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# President Coolidge Defines America's Attitude Toward Europe

By JAMES THAYER GEROULD

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THAT Europe and the United States are lacking in mutual understanding was the main point of President Coolidge's Armistice Day speech (the text of which will be found at the end of this article). Frankly discussing this country's attitude, the President recommended a restriction of financial advances to European nations and, strongly emphasizing our naval needs, advocated the construction by the United States of more cruisers. Whether this speech of Mr. Coolidge's will prove a forward move in inter-continental relations is a question of some doubt. The immediate reaction of the larger European States, as reflected in the press, although one of criticism of the stand taken, was at the same time marked by appreciation of the frankness and boldness of the President's statements.

The speech aroused the greatest amount of immediate comment in Great Britain. The London *Times* in an editorial which praised our share in the war, also criticized freely President Coolidge's remarks both regarding the "pressure in the United States of war's financial burden," and regarding our present need of further naval armaments. Other British papers felt that the speech would cause Europe and the United States to drift further apart, although one or two sympathized and agreed with President Coolidge's stand. The Government's standpoint was indicated by Premier Baldwin in his final speech in defense of British foreign policy in the House of Commons on Nov. 13 when he appealed for closer contact by more frequent personal discussions between Europe and America:

I think President Coolidge is right. I think there is lacking between Europe and America mutual understanding, and I regret it profoundly. But if I am asked why it is, it is very difficult to find the answer. \* \* \* I do not pretend to see a way out, but I think this worthy of reflection and consideration. In Europe all her statesmen have got into the habit of meeting at Geneva and talking together, by which they learn not only each other's point of view but each other's idiosyncracies as individuals.

\* \* \* American statesmen do not know European statesmen. European statesmen do not know American statesmen. There is no personal intercourse and the only intercourse that takes place is by written dispatch that goes across 3,000 miles of ocean. It is a far more difficult thing to get a mutual understanding in those circumstances.

In Germany the press reflected public opinion to the effect that, although the Reich substantially agreed with Mr. Coolidge's observations on armament limitation, debts and the economic consolidation of Europe, the speech would seriously impair our relations with Europe. In Italy excitement over the speech was not very great, the chief feeling being that the remarks referred more to Great Britain than to Europe as a whole, and that as such they would not contribute greatly to Anglo-American understanding.

In France the immediate criticism of President Coolidge's speech was the sharpest of any in Europe. The French pointed to the inconsistency of the United States in proclaiming the need for greater American armament while advising European disarmament, and denied the truth of the argument that the United States did not benefit by the war. Feeling was even more deeply stirred by Mr. Kellogg's statement, in his Armistice Day speech in New York before the World Alliance of International Friendship that "the United States had assumed no responsibility, moral or otherwise, to enforce observance of the Pact of Paris."

Twenty-four hours after President Coolidge's speech the General Naval Board submitted to Secretary Wilbur the full statement of its naval policy, stating part of it to be:

To create, maintain and operate a navy second to none; and in conformity with the ratios for capital ships established by the Washington Treaty Limiting Naval Armaments;

To make war efficiency the object of all training and to maintain that efficiency during the entire period of peace;

To develop and to organize the navy for operations in any part of either ocean;

To make the strength of the navy for battle of primary importance;

To make the strength of the navy for exercising ocean-wide control of the sea, with particular reference to the protection of American interests and overseas and coast-wise commerce next in importance;

To encourage and endeavor to lead in the development of the art and material of naval warfare.

