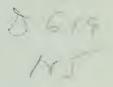
The Neutrality of the United States in Relation to the British and German Empires



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PREFACE

Some time ago I was asked to write a pamphlet showing that the interests of the United States were bound up with the maintenance of the British Empire against German aggression. The inquiry was of necessity complex, and involved a balancing of different considerations. The general results are set forth in the following pages.

The first difficulty was to determine the meaning of national interests. From the outbreak of the war some disappointment has been felt in this country in the fact that the sympathies of neutral countries, especially of the United States, have not found a more forcible expression in our favour. This disappointment is largely due to a want of appreciation of the difference between national interests and national sympathies. In the decision between peace and war, nations are guided not by sympathies but by interests. Happy is the nation where the two coincide !

Who can doubt that the sympathies of all the Balkan States are with Britain as against Turkey? And yet it is even now doubtful if Greece, Bulgaria, or Roumania will intervene in the war, and if so, on which side. Each of these nations has frankly declared that she must be guided by her own interest

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British policy is no exception to the general rule, and the President of the United States has only followed the British tradition in giving the first consideration to the interests of his own country.

Whether the pursuit of national interests in any case is to be condemned or approved by the rest of the world depends on the real nature of the interests and the methods by which they are promoted.

The plan of the argument is to make a comparison of British with German interests, and, so to speak, to invite the United States to choose between the two pictures. The presentation of the case is as far as possible judicial, although with the best intentions it is very difficult to give in English an appearance of reasonableness to the more exalted forms of German military culture. Some kinds of thought seem to find appropriate expression only in the polysyllables and breathless sentences of the German tongue.

The problems here considered are not like a set of chess problems in which one answer is right and all the others wrong. The purpose of the inquiry will have been attained if it should assist in some degree in confirming the good relations that subsist, owing to the community of ideals, between the United States and the British Empire.

J. SHIELD NICHOLSON.

UNIVERSITY OF EDINBURGH, August 2nd, 1915.

Note.—The general conclusions of the last two chapters were published in two articles in the *Scotsman* of June 9th and 12th.

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THE NEUTRALITY OF THE UNITED STATES IN RELATION TO THE BRITISH AND GERMAN EMPIRES

CHAPTER I

NATIONAL INTERESTS AND NATIONAL SYMPATHIES

THE distinction between national interests and national sympathies is always of vital importance in balancing the issues of peace and war. Yet the distinction is very commonly ignored. The attacks made on the President of the United States on account of his patience are largely due to the failure to grasp this distinction.

The President, on the other hand, owing partly to his lifelong academic training, has perhaps been inclined to emphasise the distinction over-sharply. He has persistently refrained from expressing in an official form the national sympathies because he did not wish to prejudice the national interests. With regard to the belligerent countries he has assumed the attitude of the impartial spectator. His mind is full of political science, theoretical and applied. Of the theory and the history of political science Mr. Woodrow Wilson knows more than all the other rulers of the world put together, if their learning could be tested in the old Chinese examination boxes by the most searching of celestial examiners. Mr. Wilson's best known work, *The State, Elements* of *Historical and Practical Politics*, is a standard university text-book in all English-speaking countries. For five and twenty years (1885–1910) he was engaged in academic work, being in succession first Professor of Political Economy, then of Jurisprudence and Political Science, and finally Principal of his old University. Against this academic life he has to set two years as Governor of New Jersey (1911–13).

This life-long immersion in the academic treatment of politics considered as a preparation for the head of the greatest neutral state in the world-wide war, was likely to be productive of one very great merit and one very grave defect. The very great merit is infinite patience in looking at a case on all sides. Of Mr. Wilson's patience and impartiality as an examiner there can be no question. He himself is so reasonable and impartial that he wants to make all the people in the United States equally openminded and patient.

The people of the United States are a susceptible people, but no nation need take offence at being compared to Christian in the *Pilgrim's Progress*. The best of nations wants to get rid of its burden, and to find in some way eternal glory. The horror of this war is oppressive. Surely a great nation can do something to put a stop to it. The nation wants to run like Christian to get rid of its burden.

In his journey Christian came to the House of the Interpreter, where he was told he would be shown many excellent things.

Here is one: "I saw moreover in my Dream, that the *Interpreter* took him by the hand, and had him into a little room; where sat two little children, each one in his Chair: The name of the eldest was *Passion*, and of the other *Patience*; *Passion* seemed to be much discontent, but *Patience* was very quiet. Then *Christian* asked, What is the reason of the discontent of *Passion*? The *Interpreter* answered, The Governour of them would have him stay for his best things till the beginning of next year; but he will have all now; but *Patience* is willing to wait." This is the parable that the Interpreter of the White House tells his people in their progress to a better world: *Patience* not *Passion* must be their model.

But academic training is liable to beget not only the very great merit of patience, but the very grave demerit of indecision. The devastation of Belgium raised in the United States an outburst of moral indignation which seemed to be the natural forerunner of intervention, or at least indignant official protest. But the President sat still in his judicial seat. He was content with saying that judgment was deferred. People began to ask : How long will you abuse our patience, Mr. President ? Will you never move ? If the German Professors were as mad as March hares their own Professorial President seemed to the more restless ones as slow as an old tortoise. If ex-President Roosevelt did not use this similitude about his successor it was only because he did not think of it.

These strictures on Mr. Wilson's patience arose from the failure to grasp the distinction between national interests and national sympathies.

Mr. Wilson is clearly of opinion that the first duty of the President is to interpret the interest of his own country; and that it is only a secondary duty to voice the sympathies of the nation or of himself with the moral conduct or political aims of the belligerents except so far as American interests are concerned. Apparently he supposed that the expression of sympathies might safely be left to the press and the irresponsible "who's whos" who write to the papers. Not that he was indifferent to the national sympathies or indifferent to the sufferings caused by the war. Not that he thought that on no occasion should the President express any moral judgment on the conduct of the war, as the sequel plainly showed. But in plain English he thought, "least said soonest mended," especially having regard to the composite character of the United States population, and their divergent sympathies.

This apparent want of firmness and decision in upholding international law was, in fact, capable of quite a different interpretation. By making a sharp distinction between interests and sympathies the President would be able to act with so much more vigour in case any real interest were involved, as again the sequel showed.

What, then, is the nature and bearing of this distinction between interests and sympathies ? That the distinction is very real is seen at once from the difference in the mere words in which the interests and the sympathies find utterance. The language of interests is the language of diplomacy, which always means a good deal more than it says, and leaves a good deal to be inferred. Here is an example :

"When we say in that dispatch we are 'satisfied' that those conditions will be observed, is it not obvious that we use a language of courtesy which is always most becomingly employed between independent powers? Who does not know that in diplomatic correspondence under the suavity of expression is implied an 'or' which imports another alternative?"¹

The silent diplomatic 'or' is more effective than reams of rhetoric.

British diplomacy has always excelled in this suavity, as is frankly acknowledged by its enemies. Says Mr. von Mach:² "The British State papers are always well written . . . they are written not only for the benefit of the recipient, but also for the world at large. If Germany and Austria would follow this example they would meet less opposition in foreign countries. It is not so much what they do as the way they do it that offends people."

Bismarck was the exception that proves the rule. His successors in the art of the new diplomacy have not done well. The present Chancellor spoilt all

¹ Canning : Speech on Negotiations relative to Spain. April, 1823.

² What Germany Wants, p. 75. Boston, 1914.

by his famous "scrap of paper" and his public statement that the violation of Belgian territory by Germany was "against the rules of international law."

Compared with the official expression of interests by the older diplomacy, the unofficial expression of sympathies is as thunder unto silence. Could there be any stronger contrast than between the official Notes of the United States on the *Lusitania* and the unofficial language of the press? Mr. Wilson has followed the old tradition of suavity. In the second *Lusitania* Note(June 10th) there is a delightful example of the silent diplomatic " or." After " very earnestly very solemnly " renewing the representations of the Note of May 15th, the second Note concludes :

"The Government of the United States does not understand the Imperial German Government to question these rights. It understands it also to accept as established beyond question the principle that the lives of non-combatants cannot lawfully be put in jeopardy by the capture or destruction of an unresisting merchantman, and to recognise the obligation to take sufficient precaution to ascertain whether a suspected merchantman is of fact of a belligerent nationality, or is of fact carrying contraband under a neutral flag."

What if Germany does question these rights? Perhaps Mr. Bryan rightly divined it meant war.

When we look beneath the surface to the ideas the words stand for we observe that, whilst national interests are limited by practical possibilities, the range of national sympathies is unbounded so long as the freedom of the press is maintained. The first duty of the head of a responsible Government is to consider how far national aspirations are capable of realisation. It is true that he must consider not only the present interest but the future; but the future which he considers must still be within the range of the practical, and not in the shifting cloudland of the ideal. The ancient Persians used to teach their boys to shoot strongly by aiming at the sun, but the statesman who is always aiming at the sun is likely to have his eyes dazzled for less exalted targets.

With the exponent of national sympathies it is otherwise. It may be his first duty to arouse the national conscience regardless of practicality, and not only to lay stress on the common virtues and sensibilities but on the finer commands of chivalry and honour. But it is one thing to enforce a high standard at home by purifying or exalting public opinion, and quite another to try to enforce the same standard by force of arms or the threat thereof in the rest of the world or in some particular independent state. Whether we like it or not, knight errantry as a policy for nations, if it ever existed, has passed away. The religion of humanity is not strong enough to breed Crusaders. In the issues of peace and war, every nation looks to its own interests as interpreted by its responsible or recognised Government.

The attitude of the other neutral nations (apart from the United States) reveals this distinction between interests and sympathies in the most marked manner. Who would have supposed, having regard to the history and the sympathies of Greece, that

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she would not at once have rushed to support England against Turkey ? Who would have supposed that month after month Italy could have refrained from joining England in the war against Austria? The sympathies of Holland were stirred to the depths by the forced incursion of thousands of refugees from Belgium; she must have known that the architects of Greater Germany always classed Belgium and Holland together, and yet Holland elung to her neutrality. The list of illustrations need not be further extended. We know from the testimony of the Germans that they know that the sympathies of the whole world are against them. They cannot understand it. In some cases they are even amazed at the want of sympathy with their cause and their culture. They admit the want of sympathies, but they hope for a counterpoise in interests. At the worst they suppose that the fears of the lesser neutrals will paralyse action. That is the logic of their frightfulness

The people of the United Kingdom who are inclined to think that British policy is the exception to the rule and is always and pre-eminently disinterested should recall their own history and the many occasions even in recent years in which British moral indignation has not been followed by military intervention; and in which it has been recognised that official protests not backed by the real threat of war are often worse than useless. The end of last July revealed Sir Edward Grey as one of the strongest statesmen of history. Yet how many times had that same strong man declined to meddle with the affairs of other nations in spite of moral indignation and apparent diplomatic opportunity ?

The article in The Times of March Sth. which created so much indignation amongst those who like to think that British foreign policy is solely dictated by altruistic chivalry, was very near the truth "which often thought was ne'er so ill expressed." "We keep our word," said The Times, " when we have given it, but we do not give it without solid practical reasons, and we do not set up to be international Don Quixotes, ready at all times to redress the wrongs that do us no hurt. . . . We reverted to our historical policy of the balance of power, and we reverted to it for the reasons for which our forefathers adopted it. They were not either for them or us reasons of sentiment. They were self-regarding and even selfish reasons. . . When we subsidised every state in Germany and practically in all Europe in the Great War, we did not lavish our gold from love of German or Austrian liberty or out of sheer altruism. No: we invested it for our own safety and our own advantage, and on the whole our commitments were rewarded by an adequate return." Litera scripta manet. What The Times has said, perhaps under the spell of too much reading of the wisdom of Bismarck, has been said before in the language of the older diplomacy by all our strongest statesmen since England was a nation and not the name of part of an island.

In 1848 Lord Palmerston concluded a speech on the Polish question with these words : "If 1 might be allowed to express in one sentence the principle which I think ought to guide an English Minister, I would adopt the expression of Canning, and say that with every British Minister the interests of England ought to be the shibboleth of his policy." Taken without its context this opinion may well seem to be one of unscrupulous selfishness, and such also appeared to be the argument of The Times. The article was published at a time when British public opinion happened to be on the crest of a wave of altruism; not the cheap altruism of words, but the costly altruism of spending blood and treasure for the benefit, as it seemed, of other nations. The Times said the right thing at the wrong time. The truth it was concerned to preach out of season was apparently in direct opposition to facts : we were fighting (so we all believed) for Belgium and for Europe; this time at any rate we thought the stamp on the gold was of more worth than the gold itself-St. George and the Dragon was a fitting symbol of England crushing Germany. The Times told the truth, but in such a way and at such a time that it had the semblance of an untruth. For once the writer had forgotten his Dante : "Always to that truth that has an air of falsehood a man should close his lips if possible, for though he be blameless he incurs reproach."

