

The Economic Club of New York

Subject for Discussion - "The War"

May 1, 1917

Table of Contents

Ambassador from Brazil	
The Honorable Domicio Da Gama	3
Ambassador from Japan	
The Honorable Aimaro Sato	5
Minister from Belgium	
The Honorable E. de Cartier de Marchienne	8
Minister of Bolivia	
The Honorable Don Ignacio Calderon	13
British Empire Citizen	
Sir Ernest Shackleton	16
Yale University Professor	
Professor Petrunkevitch	19
Ambassador to Germany	
The Honorable James W. Gerard	26
Governor Charles Evans Hughes	38

The meeting was called to order by the President, Frank A. Vanderlip.

Introduction

Frank A. Vanderlip, President

We shall have to ask our guest to bear with us for a few moments while there is a very brief business session of the Club. The Nominating Committee has a report to make.

Mr. Bethell: After careful deliberation your Nominating Committee respectfully nominates for your consideration the following candidates for the offices of the Economic Club of New York to be filled at the election this evening:

For a term of 1 year, from October 1, 1917 to September 30, 1918:

For President: The present incumbent, Mr. Frank A. Vanderlip. (Applause)

For Vice-Presidents: Mr. Henry Morgenthau and Mr. Daniel Willard.

For Members of the Executive Committee, for 2 years, October 1, 1917 to September 30, 1920:

William Hamlin Childs, Herbert S. Houston, Julius Henry Cohen, Robert S. Lovett, Guy E. Tripp.

Mr. Henry Clews: I move you, Sir, that the report be accepted, and that the Secretary cast one vote for the election of the members proposed. (Motion seconded)

President Vanderlip: It is moved and seconded that the Secretary cast 1 vote for the members proposed by the Nominating Committee. Are you ready for the question? All in favor will say Aye; contrary No. It is unanimous.

Secretary Ely: I have cast a vote, Sir.

President Vanderlip: The Secretary announces that he has cast a vote.

I would like to just say incidentally as we have just re-elected the Secretary that there are two reasons for the great success of this Club: One is the necessity for such economic discussions as we have here, and the other is we have Mr. Ely as Secretary. (Applause)

There are not as many diplomats resident in Washington as there were a few weeks ago (Laughter) but we are still able to draw a notable assembly of honored guests from the diplomatic corps, and it is my great pleasure to introduce to you tonight the various representatives of countries covering almost the stretch of the globe.

To the south of us, our great sister Republic is represented by a very brilliant diplomat, Mr. Da Gama, and I have the pleasure of presenting him to you now. (Great Applause)

Ambassador from Brazil

The Honorable Domicio Da Gama

Gentlemen of the Economic Club: I understand your hand clapping and I don't feel any more flustered about it as in my first time in the United States when I felt the responsibility of what I was going to say.

My time was scheduled from 9:00 to 9:10, but I am ahead of time, (Laughter) and I consider it as a good omen as I think that Brazil that I represent in the United States may deem herself as ahead of times in many respects. (Applause) I was given 10 minutes to speak to you, but I will not take so many minutes of your attention knowing that there are other speakers ready to enlighten your minds to occupy your thoughts with more to the point, the remarks in these dramatic moments of our International life.

I see that the subject of discussion is war. Brazil is nearly at war; (Applause) but still I call myself a peaceful man; and I leave it to others, representative of the governments that are at war, and of the countries that are fighting that wonderful fight for freedom of the world, for the defense of the principles that were so far the guarantees of international life; I leave to them the task of speaking on these urgent and dramatic subjects. In this moment for me, I prefer to say that I like your name of the Economic Club, because "Economic" is such a mild name,

(Laughter) and such a comprehensive one, that I only lately, after having studied for a long time, questions that dealt with labor and capital and circulation and distribution, and all those apparently difficult problems of Economics -- I found suddenly by reading a book by Professor Taussig of Harvard I believe -- I found suddenly, that without knowing, I was like that woman in the Comedy of Moliere who did not know that every time that he spoke he was making jokes. I knew that I knew economics; at least I knew much of economics, because it is such a current knowledge.

I knew that most of our problems, of the great problems of the world, turned around in economic international problems and that economics create such interest, such close ties of common interest among the nations of the world, that if some good may come out of this terrific war, the development of the study of economics will be one of the good results.

I belong to a Republic that is called the great Republic to the South of us, in the United States, and that Republic is certainly connected with the other republics of America, and more so with the United States of America, by the closest bonds of more than political -- of economic and commercial relations.

And I think that if out of this war more interest for the present and for the future of our economic and commercial relation, much will be at the end of the struggle and so I think there will be an

America where sentiments will be at the bottom of political movements and common interests will be the real motive for our working together.

Gentlemen of the Economic Club, I thank you for this opportunity that you have give me of addressing me, and assure you that my interest, my sympathy, is with your work and that my applause will be with you in all your undertakings. (Great Applause)

President Vanderlip: One of the terrible things about a war is the animosity that it engenders, but it isn't all on the debit side. It engenders friendships too. There are perhaps no closer friendships than exists between veterans of a war, between men who have fought side by side for the same thing. We are now fighting side by side with the great empire of Japan. (Great Applause) One of the good things that is to come out of this war, I believe is the firmer friendship between this nation and the great nation of the Orient. (Applause) And it is with especial pleasure that I introduce to you the Ambassador from Japan. (Tremendous Applause)

Ambassador from Japan

The Honorable Aimaro Sato

Mr. Chairman and gentlemen: I feel highly honored by being your guest this evening. This is a most interest moment, not only in the national history of your country, but in the history of the world. The war is the most absorbing question of today. This war will not end until universal

permanent peace is assured to mankind. (Applause) And this war, as Mr. Vanderlip has so happily said, will not only engender enmity but also friendly spirit. If this war has not already produced anything better, it has already created a friendly spirit between your country and mine.

(Applause) And I am sure, before very long, another of the greatest and oldest countries of the East, your sister Republic of China, may join us in the common cause. (Applause)

Gentlemen, this great European struggle has now become in every sense a war of the world and of humanity. Whatever its origin, later developments have shown it to be a war for civilization. America's entry into it gives it that final judgment. The great decision that the people and the Government of this country made last month is admittedly one of the noblest and the most unselfish acts in human history. (Applause)

Had the Counsel for mere material advantage prevailed, America might have remained neutral to the end. Possibly the immediate interests of all her people would thereby have been better served. The great sacrifices that must of necessity be entailed by her participation in the conflict will bear heavily upon the nation and its posterity. There was hardly anything to gain and everything to lose, materially. But to those who have known American history and who have learned to admire the true American spirit, that decision was not a surprise. The case of the Civil War is in point. Today, as at the time of the emancipation of the slaves, it is the real Americanism that has turned the balance in the favor of war. It makes one's heart warm and strengthens one's hope in humanity to contemplate how a whole nation with a 100,000,000

people has stood as one man in defense of the great, the same great principles that inspired Washington and Lincoln. (Applause)