#### THE ANGLO-FRENCH NAVAL AGREEMENT

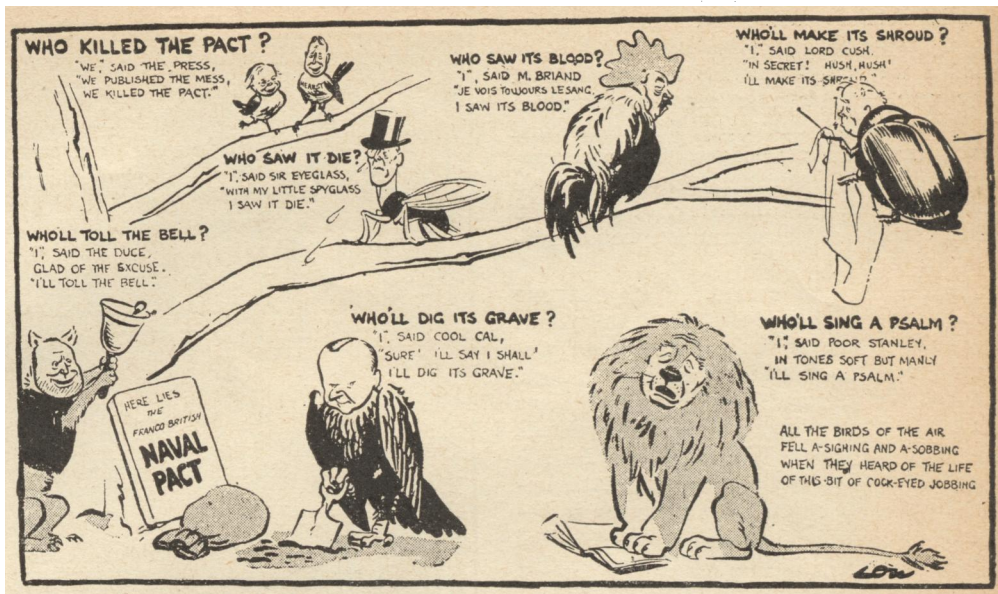
Though the discussion of international indebtedness and reparations during the last month has done not a little to force into the popular mind a realization of the necessity for finding some relief from the burden of armaments and the crushing weight of war, there has actually been little progress unless the recovery from a false step may be counted as such. The Anglo-French agreement has gone to its grave unhonored, if not unsung; and the songs that it has evoked must have seemed sadly discordant in Downing Street. The best that can be said of it is that, however inept, it was well intentioned. Not for a long time has any act of the British Government met with such general reprobation, not only from the opposition, but from within the Conservative ranks. While there is nothing in the published documents to warrant Commander Kenworthy's statement that it was intended as "reinsurance against American sea supremacy," there are many who will agree that it was "one of the worst diplomatic mistakes ever made by an English Government."

The White Paper embodying the correspondence, published by the British Government on Oct. 22, gives the full history of the negotiations. It appears that early in June a French naval representative, in conversation with Admiral Kelly at Geneva, suggested that limitation be confined to vessels mounting guns over six inches in calibre. Assuming, as it proved, incorrectly, that the French statement was official, Sir Austen Chamberlain passed it on to the Marquess of Crewe, then British Ambassador at Paris (June 26) instructing him to inform the French Government that the British were "prepared to instruct their representatives to support it, if put forward by the French"; and further that this "concession to their views on naval classification would enable them to meet the French Government by withdrawing their opposi-

tion to the French standpoint in regard to army-trained reserves." In his reply dated July 20, M. Briand stated that if the British would incorporate a provision exempting coastal submarines from limitation, his Government would accept their proposals as a whole. He suggested, however, that the agreement "can only bear fruit if the United States Government, in particular, agrees to accept it," and asked if it should not be submitted to Washington.

On July 28 the Marquess of Crewe wrote to Briand stating that, while the British were unwilling to agree that submarines below 600 in tonnage possessed "a strictly defensive character," they would, nevertheless, waive the point and agree to their exclusion. He then restated the classes with which the Disarmament Conference was to deal: (1) Capital ships (over 10,000 tons or with guns above eight inches in calibre; (2) aircraft carriers of over 10,000 tons; (3) surface vessels of or below 10,000 tons armed with guns of more than six-inch and up to eight-inch calibre; (4) ocean-going submarines, i. e., over 600 tons. Since the first two classes were limited by the Washington Conference, the Disarmament Conference, for classes 3 and 4, should "fix a maximum tonnage applicable to all Powers which no Power will be allowed to exceed for the total of vessels in each of these respective categories during the period covered by the convention. Within this maximum limit each Power will at the final conference indicate for each of these categories the tonnage they undertake not to exceed."

Two days later, July 30, this tentative agreement was transmitted to Washington, Tokio and Rome. Nothing was said, however, about the British concession regarding trained reserves, nor did Sir Austen Chamberlain, in his announcement of the agreement in the House of Commons, refer to it. Lord Cushendun's statement of the case in his telegram of Aug. 10 to Mr. Chilton in Washington was certainly disingenuous, in view of the language of the dispatch to Crewe on June 26 quoted above. The text of this dispatch was not among those communicated confidentially to Washington on Sept. 26, although Sir Austen Chamberlain, in his telegram to Sir Horace Rumbold at Berlin, on Aug. 5, implied, though not specifically, that its substance



—Glasgow Evening Times

was known to the American Chargé d'Affaires. In his note to Chilton, Lord Cushendun went into detail as to the reasons that led the Government to recede from its position. They had come to realize, he said, that the French and the other European Governments which maintain the system of conscription could not be induced to compromise, and that to continue to oppose them would make impossible any agreement regarding land forces: "It is not believed that any American interest can be prejudiced by the withdrawal of His Majesty's Government's opposition on the military reservist question."