But it will be asked, If *The Times* is right, what becomes of our championship of small nations? What of our wrath over the "scrap of paper"? Have we really got down to inconvertible notes not only in our currency but in our policy? Is the redemption to be suspended so long as it suits our interests ?

By no means, but everything turns on the interpretation of our own interests and our own advantage.

Our most real interest is not to be measured in terms of money or in the magnitude of foreign trade. Our most real interest is to maintain those principles and ideas on which the British Empire has been built up: of such are liberty, humanity, and fidelity to agreements.

And to anticipate the moral of the argument, so it is with the United States. If the United States should be forced to go to war with Germany, it will be to lose the money but to save the soul of the nation.

Germany thought England would not go to war because war is so expensive ; and in spite of the rude awakening in that case the same false reasoning is applied to the United States.

CHAPTER II

BRITISH COMMERCIAL INTERESTS

THE argument of this chapter may seem to belie its title, for the intention is to show that British foreign policy has not been mainly guided by commercial interests; that in every period there are other interests which in case of conflict have the superior claim. What these other interests are is the problem of the next chapter. The present is in the main negative.

By way of preparation the general proposition may be advanced that in every great country other than economic considerations must be taken account of, and of economic considerations those arising from foreign trade are only part.

It is pleasantly observed by Professor Irving Fisher¹ that the total exports and imports of the United States amount only to a paltry three billions as compared with a total national trade of **387** billions; that is to say, the foreign trade, exports and imports together, is less than one per cent. of the total.

The present writer may observe that in the year

¹ The Purchasing Power of Money, p. 306. New York, 1911.

before the war the exports of the United States to the United Kingdom and Canada were three times as great in value as the exports to Germany.

Are we then to conclude that the United States must take no risk about a paltry three billions of trade, and if she does intervene that she must, as good business, support the customer who is more than three times as big as his enemy? By no means. The United States has other interests not to be measured in terms of foreign trade. So also has the British Empire.

In Germany, however, before the war the opinion prevailed not only that British policy was dominated solely by British interests, but that British interests were, as they always had been, mainly commercial, and that the chief commercial interest was the development of foreign trade.

It was also supposed that now as always in the development of foreign trade Britain had aimed at an exclusive monopoly and looked to her own advancement by the depression of other nations.

According to this view British hostility to Germany was due to jealousy of the rapid growth of German foreign trade. "In Germany the feeling grew that England wished to destroy the world markets of her rival, and history seemed to bear this out, for had not England, destroyed or attached to herself in turn the great world commerce of Spain, Portugal, France, Holland, and the United States? The merchant marines of all these nations had fallen a prey to England because in the hour of need they had not been defended by a sufficiently large navy. It was there-

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fore the duty of Germany to build a navy, not for the sake of aggression, but to defend her world commerce if England should find an opportune moment of attack. This was Germany's view of the case."¹

In an inquiry concerned with the question of the neutrality of the United States in the present war it would obviously be out of proportion to examine in detail this doubtful compendium of the history of British policy as regards foreign trade and the part played therein by the British navy. But without going too far afield it is worth while clearing away the prejudice aroused by this account of British aims in the past and the present.

The idea that British foreign policy has been mainly directed to the development of an exclusive foreign trade is not true of any period of British history; and it is specially untrue of the period that has witnessed the formation and the growth of the present German Empire.

Even in medieval times, from the first recognition of national interests, the idea of wealth was subordinated to the idea of national power. Very early the power of the sea was regarded as the chief safeguard of national power. "The English rulers were forced to recognise in the earliest times that not only trade but also the power of defence and offence lay in the moving keel."² Trade followed the flag, but the flag was not moved about simply to mark out claims for trade.

¹ Von Mach, op. cit. p. 55.

² Schanz : Englische Handelspolitik, Vol. I, p. 352.

The old mercantile system—the name which covered the varied ideas that governed the commercial policy of England during the seventeenth and eighteenth centuries-had for its fundamental principle national power. Those trades and industries were most encouraged which were supposed to promote most the national power. Treasure was an aid to power. Foreign trade was an aid to treasure. Therefore a favourable balance of trade was favourable to the growth of national power. In the same way trade was discouraged with our "natural enemies," of whom France was the chief. It did not need the genius of Adam Smith to discover that trade with a near and wealthy country like France was of more advantage than trade with a poorer and more distant country, e.g., Portugal; but the natural enmity to France prevailed. That notable book, Seeley's Expansion of England, had for its main argument that the great wars from the end of the seventeenth century to the beginning of the nineteenth were foreign trade wars. Incidentally, no doubt, they were wars for trade, but the main idea was not simply trade. Consciously or unconsciously, there was a continuous striving for the expansion of empire. One of the motives to the expansion of Empire was no doubt the expansion of foreign trade, but that was only one motive, and not always the most important. Nor was it so much the magnitude or the profit of the foreign trade that was considered as the national advantage, and the advantage was not measured simply by the money value. In particular those kinds of trade

were most approved which most led to the development of shipping, including both shipbuilding 1 and navigation.²

Whether this policy was moral or immoral according to our present national standards, or whether on the whole it promoted better than any other policy would have done the development of foreign trade, is not now the point. The question is : What was the dominating aim of our commercial policy during this first period of expansion—before 1776? Was it to use our navy and our sea-power to increase trade and wealth, or was it to manage our trade and wealth so as to increase the national power?

No doubt to some extent, and especially under certain conditions, the promotion of wealth and of power are achieved by the same policy, but in other cases the promotion of power is at the expense of opulence and conversely. The point is that in the history of England when there was a conflict of the two aims national power was preferred. Wealth was approved especially as a means to power.

Sometimes, no doubt, the guidance of the government of the state fell into the hands of the mercantile classes, and then they tried to make power subservient to wealth and in particular to foreign trade. But in time the mercantile classes were put back in their proper place, and they were made to see that the interests of the nation were not only mercantile.

This mode of stating the relations of wealth to power is at the present time supposed to be altogether

¹ Cf. The bounties on shipbuilding materials.

² Uf. The Navigation Acts. See below, pp. 17, 20, 23.

against the traditions of English political economy; though since the war began and made such slow progress the idea of national power has come more and more into its old authority. But if we go back to Adam Smith—who, in the matter of wisdom bearing on the present situation is probably worth more than all the other economists put together (including the Germans)—we find that his main attack was directed against those who thought (and schemed) that the power of the state should be used mainly to advance the interests of foreign trade.

The question may be made more definite by reference to the Navigation Acts.¹ For centuries before Adam Smith wrote the policy embodied in these Acts had only been modified to be strengthened. What that policy was, and what its place in the scheme of things national, was stated in the clearest terms by Adam Smith. "The Act of Navigation is not favourable to foreign commerce or to the growth of that opulence which can arise from it. . . As defence is, however, of much more importance than opulence, the Act of Navigation is perhaps the wisest of all the commercial regulations of England." On his view trade ought to be the servant of the national power, and not the national power the servant of trade.

It is true that the mercantile classes in their own interests had often tried to invert the proposition,

¹ The main idea of these Acts was to force English (and Colonial) trade to be carried on in English ships with English crews. Restrictions were imposed also on the carrying trade of other nations.

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and to make power the servant of trade. What Adam Smith thought of such an inversion is abundantly clear not only from the general course of the argument but from the passionate attacks which he made on "the mean rapacity, the monopolising spirit of the merchants and manufacturers who neither are nor ought to be the rulers of mankind." The wisdom of the following passage may be revived for present use. "The interest of the dealers in any particular branch of trade or manufacture is always in some respects different and even opposite to that of the public. . . . The proposal of any new law or regulation of commerce which comes from this order ought always to be listened to with great precaution, and ought never to be adopted till after having been long and carefully examined, not only with the most scrupulous, but with the most suspicious attention."

The opposition that may arise between national and mercantile interests is brought out still more clearly in Adam Smith's examination of the effects of the old monopoly of the colonial trade. Again we are not concerned with the validity of the argument, but only with the ideas which the course of the argument shows were dominant and unquestioned at the time.

Adam Smith after an elaborate inquiry into facts and history shows, at any rate to his own satisfaction, that "under the present system (1776—the year of the Declaration of American Independence) of management Great Britain derives nothing but loss from the dominion which she assumes over her colonies."

Does he therefore argue that the colonies should be set free and left to their own devices? On the contrary: "To propose that Great Britain should voluntarily give up all authority over her colonies would be to propose such a measure as never was and never will be adopted by any nation in the world... The most visionary enthusiast would scarce be capable of proposing such a measure, at least with any serious hope of its ever being adopted."

But if the British ideas were purely commercial, why should it seem so utterly absurd to cut the loss and give up the venture ? The truth is that the ideas at the basis of the British Empire were not purely commercial. Adam Smith argued that what a country ought to expect from colonies was an increase of military power or of revenue or both. On his view the monopoly of the colonial trade (though advantageous to the merchants actually engaged in that trade) was not advantageous to the nation, even from the point of view of wealth.

But, in his view, that was not all, nor the worst, to be said of the old colonial policy. It had failed to increase the national power—the colonies had become a source of weakness. Therefore—this is the conclusion of the whole *Wealth of Nations*—this "project of empire" ought to be converted into real empire. And the method he suggested was the method of imperial federation which we are just beginning to realise as a practical policy. He approved of the abolition of the monopoly of the colonial trade because he thought that this other method—which incidentally involved free trade between the different parts of the empire—would promote much better the fundamental ideas of empire.

In this brief survey no attempt is made to take account of all the different modes in which the expansion of England was effected. The sole aim is to show that the dominating motive was not always the expansion of foreign trade or the increase of wealth. We did not give up dominion or extend dominion simply according to a money estimate of national gain. Why we did expand it and maintain it is a much more difficult question or series of questions, of the greatest historical interest—far too large for these pages.

The separation of the American colonies in 1776 was followed in the course of time not only by the complete abandonment of the monopoly of the colonial trade but by concessions to the colonies of such a degree of commercial freedom that in time they were allowed to impose protective duties against the mother country. For a time, no doubt, there was a system of mutual preferences, but with the adoption of the policy of free trade by the United Kingdom, even the system of preferences was abandoned. The seventy years from the American Independence to the repeal of the Corn Laws (1776-1846) was a period during which important steps were taken in the abolition of the restrictions on the trade with foreign nations. The Navigation Acts, the very part of the old system which Adam Smith had most approved, were repealed (except for a fragment), and gradually the idea began to prevail amongst the merchants and manufacturers that free trade would

be to their advantage. As it happened, it also came to be supposed by the nation at large that free trade would best promote the national interests.

Anyone who studies the actual history will see that according to the propounders of the policy (e.g., Cobden and Peel) we did not adopt the system simply out of love for other nations or lofty ideas of cosmopolitanism or any other feelings that require long Greek words for their expression, but because the majority of the nation thought free trade was to the advantage of the nation. We also supposed, it is true, that other nations would (in their own interests) follow our example, and that free trade would promote peace; but these hopes were of secondary influence.

In the sixty-eight years that followed the repeal of the Corn Laws to the outbreak of the present war (1846–1914) this policy of free trade and noninterference with the foreign trade of other nations had been carried to the height of its development.

It ought not to be necessary to go over once more history already so well enforced not only in books but in recent and burning political controversy. Even now there are people alive in Great Britain who cannot speak of free trade and protection without getting into a passion and losing their senses and their manners.

Fortunately for the present purpose all we are concerned with is the bare fact which no one can deny, namely, that this policy of free trade—whatever its merits or defects—this policy of non-interference with the trade of other nations, had reached

its most extreme form precisely in that period in which the expansion of Prussia into the German Empire has been accomplished. Not only did this expansion of Prussia coincide with the complete abandonment of our old monopolising policy in foreign trade, but it was not opposed by Great Britain even on political grounds. Speaking of the war between Prussia and Austria in 1866, Lord Stanley, a Conservative Minister, said : "With regard to the possible results of the war, and especially as to the establishment of a strong North German power-of a strong, compact empire extending over North Germany-I cannot see that if the war ends as it possibly may in the establishment of such an empire, I cannot see that the existence of such a power would be to us any injury, any menace, any detriment."

