German populations alone, but the equipment and the raw materials of the areas which these conquests would insure. Italy followed the same pattern from Ethiopia onward, and was led to give aid to Spain under Franco in considerable measure because of her dependence upon Spanish minerals for her armament program. Spain's production of such metals as lead, tungsten, pyrites, and the iron ore and phosphates of North Africa, were important to the Italian war economy. Russia possessed the resources but required a succession of Five-Year Plans to develop them. Every energy of Stalin was bent upon securing a reserve of production behind the Ural mountains, out of bombing range of the Germans, to supplement the great developments of the Ukraine, the Don, and the Volga basins, as well as the tremendous oil reserves of the Caucasus and the Black Sea region.

Even the United States was not insensible to the necessity of securing some reserves of the materials which are not adequately produced within our own borders, many of which can not be produced in amounts needed for a war economy at any price, and others of which require the expenditure of the most wasteful amounts of manpower upon domestic low grade reserves. The Army-Navy Munitions Board was created after the last war by joint action of the War and Navy Departments to study these and allied problems as the result of the recommendations of the Baruch War Industries Board. During the interim between 1919 and 1939, a period of 20 years in which the American people vainly hoped for peace and worked for disarmament without providing guarantees of international security, very little was done of a practical character to assure this country of adequate reserves at the outbreak of war. If we were to be cut off from world resources, as proved to be the case in several important instances, our preparations were entirely inadequate.⁴

⁴For a timetable of stockpiling legislation see Appendix I.

People who have been working on a "business as usual" basis find it hard to realize that there can ever be an interruption of supplies which have been forthcoming conveniently and easily through the normal channels of commerce. There is also a natural reluctance to disturb these channels by a government procurement program superimposed upon private trade during peace times. Traders are afraid of the effect upon the market in their daily operations. Both traders and the producing countries, including our own domestic producers, are fearful of large stockpiles that may overhang the market, be sold by the government, or merely be suspended like the sword of Damocles over the prices charged by producers and private holders of stocks.

Reasons for Public Purchase Programs as Against Privately Owned Stockpiles

There are many reasons why only a government procurement program can succeed in building adequate stocks for wartime use, and why it is necessary to have these stocks, even in a country so fortunate as is the United States in possession within its own boundaries of most of the basic raw materials needed to fight a war.

The first of these reasons is the fact that the necessity for a rapid expansion of mining facilities may delay, even though it be pushed with the utmost speed, the processing and manufacturing programs which in wartime permit of no delay. We were fortunate in this war, as in the last, in having substantially two years of freedom from enemy attack in which to build up the domestic production necessary to undertake a war program. It was not really until the middle of 1941 that our production program for munitions got under way. Up to that time, we had been increasing our ability to produce the necessary basic metals and expanding the processing and fabricating facilities.

I well remember the early summer of 1940 when some of us went to Washington with the National Defense Advisory Commission to begin a program which should have been long since under way, in preparation for the war that we now

know to have been inevitable, if we were to survive as a nation. The difficult decisions that were made during that summer resulted in tremendous new facilities for the production of steel, aluminum, magnesium, and eventually rubber, before we could turn to the more immediate production of arms themselves. New mines had to be opened up, new plant facilities had to be put in at the raw materials stage, production had to be encouraged abroad as well as at home, in order to meet the tremendous requirements for arming our friends of that time, our Allies of today. It would have been possible perhaps to have increased the production of steel in this country to one hundred million tons a year by the outlay of still further facilities, but a careful evaluation had to be made between the timing of the returns from such a long range investment, and the immediate returns for supplying arms to England, as well as for getting our own defense program under way. Consequently, we actually put in new facilities for steel only to an amount that would bring up total production to slightly more than ninety million tons at wartime capacity. No small part of this problem was the difficulty of securing sufficient minerals, as manganese and alloying metals, to push the production of steel beyond this figure. The consequence was that we have had to suffer from short steel supplies throughout the war for meeting essential civilian war-supporting needs in addition to military requirements.

The second reason for building stockpiles through government purchase is that private traders can not afford to carry the enormous inventories needed for war protection. They can not be certain in the first place that the war is going to take place, and investments in what may turn out to be idle stocks are too heavy to expect them to risk. The steel industry, for example, warned by its experience in the last war, had built up stocks of manganese in this country to between nine months' and a year's requirements for normal operations. This was, however, not much more than half the amount required for wartime operations. It was, accordingly, necessary for the government to acquire manganese from every source, domestic and foreign, as rapidly as possible, this despite the fact that manganese was one of the commodities which industries were

willing to carry in long supply because of its natural distribution outside the United States. No private corporation could afford to make the costly investment in materials, as quartz crystals, industrial diamonds, strategic grades of mica, and graphite, which were absolutely essential if we were to be relatively well protected against the loss of sources of these supplies.

The third reason for having publicly owned stockpiles inside the country before the actual outbreak of war lies in the tremendous cost in shipping that is otherwise involved in continuing imports, even from territories that are accessible as producers. Shipping tends to become scarce in wartime, if only because of the delays involved in convoys, with the added problems of naval protection in all the seas of the world. Some of those seas, as we have learned, may be closed early. We have been all too effectively cut off from the Philippines, from the British and Dutch possessions in the East Indies, and from much of the Pacific until the present time. At an earlier stage in the war, there was every prospect that we might be cut off from India with all that would have meant in the loss of raw materials that India has provided in the war effort. Furthermore, heavy shipping losses were almost inevitably a part of large-scale war against powers with submarines and naval commercial raiders, such as were possessed by both Germany and Japan. There was a period, for instance, in which we lost about one hundred ships in the short-haul bauxite trade between the United States and the Caribbean Guianas. This was at a time when we could ill afford to lose a single ship; but our whole aviation program depended upon continuing this import of foreign high grade bauxite until we could get a production program going on a large scale on this Continent which would produce aluminum from domestic run-of-the-mine, lower grade, bauxite. It is, therefore, necessary to have stocks adequate to supplement domestic production safely inside the country, if we are not to expose ourselves to the loss of access to world supplies outside. This fact was borne home to us as we watched the sinking rates off both the East and West coasts of Africa at the height of the submarine campaign. There was one time when a single slow

vessel had loaded aboard it so much strategic mica and graphite from Madagascar that its loss would have had, I am afraid, crippling effects upon some of our most important programs.

• Still a fourth point that makes necessary the import of strategic materials stocks prior to a war lies in the possible loss of the sources of supply themselves, either through enemy action such as that which overtook us in the Far East, or through enemy economic warfare which pre-empts sources of supply that normally fall within the range of our naval and shipping control. We lost, in the early stages of the war, very large amounts of mica and quartz crystals from Brazil and of tungsten and other metals from the West Coast of South America because the Axis powers bought up supplies and sat upon them even when they did not export them. Japan was able to continue smuggling operations until after Pearl Harbor, though for the five or six months prior to Pearl Harbor we had really begun to get the upper hand in our economic warfare efforts to procure supplies from neutral countries, including Spain, Portugal, and Turkey.

There are other reasons, too, which can be mentioned in passing, for not waiting until war is upon us before endeavoring to hedge against its impact. Grades and qualities of these materials are ours for the choosing prior to the emergency. Later we may have to take what we can get. Again, there is a better utilization of labor and equipment for the movement of stocks under peacetime conditions. And last, but not least, is the absence of the competition of various wartime procurement agencies who scramble for the same source of supply. Public purchase prior to the existence of competition among competing national and international procurement agencies goes a long way toward expeditious allocations to industry in the shortest possible time.

Failure to Stockpile Strategic Material Prior to World War II

Under these circumstances, one may wonder that no more real efforts were made prior to this war to attempt public purchasing of raw materials. Perhaps the first thorough study of this

problem that was published was Mr. Brooks Emeny's *The Strategy of Raw Materials*.⁵ Mr. Emeny's book, which was the product of close collaboration with the Army-Navy Munitions Board and the committees with which it worked in Washington until 1934, illustrated the very limited view that those agencies took on the range of strategic and critical materials. He recommended at that time the stockpiling in rather small amounts of only manganese, antimony, and one or two minor metals.

Under the authority of Public Act No. 117, June 7, 1939, the Army-Navy Munitions Board acquired only \$70,000,000 worth of strategic materials — specifically, cadmium, chrome ore, industrial diamonds, manganese ore, Manila fiber, mercury, mica (block and splittings), monazite sand, optical glass, quartz crystals, quinine hydrobromide, quinine sulphate, tin (pig), and tungsten ore. In addition, the Commodity Credit Corporation exchanged United States cotton for British rubber. Considering the fact that the government subsequently had to purchase several billion dollars worth of materials, the \$22,000,000 spent in 1939-1940 was inadequate indeed.⁶

If the close students of the problem had so inadequate a view of the matter in 1934, at the time of the publication of Mr. Emeny's book and, indeed, almost to the outbreak of this war, it is not to be wondered that little progress was made. As a matter of interest, I may say that I had put into the hands of the State Department and the President, the latter even before he came into office, proposals for stockpiling some of these raw materials (particularly tin, chrome, and manganese),⁷ in return for at least a partial settlement of the war debts. You may recall that in 1932 Mr. Hoover was asked to

⁵ Brooks Emeny, *The Strategy of Raw Materials: A Study of America in Peace and War*, published under the auspices of the Harvard and Radcliffe Bureau of International Research (Macmillan, 1934, 202 pp.).

⁶ Although the Army-Navy Munitions Board was authorized to spend \$100,000,000 by the Act of June 7, 1939, this was to be spread over the period from 1939-1943 inclusive. Actually only \$70,000,000 of this appropriation was spent as follows: Public Act No. 361, 76th Congress (August 9, 1939) — \$10,000,000; Public Act No. 442, 76th Congress (March 25, 1940) — \$12,500,000; Public Act No. 667, 76th Congress (June 26, 1940) — \$47,500,000.

⁷ Memorandum from W. Y. Elliott to Secretary Hull, September 29, 1941, "Peace Settlement: Necessity for an agreement with the British, Free

make a settlement of the war debts when his famous "moratorium" on the inter-allied war debt to us was about to expire. Since his term was also about to expire, he invited Mr. Roosevelt, the incoming President, to join in the settlement of this problem. Mr. Roosevelt naturally felt a reluctance to undertake negotiations at a time when he had no actual responsibility. The whole episode further illustrates one of the grave difficulties of getting a coherent policy, particularly a continuity of policy, during the lapse of time between the defeat of an outgoing President and the inauguration of a new one.

International Politics of Stockpiling

During the intervening years, I lost no opportunity with the State Department and the President to press for a raw materials consideration in the settlement of the war debts. I took the trouble to circulate almost a hundred mimeographed copies of the proposal among influential British circles, but got very little response beyond a denunciation from the Northcliffe (now the Rothermere) press in England to the effect that this was the worst possible solution of the war debt problem since the debtors might actually have to pay something on the debt. Many of the more serious comments from highly placed British officials indicated that the solution was feasible, particularly as the production of these raw materials had dropped to disastrous levels during the world depression. They all, however, looked with grave misgivings on allowing the United States to acquire stocks which might overhang the world market and put the producers at the mercy of this government, so far as future prices were concerned. At that good moment, the British were charging us (as they did after the establishment of the Tin Cartel by agreement between the British, Bolivian, and Dutch governments) about one hundred pounds sterling a ton too much for tin above the proper market rate that to a moderate cost producer would have pro-

French, Dutch, and Belgians to apply Colonial Raw Materials as against Lend-Lease Aid."

Memorandum from W. Y. Elliott to Secretary Hull, November 23, 1943, "The Possibilities of Postwar Stockpiling of Strategic Materials as a Method of Offsetting American Lend-Lease Aid and Obtaining Repayment for Postwar Loans Abroad."

vided a handsome profit. It is perhaps not to be wondered that they looked with misgivings on settling any part of the war debt by handing over stocks of the material in question. However, I have been informed that even during the '20's, the Belgian government had proposed to settle its war debt through payments in kind, particularly in radium. Since we, however, did not on our part actively press the issue of having the assets of the Colonial Empires on the table as a part of any war debt settlement, nothing actually happened.

It would be indiscreet of me to mention the conferences which I had with the President, and with many officials of the State Department and others in high places, urging this solution prior to this war. The war debts had become a subject loaded with political dynamite which many people thought it best to forget, merely asserting a high theoretical claim to be repaid in full. Some of the omniscient gentlemen who have since written memoirs testifying to their infallibility during this period, to my certain knowledge, still held to the view that we could somehow be paid either in gold or in currency in spite of all the logic of the trade balances. They, therefore, looked upon the idea of repayment through stockpiles of strategic materials as unnecessary. Almost in desperation then, I published these views both in England and in this country⁸ and gave some attention to the problem, though in a very despairing mood, in the book on *International Control in the Non-Ferrous Metals*, which I edited.⁹

Domestic Politics of Stockpiling

I have attempted to show some of the difficulties that arose from the politics of foreign powers bent on protecting their economic interests as they saw them, and other difficulties arising from our own State Department's policy, handicapped by fear of raising dangerous political issues. But by far the most important political stymie to adequate stockpiling of

⁸ "War Debts and Peace Credits," *Political Quarterly*, April, 1933; "Joint Policy for Britain and the U.S.A.," *Political Quarterly*, April, 1938; *Fortnightly* 147 (n.s. 141), June, 1937; "Time for War," *Virginia Quarterly Review*, Vol. 17, No. 4, October, 1941.

⁹ W. Y. Elliott, C. S. May, J. W. F. Rowe, Alex Shelton, and D. Wallace, *International Control in the Non-Ferrous Metals* (Macmillan, 1937, 801 pp.).

minerals from foreign sources rose from our own domestic producers. We produced in 1940 at a high tariff premium only 40,000 tons of domestic manganese ore (containing 35 per cent manganese), employing at its peak only at the most a few thousand miners, whereas our wartime imports of manganese have run consistently above a million tons and our total consumption in war approaches 1,400,000 tons a year. The larger manganese deposits in this country are, with rare exceptions, of low grade and have to be blended with high grade foreign imports in order to satisfy the metallurgical standards for steel operations.

What was true of manganese was true also of chrome of the metallurgical grades, though we did have sizeable deposits of chrome and of chemical and refractory grade ore which had been neglected, partly because of price reasons, during this period. We were fortunately the world's largest producer of molybdenum, which is substitutable in a wide range of uses for tungsten, and we produced perhaps 50 per cent of our tungsten requirements for war purposes. Our domestic bauxite had very limited high grade reserves of ore, not more than three to four years' use at the present rate, which have been sadly depleted in any case during the course of this war. We had many years' reserves of low grade bauxite, but no feasible process for utilizing this at the outbreak of the war, nor had we taken steps to develop processes for using alunite and clay. The problem of magnesium turned into one of facilities rather than raw material sources, since it can be made under modern processes from brine and salt water and the latter, in the seas, is quantitatively about the most unlimited mineral on this planet.