That this great nation has proved true to its traditional spirit, that it has thrown the whole weight of its moral and material forces on the side of the Allies will no doubt have immense influence, not only in the immediate issue of the War, but on the destinies of humanity itself. The aims and objects of the allied nations in this war have already been clearly proclaimed by their statesmen. The world has been assured that the final triumph of the allied countries would bring with it the peace of the world. This assurance has been made doubly sure by the endorsement of this great republic. (Applause)

As the war is now being fought by almost all nations and races of the world, so the coming of peace must lay the foundation for the harmonious living together of all of them. If, after the war, any of the anti-bellum animosities should remain un-removed, international and racial prejudice should continue to prevail, then all the made slaughter and the destruction in this horrible war will have been altogether in vain. Faith in human progress precludes the belief that such would be the case. I venture to hope and believe that the best in the American spirit which has prompted this nation to take arms against the common dangers of humanity will be brought to play at the conference of nations and that we will usher in a new era of peace and justice. (Great Applause)

President Vanderlip: Whatever differences of opinion there may be among 100,000,000 American citizens, I believe that there are 2 sentiments that they unite in with absolute unanimity, those sentiments are sympathy and admiration for Belgium. (Applause) We have the honor tonight to welcome to this country the new Minister from Brave Belgium, and I have the great honor of introducing to your Mr. De Cartier.

Minister from Belgium

The Honorable E. de Cartier de Marchienne

Mr. Chairman and Gentlemen: It is a great pleasure to be here tonight and it is a great privilege to have the honor of addressing the distinguished members of the Economic Club.

In inviting me to say a few words informally, your Chairman has paid me a compliment which I highly appreciate. At first I hesitated, feeling that I could hardly do justice to the occasion, but then I felt that if I remained silent and did not come to the front you might think me a “slacker”-- which I am not. So I trust you will be lenient in view of my good intentions. I shall not detain you long, but I want to say a few words in regard to the economic condition of my country.

Belgium, though a small country, has always been proud of her activity in commerce, in industry and in economic development. Our territory in Europe occupies a space less than $\frac{1}{4}$ the size of the State of New York, and has a population of about seven and one half million. Our port of

Antwerp ranked as fifth in importance in the commerce of the world. Our factories were busy; our farmers cultivated every available inch of their land, while our miners were actively at work, developing our mineral resources under the earth. We had more population and more railways to the square mile than any country in the world. We produced more per capita than any other country and ranked as the 5th power in commerce and trade.

Like Naboth, we were so prosperous that our neighbor coveted our vineyard! Three years and that neighbor sought to destroy us and to take away our land. He has killed many of our people; he has robbed our treasury; he has destroyed our factories; he has dug up and removed some of our railways; and he has even enslaved over 100,000 of our artisans -- the pride of our race. But he can never enslave nor kill the spirit of the Belgian people.

We may be “down,” but we are not “out,” and we hope, at an early date, we resume business at the old stand -- and on a larger scale than ever.

We occupy a narrow slice of sand and soil in West Flanders where every active business, of a military nature, is being carried on under the personal direction of our beloved King. Our business there consists chiefly in exporting shells to the German army by rapid overhead transit from large guns. In addition to this, we have established a large number of munitions factories in France and England where our civilian population are employed. This indicates that in spite of the general disruption of affairs, the Belgians are able to adapt themselves quickly to changed

conditions, without loss of time. The problems were tremendous and had to be met overnight; the means at our disposal were few; the results attained were magnificent, and are due to the splendid spirit of our King's Government under the leadership of our Premier, Baron de Broqueville.

Moreover, our people are still continuing, even during the war, to develop Belgian commercial interests in other parts of the globe -- especially in China and in the Belgian Congo.

In the Belgian Congo, which is about 1/3 the size of the United States, we are also carrying our business as usual and are developing our resources, in spite of the fact that we have been somewhat busy down there in helping our French and British Allies to wipe Germany off the map of Africa.

Our colony is rich in copper, in diamonds, in gold and other minerals, in hard woods, in copal, in palm-oil, and in other tropical products. We have recently developed an important export business from the Congo in palm-oil which is used by a well-known English firm in making a brand of soap which you see advertised all over the world.

Minerals are also being rapidly developed. One of the largest mining companies there is partly Belgian and partly American; its operations in the Congo are managed chiefly by American engineers, and in this Company I am glad to say that we have the efficient cooperation of some of the most important financiers and mining experts of the United States.

During the past 3 years our work in Belgium has been interrupted, but the spirit is not dead and will blaze forth again with new luster when peace reigns anew. We are still carrying on business as much as our crowded quarters will permit, and when we move back to the old stand we expect to install many improvements. For these improvements we can nowhere find better advice than in your country which ranks first in every branch of industrial activity and which our Belgians have learned to regard with the highest admiration. No one has a higher regard for American activities than our King Albert. He knows, for he spent 4 months here some 20 years ago, and he has always kept a warm spot in his heart for his American friends. He traveled over this country. North, South, East and West; he saw a lot, heard a lot, stored these impressions in his mind and returned home with the highest opinion of the American people of American ideals, and of American institution.

His Majesty is at the head of his troops, never leaving them living with them on that narrow slip of sand and swamp that constitutes his earthly kingdom for the time being, but he reigns in the heart of every Belgian, for “he is a king indeed,” as your great President, Mr. Wilson, remarked to me only the other day when I had the honor to present my credentials at the White House.

Allow me to quote the closing sentence of his speech: “The United States and Belgium have ever maintained relations of the most friendly character. Their relationship in the future cannot fail to become even more cordial by the knowledge on the one part of the courage with which Belgium

has met oppression and on the other part of the warm sympathy and good will of the United States. (Applause)

“For your noble King (King indeed in the active defense of his country) I entertain the greatest admiration. I hope that you will be so good as to assure him of my high appreciation of his friendly sentiments and of my sincere wish that when this war shall have come to an end, Belgium will under his enlightened reign, and by the industry, energy and stamina of her people, early repair her disasters and resume her place among the prosperous and peace loving nations of the world.”