When the German Empire was an accomplished fact after the war with France, the same friendliness was shown, and the same confidence that no British interests were menaced. As for any attempt to strangle the development of German trade our policy was ridiculously cosmopolitan and non-national. The General Election of 1906 showed that at the time the public opinion of the United Kingdom supported this policy by an overwhelming majority. Whether popular opinion was right or wrong is not the point. The point is that, with the genuine approval of this country, the British markets were as open to German as to British merchants. When this free trade policy was adopted by this country alone, and was derided by other countries, including Germany, it

is folly to argue that we opposed the commercial expansion of Germany. Even when the German navy was so increased that to the wise, as the event showed, only one interpretation seemed possible, the nation and the Government ignored the warning. We seemed so fast asleep that Germany began to think we should never awake from our dogmatic free trade shumbers. How then can it be said that Britain was jealous of the expanding trade of Germany, and was preparing to crush Germany simply to preserve the British predominance in the markets of the world ? Britain had long ago given up the policy of trying to manage the world's trade in her own interest. She had given up even the management of her own inter-imperial trade. The last remnant of the Navigation Acts had been repealed in 1850, and our tariff had become so free that we could make no commercial treaties because we had nothing to bargain with. To all the rest of the world our free trade policy seemed Quixotic. To Germany in particular, with its ideas of state power, our policy must have seemed sheer foolishness. Under these conditions, to say that the dominant aim of British policy was to use the command of the sea to promote British trade and to suppress the trade of other nations is too absurd to be reasoned against.

With regard to our own markets we gave no privileges to the rest of the Empire that we did not give to foreign nations, and for a long period before the war our trade with foreign countries, as compared with inter-imperial trade, had been roughly in the proportion of nearly three to one.¹ Amongst foreign nations, both directly and indirectly, Germany had been the greatest gainer by our free trade policy.

In the meantime, however, whilst we had concurred in the loosening not only of commercial but of political ties with the principal colonies, which had indeed become self-governing dominions—whilst we had carried to an extreme never dreamed of by Adam Smith the ideas of free trade—silently and as unnoticed as seeds in the earth the imperial ideas sown by Adam Smith began to grow. Without metaphor, the necessary minimum for the conversion of our "project of empire," into a reality began to be recognised. The self-governing dominions began to feel their way towards closer union and to realise the necessity of more adequate provision for imperial defence—defence against Germany.

The German menace to British trade was nothing, but the German menace to the British Empire was everything. By the persistent growth of the German Navy, British imperial interests were threatened that could not be measured in terms of trade or even in terms of money. Wealth was only one element in national well-being, and defence more than ever was of more importance than opulence.

Does anyone suppose that on the outbreak of war the magnificent response of every part of the Empire to the call of the mother country was made because the trade of the British Isles was threatened or

¹ In 1913 the total exports and imports of the United Kingdom exceeded $\pounds1,400,000,000$, of which less than $\pounds400,000,000$ was inter-imperial.

because the proportion of Germany in the world's trade was rising as compared with that of the United Kingdom ?

Is this greatest of wars, in which millions of the finest manhood of the world have been destroyed, simply a war engineered by the supporters of British foreign trade against the commercial expansion of Germany? To put the question is to reduce the supposition to absurdity.

From our point of view the war is not a trade war, but an Empire war: the British Empire against the German Empire. We have no desire to add to our territory, for the simple reason that already it is more than enough; but we shall not willingly suffer any part of our Empire to be subjected to Germany. The idea is now as strong as it was in the time of Adam Smith that no nation ever did or ever will abandon dominion. however troublesome or expensive. Much of this territory has been gained and all of it has been kept by the power of the sea. Germany thinks to play in the twentieth century the part played by England in the eighteenth, the same part on a greater scale. The British Empire with its British ideals is fighting against the German Empire with its German ideals.

If we look to our Allies we find also that the war is no trade war or money war. It is not the money value of her lost provinces that France is fighting for; it is not the money value of unredeemed Italy that made Italy declare war on Austria. Russia is fighting heart and soul, surely not for trade or money, but for Russian ideas against German ideas. And the more

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the conduct of the war reveals the inner nature of the struggle, the more clear does it become that with all these diversities of national aims the common aim of all the Allies is to fight against the ideas of German military dominion.

There are differences between all the allied nations in their ideals, but the differences are overshadowed by the common resolve to restrain the military power of Germany.

For the present argument the case of the British Empire may be taken as the test case. We have seen that British interests are not only or mainly monetary.

What, then, are those great ideas that the British Empire stands for ? If it is not an overgrown trading concern, what is it ? What are British interests if not purely commercial or monetary ?

If one word must be used instead of money that word must be power. The British Empire has been built up not to make money but to make power.

But it will be objected—and such, indeed, is the latest German argument—British power is a greater menace to other nations than British money or British monopoly of trade. The British Marinismus is a greater peril than the German Militarismus.

The answer is that British power is not used for the aggrandisement of any man or body of men, any absolute monarch or privileged class; nor is British power extended and maintained through some striving for national glory, some kind of empire record-breaking in millions of miles, or of people, or of money.

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British power is a means and not an end in itself. Nor has the end been lost sight of in the means, as in the miser's hoarding. British power is not a meaningless lust for exacting obedience from other people, though the love of power in this sense is one of the strongest sins of the natural man.

The British Empire has been extended and is maintained not to increase coercion but to increase liberty. Its internal stability and its external sufferance by other nations alike rest on liberty. The only disruption of the Empire took place when for the moment British statesmen forgot the great tradition. The greatest peril the Empire ever incurred was in fighting for its own liberties and the liberties of Europe. Once more, after a hundred years, the same peril has recurred, and England and Europe are again fighting for liberty.

CHAPTER 111

THE NON-COMMERCIAL BRITISH INTERESTS

THE greatest British interest—greater than riches, greater than peace—is liberty; and liberty is a tree with many roots and many branches. There is an old saying that the oak cannot grow except on free soil. This is not the language of poetry but of law. It recalls a time when the greater part of the land of England was held and cultivated on servile tenures. With any insecurity of tenure the planting of trees, especially long-lived trees, is foolishness. It is true that for centuries the greater part of the population of England was in a state of agrarian serfdom. But the serfdom was always less burdensome relatively than in other countries, and was far more speedily reduced and abolished. The celebrated reforms of Stein by which serfdom was abolished in Prussia culminated in the edict of 1807; English agrarian serfdom had been practically abolished as the result of moral and economic causes more than four centuries before.

There is another old saying that the Englishman's house is his castle. The sacred right of the homestead

is traced back to pre-historic times. The tradition of individual freedom has been handed down from generation to generation, and the main idea in progress from age to age has been the enlargement of that freedom.

It is only in times of stress that the nature and strength of the foundations of buildings or of states are revealed. The present war has shown the strength of this very elementary idea of freedom. The mere thought that any home in our islands could be subjected to German outrage is itself an outrage. Apart from any idea of personal sufferings or indignities, the mere idea of being under German rule is so abhorrent that any sacrifice seems preferable.

Under the influence of the ideas of utility that have been so much in evidence in the social legislation of the last half-century the strength of this foundational idea of liberty has sometimes been overlooked. People have begun to think that liberty is only one utility amongst many others, and that in the interests of "the greatest happiness of the greatest number" more and more of the liberties of the various minorities, which the new blessings of the various majorities bring into being, may be more and more curtailed. "The greatest happiness of the greatest number " principle is not always very favourable to the principle of liberty. In peace time liberty may even be classed merely as one of the pleasures of idleness in the same way as short hours and many holidays.

War, especially war as waged by Germany, has shown that with the mass of the British people

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the supreme test is still liberty. As regards happiness, the present generation will never find the balance of the war in its favour, unless we beg the question and talk of the happiness of liberty.

It is not meant to imply that the Englishman alone has a love of liberty. On the contrary, every Englishman believes that the love of liberty is part and parcel of human nature. But by a combination of geographical and historical and racial incidents or providences this very elementary kind of liberty has had with us more room and a longer time for growth.

It is, however, when we pass from the individual to the law and government by which this elementary liberty is safeguarded that we best understand why England is always spoken of by foreign writers as the classic land of liberty. The foundation of the whole system of government is a constitution that is in the most essential part unwritten and free from the shackles of legal technicalities. The common law and the statute law are derived from varied sources and illustrate different principles, but there is always present the idea of maintaining the maximum of individual freedom that is consistent with the attainment of the varied objects of social and political union; the maximum of liberty with the minimum of coercion.

We are so familiar with these larger aspects of freedom : freedom of the spoken and the printed word; freedom of religion; freedom to work or to idle; freedom to give or withhold labour even in the defence of the country or in the provision of necessary

requisites; freedom of choice in the multitudinous forms of representation—we are so familiar with all these varied forms of liberty, as we are with light and air, that we never notice the continued miracle with which they are sustained. Even after months of war, the idea of individual liberty was persisted in until it endangered the military efficiency of the nation. It was solemnly announced in a manifesto by the publicans that the proposed regulations of drink "sayoured of militarism." Freedom to strike; freedom to get drunk; freedom to work much or little; freedom of labour to extract war bonuses, and of capital war profits, out of the necessities of the country and the war debt—these were some of the results of the long-continued liberty of the individual, some of the defects of the virtue.

Out of respect to the national prejudices in favour of liberty the Government proceeded with the utmost caution. Persuasion and lavish expenditure were the methods preferred to any kind of coercion. The principal exception was the censorship of the press an exception which seemed only to prove the rule. In none of the other belligerent countries, least of all in Germany, were these difficulties felt, and one reason was that in their ordinary life the people had not been used to the same degree of freedom from governmental regulation and control.

Our treatment of aliens on the outbreak of the war showed very plainly the survival of this dominance of liberty. Through centuries we had offered a right of asylum to political or religious refugees;

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we had also welcomed or suffered the incursion of all kinds of aliens into all our economic activities, from the highest finance down to the lowest sweated labour. And no doubt on balance we had gained marvellously from the immigrations, though gain moral or material—was not the motive for admission. It was only with the greatest difficulty that we managed to see that the liberty accorded to aliens in peace ought not to be permitted in war.

These illustrations are here brought forward to show that, in spite of all our advances to socialism and the growing extension of governmental interference, the dominant strain in the British character and in the British Government is now, as it has always been, the love of liberty. This love of liberty is not due to any reasoned calculation of the greater happiness that comes out of it—as if we loved freedom because freedom brings happiness—but because freedom is part of the nature or of the second nature of the people. Unquestionably we believe—and we know by experience—that liberty brings in its train other blessings, such as wealth and comfort; but in case of conflict, as this war shows, the wealth and the comfort are secondary to the liberty. As a nation we shall lose much money and lose much comfort, but if we keep our liberty we are content.

This same love of liberty is the dominant note in all our literature. The Germans say we are a nation of money-grubbers, and only live for trade. How comes it that in all our literature there is no glorification of wealth or of the money power, whilst on the other hand all our great writers, poets, historians,

or philosophers, have glorified liberty? Milton's sonnet on his blindness may speak for all three :

Cyriac, this three-years day, these eyes, though clear, To outward view, of blemish or of spot, Bereft of light, their seeing have forgot,
Nor, to their idle orbs, doth sight appear
Of sun, or moon, or star, throughout the year, Or man or woman. Yet I argue not Against Heaven's hand or will, nor bate a jot
Of heart or hope ; but still bear up and steer
Right onward. What supports me, dost thou ask ? The conscience, friend, to have lost them overplied,
In liberty's defence my noble task, Of which all Europe rings from side to side.
This thought might lead me through the world's vain mask, Content though blind had I no better guide.

Not only has this love of liberty been dominant in these islands, but wherever the Briton has wandered he has carried with him his love of liberty and his dislike of regulation. Many and varied are the origins of the British Empire, but from the beginning we find not the systematic planting of colonies or the organised conquest of less developed peoples, but as it were a haphazard sowing of the seeds of future dominion. Everywhere the ruling idea was liberty, and the seeds were blown about where the wind listed. The seeds were planted and grew up into great trees, and the trees grew better than the trees of other nations because they had greater freedom. In the new lands, whether thinly or thickly peopled by the original inhabitants, the new settlers (or invaders) imported from the home country the minimum quantity of the government they found to be necessary. They relied on the home country for their defence against Europe, and

in return submitted to restraints on trade and industry; which restraints, by the way, were very little felt by reason of the universal toleration of the smuggler, the oldest "free trader."