In view of the nature of the American and Italian replies, and in response to the storm of criticism at home, the British Government has announced that it will not go on with the agreement; but it can hardly be disposed of so easily. Their representatives at the next meeting of the Preparatory Commission can with difficulty persist in their contest against conscription; and there is a persistent and uneasy feeling in England, despite vigorous Government denials, that there is some sort of a military and naval understanding between the two countries. France, for its part, can hardly again refuse to admit the possibility of classification. In this country the correspondence

has undoubtedly strengthened the forces that are supporting the Navy's building program and make its enactment very probable. Premier Baldwin in his speech before the League of Nations Union on Oct. 26 stated positively that there would be no consequent increase in their own building program.

At the moment, the prospect of any early agreement regarding disarmament looks very dark; but there is a growing realization that the end so eagerly desired must be sought, not through the technical discussions of experts, but in the spirit of the Pact of Paris, through mutual concessions of statesmen earnestly seeking for an agreement.

#### REPARATIONS AND DEBTS

There has been much "hurrying to and fro" during the last month by the leaders of international finance; and out of their conferences a definite program is being evolved for the re-establishment of a sound fiscal basis for Europe. While there are still very important problems to be solved, and many pitfalls in the way, all Europe, and tacitly, our own Government, are anxious to secure an agreement; and that is, after all, the thing of most importance. Germany wishes to secure the evacuation of



the Rhineland and the determination of her total reparations obligation; France to find a way of postponing the payment of her war debt to this country, of which \$409,000,000 is due next September and not included in her budget. The other nations, including our own, have their own stakes in the pool, differing, of course, in kind; and a settlement would be of substantial benefit to all.

In the November number of *CURRENT HISTORY* we outlined the initial steps that have been taken—the conference at Geneva, resulting in the agreement of Sept. 16, and the proposal to base the settlement on the German industrial and railway bonds provided for in the Dawes plan. As the marketing of so huge an issue proved impracticable, an alternative program is being arranged. During the early part of the week beginning Oct. 14, S. Parker Gilbert, Agent General of Reparations, was in London discussing with the Prime Minister, with British financial leaders and with J. Pierpont Morgan, the problems involved. On Oct. 19 Winston Churchill and Mr. Gilbert



WOMAN'S DAY: UP FOR DISARMAMENT

Humanity: "Mothers, it is your duty to fight for the lives of your children."

—*De Notenkraker, Amsterdam*



IT LOOKS VERY LIKE BOOTLEGGING

Uncle Sam: "Well, how d'ye explain this? Trying to get away with it again, are ye?"

—*Glasgow Bulletin*

met M. Poincaré in Paris and later in the day there were conferences with M. Moreau, head of the Bank of France, with Sir William Tyrrell, the British Ambassador, and with Mr. Morgan. While no definite statement regarding their decisions was made, it is understood that there was substantial agreement as to the program. On Oct. 23 Mr. Gilbert was in Brussels and at a luncheon given by M. Jaspar, the Belgian Premier, he discussed the situation with M. Paul Hymans and with Baron Houtart, the Ministers of Foreign Affairs and of Finance. Two days later he had a similar conference in Berlin with Chancellor Müller, Dr. Hilferding, Minister of Finance; Herr Curtius, Minister of Commerce, and with Dr. Schacht, President of the Reichsbank.

The German Government on Oct. 27 took the initiative in formally proposing, through its Ambassadors in Paris, London, Rome, Brussels and Tokio, the formation of the commission of experts envisaged by the Geneva resolution of Sept. 16. As it was clearly understood that the United States

Government did not desire, in any official way, to participate, we were not included in the proposal. To the German suggestion that the commission should be composed of independent experts, the French replied, with a great deal of truth, it must be said, that experts on such a commission are never independent in the sense that they are without Governmental instructions. Again Mr. Gilbert journeyed to Paris, where he secured from M. Poincaré an agreement



VARIOUS CURES

“These Kellogg bindings are very good, but Michel does not find the method of application to him very comfortable.”  
—*Kladderadatsch, Berlin*