However, we did not possess any sizeable production of the most important minerals, as mica, for example, which is used for all sorts of electrical insulation and spark plugs for many types of aircraft; or steatite talc, the proper grades of which for use in condensers in radio tubes and other equally important purposes come only from India and Sardinia; graphite for crucibles, coming only from Madagascar and Ceylon, on which depended a great part of the metal industry; industrial diamonds, which are absolutely essential to cutting operations

in many types of mining; abrasives as corundum, for which the domestic substitutes have seemed to be inadequate; and quartz crystals, which were absolutely essential to the whole aircraft industry as well as to the radio and radar industries. Rare metals like tantalum, columbite, osmiridium, and platinum have given us difficulties in keeping supply even a few weeks ahead of requirements and have had to be flown from the sources of procurement at times when we very badly needed the planes for other uses. Nor is this list of strategic minerals in which the United States is deficient at all complete. We had to fly tungsten out of China, and steatite talc from India. We were desperately dependent upon antimony from the West Coast of South America, and upon lead and copper from both South America and Africa. Lead and zinc, too, had to come from Australia in as large quantities as we could procure and ship them.

During the prewar period, the domestic producers of these metals, notably lead, zinc, copper, and tungsten, were naturally reluctant to see large stocks imported from abroad. They shared the same fears that producers abroad did of the depressing effects of these stocks on the market. Wartime has always afforded a bonanza to mineral producers of marginal properties in the United States. They do not look forward with any eagerness to a curtailment of the chances of realizing on long idle investments in mines.

It is fair to add, on the other side, that domestic mining as a small scale proposition has often proved less attractive to the large companies than has the importation of foreign metals. In some instances, domestic reserves have been left inadequately explored, and certainly not adequately exploited. From a conservation angle, it can always be argued that the best protection of our natural resources is to leave them in the ground. But it is also true that the time involved in opening them for exploitation and for discovering new sources, may be the critical factor at issue.

The Act of June 7, 1939 (Public Act No. 117), fathered by Senator Thomas of Utah, established a fund of \$100,000,000 against which purchases of strategic materials could be made, and also provided for the expenditure of an additional

\$2,000,000 through the Bureau of Mines and the Geological Survey for the exploration and geological testing of domestic resources. Furthermore, safeguards were thrown around the procurement of these materials, either from foreign or domestic sources, by insuring that they could be released only on the President's specific authorization at the instance of the Army-Navy Munitions Board. This was intended to protect producers from having stockpiles in the hands of the government that could be used for purposes of price manipulation. The so-called "Mineral Bloc" in Congress, which had up to that time opposed the import of foreign metals under the able leadership of Congressman, now Senator, Scrugham of Nevada, therefore accepted a compromise by which some development of domestic minerals went along with foreign procurement. This pattern clearly establishes the lines of politically feasible stockpiling policy on a postwar basis if it is to be undertaken. The domestic interest will have to be given what it regards as a fair share of the over-all procurement of stockpile materials. The difficulty will be to see that that is kept within the bounds of an economically feasible program and not be carried out in the tenor of the proposed stockpiling bills — e.g., the Scrugham Bill, which has been introduced (though not yet passed), to limit future stockpiling of many strategic metals to domestic producers as far as possible.

Legislation Proposed for Postwar Stockpiling

The Army and the Navy are interested in stockpiles primarily for military security. Other interests are concerned with protecting their own position as producers. The Scrugham Bill was designed primarily "to stimulate the current production of domestic strategic and critical minerals from small or marginal mines by assuring them a measure of economic postwar security."¹⁰ It was also aimed at encouraging "the postwar operation of small or marginal mineral deposits in the continental United States and Alaska and of the beneficiation and processing adjunct thereto" and at avoiding "the widespread

¹⁰ Senate Bill 1160, 78th Congress, 1st Session, June, 1943. This was not passed. A subsequent Scrugham Bill, Senate Bill 1582, was introduced on December 8, 1943. This bill also did not pass.

economic distress and failure of small or marginal mine owners, operators, and related enterprise which followed World War I." The remainder of the Bill, it is true, provided for setting up a Stockpile Advisory Committee whose duty it would be to estimate the stockpiling requirements that would protect the country against future emergencies and wars, and to set up the Metals Reserve Company as the agency for carrying out the purposes of the Bill. The Bill, however, was quite clear in its intention to subordinate the importation of foreign ores to the production from domestic ore and to provide relief for those miners who had been operating marginal properties during the war. It did not succeed in passing, at least partly because of the opposition of the State Department and of the Foreign Economic Administration.

When one reflects that minerals are widely scattered over the surface of the entire United States and that the Mining Bloc at the peak of its power contained perhaps 250 members of the Houses, with a very strong representation in the Senate, one can understand the political aspects of attempting to provide for imports from abroad that conflict with these interests. The power of the Mining Bloc would require no other evidence of its strength than the passage of the silver legislation under which this country has labored for many years. I believe it would be difficult to find even one economist of any national reputation who would have supported the form taken by the silver legislation, and it is generally always possible to find at least one outstanding economist in the country who will stand for anything.

At the time this bill was introduced, the War Production Board was asked for an opinion, and as at that time I was in charge of Stockpiling and Transportation for the Board, I was asked to send a letter on this subject to Senator Scrugham.¹¹ For present purposes, I will merely quote one or two points developed in the letter.

The stockpiling features of the Bill, insofar as they provide for a small representative committee which will make surveys and determine a stockpile plan for after the war, to protect us against the deficiencies which we discovered in this war, we heartily ap-

¹¹ See Appendix II.

prove. We feel, however, that such a stockpiling plan should not be limited, as the Bill under consideration proposes to do, to minerals only; it should cover all the materials and commodities which our experience in this war has shown are necessary in the conduct of a war.

Furthermore, we believe that domestic materials should not mandatorily be given a preferred position over foreign materials in all cases. In many cases it will be wise to encourage domestic production by stockpile purchases. In others, however, our domestic supply may be so limited as to make it highly desirable to conserve such supplies in the ground and to build our stockpiles through foreign purchases and imports. In the post-war readjustment period it may be necessary, also, to accept foreign materials in settlement of obligations. The persons charged with the responsibility of administering the stockpile program should not, in our opinion, be unnecessarily restricted as to the kinds or sources of the stockpile materials.

Other government agencies than the War Production Board and the Army-Navy Munitions Board are interested in prospective stockpile legislation. The Bureau of Mines of the Department of the Interior has always had a very close connection with the mineral industry of this country and the Department of the Interior has regularly been included in stockpiling considerations and in proposed measures for establishing a stockpiling authority.

There is no doubt that the proper exploration of our mineral resources and the encouragement of exploratory development is a necessary part of any stockpiling activity. In many cases, private interests with large foreign holdings have not been anxious to develop domestic resources even to the degree of determining the extent of the ore deposits and the feasibility of using them during war. Against this tendency, both the Mining Congress and the Bureau of Mines, and for that matter, the Mineral Bloc in Congress, have had legitimate grievances which will certainly get recognition in any legislation that is passed. A subsidy program for a properly approved maintenance of existing facilities in at least a stand-by condition, and for the further exploration of our natural resources is certainly likely to find a place in any future stockpiling legislation. Technical research and pilot plants to develop the use of domestic materials are both needed.

But the necessity of drawing on outside sources to supplement the domestic resources of the United States is clearly indicated in the interests of national conservation as well as of national security. Senator Lodge, in a significant speech in the Senate on June 18, 1943, put this in very strong terms in pointing out that "we are actually facing the prospect of an America naturally depleted of some of its magnificent natural resources." The State Department called this to the attention of the committee considering the Scrugham Bill during the course of its hearings and made very strong representations against limiting the procurement of foreign materials in any such way as would be provided by that Bill. The Mining and Metallurgical Society, in addition to urging that all "stocks of minerals and metals which, at the end of the war, may be in the possession or under the control of government or subsidiary agencies thereof be retained as defensive reserves under the jurisdiction of the Army or Navy," opposed the Bill so far as the extension of existing and new contracts was concerned for the production of minerals and metals under quota premiums or bonus prices. They urged that such a step would have the effect of "exhausting the reserves of such minerals which should rather be conserved for use in emergencies which may hereafter arise."

These brief extracts from the testimony on the Scrugham Bill indicate an interesting alignment that goes, not only into the realm of minerals, but into all questions of imports from abroad.¹² Marginal domestic producers naturally are interested in a protectionist policy and, in effect, in subsidies by the government to continue those operations. The same problem arises in food production and, for that matter, manufacturing in many lines. The mineral producers are far from being unique in urging subsidies or tariffs because of higher labor costs. Their position does differ, however, in that the reserves of materials once taken from the ground can never be replaced. Many of the products into which they enter are dissipated forever during wartime. The scrap which is recovered, formidable as it is in volume, tends to disappear in the course of years as it is absorbed in the stream of production.

¹² See *Hearings Before a Sub-Committee of the Senate Committee on Mines and Mining*, 70th Congress, 1st Session, on Senate Bill 1160, June 24, July 1 and 2, 1943.

Balance Sheet of United States Resources of Strategic Materials

Let us look, therefore, at the balance sheet of the strategic materials of the United States at the end of this war, in order to see how important it is that we should establish a stockpiling operation that will restore in some measure our depleted reserves and create other reserves against future contingencies that may arise.

There is no shortage of coal. The coal reserves of this country fortunately are adequate for an indefinite future, at very much expanded rates of use.

Petroleum is being rapidly pumped out of the ground, but the progress of petroleum technology in extracting oil and gas has advanced consistently for so many years the point at which a predicted exhaustion would be reached that the public is now skeptical of any such prediction. Nevertheless, it is a truism that the reserves of petroleum are far from inexhaustible, even in as richly an endowed country as is the United States. The interests of conservation on a national scale would certainly demand that we cease producing so much of our staggering requirements for this fuel within our own borders and draw more on outside reserves such as those of Venezuela and the Middle East. Shale oil will be a possibility for an indefinite period when petroleum costs in the rest of the world permit the economic exploitation of our tremendous reserves of this higher cost method of production. Of course, at a price, petroleum can always be produced from coal itself.

Iron ore, another basic natural source of any modern industry, still exists in very large reserve tonnages in the United States, but the high grade ore reserves of the Lake Superior region have been sadly depleted by the almost one hundred million ton mining schedules that have had to be met during the war years. Lower grade reserves exist, which with proper treatment and at increased cost can be used for many years to come, but the cream of the Lake Superior ore will be skimmed off shortly after 1950. In the alloying materials and nonferrous metals, we have tremendous reserves of molybdenum, but our reserves of tungsten have been heavily tapped.

The Bingham District of Utah contains most of the high grade copper left in the United States that is reasonably low-cost, and we have had to import copper for war uses at the rate of over six hundred thousand tons a year. Mexico and the West Coast of South America are rich not only in copper but also in antimony, but our own deposits are scanty and do not afford adequate reserves. Lead has been mined out of our richer deposits to an appalling degree, and we shall in a measurably few years approach the exhaustion of the richest veins and fall back upon much more costly production. Zinc is in much the same state.

Canada contains the greatest nickel deposits in the world, and we have opened up subsidiary deposits in Cuba, so that under normal conditions, we should have no particular worry on this score. For metallurgical chrome, however, the Cuban deposits, mostly of refractory grade, are not adequate and our own are very scanty indeed. We do have probably adequate chemical chrome, except for certain grades that appear to have to come from South Africa. If we hold the Philippines in the future, we should, of course, have some access to this source for much refractory and some metallurgical and chemical chromes, though it lies at a perilous distance from home and proved not to be safe in this war.

Apart from the Cuban and Brazilian manganese, which between them would furnish a considerable amount of our manganese requirements, we have no nearby safe deposits, and our own domestic manganese is woefully inadequate. It has been found necessary for metallurgical purposes to import very large amounts of Indian and West African manganese ore to bring up the manganese from other sources to the appropriate quality. Lost efficiency in steel production results unless this is done. In the minor metals and minerals, our mercury deposits have been sadly depleted by this war, though those of Mexico probably are still quite extensive.¹³

Our greatest weakness lies in quartz crystals, industrial diamonds, mica, graphite, tantalite, columbite, corundrum,

¹³ Mexico and Canada have supplied large amounts of lead and zinc, and smaller amounts of copper. Under reasonable conditions, both countries could be counted on in wartime to supply these metals, and possibly iron ore. But reasonable conditions do not always follow wars.

and cobalt. There are deposits of nearly all these minerals or metals in limited amounts within the continental bounds of North America. They are, however, so scattered and so limited and of such a difference in grades that it is not safe to count on any of them without very large imports from abroad. The graphite of Alabama, for example, which is a possible substitute for foreign graphite, reduces the efficiency of crucibles to such a point as to be very wasteful of manpower and of other materials. The same thing may be said of the mica deposits of this country, though they undoubtedly are capable of contributing in a last ditch emergency far more than they have done in this war. Strategic grades of these materials must be counted upon from imports, and it is much better to do the importing before a war rather than during a war if we have any regard for our future national safety. Substitution is possible for many uses, but with loss of efficiency and production.

We shall never again be dependent upon crude rubber from abroad to the extent that we were during this war, because of our development of synthetic plants, which will certainly not be scrapped in favor of a complete return to crude rubber. Cryolite, an essential catalytic agent for aluminum production, nearly all came from Greenland. Now it has a synthetic substitute from fluorspar that is acceptable to industry. We have ceased to be vulnerable there. The same thing is true within some limits of our former dependence on Chile for nitrates. We still require Chilean nitrates for some purposes in agriculture, but we could go on a reasonably self-sufficient basis, were it necessary to do so, because of the tremendous advance in the production of synthetic nitrates from our nitrogen plants.

In most chemicals, the same story of growing freedom from foreign imports may be told. We have largely rid ourselves since World War I of dependence on imports in this field. However, it is still doubtful whether there is a complete substitute for materials such as quinine in the field of drugs. Rotenone and pyrethrum are insecticides which do not seem to be supplanted by even the miracles of DDT. There have been times when our agricultural production required the

flying of rotenone from South America, and of pyrethrum from East Africa. A constant eye has to be kept on supplies of such materials.