President Vanderlip: Among the distinguished diplomats who did your Club the honor of accepting the invitation to be here tonight was Dr. Wellington Koo, the Minister from China. A great misfortune has overwhelmed him since his acceptance of that invitation, in the loss of his father. It was therefore, of course, impossible for him to be with us tonight, but he has done us the great courtesy of asking the Secretary of the Legation, Dr. Wei, to represent him here. Dr. Wei could speak to you with the purity of English that any of us would be glad to equal; but he has asked to be excused, but I am going to ask Dr. Wei to rise, so that you may greet him. (Applause) (Here, Dr. Wei arose amid great applause)

Among the great Republics of South America who are represented in Washington, Bolivia has had the good fortune to be represented there for many years, so many that her representative is

now the second oldest of the diplomatic corps in point of service, and represent by a man who has gained the respect and friendship of all whom he has come in contact with in America. I do not say that merely as a passing compliment, for I have known the Bolivian Minister for many years. I have had to do important business with his country, and to work with him, and I want to say that if in working with any State in the United States, one would encounter the straight forward and businesslike and correct dealing that I have encountered with the distinguished Minister from that Country we might well be pleased. I have the honor to introduce Dr. Calderon, the Minister from Bolivia. (Applause)

Minister of Bolivia

The Honorable Don Ignacio Calderon

Gentlemen of the Economic Club, and, if I may be permitted to say ladies -- although supposed not to be present. In commencing these few remarks, I work under the handicap of the great recommendations that my distinguished friend, Mr. Vanderlip has made of me, and maybe perhaps you will think that you will have presented to you a great exposition of economic principles and a dissertation on the war, but, unfortunately I will limit my remarks to a few considerations of what this war is, what the end will be, and of course, the economic gains will come after the war is ended; for the present the economic questions, the pressing and the only one that everybody has in mind, is the gathering of the means to carry it out to a successful termination.

As the law of gravitation keeps millions of worlds in Heaven in their respective spheres, whether big or small, the moral laws of Freedom and Liberty are also the foundation of Society, and no man, no nation, can infringe them without bring disaster in the world. Unfortunately, this war, we may say the truth, this remarkable challenge of a willful ruler that having converted his nation into barracks of soldiers has sent defiance to the rights of humanity in the hope of establishing world dominion, this war, the most terrific of all that the world has seen, where death is counted by thousands, has very distinctly on the one side, the spirit of militarism, the assumption of divine power of one man to rule, and on the other side the principles of Liberty and Democracy. (Applause)

The hosts who were prepared and ready to invade the world were sent like a terrible avalanche against the defenseless and unsuspecting Belgium but there they met their first check before the heroic valor of a great nation. Later, in the Battle Lamar, the stalwart soldiers of democratic France sent back that terrible cyclone that was bringing devastation in its path. If all the great advances in civilization will have to be bought by great sacrifices, then let us hope that the destruction and the loss of so many millions of lives will be compensated, as we all hope, by the re-establishment of freedom, peace and liberty in the world. America will not remain indifferent in the midst of this war. The United States has given to the world the example of great sentiments of humanity, has inspired other nations with its example, the noble desire of freedom and democracy; and therefore, they have not remained indifferent in the brightest spot that has

marked this struggle. It is with a feeling of absolute unselfishness that it has entered the war for the highest and noblest inspiration that can bring a man to such a decision. It is, to my mind, a decision that every democracy is compelled to take. When my country was notified that its commerce was being limited by submarine war, they protested against it and without hesitation declared that its policies were similar to those of this country in defense of the rights of neutrals and consequently severed its diplomatic relations.

As it stands, this war is a menace to the world and nobody could remain indifferent when we see re-established practices of the dark and old ages that are an insult to mankind. When we see the treatment of all men, peaceful men, women and children, I am proud that the United States has taken the stand it has alongside of glorious France, liberal England, Italy and the regenerated Russia in the fight for freedom, liberty and democracy. And grant God that the work of cementing the community of interest among those nations of the world, so far advanced, thanks to the grandest perfection of relations of the nations now at war, will continue and further cement good fellowship and friendship among all the people for the progress and the welfare of mankind. Such are the sentiments that ought to guide us after this dreadful struggle, in which mankind is today engaged, and that will be a great day for the United States and for the democracies to have contributed to the triumph of justice, freedom and democracy in the world.

President Vanderlip: We have been honored by the presence of the Minister from Panama. He is a modest minister and he does not want to make a speech, but I want you to meet him and I am going to ask Mr. Porras to rise.

(Minister Porras rises -- tremendous applause)

The world loves a brave man wherever you find him, whatever the act of bravery may be. It loves an intrepid spirit. We have been honored by the presence of a man of such intrepid spirit that his name is now known around the world and will imperishably be kept with the names of the great discoverers of the world. But in spite of that claim to greatness, I rather prefer to introduce the next speaker in another way -- to simply say to you that I am going to introduce a citizen of the British Empire. I have the honor to present Sir Ernest Shackleton. (Great Applause)

British Empire Citizen

Sir Ernest Shackleton

Mr. President, your Excellencies, gentlemen of the Economic Club, and ladies above us as usual.

(Laughter) One speaker just said that the ladies were not supposed to be present. If that is so you have done very well. (Laughter) there are lots of you here. (Laughter)

Now, I am only an explore and the subject tonight is one of war, but perhaps I may say 1 or 2 things about that in keeping even with the fact that for nearly 2 years I was shut off from all news of what was going on in the world outside. I arrived on the 20th of May last year in the most southerly dependency of the British Empire, and the first question that I asked was “When was the war over?” because I had heard nothing for 18 months. I was told the war is not over, that millions are being killed, and so out of darkness I came and in 2 hours I heard “liquid fire” “poison gas” “Lusitania”, a thousand and one things that were created and that made destruction. We were like men risen from the dead. Even the prisoner in the jail with any education and, even without, knew something of what was going on, so we hearing this news looked at it largely in an historical light. We were able to take away the small things and see the broad issues and what it meant and we knew and learned one thing that even then Germany was beaten. (Great Applause)

But we also saw that before the final act of this was to come, that there was a long, long road to go, and what was true on the 20th of May last year, is true on this day in May of this year.

Now, I could make a long speech about the war. It is not my place to do it because there are abler men, and it is not for me to criticize -- criticism is the prerogative of the irresponsible. (Laughter) -- And I feel that though people might say: “Oh, you are a Britisher in America,” that is nothing now, because Great Britain and America are one and linked in the same business. (Applause)

It is about 140 years since the hoof beats of Paul Revere's horse thundered through the quiet villages calling people to arms. Time has only changed. Owing to American brains and American inventions, the deed that happens in the Eastern hemisphere is in a few seconds translated and put into the hands of the people in the Western hemisphere, so with the advantage that one has for getting the news, therefore that advantage should be used to let every person in every village in every township, in every city in this the Greatest Republic in the world, know that what is needed now is a full knowledge of the situation, and following a full knowledge of the situation the power, the ability, and the will, and the act. I feel that we all have to go into this thing, and keep in it until the final end comes, and that means peace. I am going to get down off this platform in one minute, but I would like to say that the allies all together are looking to American brains for within 6 hours when the Merrimac and the Monitor appeared on the scene the whole course of Naval construction, the whole matter of Naval warfare, in 6 hours was changed. There is a menace now lying under the sea, and surely, in America, ripe, ready, and as yet untouched, there are the brains to deal with the most serious problem that now confronts us. (Applause)