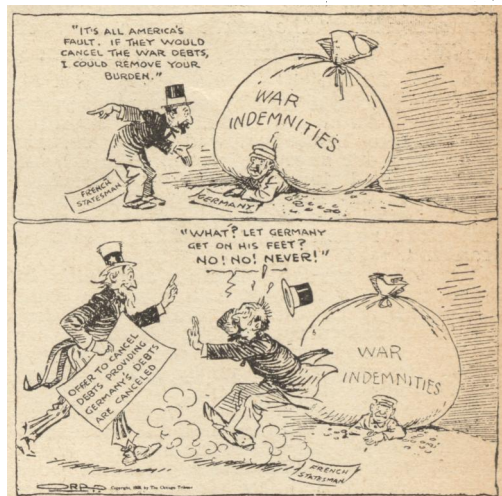
that the experts should be independent in the sense that they are not to be Government officials. No compromise was secured on the more important point, the terms of reference of the commission. As Germany sees it, the body should have wide powers and should re-examine Germany’s capacity to pay before dealing with the duration and the amount of the annuities. It is the French view, however, that the Dawes plan as it stands is well enough, and all that is necessary is amendment and completion by a readjustment of the annuities. Whenever the Germans are recalcitrant, M. Poincaré refers casually to the London agreement assessing the German obligation at approximately \$33,000,000,000, and while no one any longer takes that figure seriously, it has a certain theoretic legality. He occupies rather a strong



HELP THIS STAGGERING OLD BOY  
—*The News, Hutchinson, Kan.*

position since he assumes, quite likely with some authority, to be the spokesman of the Allies.

It is idle to speculate regarding the findings of the prospective commission, but certain limiting conditions seem rather clear. It is unlikely that any total of Germany’s obligations will formally be established, though the curious may obtain the figure by adding the sum of the annuities assessed. As the total is bound to be far below that



If America were to cancel the war debts  
—*The Chicago Tribune*



of the London agreement, faces must be saved. The annual payments to be made by Germany will not exceed the normal Dawes annuity of \$600,000,000, but it seems doubtful if they will be much below that figure. M. Poincaré, in his Chambéry and Caen speeches and in the Chamber on Nov. 15, when his new Cabinet won a vote of confidence, made it clear that France demands the amount she owes Great Britain and America, \$187,000,000, plus the cost of reconstruction of the devastated areas, between \$3,000,000,000 and \$4,000,000,000. Great Britain requires \$180,000,000 annually for the payment of her debt to America; Italy \$48,000,000 to meet her obligations to Great Britain and the United States, and Belgium \$50,000,000 for similar purposes.

There is small comfort for Germany in these figures; but with good luck she may secure a 10 per cent., possibly a somewhat larger, reduction of her present obligation. The duration of the annuities will be that of the American debt settlements; unless, by the marketing of some portion of the Dawes railroad and industrial bonds, a capital sum can be obtained which may be used to liquidate the payments due during the last years of the agreement. This may

possibly reduce the term of international war debt payments from sixty to thirty-seven years. This will depend very largely on the attitude of our own Government. Officially we are still committed to the theory that there is no relation between war debts and indemnities, and Mr. Hoover has made it quite clear that he supports the position of the Coolidge Administration. Nevertheless, there may be substance in the statement made in an editorial in *Commerce and Finance* on Oct. 24: "Tell it not in Gath, but there is an impression that, reparations settled and the Mellon-Bérenger agreement ratified, Washington may see more clearly whether a revision of debt settlements is desirable." The editors of the *Commercial and Financial Chronicle* made substantially the same statement in their issue of Oct. 27. Thus far our Government has done nothing more than to signify that there will be no objection to the service of individual Americans on the new commission. At the time this article is written its personnel and time of meeting are still undetermined, though the foreign dispatches are quite specific as to its prospective membership. It will doubtless sit in Paris, probably late in December.

## TEXT OF PRESIDENT COOLIDGE'S ARMISTICE DAY SPEECH

**T**HE address of President Coolidge on Nov. 11 in the Washington Auditorium, commemorating the tenth anniversary of the World War armistice, was as follows:  
Fellow Countrymen:

We meet to give thanks for ten more years of peace. Amid the multitude of bounties which have been bestowed upon us, we count that our supreme blessing. In all our domestic and foreign relations our chief concern is that it should be permanent. It is our belief that it is coming to be more and more realized as the natural state of mankind.