Nor would it be wise to forget the fibers. Nylon has proved to be an extremely effective substitute for silk in practically all war uses, but we still have had to import large amounts of Egyptian long staple cotton to make some of our most essential war materials. No one has yet been able to find, on an adequate commercial scale, a proper substitute for sisal from East Africa and abaca (manila fiber) from the Philippines. The rich plantations of the latter fiber, which we have set up in Central America, may prove to be commercially feasible as a competitor for the Far Eastern fiber, but that is not yet certain. The growth of American hemp crops at very high prices simply tided us over a very difficult situation when there was a shortage of other fibers for rope so necessary for naval and merchant marine operations.

The fact that we were able in this war to retain all our sources of supply of wool, not only from Australia and the Argentine, but even from South Africa, should not blind us to the fact that we are far from self-sufficient in our wool production during wartime emergencies. Nevertheless, it seems unlikely that we should at any time be cut off from sources of wool supply to a degree that would make necessary the building of large reserve stocks of this material in the future. There are, however, many other things, as sheepskin shearlings and leather rawstocks, which we have appeared to need in very much larger volume for war than we can produce even though they are not suitable materials for stockpiling. A long position in them would be safe from the point of view of national policy. It is quite conceivable that these items, as well as the others, ought to have some revolving stockpile established as a measure of adequate protection in troubled times.¹⁴ However, in a period of such world shortage (reflecting pent-up demand) as we shall undoubtedly enter following the conclusion of peace, it would be expedient to postpone the

¹⁴ A revolving stockpile, such as that established for rubber, rotates and turns over the stocks in order to prevent their physical deterioration.

accumulation of such scarce stocks until the shortage has been somewhat relieved.

Many of the fats and oils also present special problems. Considerable reserves of palm oil appear to be necessary for the operation of many industrial facilities, such as tin plating. In general, the fats and oils position of this country is capable of being well-nigh self-sufficient in a well-planned agricultural program, as we found when we were cut off from our major supplies of copra and coconut oil. At most, revolving stockpiles of rather limited quantities in this area would be all that would be needed. We have not quite gone to the extent of stockpiling horse feathers during the war, but combinations of actual items almost suggest that fantastic position. Goose feathers and horse hair, as well as cattle tail hair, have been very important parts of the war program and have been publicly purchased. It is astonishing what a range of materials the country has to draw upon in order to equip the tremendous armies that we have put into the field, both for ourselves and our Allies.

Despite the wide range of strategic material deficits in the United States, it is, however, in the lack of minerals that our greatest threat to security lies.

Stockpiling for Peace and Economic Security

Now what bearing has all this on peace, when we presumably will cease to think about wars, at least for the immediate future?

In the first place, there will be the old question of getting some repayment for our Lend-Lease operations, which under the terms of the original agreements spoke of payments in kind where the return of the original materials was not possible. Certainly as a part of any such settlements, we should ask for naval and air bases and the control of strategic territories necessary to the operation of our new position both in air and in sea power. We should also, it seems to me, at the very least, demand some pooling of the world's strategic materials insofar as they exist in colonial territories. Is it too much to remind our Allies that we have re-established them in the

possession of these territories? Even if it turns out by the arrangements to be made at San Francisco that there is an international type of regime of trusteeships contemplated for the control of colonial territories in certain regions of the world, the question of the ownership of the raw materials therein will arise. I should not rule out, in return for Lend-Lease, taking over actual possession of these assets, but I should think we certainly have a minimum right to joint voting control in the holding companies, voting trusts, or other pooling arrangements that are set up between nations for their control. It is unthinkable that we should not be a member of any arrangements dealing with the world production of tin in the future, to name only one instance, since tin occurs in such limited amounts in the United States that its production abroad is of primary interest to us. We are the greatest consumers of tin, by far. The same thing may also be said of manganese, chrome, and several other minerals.

But the major interest for peacetime stockpiling will lie, not alone in the rate of development or in policies as to price and production pursued through international agreements, but in the possibility of being repaid for some of our postwar loans through the acquisition of minerals, more permanently valuable to us than gold. Instead of acquiring a stockpile of gold sterilized as our present stockpile is, would it not have been infinitely more valuable to have had a stockpile of these strategic materials? I think it is demonstrable that we should expect to have, from the surplus production that is possible in the world, over and above commercial needs, a return of at least \$200,000,000 a year from the import of the world's surplus production of strategic materials which we can hardly acquire in too large amounts for security purposes. It may seem fantastic to add petroleum to the repayment proposal, but the obviously sound policy is to conserve our own petroleum reserves in the ground within the United States and to import cheaper petroleum from abroad for commercial purposes. The politics of petroleum, however, will probably not permit us to follow this enlightened policy, under conditions of fact. If we must pump out our oil from our own reserves,

we could actually import petroleum from abroad and put it back in naval reserves in selected geological formations at prices not substantially greater than the production of petroleum would be in this country. Recoveries of up to 97 or 98 per cent of the oil put back into the ground are now commercially feasible and have been attained in practice. This might be a very large item in the repayment of foreign loans, particularly those made for developmental purposes. Oil imports are capable of running to several hundred millions of dollars a year.

I am suggesting frankly that we need to export anywhere from eight to twelve billions of dollars a year (at present price levels of 1945); and that for a period of time during the recovery of the world, we can probably not import for private trade and current consumption from available sources of raw materials and foreign manufacture more than five to six billion dollars a year at the outside. Tourist expenditures and invisible items may add up to another billion. We shall have several billion dollars at least in the way of a so-called favorable trade balance that we need to make up on a long-time import policy. Five hundred millions a year in stockpile imports for government account from world surplus production applied to payment of interest and amortization of loans would go a long way toward establishing this balancing factor during the immediate postwar years. Stockpiling, therefore, might serve as a great stabilizing factor in the world's economy and a particularly beneficial one in our own. It would help to prevent a disastrous slump in the mineral producing countries which the war has brought to such high levels, after the first years of postwar scarcity.

Stated in the simplest terms, since there will not be goods available from private imports, quite apart from any considerations of tariffs, in sufficient volume for the first years after the war, we need to find a long-term program of special imports which will permit us to make loans during this period for the reconstruction of the world. This will be necessary if only to keep the heavy industries, particularly the capital goods industries, of this country on a high plateau which will enable us to carry our present debt structure without inflation. The

capital goods industries are the bellwethers of business cycles. They affect transportation and everything else. They are the ones that will mainly benefit from a large export program which can only be facilitated by loans, a great part of them necessarily public loans. The only way that I can see that we can be repaid for these loans is to take on a long-range stockpiling policy which would accept *surpluses* of world production of the basic minerals to restore our reserves in this country and to build up some reserves of those that we do not have inside our own borders. Instead of importing as we did between the last two wars many billion dollars of gold which we sterilized, we should import and sterilize by agreements with the producing countries, over at least a twenty-year period, as large amounts of these basic minerals as we are able to take at reasonable prices. Appendix III will show that imports from foreign surplus, exclusive of petroleum, are not likely to run over \$200,000,000 a year.¹⁵ If petroleum can be added, we might readily reach a \$500,000,000 figure per annum, which would permit the payment of a low interest rate, say 2 per cent, and the amortization of the loans at a rate of perhaps 4 per cent a year on very sizeable loans to be made in the first few years after the war for repayment within a twenty-year period. These reserves would always be available for emergency use in war, but would otherwise not be released for commercial account, prior to the expiration of the twenty-year period, and then only in amounts agreed upon by treaty with the producing nations in the termination of contracts.

Without a substantial import on government account of this character, we shall not be able, on any of the figures I have seen, to hope for a balancing of our import program that would permit the repayment of the loans, which we shall certainly have to make in our own interest, as well as for the reconstruction of the world. It can be summed up simply by saying that it is better to get strategic minerals back which will not depreciate in value in the future, even though we lose the interest, rather than to take gold which equally bears no interest. The alternative is to get nothing.

¹⁵ See Appendix III.

One may hope that the arrangements made at San Francisco in setting up the Economic and Social Council that is to function as part of the United Nations machinery on the peace settlements will provide for the pooling of many colonial assets for the purposes of their development and control. It is essential, however, that if we are to make loans as a nation and to take a larger share in underwriting the obligations of the Bretton Woods agreements that we should be able to be paid back in some form. While I do not discount the possibilities that world trade in a few years may assume proportions that will make possible some real balancing of our imports against exports, I am sure that for the immediate postwar period this will not be the case. I think even the most sanguine proponents of a low tariff policy resulting in our taking goods from all the world, would not claim that we are likely to obtain more imports than we have exports for a very long period in the future. I must express my own personal skepticism, given the past behavior of this nation as a creditor, that we shall ever be willing to take amounts through private trade that would keep this balance by importing more than we export. Farmers are too articulate to permit it to be done in foodstuffs; manufacturers are rooted in their convictions that they must not permit competition from countries with low wage standards. My hope is that the miners of the country, if we can protect their interests by small scale purchases from them as part of the domestic stockpiling program, will not object to "sterilized" reserve stockpiles, the building of which are clearly in the national interest and long-run security. After all, every civilization has been, in the last analysis, a metallurgical civilization, ever since the legends of primitive times about the decline of men from a golden age through a silver age to a bronze and iron age. No nation will ever make a mistake by having within its own borders the easily stored and nondeteriorating stocks of mineral wealth which are the world's most real and permanent assets.

Is it too much to hope that we may join to an enlightened political settlement, through the establishment of a machinery of international cooperation for security purposes and a world court of justice, a practicable machinery making it possible for

this nation to play its role in the reconstruction of the world? In my view, we can only do so if we can convince the people of this country that we are not continuing to give away our own national assets without the prospect of a real return. A return in kind through stockpiling appears to me to be the most feasible method of underpinning the Bretton Woods agreements by making it possible for this country to import beyond the limits of the probable.

We ought to remember, too, that in the postwar world we shall be dealing with economies that are more and more controlled by governments. It is not alone that Russia, and the states that will undoubtedly group themselves around Russia, belong to the category of state capitalist economies. Britain is being forced in that direction by the exhaustion of her private capital loans abroad and by the necessity of mobilizing the assets of her Empire under public control. France and the liberated countries of Europe are equally being impelled toward policies of nationalization and state control. We must, on our part, have a machinery that will permit us to deal with these nations without pitting private traders against state subsidized and state controlled trade, and which will permit public loans to supplement the flow of private investment. After the experience of the twenties, private investors are not likely to be so eager to rush into any areas where the risks of reconstruction jeopardize prospects of repayment. The high interest rates that are associated with such risks have a depressing effect on the prospect of sound recovery. Only the state can operate in this area, painful as that conclusion is. It seems to me to be one which we must accept and make workable through learning to operate a government fit for the job that lies ahead and for the great role that America must play in the world of the future.

APPENDIX I

TIMETABLE OF STOCKPILING LEGISLATION

1. Preliminary studies on stockpile requirements undertaken by War and Navy Departments in 1921.

2. Appointment of the National Resources Board in 1933. Its Planning Committee for Mineral Policy recommended the acquisition of stockpiles of deficient minerals.

3. President asked the War Department to make detailed recommendations for stockpiling in 1935.

4. Congress asked the Navy Department to make detailed recommendations for stockpiling in 1936.

5. The 1938 Naval Appropriations Act (approved April 27, 1937) provided a statutory basis for stockpiling and authorized the expenditure of \$3,500,000 therefor.

6. Naval appropriations for the fiscal years 1939 and 1940 provided \$500,000 per annum for the acquisition of strategic stocks. Tin, manganese, tungsten, chrome, optical glass, and manila fiber were purchased.

7. In 1938-1939, the Army-Navy Munitions Board and the Interior Department presented recommendations on stockpiling to Congress.

8. Public Act No. 117, June 7, 1939, provided \$100,000,000 for the acquisition of strategic and critical materials by the Army-Navy Munitions Board.

9. Act of August 11, 1939, authorized the Commodity Credit Corporation to exchange agricultural commodities produced in the United States for stocks of strategic and critical materials produced abroad.

10. Act of June 25, 1940 (Public Act No. 664), gave the Reconstruction Finance Corporation broad powers to acquire strategic and critical stockpiles on the authorization of the War Production Board and other government agencies.

11. From August, 1941, to August, 1943, the Office of Production Management and its successor, the War Production Board, maintained stockpile objectives on a three-year emergency supply basis. It was not possible to attain this goal.

12. From August, 1943, to February, 1944, the War Production Board reduced its stockpile objectives to a one year's emergency supply basis. This was a more realistic goal. It was also reduced as an assurance to industry that large stockpiles would not overhang the postwar market.

13. In February, 1944, the War Production Board revised its stockpile objectives to "three months' total requirements or one

year's requirements, less anticipated North American production, whichever was higher."

14. Public Act No. 457, October 3, 1944 (Surplus Property Act of 1944), contained a provision for transferring surplus government owned strategic and critical materials to the Treasury Procurement Division for incorporation in its stockpiles established pursuant to the Act of June 7, 1939.

15. See Appendix IV for text of Public Act No. 520, July 23, 1946, which contains present legal provisions for stockpiling.

APPENDIX II

WAR PRODUCTION BOARD

Washington 25, D. C.

June 17, 1943

*Honorable James G. Scrugham
United States Senate
Washington, D. C.*

DEAR SENATOR SCRUGHAM:

At Mr. Batt's request I have reviewed the proposed Minerals Stock Pile Act, S. 1160, with Mr. Howard Young. The following comments represent our joint views. If the official views of the War Production Board are desired at any future time, I presume we shall hear further.

The bill as drawn appears to cover two general objectives: (1) Aid for the domestic producer of minerals through taking over of Government minerals stock piles at the end of the war by Metals Reserve Company and purchase of production after the war on rather inflexible predetermined terms and conditions; and (2) post-war stock-pile planning through a committee which will have the duty of making surveys, determining a stock-pile program for minerals, and then acquiring the minerals pursuant to the program. It is our view that these two objectives do not need to be joined together in the same bill, and, in fact, that by so joining them, the scope of the stock-pile provisions is made too limited.

We do not feel that from the viewpoint of increasing the production of minerals for the war program it is necessary to have the additional authority the bill purports to provide for aiding the domestic-minerals producer. The present powers of the War Production Board, as supplemented by those of the Reconstruction Finance Corporation and other federal agencies, are broad enough to authorize the offering of price inducements and market production to domestic-minerals producers where necessary to encourage them to make every production effort; and, in fact, as you know, such steps have been taken in a number of instances. It is true that once the war is over such producers may have trouble finding a market for their products, but their situation will not be different in that respect from that of many other producers of war materials outside of the mining industry. That is a post-war problem of such magnitude that it requires careful study and action on the basis of a comprehensive plan. The present bill touches only a segment of our whole industrial system.