There is going to be sacrifice. You men in this hall tonight may, within a year, tighten your belt, like I tightened mine in the South Polar Region. You will lose some, and the women of America are going to lose those they love, but I would say to the women of America, be like those of Sparta of old, who said to their men, to their husbands, their sons, and their brothers, come back victorious or on your shields. (Applause)

Now, as I get off, I want to say one more thing. Belgium laid the foundation stone for the freedom of the world, and she mortared that foundation stone with the blood of her people; the armies of the allies created the pillars, and now the locking keystone is the United States that will make a portal to liberty and the permanent peace of the world. (Great Applause)

President Vanderlip: We are in a time of vast forces, working in ways that we cannot understand, cannot predict. Nowhere among those vast forces are there any more interesting, more important than those that are working in Russia. We are especially fortunate, I think, tonight, in being able to hear a man who knows Russia. He is the son of the man who was the floor-leader in the Duma, in the first Duma; a man who really founded the party that is now in the ascendancy in the Government of Russia. His love of liberty led him to this country where he has become a citizen of the United States. He is a professor at Yale University at New Haven. I have the pleasure of introducing Professor Petrunkevitch. (Applause)

Yale University Professor

Professor Petrunkevitch

Mr. President, Gentlemen of the Economic Club: After the first news of the revolution and of its success stirred the enthusiasm in this country, everybody expected that something would happen in Russia. Some thought that the overthrow of the Government would be detrimental to the cause

of the allies. Others, like myself, expected that the enthusiasm which carried the Russian people to the overthrow of the old, hated autocracy would carry also further to victories over the German armies. I am afraid Gentlemen that I came here today not to produce enthusiasm, but rather to caution you. There is news coming from abroad that is very disquieting. In vain, Ambassador Francis cables that those news are wrong and that the Government is in power, and the Government itself thru the Foreign Secretary states that everything in Russia is settling down and becoming orderly; but no Government in the world would permit itself to say that it is weak and has to listen to a crowd of men who are controlling it only because they are themselves at that moment able to make trouble. If everything is not all right then in Russia, where does the danger come from?

We hear from the various parties, except the Extremists and the Pacifists that no one in Russia wants peace, and I think it is quite true. There is no party at present, except the pro-Germans and the extreme pacifists who want peace who want peace. But supposing that the Government were not strong enough to withstand the pressure brought upon it by the Social Democrats and the Social Revolutionists, supposing that it would have to concede the demands made upon it; that the army in consequence would be disorganized and the 2 or 3 million of German soldiers who are now held in the Eastern Front by the Russian armies would be able to be thrown into the West to controvert the British and the French; supposing that all the millions of workmen in Russia were also released to do work that would be of use to the Germans that they would

furnish wheat and cotton and oil and minerals, and metals for the Germans, where would be the effect of the British blockade. It would be wiped out in coming weeks.

The danger is there because of the possible dissension. The party that is in power at present is not the party of which the government is composed. The Government is a coalition Government made up of members of no less than 4 parties, while it has to listen to the dictates of 1 party, the Social Democrats. The struggle that led to the overthrow of the Russian Government was not a momentary one. It dates back many years, and was growing slowly until it came to a climax; all parties were engaged in this struggle. They all gave their blood and their freedom to fight against the autocracy, though the majority, with clear vision, tries to postpone the overthrow, they tried to make peace with their Government, so that the army would be able to do the fighting in the East where it was necessary. They were trying to postpone that struggle, because they were sure that that was a war of liberation; that the army, after it had seen how the Country works for the army, how it considers the army a part of itself, would not go back after the war, to fight down its own brothers, but would help freedom to develop at home. That was the reason why the revolution was successful, that was the reason why when the workmen started it, before the leaders of the Constitutional Democratic Party were ready for the same strike, the revolution was accomplished; and now those parties are in power, not because the workmen alone struck, but because behind the workmen was the entire country.

But gentlemen, the majority of the Russian workmen -- I would like to see all of them, belong to the Social Democratic Group, which in Russia fortunately has remained firmly on the same principles, as they had been promulgated by Karl Marx, and the progress of the world seems to be passing by without touching them.

The very same demands which the workmen put forward in 1905 after the magnificent strike of 8 days which forced the Russian government to subjection, after the strike which gave Russia the Constitution, the workmen on their own accounts announced a second strike for an 8 hour day, for the socialization of land, for the socialization of capital and the country was not prepared to stand those demands, and the consequence was that there was introduced a split between the Opposition and the Government had a chance to use that moment for the punitive expedition and the hanging of these peaceful citizens and drowned Russia in blood and deprived it of all the fruits of the struggle which lead to the Constitution of 1905. Since that time the Russian workmen, probably because they are not educated enough imagine that they can come with their demands at any time, say, worse than that, that they should come at a time when the Government is weak enough to have to concede those demands, they come with those demands in the hope that they will achieve a socialistic republic, although there are no more than 5 million workmen in Russia which is a country of 180,000,000.

Where then does the danger come from? The danger lies in the fact that the Russian Social Democrats consider an autocracy, the worse the autocracy, the better, they consider an autocracy

gives the promise of a socialistic state because everybody is dissatisfied and ready to fight it, but a Constitutional democracy, a country like this country, satisfied too many, and therefore postpones indefinitely the dream of a socialistic republic.

The President of the United States has decided to send a Commission to Russia with the high purpose of strengthening the Russian Government in its first steps to make Russia a free Republic, a democracy among the democracies of the world. There can be no higher purpose, and certainly everybody in this country ought to applaud our President for this desire, but, gentlemen, that plan is fraught with danger, and the danger lies in the selection of the members for this Commission.

I personally have the highest admiration for Secretary Root. I do not know who the other members on that Commission are, but I know that the press, the Socialistic press in New York, is already writing about them, and I know that they are going to cable that over into Russia. I know that the men will be met there with distrust. I know that unless there are members on that Commission who will be personally acceptable to the Russian Social Democrats, the Russian press will create the impression that the Commission was sent for the special purpose of fighting down the Social Democrats which are now in the ascendance in Russia. (Applause)

You think that is not so, but I have talked with many Russians right here in New York City, and I know what they are thinking over in the other country. I know how old insinuations are revived,

and nothing is more difficult than to combat insinuations. If those present here had some means of conveying to the president, or to Senator Root, the necessity of having on that Commission men who would be acceptable to the Social Democratic Party in Russia, they would really be doing a great patriotic act for this Country. It is a necessity, a distinct necessity, Gentlemen, for the reason that suspicion on the part of the Social Democrats will lead to dissension, will open forth a way of attack on the Government, and you think that they do not attack the Government. I will give you an example that they do. On my desk in New Haven lies a letter from Milukoff, written 3 months ago, and signed by him, and in that he states that Russia needs Constantinople, he give the reason why. He dwells at length on that subject, and meanwhile the Russian Government was forced to announce that it is against the policy of acquisition.