In many cases the amount of government imported from the homeland was too little. The British colonists in North America became in truth little Englanders, almost parochial in their interests. The British traders in India led Adam Smith to declare that a body of traders is not fit to govern, and is sure to exalt its own liberty at the expense of the liberties of the subject people. The East India Company in the course of time was of necessity, or in the interests of liberty, displaced by the British Government.

The Magna Carta of the people of India was confirmed in the Queen's proclamation (1858) in these words: "We hold ourselves bound to the natives of our Indian territories by the same obligations of duty which bind us to all our other subjects." And the historian of the *Expansion of England* comments: "That is, conquest confers no peculiar rights, or India is not for practical purposes a conquered country."

The conquest of India itself would more properly be described as the suppression of the anarchy of India, and to the masses of the people the conquest was an extension of liberty.

It is not possible in the limits of this inquiry even to sketch the main branches of the growth of the British Empire. If it is disputed that the main idea has been the extension of liberty, there can be no dispute that the achievement of liberty has been one

main result of the extension of our Empire. It is only the largest toleration that could bind together the diversity of races and religions and civilisations that make up the British Empire. The strength of this binding and the nature of it were shown on the outbreak of war in a way that astonished the world, and most of all Germany. Instead of the British forces, such as they were, being diverted all over the earth to suppress rebellions, exactly the opposite was seen. Not that the dominions and the dependencies are fighting for us simply out of affection to Britain. Each part has its own patriotism, and in one sense it is India for the Indians and Africa for the Africanders and Canada for the Canadians, and so on; but in the wider sense there is the patriotism of every part for the whole. All the parts are fighting to maintain "the immense majesty of the British peace," under which they enjoy their liberties, each in its way and its own degree.

But even yet the full influence of the idea of liberty in British policy has not been indicated, although we have passed from the Englishman's house to his Empire. That same spirit of liberty and toleration that we apply to the moralities and religions within the Empire we apply as far as may be to other independent peoples. No doubt this respect to the independence of other nations was of slow growth, and was not instinctive like the love of personal liberty. It was not until the nineteenth century that nonintervention became the accepted maxim of British policy. Between the Revolution that brought William of Orange to London and the battle of Waterloo which sent Napoleon to St. Helena, we waged seven great wars, and out of one hundred and twenty-six years more than half were spent in war. As the result of these wars British power was very greatly extended all over the earth, although we lost in the process the best part.

Since the Napoleonic wars the Empire has been still more widely extended, mainly, as was the case in the later expansions of the Roman Empire, through the necessity of scientific frontiers and of provision against the incursions of barbarism. Of these later acquisitions it may truly be said that they were forced upon us against the wishes of our strongest statesmen, who recognised that already our Empire was large enough.

Of this later expansion of Empire, as of the earlier, there were no doubt many and diverse origins and occasions. But as contrasted with the former period, this later period of expansion was effected without war in Europe or America, with the exception of the Crimean War, in which the real motive was Asiatic. The British Empire stood for peace, and it maintained its defence with a minimum of military force. And the reason why so little military power was required was that the British rule practised liberty within its own limits and respected the liberties and the independence of the nations beyond its bounds. The British idea is not to enforce on a reluctant world one model of culture or one special British-made set of ideas. Such a striving for uniformity is contrary to our principle of liberty. We recognise that it takes all kind of folk to make a world : great nations and

little nations; Christian and non-Christian of endless shades of varieties; Eastern civilisations and Western and all their diversities; and all the tribes of barbarians of all sorts that are strong enough to withstand the ideas and the diseases of civilisation. The only kind of ideas we cannot recognise or tolerate are the Germanic ideas of "military culture"; for these ideas are destructive of the very foundations of our system of liberty and toleration.

Just as in the homeland our ideal is liberty, and just as one of the first claims of liberty is equality before the law, so also as regards other nations we recognise that their own independence has their first claim, and that all of them in the insistence on this right can claim equality before the law of nations. Our sympathy with small nations is part of our ideas of liberty; it is akin to the ideas that with us allow freedom of speech and freedom of the press to the smallest minority as much as to the largest majority. So it is with our respect to the little nations. Being small they seem entitled to more respect from the law, which of themselves they cannot enforce. Just as in our villages we put up a notice, "School--Please drive slowly," so in our diplomatic maps we mark "Drive slowly" for the little nations. Witness the Balkan States. The German road-hog on the other hand puts on the pace if a little nation gets in the way. Witness Belgium.

This recognition of national independence and national diversity not only accounts for our natural respect for small and diverse nations, but also for c^*

the variety and diversity of our alliances. In the matter of alliances our first thought, as of every other independent nation, is of the national safety, and with us national safety means not only the safety of the British islands but of all the Britains overseas and all the dominions and the protectorates and the subjections that enjoy their liberties under the British peace.

In the foregoing argument it has been maintained that the greatest of British interests is liberty, with the understanding that liberty has many roots and many branches. But in none of its meanings is liberty the same as anarchy. Liberty must always mean liberty in conformity to law. Dante said that the highest gift of God to man was the gift of free will; and the highest use of that free will was to obey with gladness the law of God. The liberty claimed by the German to do as he pleases in "selfdefence," and to obey or not obey the laws of war or of God, as he chooses, is not liberty, but anarchy.

The first foundational law with which liberty must be in accord is the law of truth. Truth, like liberty, cannot come under any simple or exact definition; and it is easy to be a jesting Pilate. But truth, like liberty, can speak to the heart. Perhaps nobody can define truth, but the natural man hates a liar as he hates a serpent. One thing we mean when we say that the liberty of the free man is under the law of truth is that the free man must be true to his word. The knight errant of chivalry obeyed this law: better death than falsehood; to give the lie was the most deadly of insults. All the

martyrs of all the religions have died for the love of truth; and as we range over the liberties of mankind and their respective restraints, we come at last to the contracts and the agreements of commerce, and to liberty as understood by the world that thinks in money.

And in this money world, as in the world of chivalry, which seems at first altogether different, the first law of liberty is the law of truth. "His word is as good as his bond" is an old text that needs no sermon. Were it not so, if the ideas of military culture were brought into commerce, the world that talks in money and thinks in money would fall to pieces. No doubt the world of money gets along in spite of a certain number of frauds and bad debts and bad men and liars of various kinds, but so also the men in the trenches get along in spite of the minor pests. They could not get along, however, if the Germans poisoned all the air ; and if all men were liars commerce would be dead and robbery would take its place.

If in the world of affairs the spoken word or even the nod of assent is so binding that a man must not go back on his word or his nod, so much the more binding are the agreements that to prevent any mistakes are put into writing and signed by the parties to the agreement.

The moral of this little old-fashioned homily on the pledged word is that the word should not be given and the paper should not be signed unless with the fullest intention of keeping the word and redeeming the promise of the paper.

What is true of the binding force of the promise $c^* 2$

as between man and man is true also as between nation and nation. It may be good worldly wisdom to beware of the entanglement of alliances, but if needs be that alliances come, let the full meaning be realised and the full promise be redeemed. No doubt if things change and with them the real meaning of the words the case is altered. It may be difficult to interpret the real intent of a treaty after the lapse of time and change. But apart from the casuistry of diplomacy the presumption with nations, as with men, is always strong in favour of the written word and the signed treaty.

That the common sense of mankind still supports this old idea of fidelity to treaty obligations is shown by the pains taken even by the most aggressive of nations to make excuses for the violation of treaties.

With regard to British observance of the binding force of agreements, written and unwritten, the action taken at the outbreak of this war is so fresh in the memory and so convincing in its stress that no further comment is necessary. And having regard to the magnitude of the British Empire and the variety of its interests, it is plain that its general policy must be guided by very simple and general principles; of which the strict observance of treaties and of the pledged word is fundamental.

Once the word has been given, the nice calculation of interests is displaced by the simple question: What have we promised? Is our word not worth the paper it is written on? Or is it to be kept at the risk of war, in which immense loss is certain?

This survey of British interests does not profess to be complete. The object in view is to compare the British Empire with the German Empire, and stress is laid on the ideas in which the difference is most marked. We come now to the German side of the comparison.

Note.

The Morality of the Observance of Treaties.

It is true of the covenants between nations, as of the covenant between God and man, that "the letter killeth, but the spirit giveth life." Dante is held to be one of the greatest of moral teachers, but he discusses with much subtlety the question whether a man may under any conditions break his vow or if he may make a satisfactory substitute. (*Paradise*, Canto V.) His conclusion is :

"Take then no vow at random: ta'en, with faith Preserve it: yet not bent, as Jephthah once, Blindly to execute a rash resolve,
Whom better it had suited to exclaim,
'I have done ill ' than to redeem his pledge By doing worse:"

(Cary's version)

Why recall this old learning in the twentieth century? Because now, as always, nations as well as men must look to the meaning of their vows and promises, and not use the letter to see from how much of the real promise they can escape or how much they can pervert to their own uses a literal reading under changed conditions. Much has been made by the German defenders of the violation of Belgium of what may be called Gladstone's gloss on the treaty of 1839. The gloss without the context is quoted by Mr. you Mach (op. cit. p. 141). Notwithstanding that the treaty of 1839 guaranteed the independence of Belgium, on the outbreak of the war (1870) between France and Germany the British Government made a new treaty specially with France and Germany to safeguard this independence. In defending this action Gladstone said : "I am not able to subscribe to the doctrine of those who have held in this House that the simple fact of the existence of a guarantee is binding on every party to it, irrespective altogether of the particular position in which it may find itself at the time when the occasion for acting on the guarantee arises." This sentence with the relevant context was quoted by Sir Edward Grey in his speech the day before the declaration of war, August 3rd, 1914. "The treaty," he said, "is an old treaty-1839-and that was the view taken of it in 1870 The honour and interests are at least as strong to-day as in 1870, and we cannot take a more narrow view or a less serious view of our obligations and of the importance of those obligations than was taken by Mr. Gladstone's Government in 1870." The sentence indicated as omitted . . . in this quotation has only been postponed for the sake of emphasis. "It—*i.e.*, the 1839 treaty-- is one of those treaties which are founded not only for consideration for Belgium, which benefits under the treaty, but in the interests of those who guarantee the neutrality of Belgium." If it be said that since 1839 conditions had changed, the answer

from the British point of view is that the change in conditions had made more necessary than before observance of the full meaning of the treaty. Belgian independence had become more than ever a safeguard of France and Britain.

CHAPTER IV

GERMAN NATIONAL INTERESTS

I.—Commercial Interests

THE German Empire as it at present exists is a product of the last half-century. If the British Empire may be regarded as the expansion of England, in the same way the German Empire may be regarded as the expansion of Prussia. This predominance of Prussia is so well known and has been so much forced on the attention in the present war, that in the comparison here attempted it may be taken for granted.

The development of the modern German Empire must be considered from two sides : the Commerical and the Military.

On both sides we are here concerned not with the statistics or the notable events of the growth of the German Empire, which are generally well-known, but with the ideas underlying this growth, which are not so well known.

In the case of Germany it is specially fruitful to look for leading ideas, and the task is much more easy than in the case of England. For two reasons : first, the German Empire is only half a century old ; and secondly, the German Empire has arisen from the direct application of certain fundamental ideas. In England, as we have seen, the ruling idea in expansion has been liberty ; negatively, this liberty has implied freedom from state control, and positively, freedom for the emergence of a variety of ideas and institutions. In Germany, on the other hand, the ruling idea has been the predominance of state control and the consequential practical development of ideas on the governmental pattern.

In the treatment of the ideas of German commercial development we may take as the basis the great work by Friedrich List on the National System of Political Economy. List was not so big a man as Adam Smith, but it is not too much to say that he had more influence in the development of the commercial policy of the German Empire than Adam Smith in the British Empire.

List died in the year of the repeal of the Corn Laws (1846), and his book was completed about two years earlier. He had been engaged all his life in applying his ideas, both in practice and in journalism, in Germany and in the United States; and the *National System* is the final shape of these ideas with special reference to Germany. Perhaps it may be thought that a book seventy years old is now out of date. The fact is that the policy laid down by List for the commercial development of the German Empire is the policy which in all essentials has dominated and still dominates German statesmanship. Instead of

being out of date, List, like Adam Smith (on the imperial side), is rather coming into date. List aimed at a great expansion of Germany over-seas as well as in Europe. He had larger ideas of Empire than were favoured by Bismarck; and it is precisely these larger ideas, put into practice by far lesser men, which are the real cause of the present war. It is well known that after the Franco-German War Bismarck set himself against colonial expansion and aimed at the consolidation and defence in itself and in its alliances of the new Empire. But the ideas of List were always at work beneath the surface, though as often happens they were associated with other names. All that was needed was the recognition of the ideas by the Government. With the disappearance of the restraining influence of Bismarck the ideas of a greater Germany came more and more into fayour with the governing classes; they have attained their maximum bloom in the present war.