The stock-piling features of the bill, insofar as they provide for a small representative committee which will make surveys and determine a stock-pile plan for after the war, to protect us against the deficiencies which we discovered in this war, we heartily approve. We feel, however, that such a stock-piling plan should not be limited, as the bill under consideration proposes to do, to minerals only; it should cover all the materials and commodities which our experience in this war has shown are necessary in the conduct of a war.

Furthermore, we believe that domestic materials should not mandatorily be given a preferred position over foreign materials in all cases. In many cases it will be wise to encourage domestic production by stock-pile purchases. In others, however, our domestic supply may be so limited as to make it highly desirable to conserve such supplies in the ground and to build our stock pile through foreign purchases and imports. In the post-war re-adjustment period it may be necessary, also, to be in a position to accept foreign materials in settlement of obligations. The persons charged with the responsibility of administering the stock-pile program should not, in our opinion, be unnecessarily restricted as to the kinds or sources of the stock-pile materials.

Sincerely,

W. Y. ELLIOTT, *Director*
Stock-Piling and Transportation
Division

APPENDIX III

ESTIMATES OF IMPORTS INTO THE UNITED STATES THAT COULD
BE MADE ON GOVERNMENT ACCOUNT OVER AND
ABOVE COMMERCIAL IMPORTS

(Per annum Postwar)

W. Y. Elliott, April 20, 1945

Petroleum (all foreign sources)	\$300,000,000
Manganese	25,000,000
Chrome	25,000,000
Tin	25,000,000
Nonferrous metals, to include tungsten, antimony, copper, lead, zinc, bauxite, and lesser alloy metals	50,000,000
Miscellaneous precious metals and rare minerals	25,000,000
Industrial diamonds	25,000,000
Fibers and crude rubber for revolving stockpiles	25,000,000 (2 years only)
Chemicals, including drugs for revolving stockpile	10,000,000 (2 years only)
<i>Total</i>	\$510,000,000

The revolving stockpiles would not be available for continued import on a long-term basis. After the first two years, the annual amounts would be reduced to the minerals. If petroleum imports proved to be impracticable, the other minerals might still run to around \$175,000,000 at 1945 prices, and correspondingly higher at postwar prices (1947).

APPENDIX IV¹

[PUBLIC LAW 520 — 79TH CONGRESS]

[CHAPTER 590 — 2D SESSION]

[S. 752]

AN ACT

To amend the Act of June 7, 1939 (53 Stat. 811), as amended, relating to the acquisition of stocks of strategic and critical materials for national defense purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act of June 7, 1939 (53 Stat. 811), as amended, is hereby amended to read as follows:

“That the natural resources of the United States in certain strategic and critical materials being deficient or insufficiently developed to supply the industrial, military, and naval needs of the country for common defense, it is the policy of the Congress and the purpose and intent of this Act to provide for the acquisition and retention of stocks of these materials and to encourage the conservation and development of sources of these materials within the United States, and thereby decrease and prevent wherever possible a dangerous and costly dependence of the United States upon foreign nations for supplies of these materials in times of national emergency.

“SEC. 2. (a) To effectuate the policy set forth in section 1 hereof the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, acting jointly through the agency of the Army and Navy Munitions Board, are hereby authorized and directed to determine, from time to time, which materials are strategic and critical under the provisions of this Act and to determine, from time to time, the quality and quantities of such materials which shall be stock piled under the provisions of this Act. In determining the materials which are strategic and critical and the quality and quantities of same to be acquired the Secretaries of State, Treasury, Agriculture, and Commerce shall each designate representatives to cooperate with the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior in carrying out the provisions of this Act.

“(b) To the fullest extent practicable the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, acting jointly, shall appoint industry advisory committees selected from the industries concerned with the materials to be stock piled. It shall be the general function of the industry advisory com-

¹ Inserted to bring present status of stockpiling authority up to date as of publication.

mittees to advise with the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior and with any agencies through which they may exercise any of their functions under this Act with respect to the purchase, sale, care, and handling of such materials. Members of the industry advisory committees shall receive a per diem allowance of not to exceed \$10 for each day spent at conferences held upon the call of the Secretary of War, the Secretary of the Navy, and the Secretary of the Interior, plus necessary traveling and other expenses while so engaged.

“SEC. 3. The Secretary of War and the Secretary of the Navy shall direct the Secretary of the Treasury, through the medium of the Procurement Division of his Department, to—

“(a) make purchases of strategic and critical materials with due regard to the objectives set forth in section 1 of this Act and pursuant to the determinations as provided in section 2 hereof, which purchases (1) shall be made, so far as is practicable, from supplies of materials in excess of the current industrial demand and (2) shall be made in accordance with title III of the Act of March 3, 1933 (47 Stat. 1520), but may be made without regard to section 3709 of the Revised Statutes. A reasonable time (not to exceed one year) shall be allowed for production and delivery from domestic sources and in the case of any such material available in the United States but which has not been developed commercially, the Secretary of War and the Secretary of the Navy may, if they find that the production of such material is economically feasible, direct the purchase of such material without requiring the vendor to give bond;

“(b) provide for the storage, security, and maintenance of strategic and critical materials for stock-piling purposes on military and naval reservations or other locations, approved by the Secretary of War and the Secretary of the Navy;

“(c) provide through normal commercial channels for the refining or processing of any materials acquired or transferred under this Act when the Secretary of War and the Secretary of the Navy deem such action necessary to convert such materials into a form best suitable for stock piling, and such materials may be refined, processed, or otherwise beneficiated either before or after their transfer from the owning agency;

“(d) provide for the rotation of any strategic and critical materials constituting a part of the stock pile where necessary to prevent deterioration by replacement of acquired stocks with equivalent quantities of substantially the same material with the approval of the Secretary of War and the Secretary of the Navy;

“(e) dispose of any materials held pursuant to this Act which are no longer needed because of any revised determination made

pursuant to section 2 of this Act, as hereinafter provided. No such disposition shall be made until six months after publication in the Federal Register and transmission of a notice of the proposed disposition to the Congress and to the Military Affairs Committee of each House thereof. Such notice shall state the reasons for such revised determination, the amounts of the materials proposed to be released, the plan of disposition proposed to be followed, and the date upon which the material is to become available for sale or transfer. The plan and date of disposition shall be fixed with due regard to the protection of the United States against avoidable loss on the sale or transfer of the material to be released and the protection of producers, processors, and consumers against avoidable disruption of their usual markets: *Provided*, That no material constituting a part of the stock piles may be disposed of without the express approval of the Congress except where the revised determination is by reason of obsolescence of that material for use in time of war. For the purposes of this paragraph a revised determination is by reason of obsolescence if such determination is on account of (1) deterioration, (2) development or discovery of a new or better material or materials, or (3) no further usefulness for use in time of war.

"SEC. 4. The Secretary of War and the Secretary of the Navy shall submit to the Congress, not later than six months after the approval of this Act, and every six months thereafter a written report detailing the activities with respect to stock piling under this Act, including a statement of foreign and domestic purchases, and such other pertinent information on the administration of the Act as will enable the Congress to evaluate its administration and the need for amendments and related legislation.

"SEC. 5. The stock piles shall consist of all such materials heretofore purchased or transferred to be held pursuant to this Act, or hereafter transferred pursuant to section 6 hereof, or hereafter purchased pursuant to section 3 hereof, and not disposed of pursuant to this Act. Except for the rotation to prevent deterioration and except for the disposal of any material pursuant to section 3 of this Act, materials acquired under this Act shall be released for use, sale, or other disposition only (a) on order of the President at any time when in his judgment such release is required for purposes of the common defense, or (b) in time of war or during a national emergency with respect to common defense proclaimed by the President, on order of such agency as may be designated by the President.

"SEC. 6. (a) Pursuant to regulations issued by the War Assets Administration or its successor, every material determined to be strategic and critical pursuant to section 2 hereof, which is owned or contracted for by the United States or any agency

thereof, including any material received from a foreign government under an agreement made pursuant to the Act of March 11, 1941 (55 Stat. 31), as amended, or other authority, shall be transferred by the owning agency, when determined by such agency to be surplus to its needs and responsibilities, to the stock piles established pursuant to this Act, so long as the amount of the stock pile for that material does not exceed the quantities determined therefor pursuant to section 2 hereof. There shall be exempt from this requirement such amount of any material as is necessary to make up any deficiency of the supply of such material for the current requirements of industry as determined by the Civilian Production Administration or its successor. There shall also be exempt from this requirement (1) any material which constitutes contractor inventory if the owning agency shall not have taken possession of such inventory, (2) such amount of any material as the Army and Navy Munitions Board determines (i) are held in lots so small as to make the transfer thereof economically impractical; or (ii) do not meet or cannot economically be converted to meet, stock-pile requirements determined in accordance with section 2 of this Act. The total material transferred to the stock piles established by this Act in accordance with this section during any fiscal year beginning more than twelve months after this Act becomes law shall not exceed in value (as determined by the Secretary of the Treasury on the basis of the fair market value at the time of each transfer) an amount to be fixed by the appropriation Act or Acts relating to the acquisition of materials under this Act.

“(b) Any transfer made pursuant to this section shall be made without charge against or reimbursement from the funds available under this Act, except that expenses incident to such transfer may be paid or reimbursed from such funds, and except that, upon any such transfer from the Reconstruction Finance Corporation, or any corporation organized by virtue of the authority contained in the Act of January 22, 1932 (47 Stat. 5), the Secretary of the Treasury shall cancel notes of Reconstruction Finance Corporation, and sums due and unpaid upon or in connection with such notes at the time of such cancellation, in an amount equal to the fair market value as determined by the Secretary of the Treasury of the material so transferred.

“(c) Effective whenever the Secretary of the Treasury shall cancel any notes pursuant to subsection (b) of this section, the amount of notes, debentures, bonds, or other such obligations which the Reconstruction Finance Corporation is authorized and empowered to have outstanding at any one time under the provisions of existing law shall be deemed to be reduced by the amount of the notes so canceled.

“(d) Subsection (b) of section 14 of the Act of October 3, 1944 (58 Stat. 765), is hereby amended to read as follows:

“(b) Subject only to subsection (c) of this section, any owning agency may dispose of —

“(1) any property which is damaged or worn beyond economical repair;

“(2) any waste, salvage, scrap, or other similar items;

“(3) any product of industrial, research, agricultural, or livestock operations, or of any public works construction or maintenance project, carried on by such agency;

which does not consist of materials which are to be transferred in accordance with the Strategic and Critical Materials Stock Piling Act, to the stock piles established pursuant to that Act.’

“(e) Section 22 of the Act of October 3, 1944 (58 Stat. 765), is hereby repealed: *Provided*, That any owning agency as defined in that Act having control of materials that, when determined to be surplus, are required to be transferred to the stock piles pursuant to subsection (a) hereof, shall make such determination as soon as such materials in fact become surplus to its needs and responsibilities.

“SEC. 7. (a) The Secretary of the Interior, through the Director of the Bureau of Mines and the Director of Geological Survey, is hereby authorized and directed to make scientific, technologic, and economic investigations concerning the extent and mode of occurrence, the development, mining, preparation, treatment, and utilization of ores and other mineral substances found in the United States or its Territories or insular possessions, which are essential to the common defense or the industrial needs of the United States, and the quantities or grades of which are inadequate from known domestic sources, in order to determine and develop domestic sources of supply, to devise new methods for the treatment and utilization of lower grade reserves, and to develop substitutes for such essential ores and mineral products; on public lands and on privately owned lands, with the consent of the owner, to explore and demonstrate the extent and quality of deposits of such minerals, including core drilling, trenching, test-pitting, shaft sinking, drifting, cross-cutting, sampling, and metallurgical investigations and tests as may be necessary to determine the extent and quality of such deposits, the most suitable methods of mining and beneficiating them, and the cost at which the minerals or metals may be produced.

“(b) The Secretary of Agriculture is hereby authorized and directed to make scientific, technologic, and economic investigations of the feasibility of developing domestic sources of supplies of any agricultural material or for using agricultural commodities for the manufacture of any material determined pursuant to

section 2 of this Act to be strategic and critical or substitutes therefor.

“SEC. 8. For the procurement, transportation, maintenance, rotation, storage, and refining or processing of the materials to be acquired under this Act, there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as the Congress, from time to time, may deem necessary to carry out the provisions of this Act. The funds so appropriated, including the funds heretofore appropriated, shall remain available to carry out the purposes for which appropriated until expended, and shall be expended under the joint direction of the Secretary of War and the Secretary of the Navy.

“SEC. 9. Any funds heretofore or hereafter received on account of sales or other dispositions of materials under the provisions of this Act, except funds received on account of the rotation of stocks, shall be covered into the Treasury as miscellaneous receipts.

“SEC. 10. This Act may be cited as the ‘Strategic and Critical Materials Stock Piling Act.’ ”

Approved July 23, 1946.

DISPUTES BEFORE ORGANS OF
THE UNITED NATIONS

DISPUTES BEFORE ORGANS OF THE UNITED NATIONS¹

By MANLEY O. HUDSON

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I ESTEEM it a great honor to be invited to participate in this distinguished series of Edmund J. James Lectures on Government. The name of the foundation stirs in my memory happy recollections of the University of Illinois in one of its greatest periods. More than thirty years have passed since I first visited Urbana and had opportunity to sense the way in which the radiating influence of President James had justified the great reputation of the University throughout the country. Ever since that visit, I have felt a personal debt to President James for the galaxy of outstanding men whom he called into the country's service as members of its Faculty.

In that galaxy, the name of James Wilford Garner stands out for me. An eminent scholar, an inspiring teacher, a gallant fighter in the public interest, Garner held outstanding rank in the field of international law for more than a quarter of a century. I prize as a possession of a lifetime my warm friendship with him, and I regard my presence here on this occasion as a homage to his precious memory. If I could bring any slight clarity to my subject tonight, I would attribute the contribution to his influence — as fresh to me now as when he was still active as my colleague, my guide, and my friend.

We find ourselves struggling today in the grip of the ideas with which we lived through the six years of a second World War. In the course of that experience, we came to exalt the role of force in human affairs, we were obliged to surrender to a power psychology, and we looked out upon a divided world. Habits were formed of which we could not suddenly divest ourselves, and I suspect that many of us may not realize the extent to which they still color our thinking.