Meanwhile the Russian Government was forced to announce that the Russian soldiers are going to control the supply of food and of order in the Army. Not everything is going well in Russia. And just because I feel a conviction for this, my adopted land, just because in my intense desire to see right triumph over might because of my deep desire to see that the spirit of freedom rule all over the world -- for that reason I would like to appeal to you not to be too optimistic, but to do your very best to induce those who still can't prevail upon the President to find means, whichever means those are, to give that Commission such a shake that it would be strengthening the Government by not inducing the Russian Socialists to dissent right away.

Gentlemen: the Russian social democrats have been fighting along with the other parties against autocracy. They have suffered most in their fight. They have been sent to Siberia. They have paid with their blood through years for the ideals for which they stood and we have to respect them for what they did for which they stood and we have to respect them for what they did for Russia. But we ought also to carry to them in some way the news that Freedom at this moment is dependable -- not a demand for any Socialistic State which is not possible at present in Russia -- but that Freedom at present is dependable entirely upon the situation at the Front; that if the Germans will be able to overthrow a disorganized Army, this country and Great Britain and France will have a fight on their hands perhaps for 5 years to come, and that they will have to shed blood to defend democracy. And the more we can do in that direction, the more we can hope that this terrible moment will be postponed.

I would like to say only one word more and that is that in the newspapers a separate peace movement by the German Chancellor is announced. It seems that on Thursday he is going to give out propositions which contain something like the same demands that the Russian workmen are making. Suppose that it will be the same. Suppose that the Russian workmen will then insist on a separate peace because their demands are met.

Now I have been trying my best throughout the past 3 or 4 weeks to convey this information to the President, but he is at present the busiest man in this country, and it is difficult to reach him. Moreover, I have not the standing; I am not known enough to him, that he would lend his ear to

what I say; but if these among you who are persuaded by what I have said, and who have a chance, have a possibility to bring it before the President, you ought to do it; you ought to do it before the Commission goes. You ought to do it to save the world from a calamity, which rises like a spectre in the East, and which will engulf not only Russian in anarchy, but may result in ruin, to Europe and to this country. (Applause)

President Vanderlip: We have been honored by the presence of the most distinguished diplomats representing foreign countries resident in Washington; but we are also honored by one of the most distinguished diplomats of our time that our country has sent to another nation. New York is very proud of the record which our Ambassador to Germany made. (Applause) I have the honor in introducing Mr. Gerard. (Great Applause)

Ambassador to Germany

The Honorable James W. Gerard

Mr. Chairman, and Ladies and Gentlemen: I am sorry that your Chairman gives me such a fine introduction, because some day I will get delusions of grandeur. I have been for 3 ½ years in Germany, doing my best, and come back with a very great admiration and personal devotion for our President, Woodrow Wilson (Applause), and a belief which is a very salutary one for a subordinate -- that he is wiser than I am. Also during those years abroad, I had the advantage of a visit on 3 occasions from a very wide Colonel, who is so modest, that I do not even want to mention his name. (Applause)

The only reason that I have been speaking at all was to try and bring home to the people of this country the necessity for proper preparedness; and now that Congress the other day has passed this bill, I feel that it is time for me to stop. That was the greatest advertisement for a Democratic form of Government since the Declaration of Independence.

We are putting an efficient army in the field, raised by efficient methods, and I think that every one of the Congressmen who voted for the Bill ought to have a statue along the Lincoln Highway. (Laughter) And that reminds me that I have had occasion quite recently to come out and oppose those who were opposing the Bill, and I want to say now, because I do not want to be misunderstood at any time and I do not want to hurt anyone that I believe that those who were opposing Conscription were, of course, acting sincerely. But they remind me of the man who hit his wife on the head with the motto on which was embroidered “God Bless Our Home.”

(Laughter)

And as for the newspaper “The Evening Post” which has opposed that conscription, I have just been sitting at the table with my personal friend, Alexander Noyes, who is one of the principal editors of that organization and I know that he and Rollo Ogden, the Editor, are good red-blooded Americans and I hope that from now on Rollo is going to put his hand in the hand of his Uncle -- Sam, (Laughter) and continue to good American work that we first learned from the Rollo Books.

Now I say the only reason why I speak at all is for the moment past, and so I am going for the rest of the time allotted to me to offer to answer any questions that any of you put to me. Because in that way you may bring out from me something that you want to know about the country that I have just left and as I say I am here because I am the last one out of that Country.

VOICE: How about the food situation?

MR. GERARD: I will tell you about the food situation exactly. When I left Germany -- it is impossible to take as a criterion either Berlin, which is the capital, or the country districts, where the people have more food than they do in the cities, but we will take as a criterion that great industrial district in Westphalia. In that city, at the time I left Germany, the average workingman was getting 250 grams of bread a day, that bread being made from rye flour, potato flour, and after I left, a certain proportion of turnip flour. He was getting 140 grams of meat a week, and 40 grams of butter, or some sort of fat food a week; 1 egg every 2 weeks; practically no soup and no milk. No one over 6 years got any milk except with a very strong doctor's certificate. That prohibition on the distribution of milk has resulted in the fact that infant mortality has been decreased because now every infant gets its share of milk, whether it is rich or poor, and at the same time, the enormous number of social workers sent out in the great cities, 7,000 having been sent out in Berlin alone, to teach the mothers of the poor how to care for their children has materially increased the welfare and the health of the children of the poor. I do not think that

anyone can give an exact guess as to the stores of food in Germany because so much food was concealed. I know Germans of my acquaintance who have food concealed in the wainscoting of the floor of their houses, and the rich Germans in their country places have large amounts of food concealed, and the Government themselves cannot tell how much food is concealed in the country.

The problem for them is to hold out until the next harvest. Their principal food supply comes from rye. The country is not a wheat growing country. It is too far north, and the soil is too poor, and the rye is plenty in the autumn and harvested about the 15th of July; so that their problem is to get enough food to keep them going and hold out on grain until they can get their rye harvest on the 15th of July. Their potatoes are harvested about the same time.

(Question from the floor) What labor is available for the next harvest?

MR. GERARD: I am asked what labor is available for the next harvest. Two million prisoners of war in Germany are used by the Germans in their agricultural work. They are leased out or sent out to farms very much as convicts are sent out in the south. For instance, the proprietor of a farm goes to the corps commander in his district and he asks for a certain number of prisoners of war to work on his place. These are furnished to him. He is given an allowance of 13 cents a day to pay for their food, and he is required to pay them pfennigs a day only for their labor. That has had a very injurious result in prolonging the war, because the influential class in Germany is the

class of the County Squires or Junkers, or small Prussian noblemen. They live on the products of their estates. Since the war they have obtained for their produce from 5 to 6 times or more as much as in peace times; and they have had the labor performed by prisoners of war at about 13 cents a day. So you see that this has created a large class of people who are interested in continuing the war and the class that has most to do or all to do with the government of the country. One of the newspapers came out in Berlin with an article calling attention to this fact and was shortly afterwards suppressed for 3 days. That is their method of censorship. There, they do not have a preventive censorship, but they have a punitive censorship; and if a newspaper publishes an article which the government does not like, that newspaper is suppressed; and of course your newspaper friends will tell you what the cost is to a newspaper suddenly being suppressed for from 2 to 3 days a week. It is a punishment that makes them in the future print only articles that are suggested to them by the Government.