Yet, while we are placing our faith in more complete understandings which shall harmonize with the universal conscience, we ought not to forget that all the rights we now possess, the peace we now enjoy, have been secured for us by a long series of sacrifices and of conflicts.

We are able to participate in this celebration because our country had the resources, the character, and the spirit to raise, equip and support with adequate supplies an army and a navy which, by placing more than 2,000,000 men on the battlefields of Europe, contributed to the making of the armistice on the 11th day of November, 1918.

Our first thought, then, is to acknowledge the obligation which the nation owes to those who served in our forces afloat and ashore, which contributed the indispensable factor to the final victory. Although all our people became engaged in this great conflict, some in furnishing money, some in producing food and clothing, some in making munitions, some in administering our Government, the place of honor will always be accorded to the men and the women who wore the uniform of our country—the living and the dead.

When the great conflict finally broke upon us we were unprepared to meet its military responsibilities. What navy we possessed at that time, as is always the case with our navy, was ready. Admiral Sims at once carried new courage and new energy to the contest on the sea. So complete was the defense of our transports that the loss by enemy attack in sending our land forces to Europe was surprisingly small.

As we study the record of our army in France we become more and more impressed by three outstanding features. The unity of the American forces and the integrity of the American command were always preserved. They were trained with a thoroughness becoming the tradition of McClellan, they were fought with a tenacity and skill worthy

of the memory of Grant. And finally, they were undefeated. For these outstanding accomplishments, which were the chief sources of the glory of our arms, we are indebted to the genius of General Pershing.

It is unnecessary to recount with any detail our experience in the war. It was a new revelation not only of the strength but of the unity of our people. No country ever exhibited a more magnificent spirit or demonstrated a higher degree of patriotic devotion.

The great organizing ability of our industrial leaders, the unexpected strength of our financial resources, the dedication of our entire man power under the universal service law, the farm and the factory, the railroad and the bank, 4,000,000 men under arms and 6,000,000 men in reserve, all became one mighty engine for the prosecution of the war. All together it was the greatest power that any nation on earth had ever assembled.

When it was all over, in spite of the great strain, we were the only country that had much reserve power left. Our foodstuffs were necessary to supply urgent needs; our money was required to save from financial disaster. Our resources delivered Europe from starvation and ruin.

In the final treaty of peace, not only was the map of Europe remade, but the enormous colonial possessions of Germany were divided up among certain allied nations. Such private property of her nationals as they held was applied to the claim for reparations. We neither sought nor took any of the former German possessions. We have provided by law for returning the private property of her nationals.

Yet our own outlay had been and was to continue to be a perfectly enormous sum. It is sometimes represented that this country made a profit out of the war. Nothing could be further from the truth. Up to the present time our own net war costs, after allowing for our foreign-debt expectations, are about \$36,500,000,000. To retire the balance of our public debt will require about \$7,000,000,000 in interest.

Our Veterans' Bureau and allied expenses are already running at over \$500,000,000 a year in meeting the solemn duty to the disabled and dependent. With what has been paid out and what is already apparent it is probable that our final cost will run well toward \$100,000,000,000, or half the entire wealth of the country when we entered the conflict.

Viewed from its economic results, war is the most destructive agency that ever afflicts the earth. Yet it is the dead here and abroad who are gone forever. While our own losses were thus very large, the losses of others required a somewhat greater proportionate outlay, but they are to be reduced by territorial acquisitions and by reparations.

While we shall receive some further credits on the accounts I have stated as our costs, our outlay will be much greater than that of any other country. Whatever may be thought or said of us, we know and every informed person should know that we reaped no selfish benefit from the war. No citizen of the United States needs to make any apology to anybody anywhere for not having done our duty in defense of the cause of world liberty.

Such benefits as came to our country from our war experience were not represented by material values, but by spiritual values. The whole standard of our existence was raised; the conscience and the faith of the nation were quickened with new life. The people awoke to the drumbeats of a new destiny.

In common with most of the Great Powers, we are paying the cost of that terrible tragedy. On the whole, the war has made possible a great advance in self-government in Europe, yet in some quarters society was so near distintegration that it submitted to new forms of absolutism to prevent anarchy. The whole essence of war is destruction. It is the negation and the antithesis of human progress. No good thing ever came out of war that could not better have been secured by reason and conscience.

Every dictate of humanity constantly cries aloud that we do not want any more war. We ought to take every precaution and make every honorable sacrifice, however great, to prevent it. Still, the first law of progress requires the world to face facts, and it is equally plain that reason and conscience are as yet by no means supreme in human affairs. The inherited instinct of selfishness is very far from being eliminated; the forces of evil are exceedingly powerful.