There were obvious advantages in our undertaking to

¹ Delivered May 6, 1946.

frame the Charter of the United Nations even before the end of hostilities in Europe and in Asia. Unity was more easy to achieve while a common danger still confronted so many peoples, and the world needed that ray of hope to buoy its spirit and its determination. As events have turned, it is fortunate that we have one great achievement before us, for otherwise we are far from the new day for which men and women everywhere were longing. The war is not yet ended — our opponents in the struggle are still our enemies — destitution and starvation stalk rampant on a scale which the world has never known before. Yet we have the Charter as a promising symbol of an eventual return to a greater sanity.

Along with the advantages, the promptitude with which we undertook the framing of the Charter had also some disadvantages. Chief among them was that both in the conversations at Dumbarton Oaks and in the Conference at San Francisco a war psychology was patently dominant. There was no tolerance of neutrals — the attitude toward them was that you are either with us or against us — and hence little disposition to make room for them in the organization of the world. Emphasis was placed not on the law to be made ascendant, but on the role of the powerful States insofar as they could unite on keeping the peace.

I think this explains why it came about that the Charter puts relatively little insistence on the pacific settlement of international disputes. Great gains in this field had been registered in the inter-war years, but they are not reflected in the Charter.

The Obligation of Pacific Settlement

I shall first deal with the general obligation of Members of the United Nations to submit to the peaceful settlement of their disputes. Perhaps one can say that such an obligation has been assumed in the Charter. One of the announced purposes is “to maintain international peace and security, and to that end: . . . to bring about by peaceful means, and in conformity with the principles of justice and international law, adjustment or settlement of international disputes . . . which might lead to a breach of the peace.” Both the Organization and its

Members are to act in accordance with certain principles, one of which is that "all Members shall settle their international disputes by peaceful means in such a manner that international peace and security, and justice, are not endangered." In Article 33, it is said that

The parties to any dispute, the continuance of which is likely to endanger the maintenance of international peace and security, shall, first of all, seek a solution by negotiation, enquiry, mediation, conciliation, arbitration, judicial settlement, resort to regional agencies or arrangements, or other peaceful means of their own choice.

This imposing enumeration of peaceful means is supplemented by an obligation to "refer" certain disputes to the Security Council when recourse to these means has failed. Article 52 adds that parties to regional arrangements "shall make every effort to achieve pacific settlement of local disputes through such means . . . before referring them to the Security Council." Certainly, these provisions have value, and their significance in the Charter is not to be minimized. If they impose an obligation, however, it is hardly greater than that imposed by the Treaty for the Renunciation of War concluded at Paris in 1928, in which sixty-three States agreed that the settlement of disputes of any nature should "never be sought except by pacific means."

Standing alone, an obligation of pacific settlement is of but limited value. It may create a psychological impulsion for the State assuming it, it may serve as a useful peg upon which insistence may be hung, it may supply a gauge for the exercise of judgment when non-performance is alleged, but it will not execute itself. Only when it is connected with the functioning of a flesh-and-blood institution which is not dominated by the State assuming it, is it likely to prove of great effect. Only if specific powers are conferred upon a particular agency will the obligation be of much aid in a serious emergency. I shall therefore confine what I have to say to the functioning of the various organs of the United Nations upon which a competence as to international disputes has been conferred by the Charter — viz., the International Court of Justice, the Security Council, and the General Assembly.

The International Court of Justice

With respect to the International Court of Justice, the Charter has fortunately preserved the Court created under the Statute of 1920 without any material change either in its composition or in its procedure. It is of little importance that the Permanent Court of International Justice has been re-christened the International Court of Justice, but some significance does attach to the incorporation of the Statute in the Charter as an integral part thereof. On the picture as a whole, it is possible to say that, with little change of its character, the pre-existing Court has been continued as an organ of the United Nations. This had the great advantage of bringing to the Court created in 1920 the support of certain States — particularly, the United States of America — which had previously held aloof from it. To this extent, the action taken at San Francisco is to be welcomed with enthusiasm. Insofar as States may agree to submit their disputes, the Court stands available as the competent organ for the administration of justice according to international law.

Yet I think many people have been disappointed that the continuity was carried so far that no progress was registered at San Francisco with respect to the Court's jurisdiction. When the Statute was being shaped at Geneva in 1920, there was a stout insistence that the Court be invested with a measure of compulsory jurisdiction over defined categories of legal disputes. This course had been suggested by the 1920 Committee of Jurists — indeed, it seemed but a natural development of the action which had been taken at the Peace Conference held at The Hague in 1907, when unanimous agreement was proclaimed on “the principle of compulsory arbitration” and on the submission of certain types of disputes “to compulsory arbitration without any restriction.” Yet opinion was sharply divided in 1920. Those who opposed compulsory jurisdiction pleaded for “faith in the future,” for letting time do its work; as Mr. Politis put it, confidence in a tribunal should come first. It was on these lines that the opposition prevailed twenty-five years ago.

As a compromise, however, an optional provision was in-

cluded in the Statute of 1920, under which States desiring to do so could make declarations recognizing the Court's jurisdiction over four categories of legal disputes, with the result that the Court might be seised of such a dispute between two or more of the declaring States upon the application of one of the parties. This proved over the years to be a most fruitful provision. Progress under it was at first slow — though as one would have expected, some of the smaller States such as Denmark, Finland, Haiti, Netherlands, Norway, Panama, Portugal, Sweden, Switzerland, and Uruguay made declarations very promptly. A new impetus came from the Locarno Treaties in 1925, and it was augmented by the General Act of Geneva in 1928. Within barely a decade, the obligatory jurisdiction of the Court had thus been accepted by a large number of States, including some of the more powerful States. Of the fifty-two parties to the Statute, forty-six eventually made declarations on varying terms as to duration and exclusions, and at one moment the declarations of some forty-one States were simultaneously in force. To this number may be added that of the States which without making declarations became parties to the Geneva General Act which also provided for the Court's compulsory jurisdiction.

Here, then, was a development of the first magnitude for international law. I venture to say that it was one of the most significant legal developments of this century. In a number of cases, the Court exercised the jurisdiction conferred, and with no untoward incident in any case. So that the world actually witnessed the spectacle of great States being called upon to submit to the jurisdiction of a World Court, even though at the time they may have been disposed to do otherwise.

No more impressive case can be cited in the history of international adjudication than the *Eastern Greenland Case* between Denmark and Norway in 1933. A vast territory was claimed by both of the parties, and to each of them its possession and control seemed a matter of what we used to call "vital interest." Yet both of the parties had accepted the Court's compulsory jurisdiction, and when Denmark went to The Hague and asked the Court to pronounce upon the conflicting claims, Norway did not demur; on the contrary, it

promptly lent its cooperation by submitting to the Court an application against Denmark. The fact is also notable that when Norway lost the case, it proceeded without delay to give effect to the Court's adverse judgment. I do not tire of citing this whole proceeding as the outstanding example in international annals of how great States should behave. It was the high-water mark of the progress achieved under the Statute of 1920.

On the record of what had been accomplished after 1920, it is not surprising that many people looked to San Francisco for the registration of some advance at the moment of the revision of the Court's Statute. Every encouragement seemed to exist for taking advantage of the lessons of twenty years, and the ghastly trials of a second World War had engendered a wide-spread conviction that the world was ready for bold steps forward. Yet in spite of these facts, the United Nations Conference did not meet these expectations. It left the matter of the Court's jurisdiction precisely where it had been left in 1920. Though the representatives of a great majority of the States favored a step in advance, the jurisdictional provisions of the earlier Statute were preserved with no material modification.

I think the reasons for this action are quite obvious. Two States are chiefly responsible for the failure to go beyond the ideas of 1920 — the United States of America and the Soviet Union — and it is a notable fact that neither of these States had made any significant contribution to the development of the law of pacific settlement inaugurated in 1920.

Insofar as the United States is concerned, its role is to be attributed, not so much to the fact that our leaders were barely cognizant of what had been achieved during the years of our abstention, as to their impatience with legal forms and legal restraints. For forty years, our Senate had insisted that the United States should undertake no obligation to arbitrate without stipulating that in each particular case a special agreement should be concluded with the advice and consent of the Senate, two-thirds of the Senators present concurring. In season and out of season, this insistence was repeated, and though a few exceptions could be listed it was so successful

that a Senatorial tradition grew out of it. The result was that our Government was paralyzed in this field. It could not lend, and it did not lend, any encouragement to the effort to extend the reign of law by States' agreements to subject themselves to the judicial settlement of their controversies by a fixed and competent tribunal created in advance. Yet in spite of this fact, we continued to profess our interest in pacific settlement according to law, and to deem and to proclaim ourselves as the leaders in that movement. At San Francisco, the Senate tradition so crippled our representatives that they felt themselves bound to oppose any change in the jurisdictional features of the 1920 Statute.

The position of the Soviet Union was in accord with our own, but I think it had a more substantial and a more defensible basis. In appraising Soviet policy, I suggest that we may do well to keep in mind a history which is not too ancient for ready recollection. The 1917 revolution in Russia encountered a hostile reception in many other countries, and even an organized effort to defeat its purposes. For some years after the formation of the Soviet Union, its leaders were not without some justification in their feeling that their cooperation with the rest of the world was not welcome. It was in this period that their general attitude was formulated on the pacific settlement of international disputes. When a simple provision for arbitration was proposed at a conference at The Hague in 1922, Mr. Litvinoff declared that there was no third party to arbitrate between the Soviet world and the non-Soviet world, and that "only an angel could be unbiased in judging Russian affairs" from the outside. This policy was not modified in the course of the later *rapprochement* with Western Europe. In consequence, the Soviet Union was not a party to an arbitration with any other State, it made no arbitration treaties with other States, and even after becoming a member of the League of Nations it followed a pattern set by the United States in making no use of the Permanent Court of International Justice and in refraining from becoming a party to its Statute. I think we can not appraise this record without admitting the concordance of the Soviet practice and professions. The result was that at San Francisco the Soviet dele-

gates saw eye to eye with the delegates of the United States in opposing a change in the 1920 Statute.

Faced with the combined opposition of the two most powerful States, it was impossible for the San Francisco Conference to go beyond the compromise of 1920. The Dumbarton Oaks proposals had envisaged the incorporation of the Court Statute in the Charter, and this course was more or less tacitly agreed to. In consequence, the Statute of the Court had to be so shaped that every member of the new United Nations Organization could become a party to it. In the end, therefore, the provisions relating to jurisdiction were preserved as they had been drafted in 1920. Thus each State retains an option as to its acceptance of the Court's compulsory jurisdiction over its legal disputes.

The San Francisco Conference was not dealing with a Court on paper, however. It assumed to carve out the future of an existing institution, one which had proved itself to such an extent that it had already become deeply embedded in the world's treaty law. An extensive jurisdiction had been conferred on it by various international instruments, many of which were still in force. Insofar as the States which are parties to these instruments are members of the United Nations, that jurisdiction has not been lost by the modification of the Court's Statute. Hence, the Court continues to have a considerable jurisdiction, including that conferred by some twenty-five States in acceptances of compulsory jurisdiction.

This situation presents a real challenge to the other Members of the United Nations, including the United States, which have not already accepted the Court's compulsory jurisdiction. If they wish to expand the legal basis of international organization, if they desire a peace based on stable legal foundations, these States should not long delay their acceptances. A unanimous *voeu* of the San Francisco Conference urged this course.

In the United States, two initiatives have already been taken — one by Senator Morse of Oregon, and one by Representative Herter of Massachusetts — in resolutions now pending in Congress. Under either resolution, the United States would accept the Court's compulsory jurisdiction over the four categories of legal disputes enumerated in Article 36 of the

Statute, for a definite period of five years and thereafter until the expiration of six months after notice of termination. The Morse resolution presupposes action by the President with the advice of two-thirds of the Senate; the Herter resolution would require only a majority vote in each of the two Houses of Congress. I believe you will share my feeling that after our stand at San Francisco, early action on one of these lines by the United States is an imperative of our good faith in the professions which we have made of interest in a new world order.

Categories of Disputes

While I can have no doubt that the general adoption of compulsory Court jurisdiction over legal disputes would mean a significant advance toward a peaceful world order, I am far from thinking that this would constitute an adequate approach by our generation to the problem of the pacific settlement of disputes. Useful as they may be in many situations, judges on the bench, operating within the severe limitations of the judicial process, may not be the best persons to handle all of the disputes which may arise. I should not want to fix too rigidly the boundaries of what is adjudicable and what is not, nor to set hard and fast categories of legal and non-legal disputes. Yet I think a general distinction must be kept in mind, and it must be appreciated that disputes may arise to which a more useful approach can be made by a body operating with greater freedom than a court, composed of men who are accustomed to dealing with currents of opinion, whose experience has trained them in the difficult art of adjusting opposing contentions, and whose authority at the moment enables them to speak with imposing finality.

While I am generally distrustful of the use of analogies drawn from national experience in discussions of international problems, perhaps a useful analogy can here be drawn to our manner of dealing with industrial disputes in national life. Such disputes may have wide repercussions in a national economy, they may seriously disrupt economic organization, they may place unbearable burdens on groups of people who have no voice in their waging. Yet even in a country like ours,

which is firmly dedicated to the support of judicial institutions, which has even subjected disputes between the states of our Union to the jurisdiction of our Supreme Court, few of us would be so bold as to favor conferring on our courts a general jurisdiction over disputes between employers and labor unions. We proceed on the idea that in this field other bodies which are not confined to classical judicial procedure may be more efficacious and hence more useful. Such bodies may not arrive more nearly to justice, their decisions may not have complete finality, yet they may succeed in maintaining industrial peace until the situation involved in the dispute moves on to new ground.

I suggest that the same thinking applies to some of the disputes between independent States. In some cases, the essential thing may be, not so much the settlement of the dispute, but rather the preservation of peace. And to this end, it may be better that they be handled by politicians and not by judges.

This was recognized in the Covenant of the League of Nations, which went beyond any previous instrument in requiring the submission to the Council of any "dispute likely to lead to a rupture." In the same order of ideas, the Charter has now conferred on the Security Council, as the body having "primary responsibility for the maintenance of international peace and security," a competence with respect to disputes "the continuance of which is likely to endanger the maintenance of international peace and security." Already in the first months of the life of the new Organization, the extent of this competence and the manner in which it is to be exercised have become matters for public disputation, and I hope you will have the patience to permit me to enter upon a somewhat detailed analysis of the setting of the Security Council in our latest approach to the broad field of pacific settlement.