(Question from the Floor) Is the food you mention sufficient to maintain a working man at normal efficiency?

MR. GERARD: The expert, Doctor Alonzo Taylor who is attached to my Embassy, and who is one of the greatest food experts in the country, of the University of Pennsylvania, says that it is not sufficient to maintain him in the best working strength on that ration. There is not enough meat and not enough fat in it. They cannot do their full percentage of work on a ration of that kind.

(Question from the floor) How is Germany financially?

MR. GERARD: As to their financial condition, they have 2 kinds of money in Germany, curiously enough. They have the money which is the circulation issued by the Reichsbank, an Imperial Bank. That is secured, as our money is, by gold reserve, but in addition to that, they have a certain kind of money which they call Darlehenskassenscheine. That is a money that any man having, say, a cord of wood, is supposed to be able to get from a bank and borrow 60% of the value of the cord of wood, receiving it in this Darlehenskassenscheine or notes. They are legal tender equally with the Imperial bank notes in the Kingdom.

Now here then, the head of the Deutsche Bank told me shortly before I left, that these Darlehenskassenscheine notes are nothing but greenbacks; they are assignors without practical value, and they use them in dressing their finances of the world. For instance on the first of January the Imperial Bank makes a statement as to the amount of notes it has outstanding, and the amount of gold that it has in its vaults against those notes, and at the same time, the Provincial banks, or banks all through Germany make a statement of their condition. The Provincial banks in making a statement of their condition do not have to state what kind of money they have. They simply have to state that they have so many million marks. They are not required to state whether it is gold, silver Reich Bank notes, or Darlehenskassenscheine notes.

Now, I have been informed on good authority, that 3 days before the bank statements were made, the Reich Bank exchanged with all these Provincial Banks -- the called in from them its Reich Bank notes, and gave them in exchange these Darlehenskassenscheine notes, which are not backed by gold, and in that way the Imperial Bank was able to make a good showing, and showed that it had only a small number of Reich Bank notes outstanding, or a smaller number in comparison to its reserves of gold. Then, 3 days afterwards, the re-exchange was made. I believe it has been brought out in investigations in this country that that sort of thing is called “window dressing” (Laughter) and it has not been unknown here; but it does not matter how much Germany -- they say in Germany “We are not losing financially, because all the money is kept within this country. We are not expending money abroad.” That is perfectly true; but, on the other hand, Germany has been absolutely denuded of everything of value, except the clothes the people wear, their houses, furniture and fields. They have no reserves of raw materials, such as exist in other countries. They have no reserves of copper. They have no reserves of wool or cotton or anything of that kind; so that the moment that peace is declared, they have got to buy abroad an enormous quantity of goods. For instance, on the way to Boston the other day, I was talking to a friend of mine who deals in cotton goods. He told me that he had a large stock on hand, and he was very much afraid that if peace came that those goods would fall in value; and I told him “no, they will increase in value, because there is nothing of the kind, no textiles whatever in the Central Empires, and they will immediately have to buy enormous quantity of textiles for the most ordinary needs of their population.” For over a year before I left Germany, you could not buy a pair of woolen stockings without getting a certificate from a Magistrate.

A VOICE: What is the spirit of the people there?

MR. GERARD: The spirit of the people as I find it is that they are willing to go on, but at the same time they feel they are going on uselessly. They feel first that they can no longer conquer. You must remember that they first started off with the idea of conquering the world and came very nearly doing it. They feel that that is gone. They feel that at the same time that those who are engaged in business that they are losing the profits that they might make thru this war and they feel more than that, that others are going into the market and taking the market away from them permanently. For instance, the Black Forest District alone used to export to America an enormous quantity of toys. Now the American child of today at Christmas time instead of getting a German toy gets something else, something possible made in America or made in Japan, and next Christmas his little brother will want to get the same thing that the big brother had before him. In that way the German market is being destroyed. We are learning to make dye stuffs and chemicals and all the other things that were exported from Germany. It was a great matter of surprise for me to find out the enormous quantity of things that we used as necessities in this country that came from Germany. For instance, our beet sugar industry was entirely dependent for its seed on seed grown in German and Russia. Now they are learning how to grow the seed themselves in this country and some of them have managed to get some supplies from Russia. But one effect of the war is to teach us to make those things which we formerly bought abroad and at the same time, as I say, that Germany is losing that trade and losing it permanently.

Therefore the people feel that they are being killed for nothing, that they are not going to conquer, that they are losing their present profits they could have made. They feel that they are losing their trade permanently and they feel that his enormous war debt is being piled up because they made no effort whatever to finance tax of 50% on war profits.

Except for that tax they have been doing nothing to finance the war. At the commencement of the war the present Vice Chancellor, then the Secretary of the Treasury, said in the Reichstag that they expected to pay the expenses of the war from the indemnities they would collect from other nations. Now the Germans themselves see that that is becoming an impossibility, and as you know and as your President here knows better than anyone else, a country has a certain increment every year which is of course the basis of interest. If you have a chicken farm the increase of chickens each year is sufficient to enable the owner to pay the 6% and leave him enough money to support himself and his family. Now, Germany today, as I calculate it, has a war loan outstanding, plus a floating indebtedness -- because they are always a little ahead of their war loans -- and entire indebtedness of perhaps 80 billion marks. The interest on that at 5% is 4 billion marks or nearly \$1,000,000,000 a year. Now it is getting to a point where they will not in the future be able to pay the interest -- if it is to be paid in the country --on this enormous war loan, and if they cannot do it, if they approach that point, then the whole social and moral fabric of Germany breaks down, because if that loan is not raised alone from the people; it has been raised principally from the great insurance companies, the Fire Insurance and Life Insurance companies and land banks, savings banks, and if that loan is repudiated then the

savings bank loses its money and goes broke, the man who put his money in the savings banks to get money for his old age has nothing. The man who bought an annuity from an insurance company will have nothing. The man who insured his house against fire, if the house burns, will have nothing.

You, therefore, will have the position of a country where the able part of the population will be compelled to work principally for the state and will have to support in poorhouses the children and the old people. Now that, of course, means the absolute breakup of a country and they are approaching that point, because, perhaps, the increment of Germany every year is perhaps \$2,000,000,000. I hesitate to make that statement because I would rather have a banker who has studied it make that statement but they are approaching a point where repudiation of the war loan may become a necessity to them after the war.