The eternal questions before the nations are how to prevent war and how to defend themselves if it comes. There are those who see no answer except military preparation. But this remedy has never proved sufficient. We do not know of any nation which has ever been able to provide arms enough so as always to be at peace.

Fifteen years ago the most thoroughly equipped peoples of Europe were Germany and France. We saw what happened. While Rome maintained a general peace for many generations, it was not without a running conflict on the borders which finally engulfed the empire.

But there is a wide distinction between absolute prevention and frequent recurrence, and peace is of little value if it is constantly accompanied by the threatened or the actual violation of national rights.

If the European countries had neglected their defenses, it is probable that war would have come much sooner. All human experience seems to demonstrate that a country which makes reasonable preparation for defense is less likely to be subject to a hostile attack and less likely to suffer a violation of its rights which might lead to war.

This is the prevailing attitude of the United States and one which I believe should constantly determine its actions. To be ready for defense is not to be guilty of aggression. We can have military preparation without assuming a military spirit. It is our duty to ourselves and to the cause of civilization, to the preservation of domestic tranquillity, to our orderly and lawful relations with foreign peoples, to maintain an adequate army and navy.

We do not need a large land force. The present size of our regular army is entirely adequate, but it should continue to be supplemented by a national guard and reserves, and especially with the equipment and organization in our industries for furnishing supplies.

When we turn to the sea the situation is



different. We have not only a long coast line, distant outlying possessions, a foreign commerce unsurpassed in importance, and foreign investments unsurpassed in amount, the number of our people and value of our treasure to be protected, but we are also bound by international treaty to defend the Panama Canal.

Having few fueling stations, we require ships of large tonnage, and having scarcely any merchant vessels capable of mounting five or six inch guns, it is obvious that, based on needs, we are entitled to a larger number of warships than a nation having these advantages.

Important, however, as we have believed adequate national defense to be for preserving order and peace in the world, we have not considered it to be the only element. We have most urgently and to some degree successfully advocated the principle of the limitation of armaments. We think this should apply both to land and sea forces, but as the limitation of armies is very largely a European question we have wished the countries most interested to take the lead in deciding this among themselves.

For the purpose of naval limitation we called the Washington conference and secured an agreement as to capital ships and airplane carriers, and also as to the maximum unit tonnage and maximum calibre of guns of cruisers. But the number of cruisers, lesser craft and submarines have no limit.

It no doubt has some significance that foreign Governments made agreements limiting that class of combat vessels in which we were superior, but refused limitation in the class in which they were superior. We made altogether the heaviest sacrifice in scrapping work which was already in existence.

That should forever remain not only a satisfaction to ourselves, but a demonstration to others of our good faith in advocating the principle of limitation. At that time we had twenty-three cruisers and ten more nearly completed. One of these has since been lost, and twenty-two are nearly obsolete. To replace these, we have started building eight.

The British have since begun and completed seven, are building eight and have five more authorized. When their present legislation is carried out they would have sixty-eight cruisers. When ours is carried out, we would have forty. It is obvious that, eliminating all competition, world standards of defense require us to have more cruisers.

This was the situation when I requested another conference, which the British and Japanese attended, but to which Italy and France did not come. The United States there proposed a limitation of cruiser tonnage of 250,000 to 300,000 tons. As near as we could figure out their proposal, the British asked for from 425,000 to 600,000 tons. As it appeared to us that to agree to so large a tonnage constituted not a limitation, but an extension of war fleets, no agreement was made.

Since that time no progress seems to have been made. In fact, the movements have been discouraging. During last Summer France and England made a tentative offer which would limit the kind of cruisers and submarines adapted to the use of the

United States, but left without limit the kind adapted to their use.

The United States, of course, refused to accept this offer. Had we done so, the French Army and the English Navy would be so near unlimited that the principle of limitations would be virtually abandoned. The nations have already accomplished much in the way of limitations, and we hope may accomplish more when the preliminary conference called by the League of Nations is reconvened.

Meantime, the United States and other nations have been successfully engaged in undertaking to establish additional safeguards and securities to the peace of the world by another method. Throughout all history war has been occurring until it has come to be recognized by custom and practice as having a certain legal standing. It has been regarded as the last resort, and has too frequently been the first.