The Security Council

The competence of the Security Council to deal with disputes of the character I have mentioned is closely connected with its competence to deal with situations "which might lead to international friction or give rise to a dispute." The distinction

between disputes and situations is important because of the provision in Article 27 of the Charter that for certain of the decisions which may be taken by the Security Council, "the party to a dispute shall abstain from voting." No such abstention is required for a comparable decision as to a situation. Moreover, under Article 32 each State which is not a member of the Security Council must be invited to participate, without vote, in the discussion relating to a dispute to which it is a party. The initial experience of the Security Council has tended to accentuate the distinction, and has revealed that it may have to be considered before there is a basis for proceeding with the application of Chapter VI of the Charter, which embodies most of the provisions dealing with pacific settlement.

Logically, to have a dispute, there must be parties to it, and the parties must have engaged in a mutual confrontation of opposing views. It is not enough that one party holds views which the other does not share or is prepared to oppose. A claim must have been made, and either resisted or ignored or otherwise not complied with. The subject of the dispute must have been given some delineation. It is essential that one party shall have stated its views to the other, in order that the other party shall have had at least the opportunity to express its observations and its opposition. This was forcibly put by Judge Moore in the *Mavrommatis Case*: for a dispute to exist, he said, "there must be a pre-existent difference, certainly in the sense and to the extent that the government which professes to have been aggrieved should have stated its claims and the grounds on which they rest, and that the other government should have had an opportunity to reply, and if it rejects the demands, to give its reasons for so doing."² This would seem to involve at least some feint at negotiations, though perhaps no general rule can be laid down as to the extent of the previous negotiations required. A situation, on the other hand, may exist in the absence of any confrontation of views and without any semblance of negotiations.

I am far from thinking, however, that when a matter is before the Security Council, that body will be impelled by

² Permanent Court of International Justice, Series A, No. 2, p. 61.

logic in reaching a decision on the question whether it is seized of a dispute or of a situation. This might be viewed as a procedural question, though the concurring votes of all permanent members of the Security Council would be required for such a conclusion. If a precedent could be set when the pending matter involves no member of the Security Council, or at least none of the permanent members, less difficulty might arise; but where a permanent member is involved, it seems more probable that the question may be viewed as not procedural, and hence a decision that the pending matter is a dispute and not a situation would require the concurrence of the five permanent members.³ At this very preliminary stage, the possibility of useful action by the Security Council might be foreclosed.

Once the Security Council has decided that a matter before it is to be dealt with as a dispute, it may also have to take a preliminary decision, for purposes of later disposition, as to who are the parties to the dispute. It is possible that this also will be viewed as a substantive rather than a procedural question; if so, the seven votes required will have to include those of all the permanent members. Apart from any difficulty otherwise existing — and it may not always be a simple matter to say who the parties are — this preliminary question may be a stumbling block in the application of Chapter VI of the Charter. Until it is decided, no basis may exist for requiring an abstention in the voting.

The Security Council may take cognizance of a dispute on the suggestion of any Member of the United Nations, whether or not it is a party to the dispute. A State not a Member may bring to the attention of the Security Council a dispute to which it is a party only if it accepts for the purpose “the obligations of pacific settlement provided in” the Charter; I have already indicated the tenuous character of those obligations. Under Article 99, even the Secretary General may bring to the attention of the Security Council a dispute if he deems that it is a matter which “may threaten the maintenance of international peace and security.” So far as Members of the United

³ Consideration and discussion of a dispute or situation would not require such a vote, however.

Nations are concerned, they are obligated to "refer" a dispute which they fail to settle by peaceful means; but this obligation is limited to those disputes which are of such a character that their continuance "is likely to endanger the maintenance of international peace and security." Article 34 of the Charter confers on the Security Council the power to initiate *ex proprio motu* an investigation of any dispute whatsoever, for the purpose of determining whether it has that character; this provision may be considered somewhat illusory, however, for the Security Council can move only on the initiative of one of its members. In view of its broad power under Article 39 to "determine the existence of any threat to the peace," the Security Council has an ample competence to deal with any acute dispute which has progressed to the dangerous stage.

Once it finds itself seized of a dispute between definite parties, what are the powers of the Security Council? Here, Chapter VI contains overlapping provisions which are so lacking in integration as to conjure up unnecessary difficulties.

Article 38 of the Charter seems to be the most general part of Chapter VI, in that it applies to "any dispute," whatever its nature may be. This Article is set apart by its preamble from others in the Chapter, and it falls outside the schematic framework of the latter. By agreement of all the parties, any dispute may be brought to the Security Council, and if all the parties so request, the Security Council may make recommendations with a view to its pacific settlement. Doubtless the request may have been made in advance of the origin of the dispute; the parties may have agreed in advance that the Security Council may act under Article 38. Hence the provision may serve an important role in the drafting of international instruments when it is desired to foresee the handling of disputes concerning interpretation and application by a procedure more flexible than resort to judicial determination. In time, therefore, the Security Council may come to be vested with useful functions such as those with which the Council of the League was vested, and which it sometimes performed.

Apart from Article 38, the schematic Articles of Chapter VI seem to limit the Security Council to determining whether a dispute is of such a character that its continuance "is likely

to endanger the maintenance of international peace and security," and to exercising the powers conferred only with reference to such disputes. A similar limitation was imposed on the Council of the League of Nations by Article 15 of the Covenant, and two interesting cases revealed its consequences. Both in the *Finnish Ships Case* in 1932-1935, and in the *Swiss War Damages Case* in 1935, the League Council was faced with disputes which were not "likely to lead to a rupture" (under Article 15), and which did not threaten to disturb international peace (under Article 11). In both cases, the Council found itself lacking in competence to follow out any useful procedure. The conclusion put a premium on the rattling of a sabre by one of the disputants, to the deprecation of assurances of peaceful intentions.

I must now consider the course which may be taken by the Security Council, after it has determined that the dispute before it is of such a character that its continuance "is likely to endanger the maintenance of international peace and security." This course must fall under the five articles of Chapter VI, excluding Article 38, and the ascertained parties to the dispute must abstain from voting if they are members of the Security Council. The procedure is to be sharply distinguished from the "action" envisaged in Chapter VII with respect to "any threat to the peace, breach of the peace, or act of aggression" which may be determined to exist.

Article 33 provides that the Security Council may "when it deems necessary, call upon the parties to settle their dispute" by peaceful means. If it may sometimes be useful to remind disputants of the means which are at their disposal, the provision serves no other end, and on occasion it may have little significance. It is reminiscent of the proverb about leading a horse to water. To speak of the Security Council's having an "absolute duty" in this connection,⁴ is to distort the reality. Powers may be conferred on international bodies, but it is specious to conceive of them as having duties.

Much more important is the power of the Security Council under Article 36 to "recommend appropriate procedures or methods of adjustment," at "any stage" of such a dispute be-

⁴ Goodrich & Hambro, *Charter of the United Nations* (1946), p. 145.

fore it. Here it is not limited to a reminder to the parties that certain means are available to them. It may select that procedure which in the circumstances it considers to be most appropriate. Of course it will take into consideration, as paragraph 2 of Article 36 enjoins, the procedures which the parties may have employed or may have agreed to employ. Significant also is the provision in paragraph 3 that it should take into consideration "that legal disputes should as a general rule be referred by the parties to the International Court of Justice." The phrase "by the parties" was inserted to escape an inference in the suggestion emanating from Dumbarton Oaks⁵ that "justiciable disputes should normally be referred to the international court of justice"; that suggestion had been interpreted to mean that the reference might be made by the Security Council, with the result that the Court could be called upon to deal with a dispute though none of the parties should appear before it. The force of paragraph 3 is attenuated by its concluding clause, "in accordance with the provisions of the Statute of the Court." Unless a State has in some way accepted the Court's jurisdiction, the Statute provides for reference to the Court only by special agreement of the parties.

The Security Council's recommendations under Article 36 of the Charter apply only to procedures or methods of adjustment. Article 37 goes further with respect to disputes "referred" to the Security Council by the parties, apparently by any one of them,⁶ after their failure to reach a settlement by peaceful means. Here the recommendation of the Security Council may go beyond procedures and methods; it may set forth "terms of settlement" of the dispute. In other words, the Council may go into the substance of the matter, may consider it *au fond*, and may propose the disposition which it considers desirable. The parties will not be bound to adopt the disposition proposed, but the refusal of a party to accept a recommendation might weigh in a later determination as to the existence of a threat to the peace.

⁵ Chapter VIII, A, 6.

⁶ I say "apparently," for this interpretation would seem to have been given by Committee III/2 at San Francisco. Document 433, III/2/15; 12 Documents of the United Nations Conference, p. 47. Yet the text is far less clear on this point than was paragraph 1 of Article 15 of the Covenant.

Let me summarize the role of the Security Council briefly. Two questions are preliminary to the application of Chapter VI of the Charter: (1) whether a dispute exists, and (2) if so, who are the parties. These questions have to be resolved as a basis for applying the proviso in paragraph 3 of Article 27 which requires abstention from voting by a party to a dispute, and the second question may have to be resolved as a basis for applying the provision in Article 32 that a party to a dispute must be invited to participate in the discussion. Any Member may bring any dispute to the attention of the Security Council; under certain conditions a non-Member may bring to its attention a dispute to which it is a party, and the Secretary General may do so. Or the Security Council may investigate any dispute on its own initiative to ascertain its character. If all the parties to a dispute so request, the Security Council may make recommendations as to its settlement. Otherwise, the Security Council is limited to dealing with disputes "the continuance of which is likely to endanger the maintenance of international peace and security." When a dispute is found to be of such a nature, appropriate procedures or methods of adjustment may be recommended by the Security Council. After a failure by the parties to settle a dispute by peaceful means, one of them may "refer" it to the Security Council, and in this case the latter may go so far as to recommend terms of settlement.

Chapter VI is so belabored in its construction that it offers a fertile field for disputation.⁷ The draftsmen at Dumbarton Oaks are chiefly responsible for its confusion. Not uncommonly where agreement can not be achieved, a draftsman must seek a studied lack of clarity, and it is too much to ask that great instruments, international or otherwise, should always be crystal clear. It is possible, therefore, that Chapter VI was well drafted under the circumstances. Yet I think one principle must be kept in mind in applying it. The Security Council is not a tribunal, it is not circumscribed by the classical limitations of the judicial process, and it may therefore exercise some freedom in developing the practice which will shape its

⁷ See L. M. Goodrich, in 39 *American Political Science Review* (1945), p. 956.

precedents. The services which it will render as an agency for dealing with international disputes will depend upon the spirit in which its task is approached, and an arid legalism should not be permitted to dominate that spirit.

The General Assembly

I now turn to the role of the General Assembly in connection with the pacific settlement of international disputes. This role is so attenuated, it depends on such slight constitutional foundations, that no elaborate analysis is required, and I can be very brief.

First of all, the General Assembly has a broad competence to discuss any question relating to the maintenance of international peace and security. This competence clearly extends to disputes, and hence it is possible for any Member of the United Nations, or the Security Council, to bring a dispute before the General Assembly. Such action may also be taken by a non-Member State as a party to the dispute, if it accepts the Charter's obligations of pacific settlement.

Once it is seised of a dispute, the General Assembly has a greater freedom than the Security Council. It may proceed to discuss it as a "question relating to the maintenance of international peace and security," without a formal determination that its continuance would be "likely to endanger the maintenance of international peace and security." The discussion may lead the General Assembly to making recommendations to the States concerned or to the Security Council or to both, with the qualification that while the Security Council is exercising its functions with respect to the dispute, no recommendations may be made unless the Security Council so requests. Under this qualification, it would seem that the Security Council could disable the General Assembly at any time by beginning to investigate the dispute of which the latter has taken cognizance. The broad competence of the General Assembly to "recommend measures for the peaceful adjustment of any situation" which it finds to be of such a character that it is "likely to impair . . . friendly relations among nations,"

would also seem to cover disputes; but this too is subject to the qualification which I have just mentioned.

On this analysis, it would seem that the powers of the General Assembly with reference to disputes are quite general. If they are not extensive, and if the field can at any time be pre-empted by the Security Council, there is still a possibility that when success is not attained in the Security Council, that body can disengage itself and request the General Assembly to exercise its powers. It is therefore possible that in some cases the General Assembly will fill a role not unlike that which sometimes devolved upon the Assembly of the League of Nations.

Conclusion

If I have presumed upon your interest in this somewhat tedious analysis, it is because I feel that it is important for us to appreciate the details of the constitutional basis upon which the organs of the United Nations have been placed in dealing with disputes. The Security Council particularly must operate within very definite circumscriptions, and a failure to realize their bounds may lead to an exaggeration of its role in the public mind, with a consequent disappointment of expectations. The Charter does not supply us with a complete and global system of pacific procedures. Its dominant note is not the settlement of disputes, but the maintenance of international peace and security. Yet within its framework there is room for the establishment of practices and precedents which may usefully serve to implement the general principle that States should seek to settle their disputes "by peaceful means in such a manner that international peace and security" will not be endangered.

We do not need to exaggerate the significant achievement of the Charter. It has not by itself effected the dawning of a new day in the world's outlook. It may lack some of the features which you and I would have wished it to embody. It is far from guaranteeing a satisfactory handling and disposition of all the disputes which are bound to arise. Yet I am sure that you share my gratification in having this great instrument as the basis for cooperation among the States of

the world. It gives us opportunity for the exercise of all the intelligence, all the ingenuity, and all the imagination which we can muster to that end. These alone will not be enough, however. Behind them must be a will to make the Charter work, to create the common understanding which will not let it fail. Given that will and that understanding, we can hope that we have passed into a new era of the pacific settlement of international disputes.

The provisions of the Charter are not enough in themselves. Fortunately, however, they can be supplemented, and to this end we may look forward to a resumption of the movement which gave such promise in the decade from 1925 to 1935. Procedures are needed for dealing with all kinds of disputes and for assuring their settlement to the largest extent possible. An effort to devise such procedures may result in a valuable supplement to the Charter.

FORCE OR PERSUASION
IN INTERNATIONAL RELATIONS

FORCE OR PERSUASION IN INTERNATIONAL RELATIONS¹

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AT THIS POINT of time after World War II, it is impossible to declare that the pacification of mind and conditions the world expected is anywhere near realization. The world is more troubled than it was in the year 1939, bedeviled with anxieties and fearing war, wondering, indeed, whether war is avoidable. Never were great aggressor powers defeated as crushingly as Germany and Japan were defeated. They have fallen, yet terror has risen. The United Nations, the international organization established to replace the League of Nations and designed to avoid the mistakes made by the League in the twenty years of its existence, has for nearly two years been the scene of brawls among the great powers, and purposeful obstruction of united action.