You see in the war loans, you would go and subscribe for say 100,000 marks of War Loans -- that is the first loan. Now, when the second loan came out you would take the 100,000 of bonds which you bought on the first loan and pledge them with a bank and borrow 80,000 marks and buy war loans with that. (Laughter) then when the next loan came out you would take that 80,000 of bonds and pledge them with a bank and get 80% of that in money and buy war loans with that. Therefore, you see that a great deal of this war loan is lifting yourself with your suspenders. (Laughter) the country is finally getting to the position of the description that Mark

Twain gave of the inhabitants of Bermuda when he said that the inhabitants of Bermuda lived by taking in each other's washing. (Laughter)

VOICE: What proportion of the German population has joined the colors?

MR. GERARD: I will give you an instance of a small village near Berlin that had 600 inhabitants. At the time I left 110 of those inhabitants had been called to the colors. Germany had a population at the outbreak of the war of 70,000,000 and that will give you an idea of the number of people that have been called to the colors. I verified that proportion in a neighboring town which had a population of 3000 and found the same proportion had been called to the colors there. So that you will see that probably at least 12,000,000 people were called to the colors in Germany.

VOICE: Does the German Government still hope to win the war? (Laughter)

MR. GERARD: You will have to ask a fortune teller. Now the German Government is in this position that the people in Germany have had practically nothing to say about the war, and if this war should end without a substantial victory of some kind for the German Empire, when all these people who have been suffering and shot to pieces and killed, and had their relatives killed, come back from the war they will say we handed over this Government to you and you have been running it; we had nothing to say; you got us into this war, you made mistake after mistake until

now we have nothing. We only have the prospects of working for the rest of our lives to pay this debt and they will say we do not think much of you as a government and you have got to get out. (Applause) Now that is the position of the government. (Great Applause)

President Vanderlip: This is the 40th meeting of this Club. At the previous 39 meeting we have been inclined to measure the success of the dinner by the amount of the controversy. We wanted two sides of a question presented. The keenness of the discussion and the sharpness of the differences assured the success of the dinner. Tonight that is not the case. The only thing that we want now is wise counsel, sound leadership not differences of opinion. We have been at war but a very short time and it seems to me we have accomplished some wonderful things. We certainly have started it with an enunciation of principles that forms one of the greatest state papers in all history. (Applause) We have shown to the world our determination to shoulder the financial burdens however great it might be by starting off with a credit of \$7,000,000,000. I am somewhat used to large figures but I confess I cannot comprehend that figure (Laughter) but I have got absolute assurance that we will float those bonds.

We have shown the greatest wisdom I believe in recognizing that the most efficient things we can do at the moment is to give a vast credit to the Allies and we have set aside from the this great bond issue \$3,000,000,000 for that purpose and finally we have performed the great act of justice of a democratic constriction. (Great applause)

Now I have said that it is wise counsel and sound leadership that we want and when your Committee was discussing speakers for this occasion we were all of one mind as to who we would like to hear from in this relation. I know you all agree with me in welcoming Mr. Hughes. (Tremendous Applause)

Governor Hughes

Mr. President, Ambassadors, Ministers, and Members of the Economic Club: I confess to a feeling of diffidence in addressing even an Economic Club at this hour, after so much has been said inspiring and informing. I count it a great privilege to have share with you the opportunity of listening on this occasion to these distinguished men who have brought us words of wisdom and words of warning. It is peculiarly a privilege to come here on an occasion of this significance because of its non-controversial character. The day of controversy is past. (Great Applause) the day of partisanship is past. (Great Applause) America is dearer to the world because today she is truer to herself. (Great Applause)

We have heard of the conditions of our enemies. We have listened, as I have said, to very serious words of warning with respect to affairs in the great nation that has so recently burst the bonds of despotism and is emerging into all the difficulties and privileges of freedom. But one thing we know is this: that America stand erect before the world ready for this struggle and determined to see it through. (Great Applause) We cannot miss; we cannot afford to miss the deep significance

of this struggle. We speak of our Constitutional System of the great guarantees of individual liberty and that happy adjustment of local and national powers which has made possible an extraordinary development, but important as are these constitutional provisions, they furnish merely the form; they provide merely the method of our action. It is the spirit that counts and today it is the old spirit of American liberty that is once more animating our people and therefore today we are more secure than we have ever been in our history.

There are those who are not intent upon the consideration of our form of organization. They are concerned with the demands of men and women and children. They are animated by the most sincere desire to better conditions of human life. They formulate what they believe to be the principles of social justice; but we shall have no socialization that is worthy the name, if it is not justice. It is the principle of justice that underlies democracy; and therein we differ from the autocratic power with which we are now at War. How are we to be protected from demagoguery on the one hand, and the rule of force on the other? It is in the appreciation of the true principles of our free institutions; it is in the appreciation of the fundamental necessity of justice, and the people must be instinct with the love of justice, involving a reign of law, involving the sacredness of contract under law; involving the rights of the people through representative institutions; involving the denial of force, or the right of force, or the justification of force; involving a denial of all that is opposed to us in this great struggle; because it makes force its only rule of action, and makes the State not simply the preserver, not simply the provider of

opportunity, but the controller of the destinies of men, to the end that force shall be exalted and justice and agreement and law shall be laid low. (Applause)

We can never contemplate a world with that spirit denominating. Let us never forget why we are in this war; why we must see it through. It matters little what becomes of us. We may suffer; we may bleed; we may die; but that we are willing to do, that our children may be free. (Applause)

We are pressed with a great variety of the most difficult problems. This splendid sentiment of democracy may be voice with power, but will be ineffective unless we have leadership, unless we have a co-operation; unless we have organization. I am grateful for our leadership; and I yield to none in admiration for that splendid statement of the issue, and of the significance of the struggle, which President Wilson made to Congress. (Great Applause) I am also grateful for the resolve and the determination which secured, at the very outset, against heavy odds, a democratic basis for our military organization. That required courage and sincerity. (Applause) I am very glad indeed that Congress has gone so far, and we expected to go farther. We expect the actual result to which the events of the past week naturally point. In other words this not a time when, even splendid emotion, can be allowed to lead to waste. This is not a time when even the exuberance of a desire to serve can be allowed to take the place of proper organization.

God grant the conditions in Russia may not prove to be, as it has been suggested they may possibly be under certain contingencies. May Heaven forbid that the hopes that have been raised

by the outburst of liberal sentiment in Russia and the organization with which it so rapidly equipped itself -- may it not be that the hope thus engendered will be blighted and that we shall find there a serious element of division and of danger? But as I have said, we must plan to see this through. To do that, every man so far as is humanly possible must serve where he is best fit to serve, and the obligation must be recognized by all to take the place for which their talents, physically and mentally, fit them. It is the function of leadership to provide the appropriate method by which this may be done.