Above all other nations, as List himself observed in a very striking passage, the Germans are subject to the rule of theories. "Germany developed herself in a totally different way from other nations. Elsewhere high mental culture grew out of the evolution of the material powers of production; whilst in Germany the growth of the material powers of production was the outcome chiefly of an antecedent intellectual development." Even in the eighteenth century he goes on to show the lead was always taken by the German State Governments in the application of ideas. "Hence at the present day (1844) the whole culture of the Germans is theoretical. For the moment the Germans are in the position of an individual who, having been formerly deprived of the use of his limbs, first learned theoretically the arts of standing and walking, of eating and drinking, of laughing and weeping, and then only proceeded to put them into practice."

The Germans have learned from List (and his plagiarists) the theory of commercial expansion, and are now engaged in putting the last stages of theory into practice. No doubt there are some differences¹ owing to changes in conditions, but anyone who reads List's work will be astonished at the way in which his ideas have been actually realised by Germany and are now more than ever the basis of the German forward policy.

Although the Germans are, as List showed, a nation of theorists, it does not follow that in their policy they pay no attention to history and experience. On the contrary, especially in economics, they have emphasised the fundamental importance of the historical method. List's great work is divided into four books. The first is a survey of the history of the chief commercial nations, and the third is a history of the chief commercial systems (theoretical), and in the other two books there are constantly references to history and experience. The fourth book, *The Politics*, is specially concerned with British Insular Supremacy in relation to the German Commercial Union.

It is the present fashion in Germany to speak with

¹ E.g., List did not approve of protection to agriculture.

military contemptuousness of the commercial aims of England. As a matter of fact the leading idea in German commercial policy has been the imitation of England on the lines laid down by List. List was a theorist who looked for the confirmation of his theories to history. He found such confirmation in the history of the expansion of England, especially in the first period (before 1776). Accordingly imitation of England is the clue to German expansion : that is to say, England in her protectionist stage. According to List England had become strong enough to throw aside protection after Waterloo, but other nations must pass through the earlier stages of protection to young industries. They must follow in England's steps, and the first steps must be the establishment for themselves of manufacturing power. So long as they remain purely providers of food and raw material for England, England will have the lion's share in the international feast.

Here is the main argument in List's own words. "England owes her immense colonial possessions to her surpassing manufacturing power. If the other European nations wish also to partake of the profitable business of cultivating waste territories and civilising barbarous nations or nations once civilised that have again sunk into barbarism, they must commence with the development of their own internal manufacturing powers, of their mercantile marine, and of their naval power." This advice was tendered specially to Germany. "If any nation whatever is qualified for the establishment of a national manufacturing power it is Germany." Manu-

facturing power was the first step and naval power was the last.

Seventy years ago List pointed with truth to German superiority in education and in administration, to her skill in inventions, and to her vast natural resources in agricultural and mineral wealth. To give full scope to these great productive powers Germany must become first of all a great manufacturing power. She must not be content to get manufactures from England in exchange for grain and timber.

But this was only the beginning. Germany must import directly from tropical countries the produce she requires, and pay for it with her own goods.

She must carry on this trade in her own ships. She must protect these ships with her own flag and her own navy.

The first step—manufacturing power—does not mean simply technical production in factories. It includes on List's view the development of railways, waterways, and the organisation of industry. Germany was to improve on the English example with greater knowledge, and profit by England's mistakes.

The basis of the new German Empire must be a great customs union with free trade within its borders and external protection: the old English model improved. Such a Zollverein or customs union was designed by List himself as far back as 1818.

Within this great confederation as developed in its final form in List's *National System* there were to be included all the German maritime territories,

and also Holland and Belgium. Not only so, but the greater Germany was to include Switzerland. In fact we have in List all the ideas of Pan-Germanism with a very wide interpretation of the word German.

The views of List on Holland are of special interest at the present time. "From a national point of view we say and maintain that Holland is, in reference to its geographical position as well as in respect to its commercial and industrial circumstances and to the origin and language of its inhabitants, a German province which has been separated from Germany at a period of German national disunion, without whose reincorporation in the German Union Germany may be compared to a house the door of which belongs to a stranger. Holland belongs as much to Germany as Brittany and Normandy belong to France, and so long as Holland is determined to constitute an independent kingdom of her own, Germany can as little attain independence and power as France would have been enabled to attain them if those provinces had remained in the hands of the English."

If we look to the economic development of Germany before the outbreak of the war we see at once a remarkable realisation of List's ideas, with the exception of the territorial expansion, which it is the business of the war to secure.

In Europe Germany has become second only to Britain in manufacturing power and in shipping; and in the organisation of internal means of communication and of industry generally, at least the equal and probably the superior. By all the usual tests Germany has made astonishing progress, especially since the last great war.

This progress in wealth has been accompanied by similar growth in national power. And in fact the production of wealth and its distribution have been so organised as to promote the military and naval power of the country. The railways are largely strategic (as Hindenberg proved); agriculture has been fostered with the definite aim of independence as regards food supplies, and apparently the aim has been achieved. The export of capital to foreign states has been discouraged so that the national industries might be first strengthened. A check has been imposed on the emigration of the living capital and the population has shown a remarkable increase.

But the final stages of List's project of empire have not yet been attained. It is true that Germany had already acquired before the war a Colonial Empire of over a million square miles in area, or about six times the area of Continental Germany. But the European population of these colonies was only about one-fortieth of a million, and of natives there were only about twelve millions. Compared with the British Empire the German over-seas Empire was negligible, although it might have made a good enough beginning for learning the art of colonial government and development.

But Germany was too proud or too impatient to learn this art, which seemed a very long art to the individuals who had only the allotted span of life. War seemed a much better and certainly a quicker way to empire ; and the map of empire drawn by List was not limited to barbarous regions. There were also the nations which had once been civilised and had sunk into barbarism. Turkey (even seventy years ago) List compared to a corpse only supported by the living. In the same class of degenerate civilisations were the Persians and Chinese and Hindoos and all other Asiatic peoples. What fields could be more suitable for the application of the German powers of expansion? The great obstacle, on the German view, in all these regions was the British Empire.

Listalso contended that Germany should try whether, and how far, German colonies can be founded in Australia, New Zealand, or in other islands of Australasia. He observed with regret that German emigrants to the United States and other countries were lost for ever in the next generation.

For the extension of national power Germany must have her own settlements. The right of the English to the Continent of Australia on the principle of first occupancy was as absurd as the right claimed by the Popes over the partition of the New World.

Can there be any doubt that these ideas of List have been and are the ruling ideas in Germany's economic policy? Germany aims at being a world power- the greatest of world powers. But everywhere her expansion is checked by Britain. In Africa, Asia, South-Eastern Europe, Britain bars the way to German aspiration. Even in Northern Europe Britain stands in the way of the Germanic absorption of Belgium and Holland. Germany had hoped,

through a miscalculation as to the lethargy and the love of peace of England, that she would be able to extend her power in Northern and in South-Eastern Europe first of all, and later from this new vantage ground overthrow or supplant the British Empire. She did not mean to attempt all the expansion in one great and prolonged war; two wars much less in magnitude and duration were suggested by the preliminary wars with Denmark and with Austria.

The galling thing to Germany is that she considers herself in all the essentials of national power far superior to Britain. In the twentieth century Germany seems relatively to other nations far stronger than was England in the eighteenth; stronger in military power and stronger in the management of foreign trade. Why then should Germany not imitate Britain and displace Britain from the supremacy by the old methods which out of weakness or folly Britain has discarded ?

Under German government and organisation the territories that now form the British Empire would be developed both on the military and on the commercial side to an extent that Britain has never dreamed of. Germany would not be so simple as to leave the millions of India free from military service and from taxes meant to increase the imperial revenue and not merely to provide for the wants of India. It might be too difficult to try to rule the freedom-loving Britons overseas, but they could be cooped up in part of the vacant territories. Why should the Austrahans presume to own a continent and the Canadians half a continent ?

But Germany overlooked the most real forces in the growth of the British Empire. The old monopoly was abandoned, and still the British Empire grew in wealth : the Navigation Acts were repealed, and still the foreign trade increased and British shipping and naval power increased. The method of absorption by war with European Powers was abandoned, and still the Empire grew. The difficulty for British statesmen was to coutrol the expansion rather than encourage it by artificial means. The colonies became more and more self-governing and practically independent nations, but, as the present war has shown, never was their loyalty to the mother country and to the Empire as a whole so pronounced. And what was the reason when, according to the German modes of measurement, the British Empire was decadent and Britain had lost the art of imperial government?

The reason was that Britain relied not on military discipline and State management, but on liberty; relied not on the suppression of native ideas and customs, but on their recognition as far as was possible; and relied on the observance, and not on opportunist violation, of treaties with other nations.

The German military morality is indeed altogether unsuited for any sound expansion of empire, as Germany will find to her cost. The wages of nations, like the wages of men, are higher in proportion to the trust reposed in them. Good faith is as essential to economic as discipline is to military efficiency. National discredit spreads to the individuals that make up a nation. The nation that devastated Belgium

will not be trusted as before. Least of all is the German military morality suited to the extension of over-seas dominion. What State in the British Empire, if the free choice were offered on the conclusion of the war, would put itself under German militarism? Not one but would resist the transfer to the utmost. Not one would kill Britain to make Germany king.

The British Empire stands for the maximum of liberty with the minimum of military discipline and military coercion. In Germany, on the other hand, and especially in the Germany of to-day, obedience is the foundational virtue, and military discipline is made to permeate the whole life of the people.

In the present chapter the attention has been confined to German commercial interests only, and all the leading ideas are to be found in List's great work.

But there is a vital difference as regards the method of attaining these commercial interests actually pursued by Germany and that advocated by List. It would have been well for Germany if she had followed out the leading ideas of List's politics as well as his economic teaching.

List looked to peaceful measures for the expansion of German commerce. Holland was to be induced by a system of preferential duties to enter the German Zollverein. The expansion of Germany in South-Eastern Europe was to be in alliance with England. German settlements in the continent of Australia were in some way to be arranged for by a general European policy as regards the appropriation of vast

unoccupied territories. List strongly advocated the "open door" in the whole of Asia.

Although List writes bitterly of the English commercial supremacy, it must be remembered that he wrote before the repeal of the Corn Laws and the adoption of free trade. He was so far from being an enemy of England that he admired her political institutions, and he argued that the Greater Germany (including Holland, Belgium, and Switzerland) should have corresponding representative institutions. The expansion it must be recalled was to be by the methods of peace. His long residence in America had made him familiar in practice with the system of liberty.

List argued against England's naval supremacy, and advocated "free ships, free goods "; but his criticism of Napoleon's continental system concludes with the sentence: "Napoleon failed to establish a continental coalition against England, because with the nations of Europe the fear of his supremacy on land greatly outweighed the disadvantages which they suffered from the naval supremacy." The case of the German mock Napoleon is exactly similar.

List's chapter on *Insular Supremacy* begins with a most striking eulogium on the British Empire. "In all ages, nations and powers have striven to attain to the dominion of the world, but hitherto not one of them has erected its power on so broad a foundation. How vain do the efforts of those appear to us who have striven to found their universal dominion on unilitary power compared with the attempt of England. ... Let us, however, do justice to this Power and to her efforts. The world has not been hindered in its

progress but immensely aided in it by England She has become an example and a pattern to all nations in internal and in foreign policy as well as in great inventions and enterprises of every kind Who can tell how far behind the world might yet remain if no England had ever existed ? And if she now ceased to exist, who can estimate how far the human race would retrograde ? Let us then congratulate ourselves on the immense progress of that nation, and wish her prosperity for all future time."

German militarism has culminated in the most bitter hatred of England, and once again, in the memorable words of Pitt, "England has saved herself by her exertions, and will, as I trust, save Europe by her example."