What lies before us? Is it peace or war? Is it justice among the nations, as sketched in the Preamble of the United Nations Charter, or the enthronement of power regardless of justice? Shall the course of conflict and tension be resolved by Persuasion or by Force? To understand our circumstances, and so learn to appreciate our duty, it is necessary to pass beyond the immediate quarrels between the U.S.A. and the U.S.S.R. and to look deeply into the tensions that have been perennial, and invoke the great historic background of the relationship between nations.²

“Let the great world spin forever down the ringing grooves of change” before us, and let us take the telescope’s view of this globe and the power that bursts explosively from every living person. For the problem of Persuasion or Force is not one that can be answered either theoretically or practically without metaphysics or a search for man as he is supposed to have been when in a state of nature.

¹ Delivered May 6, 1947.

² For a comprehensive analysis, see Finer, *America's Destiny* (New York, 1947).

Present Anxieties and Fears

The international world does not consist of individual human beings, but of nations. People can not speak to people except as corporate bodies. The integers of international life are these peculiar corporate personalities called nations. All our troubles arise from this stubborn fact. I will return to its significance presently, but simply say at this point that each nation represents a different way of life so dear, for various reasons, to its members, that it is perennially afflicted with an intense fear of annihilation.

If these nations were completely severable from each other, all might enjoy tranquillity and composure in the practice of their own ways of life. But they are not severable for certain persistent and exigent reasons. Almost all nations have come to set a high value on economic well-being. The teaching of the economists, the stories of wealth elsewhere, the example of the upper classes with their glamorous, leisured, secure lives, the films of Hollywood, the promises of technologists — all these have conspired to make a high material standard of living almost the supreme object of human endeavor and aspiration. The Gandhis of the world are very few: the followers who are prepared to go back to spinning and loincloths do not even make a crowd. The most revolutionary state of our time, Soviet Russia, preaches the virtue of industrialization, and has anathematized as a heresy both poverty and equality of compensation. There is no sign at all that Stalin is anxious to clothe himself as Gandhi does, and get himself a spinning wheel as an example to all Russians, or even to the Russian Communist Party.

For most countries this addiction to material wealth involves dependence on other nations, economically. The world is one network of trade, which implies a specialization and division of labor. There is a certain rancor connected with this interdependence, because it is at once craved and yet resented. For it does take nations outside themselves as units, and all sorts of international conflicts are set up by the different outlooks of the diverse interests within each country. Economic interdependence is something the nations must cultivate. If

it is disrupted there are recriminations; if it is fostered, there are contacts between nations, and the nations have different ways of life. If people could be persuaded, if it were proper to persuade them to have nothing at all to do with other nations, however great the cost in their economic well-being, a diminution of tensions would occur, and war would be so much further off. This is most unlikely. The cure of the troubles lying in some trade may be the logical expansion of even more trade. This thread will be picked up again presently.

Yet economic nonintercourse would still leave the nations inseverable. They would still be united territorially. We have become accustomed to think in this country of a world-wide dispute between two discrete Himalayan peaks or poles — the U.S.A. and the U.S.S.R., and it is often written that the two can not get at each other, and so war is inconceivable. There is one book whose whole thesis revolves about this point. Henry Wallace has spoken again and again in this sense. But this view ignores the elementary truth that between these nations and around them stretch the connecting seas, and lands. The coasts are inhabited; the seas are approaches; the lands hold peoples. There is no point where one nation really ends. No regionalization of the world, no deep-dug trenches, no Maginot walls, no screens held around the frontiers by sky-flying blimps, can sever the physical contact of each nation with the other, or stop them from actually treading on each other's nerve centers — their capitals — or from infiltration. Bases, beach-heads — these are constituted by one's own territory, and the territory of allies in the proximity of other nations. Thus, Greece, Turkey, Iceland, Greenland, Spitzbergen, Norway, the Mediterranean — the examples are clear and cogent in the troubles of our time. The speed of weapon carriers, and their lifting power, has shrunk the world to the governmental dimensions of a single nation of the nineteenth century.

— Even if the nations could be severed, they would not be proof against the human interest in the rights and duties of human beings wherever they are — that is, proof against the moral penetration of ideas, and the passions that they can arouse. The Soviet Union manifests this in especial degree,

and her rulers have again and again expressed their view that they are the vanguard of proletarian morality all over the world. No single day witnesses a surcease of moralizing about events in other nations, and encouragement to the dissatisfied to change conditions, even by violence, and without majority persuasion. In democracies, into which news can easily penetrate, and where expression is free, morality does not end with the frontier. It is impossible to prohibit conscience from being outraged or inspired by what happens abroad, and to wish to run to help or to stop what is happening. More, it is undesirable, for democracies, that this spontaneous moral feeling should be repressed or ignored — for such a course would render democracy cynical, and it would be doomed to ugliness, and perhaps extinction through lack of self-defense, or unbridled internal troubles.

Hence, though the world is divided into seventy sovereign nations, the fate of each touches the fate of all, and vitally.

This truth has the important implication that the constitution of each country is a part of the constitution of all other countries. If it is in any way corrupt, the constitutions of other countries are infected. Consider the shape of the constitutions, and the spirit in which they are worked, of some of the European nations under duress from their mightier neighbors!

I have introduced this point merely to arrive at the special stage in the argument we must now consider, namely, the nature of "total" war. I do not refer to the globe-wide extension of modern war, or to the fact that all the population of the belligerents and all industry and agriculture are involved in war. I have in mind the fact that the cause of war has come to be considered the way of life of the enemy, and that it is to be expected that he will endeavor to wipe out that way of life altogether and substitute another, in order never again to be subject to attack. In other words, the cause of war is considered to be in the minds of the makers of war, and it is thought that the only way to safeguard peace is to deal drastically with that way of life. I need not go into the historical and philosophical causes of this phenomenon. But its existence is obvious. It is a product of the ideological disputes of our

time, and especially those that began with the Communist seizure of power by Lenin. World War II was in part caused by this; was fought as ferociously as it was under this impulse. The "total" struggle gave rise to "genocide" — that is, the deliberate extermination for political reasons of whole national groups, or groups holding certain political ideas. It is being continued in the disputes over assistance to displaced persons, and the problem of handing over to certain governments alleged "war criminals." It is being pursued, without cessation, in a world-wide debate, and in the maneuvers of the great powers in the Balkans and in Poland, Hungary, Austria, and Germany.

The advent of total war in this sense can not but keep the world in fear and turmoil and a state of war between wars, for the whole national existence is at stake, or felt to be.

I suggested that at some point in world history this was bound to happen. The only question was whether education in universal humanity would advance faster than the moral interpenetration and clash of different national ways of life. The national ways of life have won. Each realizes — I mean the extremes realize — that the unity of the world (as already analyzed) imposes a minimum moral unity, if there is to be peace, and the question therefore is, whose minimum morality shall it be? The world's tension and ordeal arises out of this global question.

Another factor must be added: the advent of weapons of mass destruction, as the atom bomb and bacteriological warfare — the first horrible for its devastating, defense-crushing power, the latter awful for its deadliness and the impossibility of observing the attack until the victims are down with the disease. The chief effect of these weapons, and more especially the knowledge that they can be manufactured and used, is to increase the nervousness of national leaders and secretaries of state. For "the cushion of time," the margin of assumable risk, has slimmed down. The foreign secretary can not take risks, and, therefore, is bound to pursue a diplomacy which forestalls his potential enemy; can not make concessions lest a concession is the loss of a strategic asset; can not trust the word

of the negotiator lest the word is a worm (as has already proved clear in the entanglements over the Yalta and Potsdam agreements); can not make a treaty lest it is an exercise in treachery.

The Nation

The unit of international relations, the sovereign nation, is a corporate personality. It is a personality in the sense that it is a complete whole, with character, outlook, energy, a history, a feeling of unity and insistence on a future, and with spiritual objectives backed up by energies. It is no use attempting to belittle it, as Acton did, and as some more recent commentators do, as an error, a malady of infancy, an artificial state of mind. This is a condition of man that has taken centuries to grow; it is growth, not caprice. This personality is corporate; it absorbs individual personalities. Though a corporation, being a collective person, allows of differences of will within the collective personality, there is surprisingly little internal difference when the question of self-preservation of the society is touched.

Now, the determining circumstance of the national corporation is Locality. Most of men's elementary and ardent cravings have come to be satisfied, up to this point of time in history, by the corporation that has formed on a distinct locality. Men yearn for value, not merely commodity. They want more than a stone, they need bread; they need more than bread, they need spiritual purpose and justification. They need praise, that is, they need a hierarchy of values, and an authority that raises them up in their rightful place. They need a sense of attachment and home. The nation gives them that. They yearn for an intimation of their immortality; this collective person embraces them in its immortality. The combined researches and thinking of constitutional historians, anthropologists; and psychoanalysts, have demonstrated the coincidence of the Locality, the Home, and the Divine — that is, the nation. It is this local society that has in our own day, then, amalgamated the services of religious minister, ethical leader, and spiritual healer, and combined therewith the gifts of public order and increasingly of economic provision.

Yet all these nations have a different ethos. For each has emerged in its own local tethering, and the centuries of history have differentiated cumulatively the differences of location, geography, climate, economic pursuits, natural resources, the vicissitudes of battle, plague, victory, defeat, triumph, and subjugation, with different languages, spiritual worship, and different scripts. All this has become bound up with each individual, as his own possession and object of adoration and loyalty. Nothing exists that can compete on anything like equal terms with the hold that Locality gets over the religious, spiritual, emotional, and social satisfactions of the child from the moment he is born, and for every moment thereafter, until by the age of reflection he is nationally conditioned, and *beyond* reflection.

It is useless to pretend that this is a silly, trivial, aberration of the mind. Man is born national, he is not born free. This is the factor that must be kept in mind in the problem of Force or Persuasion. For the fear of the loss of home and affection is the essential cause of the piling up of defenses and of arms. In our own time, it is vastly aggravated by the elements of international anxiety already described.

I think I may pause to say that the best-known mitigation of nationalism, that is, group pride, is probably the dispersal of leadership and the freedom of dissent, represented by democracy.

As Locality will continue, since men can not in sufficient numbers become nomads over the face of the earth, national loyalty will continue. This must continue to require sovereignty of will for the national group, whether the nation be small or large. You can only transfer sovereignty if you are prepared to transform your national way of life. The national way of life consists of economic means, as well as social manners, government, and civil liberties. It does not consist only in economic desires. Some economic well-being, of specific kinds, however, is necessary to support the way of life; for example, the Russian collective mechanized farm, or the power to leave the city and drive furiously through the countryside bent on innocent picnics, as in the United States.

If these things are surrendered, it is not merely the surrender of these things, but of an integral part of the whole of the way of life. You may pursue these speculations beyond the point for which I have time here.

The Individual and the Veto Power in the United Nations

It is idle, therefore, for the individual in those nations where he can make his voice heard, to criticize the veto power of the Big Five. It is the individual's wishes that have indirectly but firmly produced the veto power. Would he surrender his standard of living, his form of government, his job, or his civil liberties to a vote by majority of a world congress? The answer has been given for him by his Secretary of State or the Commissar for Foreign Affairs. If it is an American who is confronted with this question, then he can not but reject the potential power of the millions of impoverished peoples of the world to outvote him in the matter of his standard of living, through the casting down of immigration barriers, or of tariffs. The U.S.A. delegates to San Francisco took particular care that their economy be considered a matter of "essentially domestic concern." But, is it? The Soviet delegates were adamant on the veto, on their own equality, not only with any one other great power, but with all of them put together — determined that they should not be put in a minority, and their way of life thereby endangered. They have used their power, as was expected, and as was arranged, to exclude from membership of the United Nations the states they do not like; to support those that are their friends and potentially their satellites; to quash an almost unanimous vote of censure on the Albanian government for cognizance, at least, of the placing of mines which killed British sailors in the waters of Corfu Channel; to keep Greece in an uproar; to obstruct the advent of a European Economic Commission; to obstruct the establishment of an International Refugee Organization; and to obstruct the establishment of an international bill of human rights, among many other things. And above all, they have used their power to prevent the establishment of an interna-

tional authority for the control of atomic energy, with *majority* powers of preventive and punitive action, on the grounds which are most apposite in relation to the discussion of nationalism; that is, that the Soviet government must always be in a minority, and that she could not expect, therefore, to be treated with justice, or expect her economic system not to be interfered with by the international authority.

The veto power is a creature of nationalism, and nationalism is a creature of the individuals who dwell in the several nations. The Secretary of State casts not his but their vote, and he casts it for the things they want.

The United Nations is the maximum answer, extorted from the grinding necessities of severely reluctant nations, to the world's need of unity-in-justice if the scourge of war is to be lifted. It is a deficient answer, for all its activities are trivial, important as they are, compared with the responsibility of the Security Council for conciliation, and ultimately the prohibition of war, and the restoration of peace if war should break out. That responsibility is frustrated by the veto power, so far as any large nation is concerned.

It is, therefore, juvenile folly of the weakest kind to urge world government, or world republic, or world federation. There, before the eyes of the world, at Lake Success, in Paris, in Moscow, in London — it is blatantly, rigorously, shoutingly rejected.

The United Nations Charter is a treaty like other treaties. There is even the easiest provision for withdrawal imaginable. The Charter depends on the readiness of the nations to keep their promises. But promises are set down in words, and words are likely, especially when languages are very different, to be twisted, sometimes in good faith, often not. And this is all that remains of a common morality in the world: the idea, embodied in international law, created by a world of independent states, in the dictum, *pacta sunt servanda*; that is to say, treaties, or promises, must be fulfilled. But this is only a reliable foundation of peace if, in the absence of a common superior, there is a concourse of minds, a minimum common morality universally held.

We have, however, suggested that the world is morally riven, and badly riven. It could not be expected, therefore, that a world community with world government should arise out of voluntary agreement. If it were possible, it would not be necessary. If world government is thrust forward as the only solution, ruthlessly, it can only come about in one of two ways: in a very distant future when the work of mass education, universally, is of such effect that governments or constitutional conventions come into existence in the several nations that will establish such; or by the force of an armed superior. The world government advocates have not supplied us with the doctrine that will give us a clue to the acceptability of a common morality; and they have not faithfully confronted the alternative of force. In short, they have not confronted themselves.