When it was proposed that this traditional attitude should be modified between the United States and France, we replied that it should be modified among all nations. As a result, representatives of fifteen Powers have met in Paris and signed a treaty which condemns recourse to war, renounces it as a national policy, and pledges themselves not to seek to resolve their differences except by peaceful action.

While this leaves the questions of national defense and limitation of armaments practically where they were, as the negative supports of peace, it discards all threat of force and approaches the subject on its positive side. For the first time in the world the leading Powers bind themselves to adjust disputes without recourse to force.

While recognizing to the fullest extent the duty of self-defense, and not undertaking, as no human ingenuity could undertake, an absolute guarantee against war, it is the most complete and will be the most effective instrument for peace that was ever devised.

So long as promises can be broken and treaties can be violated we can have no positive assurances, yet every one knows they are additional safeguards. We can only say that this is the best that mortal man can do. It is beside the mark to argue that we should not put faith in it. The whole scheme of human society, the whole progress of civilization, requires that we should have faith in men and in nations. There is no other positive power on which we could rely. All the values that have ever been created, all the progress that has ever been made, declare that our faith is justified.

For the cause of peace the United States is adopting the only practical principles that have ever been proposed, of preparation, limitation and renunciation. The progress that the world has made in this direction in the last ten years surpasses all the progress ever before made.

Recent developments have brought to us not only a new economic but a new political relationship to the rest of the world. We have been constantly debating what our attitude ought to be toward the European nations. Much of our position is already revealed by the record. It can truthfully be characterized as one of patience, consideration, restraint and assistance.

We have accepted settlement of obliga-

tions, not in accordance with what was due, but in accordance with the merciful principle of what our debtors could pay. We have given of our counsel when asked, and of our resources for constructive purposes, but we have carefully refrained from all intervention which was unsought or which we believed would be ineffective, and we have not wished to contribute to the support of armaments. Whatever assistance we may have given to finishing the war, we feel free from any responsibility for beginning it. We do not wish to finance preparation for a future war.

We have heard an impressive amount of discussion concerning our duty to Europe. Our own people have supplied considerable quantities of it. Europe itself has expressed very definite ideas on this subject. We do have such duties. We have acknowledged them and tried to meet them. They are not all on one side, however. They are mutual.

We have sometimes been reproached for lecturing Europe, but probably ours are not the only people who sometimes engage in gratuitous criticism and advice. We have also been charged with pursuing a policy of isolation. We are not the only people, either, who desire to give their attention to their own affairs.

It is quite evident that both of these claims cannot be true. I think no informed person at home or abroad would blame us for not intervening in affairs which are peculiarly the concern of others to adjust, or when we are asked for help for stating clearly the terms on which we are willing to respond.

Immediately following the war we went to the rescue of friend and foe alike in Europe on the grounds of humanity. Later our experts joined with their experts in making a temporary adjustment of German reparations and securing the evacuation of the Ruhr. Our people lent \$110,000,000 to Germany to put that plan into immediate effect. Since 1924 Germany has paid on reparations about \$1,300,000,000, and our people have lent to national, State and municipal governments and to corporations in Germany a little over \$1,100,000,000. It could not be claimed that this money is the entire source from which reparations have been directly paid, but it must have been a large factor in rendering Germany able to pay. We also lent large sums to the Governments and corporations in other countries to aid in their financial rehabilitation.

I have several times stated that such ought to be our policy. But there is little reason for sending capital abroad while rates for money in London and Paris are at four or five per cent., while ours are much higher. England is placing very considerable loans abroad; France has had large credits abroad, some of which have been called home. Both are making very large outlays for military purposes.

Europe on the whole has arrived at a state of financial stability and prosperity where it cannot be said we are called on to help or act much beyond a strict business basis. The needs of our own people require that any further advances by us must have most careful consideration.

For the United States not to wish Europe to prosper would be not only a selfish, but an entirely unenlightened view. We want the investment of life and money which we

have made there to be to their benefit. We should like to have our Government debts all settled, although it is probable that we could better afford to lose them than our debtors could afford not to pay them. Divergent standards of living among nations involve many difficult problems.

We intend to preserve our high standards of living, and we should like to see all other countries on the same level. With a wholehearted acceptance of republican institutions, with the opening of opportunity to individual initiative, they are certain to make much progress in that direction.

It is always plain that Europe and the United States are lacking in mutual understanding. We are prone to think they can do as we can do. We are not interested in their age-old animosities, we have not suffered from centuries of violent hostilities. We do not see how difficult it is for them to displace distrust in each other with faith in each other.