CHAPTER V

GERMAN NATIONAL INTERESTS

H. ---Militarism

THE German Empire is the expansion of Prussia. To Prussia it is due that the greatest national interest of Germany is militarism. Militarism was dominant in Prussia in the reign of the great Frederick. Perhaps in no contemporary evidence is this brought out so clearly as in the autobiography of Alfieri. When a young man he travelled all over Europe, and looked on men and things with the curious eye and open mind of a modern Ulysses. As a wealthy aristocrat he was presented (1769) at the court of Frederick, and to the horror of the courtiers did not appear in the uniform to which he was entitled as an Italian officer. He describes his feeling in passing from Prussia into Denmark, from an atmosphere of militarism to one of industrialism, and sums up all by saying : "The chief reason why Copenhagen pleased me was that it was not Berlin and not Prussia, a country which has left a more unpleasing and painful impression on my mind than any other, notwithstanding that the Great Frederick had commanded arts

and letters and all kinds of prosperities to flourish in his shade . . . But those everlasting soldiers I cannot away with, and even now, after so many years, I am enraged with the thought of them as before I was with the sight of them." It was, however, in England that he found the most marked contrast with the militarism of Prussia.

But this is ancient history. Alfieri was a contemporary of Adam Smith.

When we make a leap to the period of the present war the keenest searcher after truth finds it difficult to reconcile the conflicting evidence. Not the evidences of the methods of militarism in practice for they are beyond dispute—but the evidences of the ideas on which the system rests. What we want to know is what militarism really means to the Germans themselves—Germans not actively engaged in the war. The difficulty is that the views presented for consumption in neutral countries are quite different from those for consumption in Germany.

Mr. von Mach's book already referred to is specially designed for the American people. It was first published in October of last year. From the point of view natural to a German it is reasonable and persuasive in tone, and the ideas are the ideas of List, only less pronounced.

In the seventh month of the war a book was published in Germany by Professor Sombart, under the title of *Traders and Heroes*, with the sub-title, *Patriotic Reflections*. The book is addressed to Germans, "for whom alone I write," and more specially to "my young friends in the trenches." It is obviously intended to be taken seriously, and should be widely read as an example of the ideas of militarism in the most extreme form.¹ The worst of it is for the searcher after truth that in substance and in detail it is in flat contradiction to the German-American version of Mr. von Mach.

We may begin with an interesting contrast in detail. Mr. von Mach knows that the American people detest war and militarism; and he begins his chapter on militarism by roundly asserting that "Germany is not the home of militarism either as regards the military spirit of her people or the efforts of the Government to have the most expensive military machinery at its disposal." In the chapter on the Emperor the same tone is adopted. The Emperor has been after all "the great prince of peace" and the patron of the peaceful pursuits of the Germans. Some speeches and addresses are reproduced which would have done credit to the Moderator of a Scottish Assembly or an Archbishop. The title of war lord is explained as commander-inchief, and the divine right is interpreted to mean no more than a deep personal religious conviction, such (we suppose) as John Bunyan might have felt after he had felt the grace of God. So peaceful is the Emperor that it is a pity (says Mr. von Mach) there are so many military photographs sold of the Emperor. But this (he says) is explained in a very simple

¹ An excellent translation, under the title *Hucksters and Heroes* has been made by Mr. Alexander Gray, which it is to be hoped will soon be published.

way. William II. suffers from a crippled arm, and when he is taken in uniform, with his left arm resting on the hilt of the sword, the shadows can be so managed that the deformity of this arm is hardly seen. The Emperor is not a Cromwell, and Mr. von Mach is not a courtier, but an explanation had to be given why "the prince of peace "was always in uniform. To correct this evil impression, begotten of the military photographs, Mr. von Mach has given as the frontispiece of his book a photograph of the Emperor sitting at his desk in his villa in Corfu, clad in an American straw-hat and a suit to match. "An American straw-hat is a poor hiding-place for a divine right halo." So says Mr. von Mach, and most truly, for the Emperor is quite unrecognisable in the garb of peace. He looks for all the world like a well-to-do shopkeeper in his villa by the sea. And the question naturally arises, Why should any mere man, shopkeeper or other, have it in his power to let loose the horrors of a world-war, and claim for himself a right to upset the recognised laws and customs by which in the course of centuries the horrors of war had been somewhat lessened ?

The Emperor as shopkeeper brings me to Professor Sombart, some of whose writings, especially on Socialism, have been translated into English, and obtained a certain vogue in the United States. In *Traders and Heroes* the still small voice for the American peace-lover is displaced by the voice of thunder for the German, "for whom alone I write." Professor Sombart not only glories in militarism, but he makes it out to be the life and soul of the

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people. The Emperor, he is careful to explain, always appears in uniform, as also everyone else who is entitled to wear one, because "with us everything that relates to military matters enjoys precedence." "We are a nation of warriors." All well-meaning foreigners, he says, are anxious to free us from some institution or other, *e.g.*, Eliot from the constitution, others from the Emperor, and so on, but for most people the question is to free us from militarism. All these well-meaning suggestions he asserts rest on the same false idea : as if the German institutions were something external (like the burden on the back of a donkey); but in reality they are only manifestations of the spirit and soul of the people.

Militarism, like the rest, has a body as well as a soul; the body or material part is seen in universal compulsory service, machine guns, moustaches, and uniforms. All this, however, is but the outer garment, "What here manifests itself is born of a particular spirit, which penetrates the whole of our national existence . . . in every domain of our existence public and private, external and internal. The main position is repeated over and over again. and there can be no question as to the meaning or the lack of any qualification. "All the other branches of the life of the people are subservient to the military interests. In particular the economic life of the people is subordinated. The consequence is that in all branches of public life and also in the private life of each individual German this spirit of training and discipline has established itself.

. . . Whether we are dealing with schools or universities, workers' unions or the national bank, railways or learning, it is always the same spirit, it is always German militarism that inspires it, a spirit before which the foreigner stands as before a miracle. For it is out of this spirit that the works of organisation have been created which have once more astonished the world in this war."

Even yet the climax has not been reached of this eulogy of militarism. Since it is only in war that we find that all the virtues of militarism arrive at their full bloom, because it is only in war that we find the action of true heroism, war appears, to the Germans who are filled with militarism, as in itself " a holy thing, the holiest thing on earth." There is no mistake about the meaning of this holiness, and it is made more clear by contrast with the spirit of the shopkeeper. "With nothing are we so reproached by all hucksters as for the fact that we regard war as a holy thing. They say that it is inhuman and senseless. The slaughter of the best men in a nation is brutish. Thus indeed it must appear to a huckster who knows nothing on earth higher than the individual natural life of man. We, however, know that there is a higher life, the life of the nation, the life of the state."

It is in this part of the argument that the only oasis appears in the moral desert of militarism. Self-sacrifice is also the corner-stone of the Christian faith; and in every moral system that ever had a following to die for one's country is the most honoured and blessed of duties.

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But the oasis seems only a mirage when we try to find out what this higher life is and what is the nature of the state to which the individual must sacrifice himself.

It is difficult to convey the ideas in English because the ideas are foreign to English modes of thought. The essence is that the state is superindividual. Individual liberty, as we understand it, disappears. The state on the German view is neither founded nor erected by individuals, " nor does it have as its object the promotion of any interests of the individual whatever." " It is the conscious organisation of something above the individual." Individuals are only to be allowed to develop their character in a manner that is of value to the whole.

The fundamental difficulty about this conception of the state is never met or even mentioned, namely, who is to determine the highest policy to which all the obedience of the units is to be directed. The God of the Germans is merely a question-begging name—the name that gives the formal approval to the acts of the sovereign human power. What kind of a God is it whose first prophet is the Kaiser and his hereditary successor the Crown Prince ? If the divine guidance is not under the straw-hat of the Kaiser, where is it to be found ?

In the absence of any foundation in religion or morality we are thrown back on militarism, not only as the only means but the only end of the state. And in this way we are landed in the hopeless contradiction that the highest manifestation is the state

at war. This emphatically is the opinion of Professor Sombart. The long peace had, in his view, corrupted and degraded the people. He draws a most gloomy picture of the state of Germany before the war through the spread of commercialism and "sportism." All the evils of peace are summed up in the saying that "important elements of English culture had begun to make themselves widely felt." Hopeless attempts were made at salvation. The salvation of religion was tried (not by many), and it was found stale. The salvation of Socialism was tried, and it was found unprofitable. Professor Sombart was once a socialist, and he knows. "I, indeed," he says, "and a large number of people, and these not the worst, had before the war succumbed to a complete culture-pessimism. We had become firmly convinced that mankind was at an end, and that the remainder of its existence on earth would be an entirely unpleasant condition of vulgarisation of life in an ant heap, that the huckster spirit was everywhere on the point of making itself felt, &c., &c."

"And then the wonder happened," and Professor Sombart is lost in ecstasy and long sentences. "The war came . . . a new spirit broke forth . . . yet not a new spirit . . . it was the old German spirit . . . [the old potato spirit] . . flame devouring flame . . . &c., &c."

This exaltation of war and horror of peace lands the German fire-eater in a difficulty. The question has been put to him (it seems by his own countrymen —perhaps of a prophetic turn): Would it not be better for our young heroes if they should suffer

defeat so as to have a long period of discipline for the next war, and so on ?

The answer is that victory is necessary for a strong state. You cannot get proper militarism without strength, any more than you can get a proper mountain without size and height. "What happens to people void of state (*i.e.*, a mountain of it) or with but a weak state we see clearly enough in the 'small' nationalities of Europe." Yes, indeed. Then the preacher of heroism goes on : "We want to be idealists but not dreamers in the clouds. We wish to stand firm on earth and take as much of the sea and of the earth as we need for our existence and for our natural increase. We do not want anything more than this, but also we do not want anything less. Our kingdom is of this world. If we desire to remain a strong state we must conquer. A great victory will make it possible not to trouble any more about those who are around us. When the German stands leaning on his mighty sword, clad in steel from his sole to his head, whatsoever will, may down below, dance around his feet, and the intellectuals and the learned men of England, France, and Russia, and Italy may rail at him and throw mud. But in his lofty repose he will not allow himself to be disturbed. and he will only reflect in the sense of his old ancestors in Europe: Oderint dum metuant." A little bit of old German would have been more stylish than a Latin tag, but the meaning is clear : it is the rest of the body of the mailed fist in a new suit of shining armour.

This image of a steel clad mighty Germany naturally

leads to a consideration of "other nations and ourselves." Here the main idea is that Germany needs nothing whatever from other nations; she is altogether superior in every part of national life and in any exchange gives more than she receives. Here are a few examples of German self-sufficiency.

"All economic international relations are a necessary evil which we should endeavour to restrict as far as possible. The most pressing task after the war will be to secure for Germany the maximum of *economic independence*." Then comes the turn of international law. This it is graciously allowed has in the past achieved much good, "and in future it may be allowed to develop undisturbed." In future —that is, we suppose, after the war.

International socialism of the proletariate is shortly condemned as "a very grave evil :" "We must wait to see how the working classes on their return from the trenches will be cured of this malady."

There remains cultural or spiritual internationalism, that is the relations between nations in the scientific, artistic, and social field. "Fortunately we Germans do not require anybody in matters of spirit or of culture. No nation in the world can give us anything worth mentioning in the field of science or technology, art or literature."

It is rather an anti-climax to read that, after all, foreign nations may offer some things of spiritual value, but the situation is saved by "always excepting England, which does not produce anything of cultural value." This is praise indeed.

There is a little comfort but not much in the last

bit of the international relations. "The idea that we are the chosen people imposes on us heavy duties. Above all, we must maintain ourselves as a strong nation. We are not out to conquer the world . . . what should we do with such indigestible bits in our stomach? We do not desire to conquer peoples half civilised or in a state of nature in order to fill them with the German spirit. Such a Germanisation is not possible . . , . The great talent for civilisation which is praised in the English is nothing but an expression of spiritual poverty. Who could undertake the task of implanting German culture in other nations? You cannot lay heroism like gas mains in any part of the world you choose. We Germans will always thus be-and rightly so-bad colonisers." The gas of heroism is difficult to lay on even in the trenches, and then only with a suitable wind.

This comfortable doctrine that springs from the contempt of the German Colossus must not be relied on too much. "Should it be necessary to increase our territory we will take as much land as appears necessary. We shall also take *all* the strategical points that seem good enough, in order to maintain our impregnable strength. If it is of any use to our position of strength in the world we will establish stations for our fleet *for example* in Dover, Malta, Suez. Beyond this we will do nothing." But the "*for example*" is ominous.