We have made an excellent start in our military arrangement, in this provision about to be made for a selective draft. It is no discredit to any man to desire to be put where he ought to be put, and to demand, even before he volunteers, that the Nation adopt a scheme fitted to the severe exigency which confronts it. That is patriotism from my point of view. (Great Applause)

We must recognize the fact, however, that with all our planning, sentiment must not be forgotten. The capacity for developing enthusiasm must not be ignored. We must see our wide comprehension of all the difficulties that confront us by having sentiment as the motive powerfully utilized while we develop the machinery by which we can go forward. I want to see, in military affairs, the most expert advice taken. We cannot afford as laymen to indulge in vain criticism of military methods. We cannot trust the thoughts that occur to us with regard to what may be advisable from a military point of view. When we are being military, we must be military. It is democratic when you are doing a thing to do it thoroughly well. That is the reason

we believe in Democracy despite the great difficulties it encounters in doing such a job thoroughly well. But it must be done.

Now then, if I make a personal suggestion, it must be taken in connection with that desire to subordinate every personal suggestion to the expert opinion of those best fitted to judge. I do want to see a proper unit on the French line at the earliest opportunity. (Applause)

It is not so much a question of its size. It ought not of course to be larger than a unit that can be properly maintained, that it would be practicable to send, that it would be practicable to keep at the full strength at which it was sent. A great many matters must receive careful consideration. Apart from the sentiment that would be aroused by having the Stars and Stripes along with the Union Jack and the Tricolor on the French front, apart from the sentiment that would be thus created, there would be the tremendous advantage of opening these natural line of communication and of receiving first hand information constantly with regard to conditions by which we can develop satisfactorily the force that is being trained at home. In other words we need information; we need constant information as to conditions in the front. I thought the other day in trying to look into the future of these nations now at war, of the return of these millions of men who are now engaged in the trenches and there is no doubt that the England of the future will be ruled by the men who are now fighting for her existence (Great Applause) and there is no doubt in all these countries the men trained and disciplined by arms who return will return with prestige, with the power of developed talent which will give them extreme influence. They will be

efficient men. Now, if America is to have the respect of the nations of the future and earn it now, she must earn the respect of the men in the trenches, and the men we sent must be men so fitted, so ready to do their part, so representative not only of the courage and of the sentiment, but of the trained ability of America that every man, French or English, serving with them will take away with him pride in the colors, and a deep and abiding respect for the flag we love. (Great Applause)

I should, therefore, not for a moment suggest impatience at the expense of the requisite trained force which should represent America, only I have founding my experience that in determining what can be done much depends on what you plan to do. And if we put a small force, thoroughly trained at an early day in the fighting line, let us do it, let us show that we are going to fight as quickly as we can fight effectively. That it seems to me a necessary word of the hour.

I am very grateful for all that has been said and done in appreciation of American ideals, in appreciation of this comradeship in which we gladly find ourselves by the distinguished visitors who are honoring us with their presence at this time. I have no doubt that in the councils of the nation the very best advice I being considered and is receiving all the attention it deserves, and in anything I have said I do not counsel division I am only anxious that we do everything we can, and that as soon as possible we should be represented in a struggle where our representation may have a tremendous moral effect at this time.

We do need co-operation, and we need, it seems to me, co-ordination of effort. Everywhere throughout this land at this moment are people desirous to do something, to give, to expend their energy in this direction, or that direction. They hardly know what to do. All sorts of volunteer organizations are springing up. We are having a host of demands, apparently meritorious demands, but all of which cannot be granted, and all of which should not be granted without a proper co-ordination of effort.

I should like to see a co-ordination of all the voluntary efforts in this country, not under governmental control, but it is national supervision, and aid and suggestion, to the end that we might federate our volunteered efforts, and that in every state we would have these efforts correlated under some direction of state management, in the sense that there would be a State Volunteer Agency undertaking it, and that in the cities we should correlate our efforts so that through the city administration, and the bringing to this aid of volunteers under a competent organization, we might make effective all these demands. This I not a time at all for doing anything in every way; it is a time for effective organization.

It is time for effective organization, of volunteer effort, so that there may be no duplication, no waste, proper advice, and proper direction; and in that way we shall be ready for a long and a brave struggle, and shall really see it through.

We can do that. All that is requires, it seems to me, is some desire in the locality, to bring together these various volunteer organizations, with a cooperative method, to correlate the work of the localities within the State, so that it is not unnecessarily duplicated; to correlate the work of the volunteer organization of the State throughout the nation, so that they may all have the benefit of the most expert advice and direction, to the end that the best methods may be selected, and all economic waste may be made impossible.

It seems to me that never in our history have we been so put to it for organization. Mr. Vanderlip has spoken of this tremendous loan. Undoubtedly it will be met; but it cannot be met I suppose, unless there is a disposition throughout the country on the part of all our citizens, to do their best to help our financial institutions to meet it. We must realize the importance of this credit; that that is a service as well as the service in the trenches. We must realize the importance of the food supply, and not by haphazard effort here and there, but by real, intelligent direction develop to the utmost our agricultural possibilities. We must realize the necessity for providing in every direction proper attention for those who remain at home, who are left by the men who will go to the front, or who may be in training camps. This should be taken care of in such a way that no one fighting at the front will have an hour's anxiety because of anyone dependent upon him who may be left behind. (Applause) America should see to that.

I am not going to detain you, who have already listened to so much, with any longer detail I am fascinated by the thought of the by-products of this war. I think the by-products of this war will

perhaps be more important than anything else in connection with it. We have a dual system of government. It is a most difficult and complete system. We have got to have the autonomy of the State. We must have local control of local affairs. Our Government would break down if every city and village in the United States went for power to Washington, as the cities and villages in New York now go for power to Albany. (Applause) No Government with a vast population extending over a continent with varied local concerns, could last with an entirely centralized Government. We must support our States; but we must realize what is really national. There is no difference in the constitutional concept. The decisions of recent years and the applications of recent years have not been a recognition of any new principle. They are simply the applications of an old principle wisely imbedded in our constitution. What we need is a realization of that principle, and we are going to have it very rapidly in the course of the next few months. We are going to learn to think nationally with respect to many questions as to which we have hitherto thought locally. It is going to be recognized I believe in this country, that there is a way of regulating our public concerns, and our public utilities without strangling them by diverse local regulations. (Applause)

We are going to learn how to work together, and many a problem that has seemed incapable of solution is, under the new light thrown upon it, and under the pressure of these days, of working together, satisfactorily solved. I wish I could go further into that thought, but I cannot. I want to say in conclusion, this: We do not have the advantage of racial solidarity. We have the advantage of variety of racial contributions. We do not have the advantage of a compact country within a

small territorial extent. We have the advantage of a great variety of soil and climate, of our wide continent, and what is it that we will have? It seems to me as the great result of this war, it will be a re-enforcement of our National consciousness, a re-dedication to the principles involved in our National constitution, and re-appreciation of what our country means, and the devotion to our country which is never full expressed until its citizens are willing to make the supreme sacrifice of life, whether in the battles of war, or in the difficult struggles of peace. (Great Applause)