On the other hand, they appear to think that we are going to do exactly what they would do if they had our chance. If they would give a little more attention to our history and judge us a little more closely by our own record, and especially find out in what directions we believe our real interests to lie, much which they now appear to find obscure would be quite apparent.

We want peace not only for the same reason that every other nation wants it, because we believe it to be right, but because war would interfere with our progress. Our interests all over the earth are such that a conflict anywhere would be enormously to our disadvantage.

If we had not been in the World War, in spite of some profit we made in exports, whichever side had won, in the end our losses would have been very great. We are against aggression and imperialism not only because we believe in local self-government, but because we do not want more territory inhabited by foreign people. Our exclusion of immigration should make that plain. Our outlying possessions, with the exception of the Panama Canal Zone, are not a help to us, but a hindrance. We hold them, not as a profit, but as a duty.

We want limitation of armaments for the welfare of humanity. We are not merely seeking our own advantage in this, as we do not need it, or attempting to avoid expense, as we can bear it better than any one else.

If we could secure a more complete reciprocity in good-will, the final liquidation of the balance of our foreign debts, and such further limitation of armaments as would be commensurate with the treaty renouncing war, our confidence in the effectiveness of any additional efforts on our part to assist in the further progress of Europe would be greatly increased.

As we contemplate the past ten years, there is every reason to be encouraged. It has been a period in which human freedom has been greatly extended, in which the right of self-government has come to be more widely recognized. Strong foundations have been laid for the support of these principles.

We should by no means be discouraged because practice lags behind principle. We

make progress slowly and over a course which can tolerate no open spaces. It is a long distance from a world that walks by force to a world that walks by faith. The United States has been so placed that it could advance with little interruption along the road of freedom and faith.

It is befitting that we should pursue our course without exultation, with due humil-

ity, and with due gratitude for the important contributions of the more ancient nations which have helped to make possible our present progress and our future hope. The gravest responsibilities that can come to a people in this world have come to us. We must not fail to meet them in accordance with the requirements of conscience and righteousness.

## The League of Nations Month by Month

By ARTHUR SWEETSER

**F**OUR especially important meetings began in Geneva in October, and though not concluded at the moment of writing, are worthy of mention. First, a conference of government experts on double taxation and fiscal evasion from twenty-eight countries, including the United States, met to give final consideration to four draft treaties elaborated as a result of eight years of intense labor and study on this fundamental question of international finance. Second, the Economic Committee came together, also with an American member, to discuss commercial policy, most-favored-nation clauses, reduction of tariffs on certain products, and the world inquiries into coal and sugar. Third, the Health Committee began its regular Fall session with a program extending into every continent and covering many of the most important questions in international health relations. Finally, the Mandates Commission began its fourteenth session to examine the annual reports of certain mandated territories in Asia Minor, Africa and the Pacific, and to consider certain petitions and questions of a general nature.

Several interesting communications were also received by the League of Nations during the month. The Persian Government, following the precedent of Great Britain and France, formally transmitted its correspondence with the United States on the Pact for the Renunciation of War and asked for its communication to all member States. In accepting the Pact Persia said it considered it in harmony with its peaceful policy, with the obligations of the League and with the right of legitimate self-defense, and stressed the point that "the reservations made by certain Powers

can in no case and at no time lay Persia under any obligation to recognize any possible claims of a nature to infringe her territorial or maritime rights and possessions."

Similarly, two communications were received from the United States Government. One carried an acceptance of the invitation to send a delegation to the diplomatic conference on economic statistics which, it is hoped, will greatly increase the value of such data by securing not only a certain uniformity of method amongst the various countries but also an appreciable extension of the fields covered. The second carried the refusal of the United States Government to collaborate in the appointment of the Opium Central Board created by the Convention drawn up at the 1925 Geneva Conference from which the American delegation withdrew. While, the note said, this Convention represents an improvement over the 1912 Hague Convention in the matter of manufactured drugs and the control of transportation, it is nevertheless unacceptable to the American Government, notably because it deals inadequately with the limitation of the production of raw opium and coca leaves to the medicinal and scientific needs of the world and with the control of the production and distribution of all opium and coca leaf derivatives, and furthermore tends to destroy the unity of purpose and joint responsibility of the Powers established at the Hague. However, the United States Government agreed to furnish such information as requested by the Board and forwarded, in another communication through the Dutch Government, its report of seizures of drugs for the past year.

Early in the month it was announced that, after consultation with the Chinese