Towards the end of his argument the Professor goes from rhapsody to rhapsody—from megalomania to megalomania. Here is a choice example : "No we must purge from our souls the last fragments of

the old ideal of a progressive development of humanity . . . The idea of humanity can only thus be understood in its deepest sense when it attains its highest and richest development in particular noble nations. These for the time being are the representatives of God's thought on earth. Such were the Jews, such were the Greeks. And the chosen people of these centuries is the German people. To show this is the purpose of this book. Now we understand why other people pursue us with their hatred. Thev do not understand us, but they are sensible of our enormous spiritual superiority. So the Jews were hated in antiquity because they were the representatives of God on earth," &c., &c. And only to think that we in England and America, when we tipped the German waiter or gave our smallest coin to the collector for the German band, never knew that we were tipping angels unawares.

Professor Sombart is extremely verbose, and his thought is so emotional that with the best intentions it is difficult to condense it into an English form.

To show the glory of war and the imbecility of peace one more sentence may be given. After a long array of authors who have praised militarism, which is meant to show that the author is in harmony with the best thought of Germany, we read: "The wretched book of the aged Kant on *Everlasting Peace*, in which it is not the great philosopher who speaks, but the private person, represents the only exception. Otherwise we have no knowledge of pacific utterances of representative Germans of any time. Such utter-

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ances would indeed also represent a sin against the holy ghost of Germanism."

It is difficult for any English-speaking person to take stuff of this kind seriously. And therein lies the danger. The book must be read as a whole to see the full bearing. In this chapter only some of the matter specially bearing on militarism has been extracted and condensed. The plan of the book is quite logical and the argument is developed in due order. It is not merely a collection of rhapsodies on war and Germanism.

In the introduction Professor Sombart observes very truly that the present war, like the former great wars, is a contest of ideals, or, as he says, of faith. It is a contest between commercialism and heroism : traders (or hucksters) and heroes. The Germans, of course, are the heroes, and the Turks are ingenuously left out as taking part in a mere episode. The English are the traders *par excellence*, the shopkeepers.

The main idea of the book is to show that the opposition between the English and the German ideals—commercialism and heroism—is irreconcilable. The handling of what purports to be an account of English culture—its literature, history, philosophy, and every department of activity past and present displays either an appalling lack of knowledge or an appalling lack of truth. The distortion is not even amusing. The praise of the Germans on the other hand, apart from the blasphemy as may be seen from the samples quoted already, would seem distinctly comic but for the horrible practical sequel to the German madness. It is to be hoped that in time this madness of Germany may pass as the madness of revolutionary France passed; but until it does we can only say with Professor Sombart that "it may be hoped there will now be an end of all talk of the community of these two kindred nations—the English and the German. There is nothing more silly than this." Nothing.

It may be said that the ravings of Professor Sombart do not fairly represent the German people. Judging by deeds, however, they are certainly much nearer the truth than the sweet reasonableness attributed to them by Mr. von Mach.

In the meantime, in the conflict of evidences of opinion, and with the issue of a specially mild kind for the use of Americans, we must rely on the evidences of the war itself. The later German excesses bring us to the consideration of American interests.

CHAPTER VI

THE IMMEDIATE INTERESTS OF THE UNITED STATES 1

ON the outbreak of the war the immediate interests of the United States seemed to admit of no doubt. These interests would clearly be best promoted by the maintenance of strict neutrality.

It has always been the policy of the United States not to interfere in European quarrels. Similarly, the principle of non-intervention in the internal affairs of any independent foreign State has always been strictly interpreted, as is shown in the longsuffering of the anarchy of Mexico. A very practical proof of the reality of this policy of non-interference is found in the persistent neglect of military preparation. There is no provision for an expeditionary force, and without such a force the power of the Navy is limited.

The composite character of the people of the United States clenched the idea of neutrality with a very practical reason. By the last Census (1910) it appears that the white population of foreign stock (*i.e.*,

¹ On the distinction between national interests and national sympathies see above, Chapter I.

foreign born or one or both parents foreign born) is over thirty-two millions. Of this foreign stock, about one-third—say, eleven millions—is from Germany and Austria-Hungary, and about one-third is from the British Isles and Canada. The German element is strong in wealth and political influence, and to judge by the samples of its journals in sentiment is more Kaiserlich than the Kaiser.

Besides those connected by blood relationship with the different belligerent nations, there are many also closely connected by commercial and financial ties. Some of these hyphenated financial interests are amongst the most important of the United States.

It was obvious at once that the war would involve immense monetary losses to the nations actively concerned. Their trade would be crippled and their capital replaced by debt. The United States, on the other hand, as a neutral, would be likely to enjoy exceptional gains, as a buyer of bankrupt stock and a seller of the prime necessaries of life and of war at famine prices. In recent years the foreign trade of the United States has become of increasing importance, and the war promised openings for the capture of markets which the Germans had already taken from the British. As a result of the general financial disorganisation New York might hope, if neutrality were strictly preserved, to take the place of London as the clearing-house of the world. There is a glamour about foreign trade and the control of international money markets that appeals to the popular imagination in much the same way as the

barbaric pearl and gold of the gorgeous East used to appeal to our ancestors. "The United States the Greatest Trading Nation," "New York the World's Banker," would no doubt be most pleasing headlines.

From the moral point of view the case for neutrality seemed equally clear. To the average American, war is horrible. The doctrines of Bernhardi are repulsive; a retrogression to barbarism and not an advance to a higher plane. This disgust with Bernhardi's praise of war and the military virtues is so strong that Mr. von Mach, in his able presentation of the German case for the use of Americans, has taken pains in his introduction to repudiate Bernhardi.¹ "It will hardly be doubted that Bernhardi neither spoke for the Germans as such, nor that his book had any influence on the people as a whole." Unfortunately, since the outbreak of the war, Bernhardi has been surpassed in violence in an enormous mass of German war literature-in journals, pamphlets, and books—and "military culture" must be taken to be, for the present at any rate, the ideal of the "Germans as such." The actual progress of the present war has certainly confirmed the average American in his original opinion that war is horrible. War may be the lesser of evils; war may promote some of the highest forms of self-sacrifice and duty; war may foster some of the noblest virtues; these truths the Americans learned in their own Civil War, which is still a living memory; but they learned also that war is horrible.

¹ Op. cit., pp. 9-11.

Such being the state of affairs and of opinions in the United States, it was plainly the duty of the President to declare a policy of neutrality and to endeavour to follow out this policy with the utmost strictness and good faith.

But although the immediate interests of the United States pointed clearly to neutrality, the war had hardly begun when the rule of neutrality presented difficulties of interpretation. Neutrality itself incurs obligations and also claims rights. The United States, as the greatest of neutrals, is concerned to maintain a strict interpretation both of the rights and the obligations. This attitude is the natural counterpart of the policy of non-intervention. The position of the United States as a great pacific and non-interventionist nation would be intolerable if the military nations presumed to take advantage of this pacifism in their own interests.

So important is this championship of neutrality that it may be said to form an essential part of the national interests of the United States.

But the position of champion neutral thus assumed, though obviously just in principle, is beset with the gravest difficulties in practice.

It is to the interest of the United States—in the strictest interpretation of interest—that the accepted rules of international law should be observed by the belligerents, and thereby the system of international law itself strengthened and consolidated.

For, unfortunately, what is called international law is in strictness only international morality. Suppose some powerful nation changes its view on the accepted moral law, what is to be done? Who is to decide if the change of view is justified by the plea of national safety or military exigency? Who is to inflict the penalty, if any ?

It cannot be expected that the United States (without an army) should rush in to separate the combatants and enforce the rules of fair fighting or the observance of treaties and agreements which cannot be considered as directly affecting American interests in the more narrow sense of the term. In some part of the world there is always being committed some crime against international law, but the United States cannot set up to be the general judge and policeman for the whole world. Don Quixote himself might have quailed before such a task.

Nor can the interference of the United States be determined simply by the magnitude of the offence or the estimate of its moral turpitude.

"It will never be possible in any war to commit a clearer breach of international morality than that committed by Germany in the invasion of Belgium." In these words ex-President Roosevelt has expressed the opinion of the civilised world. But it is by no means clear from the indignant sermon preached from this text that even he would think the devastation of Belgium in itself made the military intervention of the United States inevitable.

It is to be hoped that one result of the present war will be to stop such misconduct for the future; but such, alas! was also the pious hope of the latest Hague Conferences. The world still waits for the greatest discovery in practical morality—namely, the imposition of effective penalties for the breach of international law—effective, that is to say, as preventive.

In the meantime, however, even the champion nation of neutrality and of international law cannot be expected to go to war simply to enforce international morality in general.

But the case is at once altered as soon as any infringement of accepted international law affects not only third parties, but the United States itself. Under present conditions the only way in which international law can be maintained and advanced is if every particular nation, so far as lies in its power, defends its own interests against any breach.

Belgium set an example that ought to be an everlasting landmark in the advancement of international law. For the present it is the worst case on record of the violation of that law. Belgium was offered the German guarantee of integrity and compensation for disturbance after the war if only she would permit the passage of German troops. A refusal was to be met by war. Belgium would not accept this interference with her political independence. Yet Germany had promised that Belgium should suffer no material injury if she yielded. Belgium has suffered martyrdom for a word-for an idea-the idea of political independence. The martyrdom of Belgium will be wasted unless as a consequence the law of nations is put on a more solid foundation, and unless a recurrence of such violation is prevented. In the meantime it is more than ever necessary that no further violation of accepted law should be suffered by the other neutral nations. It follows

that the champion of neutrality ought to guard with the utmost jealousy any interference with its own interests as determined by international law. Any sacrifice of political independence at the present juncture is so far a reversion to barbarism.

It is, of course, a matter for the United States to determine how far in fact or in law there is a violation of its interests, and to judge of the inadequaey of any explanation or redress that may be offered.

It is worth while, however, to consider, by way of illustration of the general argument, what is meant by the interests of the United States apart from the general sympathy with law and humanity. We may begin with the lowest interests-that is to say, the lowest in the moral scale that is still commonly adopted by the nations-namely, the commercial interests. The commerce of the United States is carried on under the accepted rules of international law. The mere announcement through the usual diplomatic channels by some other nation of its intention to break this law makes no difference whatever to the rights of the United States. The offending nation may plead self-defence or military necessity, but the very object of international law is to restrain the self-interest of nations. If the intention to break the law is not conveyed through the usual diplomatic channels, where it might well be checked in transit, but is only advertised in the newspapers, the offence is much aggravated.

When the breach of the law is specially aimed against shipping it reaches the highest point of audacity. A ship is thought to be as inviolable

as a citizen; in all languages a ship is spoken of as a living thing, and to sink a ship unlawfully is, so to speak, murder or culpable homicide, as the case may be. Some of the greatest wars have arisen in connection with the rights of shipping and the freedom of the seas.

If, however, the rights of trade and of certain kinds of property are regarded as of so much importance, a fortiori any offence against international law involving the lives of the citizens cannot be passed over without a sacrifice of the fundamental idea of political independence. The case of the Lusitania is very different from that of Belgium so far as it affects the interests of the United States. The horror of Belgium was greater, but it was not the property or lives of American citizens that was threatened. Although the Lusitania was a British ship and alleged to carry contraband, its destruction against the rules of international law, with the consequent loss of American lives, is an infringement of that elementary security that is the foundation of political society.

On the right of the United States to demand explanation and redress there can be no question, as was made perfectly clear in the first Presidential Note.

But in the matter of peace and war the question of right is not everything; there is also the question of expediency. The distinction was admirably put by Canning in a speech on the Spanish question (1823). "Any question of war involves not only a question of right, not only a question of justice, but also a question

of expediency. Before any Government goes to war it ought to be convinced not only that it has just cause for war, but that there is something which renders war its duty; a duty compounded of two considerations—the first what the country may owe to others; the second what she owes to herself."

The primary duty of the United States to other nations, if the foregoing argument is accepted, is to insist that so far as she is concerned no violation of international law will be permitted. The champion of neutrality must at least defend the rights of neutrals in its own case.

The duty of the United States to herself must depend on the view that is taken of her own interests. As already shown, the immediate interests are in neutrality, but unless the policy of a country is to be governed merely by the opportunism of the moment, regard must be paid to ulterior interests and to the great principles which are at the basis of the constitution and life of the State.

The people of the United States are not governed simply by monetary calculations. Fifty years ago they submitted not merely to war, but to civil war of the most dreadful kind. What for ? To determine the meaning of the word liberty. The liberty of the North fought against the liberty of the South---the higher liberty against the lower. Who could formulate in terms of money the points at issue ?