Of Persuasion

A minimum of world organization is essential to the world's peace and its pursuit of justice. The reasons have been amply given. It needs to be a minimum, for the power of nationalism is strong, and the Locality must still continue to provide man with the everyday assurances that he needs in this strange world and wide. A minimum is already present in the United Nations, but it is satisfactory only for the peoples of north-western Europe, Britain, the Mediterranean, the U.S.A., Canada, the other British Dominions, perhaps India (largely by reason of the education of her political leaders in England), and some Latin American countries. There may be others to which this *pax* extends. But it does not extend to Germany, and it does not extend to the Soviet rulers — it is idle to say Russia, for we know nothing about the sentiments of the Russian people today. Russia under the Soviet rulers is deliberately, of set purpose, and with hatred and venom, kept out of the *pax*. Germany, it is said, must be re-educated, and then, in the next breath it is said that she can not be re-educated. If this is so, how can she be handled not to be a menace? It can not be by Persuasion. And the same answer would seem to apply to the Soviet rulers, for they know better than all their

adulators, and they have said that they are intransigent, and consider this intransigence to be their duty and their glory.

Now persuasion could appeal to Humanity, to Common Sense, to Economic Advantage. If Humanity is proposed, that is, to act towards all men everywhere with equal justice and compassion, then this is rejected by the Soviet. It is not rejected of principle by the Western powers; or at least, they are ready for continual concessions, and have made many. The Soviet rulers reject the West precisely in the name of Humanity. But if it were a Humanity of principle, there would be some hope. It is instead a hybrid of principle and personal power. When the mere deviationist within one's own nation is mercilessly put to the sword, or rather the revolver, what better fate can be offered the complete heretic beyond the frontiers? Man is only the Kremlin Man: the rest, as the literature of the Kremlin expresses it, are "beasts," or "Fascists," or "social democratic fascists" — all, in short, who differ from the will of the Kremlin's leaders.

The Soviet rulers have rejected a vital part of their inheritance from Marx. He was carrying forward the French Revolution in its sublimest essence: Liberty, Equality, and Fraternity. Perhaps the Soviet rulers have fostered Fraternity; it is doubtful whether they have promoted Equality; it is certain that they have destroyed Liberty, and of set purpose, because they despised and still despise the capacity of the ordinary man to steer his own course in the long voyages of political life. Instead, they have grafted on him their own revolutionary consciousness, and it happens to be a graft that is not skin-deep, but soul-deep. They have this same contempt for all men who will not follow their path, and submit to their unified direction. And so it is, that of all things they hate, it is democracy, Western democracy, the only true democracy, the only legitimate definition and practical elaboration of the principle, that they hate most. They hate it when it associates with free enterprise. They hate it, if it is the accompaniment and the creator of socialism in the Western countries of Europe. For they have rejected freedom, and its political con-

sequences, and the nonmaterialistic conception of human nature which has always inspired it.

If there is no hope for an appeal to Humanity, then neither Economic Advantage, nor a Common Sense rejection of war and its material and human ravages can be expected to have any better result. With peoples of pacific intention, not obsessed by venomous hatred, these appeals can mean much. And economic assistance has its place as an act of charity, as well as an inducement to allies to be faithful in a common front against an intransigent neighbor.

It is only common sense to admit that a state of mind can exist which is not susceptible of persuasion. We all have had many occasions to witness this in our academic life; and the law courts every day have thousands of cases to exemplify this trite observation. That the Soviet rulers have cause for suspicion is perfectly true, for many acts of ill-will and hostility have been perpetrated against them. But would it not be fair, looking back over events between the Leninist coup of November, 1917, and the Hitler-Stalin Pact of August, 1939, to say that they themselves asked for it? The Soviet rulers have a shocking record, and they have gloried in it. If it is urged that what the Soviet has perpetrated in Europe since 1917 through the Comintern, through the usual diplomatic channels, and during the war, and since, in this hideous campaign to rule Europe or ruin its peoples, if it is urged that the purpose was defense, the answer is that, in a community, some kinds of defense are so dangerous to other people, that it is not surprising if they cease their efforts at loving-kindness and persuasion.

Force and Fear in the Service of Humanity

The pressure of world forces, ideological and material, noticed at the beginning of this lecture, is such that persuasion will not be accepted, while the territorial contiguity continues to be so great that a settlement must be made — that is, if a state of peace is to be established.

No doubt exists that those who have followed out the logic of securing a common superior who will assert and support

a universal common morality are right in the general suggestions they have made. That logic leads to the Wilsonian principle that all governments in a world organization be *democratic*. And there follows, secondly, the newer principle, that the nations guarantee their peoples a bill of human liberties, or rights.

I will consider the bearing, importance, and the prospects of these, on the problem of peace by force or persuasion.

If all governments were popularly elected and popularly controlled, that is, if they were democratic in form, it could be expected that the impetus to war would be restrained. For the main danger of nationality is that it is a unified society, and its oneness is, by hypothesis, exclusive and uncompromising. There are states that boast of being one and indivisible, and some that boast that they are "monolithic." It is solidity of loyalty, or at least, of obedience, that needs loosening. For it is necessary, in order to admit an influence on the unified will of the objections of foreign negotiating countries, to reduce the power represented by the singleness of control of the resources of the whole nation (and this will tend to reassure watchful and fearful foreign powers that the power confronting them need not be so seriously feared as otherwise), to admit dissent, and the delay of constitutional procedures, and to enforce explanations in public of what the government intends. Wilson saw clearly the mollifying international influence of divided counsels in each nation, the reassurance to be obtained by "open covenants openly arrived at." Hence, his proposal that the League admit into membership only "self-governing" states. He was in the twentieth century traversing the path of Kant in the eighteenth, and both were right. It is not certain that democracies will always be pacifist, but it is more likely that they will; and sometimes, indeed, they may be too pacifist for the tasks of their day.

The Wilsonian principle carries the implication of an assimilation of the form of government of all countries. The Soviet principle does this also. The first offers freedom within each country, and considerable self-determination of a federal nature in the international order that would thus

emerge. The Soviet, as its German policy demonstrates, is not friendly to federalism, whatever it may say in its constitution about its own republic. There is no doubt that it reduces to the bare bone the notion of "cultural" autonomy that it would leave to the separate "nations" in a world order unified by its own principles. I leave out the fullest logic of the Soviet regime, unification by a single despotic party.

The Wilsonian principle is, today, most forcibly repudiated by the Soviet rulers, as it was in 1914-1918 by the Imperial system of Germany. Even the suggestion, made in the British House of Commons in November, 1945, that the idea of a world parliament was worth pondering, was repudiated by *Pravda* as reactionary.

If this democratic assimilation of governments is not now achieved, and it seems impossible of achievement in any immediate future by peaceful means, unlikely too is the other proposal for the establishment of an international bill of rights. I do not intend to list and describe all the array of rights which have been proposed by various individuals and organizations. The principal are the right of freedom of speech and writing, the right of movement and migration, freedom from detention or imprisonment except by due course of law, freedom of worship, freedom of association, and the right to secure release from detention by writ which is obligatory on the police and the executive. It can be seen at once where these rights tend, especially when they are bound up with the operation of the democratic form of government, of which they are the supports and at the same time the guaranteed fruits. They loosen the uniform, crushing, solidity of the corporate personality, the nation. They make it possible for mind to meet mind across the frontiers, and for an international, or rather, a super-national, fellowship of men, to be nurtured. If they do not altogether cast down the barriers of corporate personality and the frontier-guards, and all the separation of men from men they stand for, at least they mitigate all the ferocity and intransigence of nationalism. In commenting on the San Francisco Conference and the Charter that emerged therefrom, Mr. Stettinius, in his report to the President, emphasized

the opinion of the United States that though the freedoms spoken of in the Charter were not clearly defined, and certainly not all listed, "the fundamental freedoms' include freedom of speech and that freedom of speech involves, in international relationships, freedom of exchange of information." Of course! And the reference is not to freedom of information between governments, but between *peoples*. But all efforts hitherto made in the Commission on Human Rights of the United Nations to secure a solid admission of the rights I have mentioned have been rejected or blurred or stalled by the representatives of the Soviet Union, sometimes assisted by Jugoslavia.

The Implications

There is a graver implication of the Wilsonian principle and the international bill of rights than has so far been considered. Both constitute a denial of the idea of self-determination, and as such are a frontal attack on the central principle of international law, recognized by custom, and clearly re-expressed in the Act of Chapultepec, and blatant all over the articles of the Charter of the United Nations. The denial is necessary for peace. No one makes the denial more forcibly than the Soviet Union: no nation practices the denial more vigorously or exultantly. The denial is necessary, nevertheless. It has a remarkable historical support in the practices of nations against unruly neighbors in the nineteenth and twentieth centuries. But the denial by the democratic nations will be milder, more federative, than any alternative unitary principle, which would be too stringent for local growth compatible with peaceful relations.

Fear and Force

Nothing like democratic assimilation is to be expected, in the situation of the rift between the Western powers and the Soviet Union, by persuasion of the kind we have discussed. Something like assimilation on Soviet principles is being attempted in Europe, by threat, or force, or such a state of peacelessness, uproar, and mental assault that some nations have succumbed.

We can not expect the democratic view to prevail by persuasion alone. Even the extent of area under democratic rule, or quasi-democratic rule, or to be amenable to it in some decades to come, can not be maintained by persuasion alone, for a mighty opponent is determined that this shall not be.

Between the direct use of force and the persuasions we have considered stands an approach to force, if it is, at the same time, a departure from persuasion — Fear. At this juncture in history, all nations would be best off if there were some common universal minimum fear to intimidate them equally and simultaneously, something external to all, and impartial. It was thought for some time that the fears provoked by the advent of the atomic bomb would provide this factor, and by doing so cause the nationalism of each country to be voluntarily self-controlled, reduced in its temperature, so that clashes between nations would be abolished. But the extraordinary thing is, that in spite of the details of Hiroshima and Nagasaki, and the dramatizations by radio and press, the *peoples* are extraordinarily calm, and according to the Gallup Poll in America, not prepared as the possible price of peace to surrender the manufacturing secrets to the world at large. Nor does the Soviet Union show *her* fear of the bomb in the form of accepting the very generous American proposals for control of atomic energy. Their way of life is still so dear to the nations that they will not allow themselves to be rattled into peace!

If, then, a common fear is not capable of reducing national tension to a point promising peace, possible courses are the banding together of all the nations against the most troublesome and least peaceful, or the unilateral exercise of power by the one great industrial and populous power on the democratic side for the same purpose, namely, to intimidate the troublemaker. Is there any exit from this logic? I wish there were. But I do not think there is.

An appalling truth must be faced — all the states we know, that is, the large territorial societies with fully ordered *government*, and sovereign power exercised through a permanent legislature, executive, and judiciary, came into decisive being

as the result of the imposition of authority by Force. In the background of their history may have been a very long evolution of other types of authority, the family, the folk, kinship, rule by the elders, and these certainly exercised authority which relied on reason, on persuasion, on religious belief, on ethical concepts, on which there was a large amount of agreement to be the basis of obedience. But, at a certain point in the extension of area, in contact with other groups of differing regimes, and the dynamic complication of social and economic processes and evolution of ideas, an act of Force occurred, since it became impossible for someone to tolerate an existence in society without a common superior. This may have been a minority which thus dominated, even a very small minority.

Time and forceful revolt broadened the possession of authority to be more inclusive, to be, in the end, highly democratic. And while this process was evolving, the dominating minority, whether resident or foreign, relaxed its severe rule so that the military was transformed into civil rule of a milder description.

A triple evolution proceeded (more subtle than the word "triple" indicates): of force from above combined with reasonableness which tempered naked and absolute force; of revolt and challenge by the groups and classes in quasi-subjection; and a general growth of common morality, limiting the claims of superior and inferior and admitting the claims of each on the other. The common superior could be at least equal to contending factions: and could at least provide a kind of tranquillity and security for all, or almost all, even if not on the most favorable conceivable terms, and this encouraged movement throughout the kingdoms, and habits of peace, which, again, lent authority to the common superior. The process took centuries. We are more conscious today of what can be done and what can not be done: our techniques of government, and our wisdom not to be extreme in the use of power give us hopes of a shorter process of pacification. But the crude stages still seem to beckon those who seek peace, because the common morality is not there: the *pax Christiana* was long ago shattered into national fragments.

Let us be sure of what history's logic is. It is not the logic of immediate preventive war. It does not declare that either the West or that Soviet Russia wants war, now or in the future. No one wants war: but all want ways of life which may lead to war. For many years, barring accidents (which can not be ignored), there will be a peace of exhaustion, with angry shouts across the seas and continents. But, if a settlement is desired, assuming the continued existence of despotism in Russia, there seems hardly a way out of the disciplinary power of preponderant force in being and ready for use. It is not pleasant to return to *si vis pacem para bellum*.

It may be that so confronted, and warned betimes, and warned incessantly, the one minority in the world which is not only restive but aggressive, may take heed lest it lose all its power within its own territory, as did the Nazi regime. The power to stay in the Kremlin and rule the Russias, as they have never been ruled before, by power quite absolute, with modern techniques, is a mighty prize. It is not to be given up lightly. Perhaps the Soviet rulers' attachment to it is so strong, as I think it is, that a real threat of its loss will bring them to a sensible state of mind. But for this the existence of preponderant power must be heavy and unintermittent.

If this power should not be provided, the world will fall into a state of war on some trivial occasion, probably in the Balkans again. If this, the establishment of preponderant force should come about, then it would be idle to expect peace from it, for any duration, unless that force were poised on certain principles. These would *not* be the defense of capitalism; nor the triumph of catholicism, the residuary legatee of men's despair, misery, and abdication of responsibility; nor economic individualism; nor monopoly. The principles would need to be democracy and welfare — and before all, above all things, the democratic government and the civil rights adverted to earlier in this lecture. Should these principles not guide the marshalling and maintaining of preponderant force, a war that might come must be only the prelude to others. If they were, indeed, our guides, civilization might get a breathing space.

The race of men is under the dominion of a singular fate: uncertainty of its large purpose and destiny. If any one answer to human perplexity is fastened upon men by the ultrasanguine, they rebel, because the answer is not one that can satisfy them all, and certainly can not satisfy each succeeding generation. To be sought is not the narrowest but the widest exit from perplexity, if men are to find their happiness in the specific discoveries of their free reason, and happiness and relief in freedom to seek, and in the exercise of free inquiry and communication. In the long run, the polity best calculated to open the way, to the tolerable maximum, and to assist the discovery of tolerable values, is the democratic way. It is for this reason that we must not flinch from defending the democratic way of life when it is threatened imminently and fatally. Man is an atom of explosive power — explosive in his physique and his appetites and his need for an answer about his destiny to the effect that he is *right*. All power politics begins there. It ceases only in death. It lives best, most abundantly, and with originality and richness, only in the freedom of wide democratic horizons. Power and force are blessed when they seek to widen freedom, and it is a duty of man so to use them.

“Freedom,” said Burke, *“they can have from none but you. This is the commodity of price of which you have the monopoly.”*

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