And at the present crisis in the history of the world the duty of the United States to herself cannot be estimated simply in the effects on opulence, and still less by that part of opulence that arises from foreign trade and dealing in money. It may well turn out that this wider view of interests may show that the duty to self and the duty to other nations coincide to a great extent, and may involve a reconsideration of the policy of passive acceptance of the great German Revolution.

CHAPTER VII

THE ULTERIOR INTERESTS OF THE UNITED STATES.

At the outbreak of the war it was commonly believed in this country that the German nation had been led away by the Emperor, and the Emperor by a military clique. The English-speaking races take it as an axiom that you cannot bring an indictment against a nation. Most people in Britain believed that as soon as the Emperor had been found out, and even if victory was delayed beyond the appointed day, there would be in Germany revolution and disruption.

The course of the war and the publication in Germany of masses of war literature have shown that these ideas were the reverse of the truth. The Emperor is the best beloved man in Germany because he best represents the national ideals.

"It is no longer possible," says Mr. von Mach, "to speak of a clique as in command of the Government. The communal and individual life of Germany is democratic, and the heads of departments are drawn from all classes."¹ The Emperor is well spoken of at home, and is beloved by his people, "not because he is autocratic, but because his aims throughout his reign have been the aims of the healthy pulsating life of Germany—peace and progress."1 The Germanic ideas of peace and progress have received very full illumination, not only from the war literature, but from the war practice. The kind of peace is certainly the kind that promotes progress; but the progress that is sought after is the progress of the German Empire regardless of the rights of other nations. It is not the German Emperor only who wants a place in the sun and is not satisfied with peaceful penetration. The whole nation has been seized with the lust for military dominion.

In the same way it is not only by the military caste that war has been glorified. The whole nation has been taught to believe that the virtues of war are nobler than the virtues of peace. The hatred of England is not due simply to her unexpected intervention in the war, but to the feeling that English ideas are most opposed to "military culture." Not only is war glorified, but military necessity or advantage is made the final test of justice. "War is war" is not merely the excuse of the ruthless soldier, but is accepted by practically all the leaders of thought in Germany as a sufficient excuse for the sufferings of Belgium; it is a pity that in war the innocent must suffer with the guilty—that is all.²

² In October, 1914, Professors Yves Guyot and Daniel Bellet addressed a letter to Professor Lujo Brentano in which they expressed their surprise that his name should have been found amongst the signatories of the manifesto of the ninety-three German Professors. Professor Brentano has been known these

¹ Ibid., p. 39.

It is only with the greatest reluctance that the British people have been forced to the conclusion by overwhelming evidence that the German nation is throughout permeated with these ideas of "military culture" and of the morality of might.

It is an old saying that England is "a nation of shopkeepers." The expression was used by Adam Smith, and is, at any rate, good enough to be opposed to "the nation of heroes." But, whatever words of praise or dispraise are employed, there can be no question that the ideas at the basis of German military culture and hero-worship are exactly the opposite of the great ideas under which the British Empire has grown up and been extended over so wide an area.¹

And the key to the present argument is that it is precisely these same ideas which have dominated

forty years as one of the most able and sympathetic writers on English labour questions. His work on the origins of English Trade Unions was literally a path-breaker. The present writer for the first book he ever published (1877) took for a motto Brentano's dictum that "die Lohnfrage ist eine Kulturfrage"-the wages question is a question of culture. Inter alia in their letter the French Professors call attention to the frightfulness in Belgium as attested by witnesses from the United States. In his reply Professor Brentano says it is one of the saddest things in war that there are always innocent who suffer with the guilty, and by way of consolation adds that the curse will fall on those who have provoked so frightful a war. Apparently Professor Brentano believed that Germany was the victim of an unprovoked and long-prepared-for attack. If this is still his bona fide belief it shows how much the German people were deceived. But whatever their ideas of the origins of the war their approval of its conduct on land and sea (witness the joy over the Lusitania) seems to show that for the time at any rate the moral sense of the people has been blunted.

¹ See above, Chapter III.

the growth of the United States, and with the vigour natural to a young nation unfettered by ancient history and with boundless territory have been pushed farther than in the old country.

If the opposition between the German and the British ideals is marked, the opposition is still stronger between German ideals and the ideals of the United States.

What, then, are these great ideas which dominate British civilisation, and are still stronger, because less restricted in their unfolding, in the United States ? What are these great ideas which are so opposed to the ideas of the German Revolution ?

The most persistent and forceful of them all is liberty. Liberty must always mean liberty under the law, but in the British and the American nations the ideal is a maximum of freedom with a minimum of coercion and regulation. In Germany, on the other hand, the idea has been fostered that state regulation is better than private judgment, and that obedience is better than liberty. In the Englishspeaking nations the great principle of equality before the law is carried out to the full extent. With them the law is no respecter of persons. In Germany, even in peace, ideas of military privilege offend against this principle, and in war military privilege is supreme.¹

¹ List observed that in no European country is the institution of an aristocracy more judiciously designed than in England, where the nobility attract to their body the *clite* of the commonalty, and on the other hand throw back into the commonalty the surplus progeny of the aristocracy. The especially praises the restriction of titles of nobility to one representative of a family. In

As regards constitutional liberties, there is very little difference between the United Kingdom and the United States, although in names and in theory the latter is ostensibly the more advanced. The retention of the hereditary principle in the British Empire is rather a formal than a material difference.

In the German Empire, on the other hand, the Emperor is not, in the British sense of the term, a constitutional monarch. His personal power is real and great, alike in the choice of Ministers, in the determination of foreign policy, and in the conduct of war. How the German people can submit to a nonconstitutional Government is always one of the wonders of the world to the British mind. The present German Emperor believes in his divine right. The last King of England who believed in his divine right was executed more than two and a half centuries ago.

In the German system of local government the permanent State official holds a dominant position. The Government expert is everywhere. In this country, on the other hand, as Mr. Dawson observes in his great work on *Municipal Life and Government in Germany*, "most Englishmen at heart prefer the worst of amateurs to the best of experts, and would

Germany the opposite system prevails, and the ruling caste, especially in the army, is "noble" by birth. The privileges of the army and the bureaucracy are thus to a great extent birth privileges. It is worth noting that in his diatribes against the English shopkeepers Professor Sombart looks on the interaction of the aristocracy and the commonality which was so highly praised by List as one of the causes of the national decay. What do the German socialists think of the German theory of aristocracy ?

rather be wrong with the one than right with the other." But this greater German efficiency is bought at the cost of a depression of individual character and of the essentials of liberty that are the life and soul of the English-speaking nations. In time of war this acquired docility of the German has its advantages, at least in its earlier stages. It has its advantages in regulating the consumption of food and the provision of military requisites. But the point is not as to which system gives the best military results for the time being, but whether British freedom or German obedience is most in accord with American ideals.

In comparing "the shopkeeper" with "the hero," the most striking and obvious difference is in the provision for military requirements. The British ideal is to use the minimum of military power that is necessary to support the defence of the Empire. The Germanic idea is to organise the Empire in such a way as to promote the highest military power possible. It is not necessary to point out that in the United States the non-military idea has been carried to an extreme. Even the United States, however, in recent years has found it desirable to keep up an effective Navy. In the British Empire the proximity of the British Isles to Europe and the vast extent of the British dominions make a strong Navy a necessity. But relatively to our national obligations when the present war broke out we were only possessed of the minimum military power requisite for our defence. Mr. von Mach, in his chapter on "Militarism," tries to show that militarism prevails to a greater extent in the United Kingdom than in Germany. This extraordinary paradox is supported by taking the amount of money spent by the United Kingdom on the Army and Navy per head of population, and comparing the amount per head of Germany. "Figured *per capita*," he says, "the United Kingdom in 1911 was spending about 60 per cent. more than Germany." Therefore, apparently the United Kingdom is afflicted with militarism more than half as much again as Germany.

Unfortunately for this conclusion it is forgotten that the population of the United Kingdom is only about one-tenth of the population of the British Empire, and the main burden of the defence of the Empire is thrown on Britain.

In British policy the principle of non-interference with the internal affairs of foreign states has long been the accepted rule, and in the United States the rule has again been carried to an extreme.

With Germany, on the other hand, the degree of interference appears to be only limited by the chance of success.

With regard to external relations with foreign countries, the present war has shown that, whilst Britain made the observance of treaty obligations the first consideration, Germany began by an official repudiation of international law. "We have been forced into a state of self-defence, and the necessity of self-defence knows no other law. Our troops have occupied Luxemburg, and have perhaps already been obliged to enter Belgian territory. That is against the rules of international law." Thus spake the

German Chancellor; and the appalling devastation of Belgium has made his words immortal. A belated attempt was made to explain away the speech, but the explanation was more than neutralised by a series of other violations of international law, culminating (for the time) in the sinking of the *Lusitania*.

Only on one other point need the comparison of national ideals be extended. One of the great ideas common to British and American policy is the idea of humanity. The evidence is overwhelming that in the conduct of the present war Germany has transgressed the moral laws of humanity to an incredible extent.

Such, in brief outline, are the chief features of the British and of the German ideas of government as compared and contrasted with those of the United States. To the impartial observer in the United States we may say, "Look on this picture and on that, and see which is most like your own country which answers best to the ideals by which your national policy is guided ? On which side will you throw the weight of your moral approval ?"

The impartial observer may perhaps hesitate and say that the choice between ideals of Empire is none of his business. The United States as a nation, he may urge, is not only non-military but non-imperial. The American Republican does not like the word empire, even when it is joined with the word liberty.

But if he does not like the idea of empire with liberty, how would he like the idea of empire without liberty? The ideal of government in the British Empire, as in the Motherland, is the maximum of liberty that is consistent with the development of each part and the security of the whole. This ideal had been realised in practice to an extraordinary degree, as was shown in a marvellous manner on the outbreak of the war. What Germany had expected and hoped for, and paid for, was an outburst of rebellions against the British yoke, and a rush to the friendship and protection of Germany. In the words of the great adopted poet of Germany the subject races of Britain were to say, "Now is the winter of our discontent made glorious summer by this sun of——!" What is the missing word ? Who except a Prussian would venture to say—Prussia ?

The latest German suggestion is that the United States has more to fear from the Marinismus of England than from the Militarismus of Germany. For a hundred years past the United States has had nothing to complain of from British naval power; what Germany means by the freedom of the seas may be conjectured from the use of her submarines.

If by any disaster the outcome of the present war were altogether favourable to Germany, and if to the military power of Germany were added the power of the sea, the world dominion of Germany would be unquestioned for many generations.

That is the real issue of the war. Could the United States contemplate with equanimity such an accession of power by Germany? Could the United States afford to see the British Empire go under, and a German Empire on even a larger scale take its place?

What are the real ulterior interests of the United States in this world struggle ? Surely the interests

that are most in accord with the national sympathies and ideals : liberty, justice, and humanity. In this sense it is not the chief interest of the United States to pocket the money gains of neutrality from the expansion of foreign trade. It is not her chief interest to see in her own territories the greatest number of people producing and consuming the greatest amount of material wealth, regardless of the rest of the world. Non-intervention may be good, non-militarism may be good, but the United States cannot live in isolation.¹ And it is not to the interest of the United States that international law, which has grown up with the growth of civilisation, should be uprooted by military force, and that the ideals of Western freedom should be displaced by the ideals of German discipline.

By all means if possible let the United States avoid war—by all means possible unless war becomes her duty—"a duty," again to recall the words in which Canning expressed the general moral judgment nearly a hundred years ago—"a duty compounded of two considerations : the first what the country

¹ In the final chapter of my *Principles of Political Economy* (Vol. III., chapter 20), in discussing the relations of Political Economy to Christianity, the following passage (written in 1901), seems apposite to the present argument: "Take a test case: May a Christian become a soldier? At first sight killing and maining men seems accursed—a thing to be avoided at the risk of one's own life. But the question arises: Will not war be infinitely worse if left to unbelievers? Has not warfare been softened by even the partial acceptance of Christian principles ? . . It is not simply by refusing to enlist as a soldier that the Christian will best repress and restrain war, any more than by refusing to become a magistrate he will repress crime. War in the ideal is only part of the administration of justice."

may owe to others; the second what she owes to herself."

What she owes to herself it is for herself alone to decide. What she owes to others is to support, so far as her duty to herself will permit, the law of nations as against the arbitrary violation by military power.

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