

The Economic Club of New York

The Victory: Its Responsibilities
and Opportunities

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Introduction

Henry Morgenthau, President

Ladies and Gentlemen: Probably no nation has ever reached so splendid a position in history as that which is held by the United States at the present moment. Certainly no nation ever has had the opportunity which we have now for generous and enlightened service to mankind. The outlook is so wonderful; indeed, that it arouses emotions of awe, and it also suggests doubts as to whether we shall rise to our opportunities. The duty that faces us, as a nation, calls for the finest idealism and the most complete self-sacrifice. Are we to show the world that we possess these qualities, or are we to sink back into the materialism that so many observers have described -- most mistakenly, I think, -- as the predominant quality in the American character?

We must keep constantly in mind that the American people have suffered comparatively little in this war. That we proved the decisive element in the military situation stands upon the surface. Compared with the military effort of England and France ours was not particularly large, yet without it the Allies would probably have been crushed by the German armies; with it, Marshal Foch and his associates were able, with almost lightning speed, turn defeat into victory. Our aid in money and materials, though the Allied cause could never have won without them, and though, even compared with the effort of England, they were enormous, really made unappreciable drain upon our resources. The fact that impresses us most is the successful flotation of Liberty Bonds. Wonderful as is this achievement it has really made no permanent

impression upon our financial resources. We remember how quickly the United States paid the debt of the Civil War -- infinitely greater, in proportion to our population and wealth, than this one; and in a comparatively short time these large sums will likewise disappear from our debit sheet. In casualties we have likewise suffered little, compared with the casualties of our allies. While the loss of 56,000 American lives is a terrible thing, for which Americans will never cease to mourn, from purely economic considerations it is not important. If we would have had to fight our way to the Rhine our losses would probably have exceeded one million men. When we think that the British Isles, with not one-half our population, counts at least 600,000 dead, and France with less than a third of our population, has probably lost a million, our sufferings, heavy as they weigh upon individuals, will hardly affect adversely our industrial progress.

No, the one apparent fact is that the United States emerges from this war infinitely richer and stronger than ever before. The mere fact that we have laid the foundation of what will undoubtedly become, in two or three years, the world's greatest mercantile fleet means an addition to our national wealth that is almost incalculable. Three years ago we had many enemies among the nations; now there is hardly a part of the world where we are not loved and admired, or respected; and this changed attitude will have the utmost influence in stimulating the enormous foreign trade that will follow the signing of peace. In statesmanship, our President is the acknowledged leader of the world, (great applause), and in all the processes of civilization Europe and Asia look to us for guidance.

I am not rehearsing these facts in any boasting spirit; my purpose in directing attention to them is precisely the opposite. I wish to emphasize that the spirit that should possess us at this present moment is not one of triumph or self-love, but rather that of Rudyard Kipling's Recessional. For great have been our achievements, and so completely have the events of the last four years recalled to us our mighty power and resources, that the greatest danger, as I see it, is that we shall relapse into materialism. What the American character need most at this moment is the development of the spirit of self-sacrifice, and the realization of the grave responsibility of leadership. In a sense we suffer from the same trouble that brought German to destruction, -- there is something wrong with our general mental attitude toward life and its responsibilities.

The great military triumphs which German won from 1864 to 1870 completely perverted the mentality of that nation. From them arose the hideous theory of national greatness that had its final expression in the assassination of Belgium and in submarine warfare. We have recognized that we could not end this war in a way that would mean permanent peace unless we at least made a beginning in disentangling the twisted German mind -- in restoring the German people from mental sickness to mental health, in helping them to see life in its real proportions, and to look upon their international duties from the standpoint of their neighbors. We insisted that a complete military victory was the essential preliminary to such a reform; that, unless the German people were humiliated to the dust, they would never start to build their national life on the firm foundation of sanity.

We have succeeded in so humbling the German people. All history records no humiliation as great as the scene recently enacted in the North Sea, when the German fleet, the second largest in the world, sailed out under a flag of truce and surrendered to the Allied navies. If humility is the basis of national progress, certainly Germany has begun her new career auspiciously, though involuntarily.

But Germany is not the only nation whose mental attitude needs to be changed; the American people might likewise begin their new career by modifying their outlook. It is well that we admit at once that we are too materialistic, too vainglorious, too much inclined to chase the great God, Success, and altogether too ready to set a cash value on our recent achievements in war. Perhaps the most noticeable effect of the armistice was an immediate spurt in business. Our thoughts shifted almost at once from the devastated fields of France to our factories, our mines, our banks and our trade. Almost overnight the emotions aroused by the German menace seemed to vanish; we heaved a sigh that the world had been saved for Democracy, and showed our eagerness to resume the real business of life which the Kaiser's ghastly experiment had interrupted. Is it not significant that the attempt to raise \$170,500,000 for the Great War Fund was much less successful than the previous drives?

We are not now fighting for our lives and for our institutions; these are safe for at least a hundred years -- probably for all time, if the American race proves that in prosperity she retains the same

attributes of altruism and devotion to justice that she has shown in the dark days of doubt we have just passed through.

The world has been saved from destruction, but it has not been saved from almost infinite misery. There is hardly any part of Europe and hardly any part of Asia that is not facing a long and weary process of regeneration. Our magazines and newspapers have pictured devastated France and Belgium. War has brought to Russia no greater agonies than those from which she is now suffering in peace. Great areas of Poland have been destroyed and must be rebuilt. Serbia is a nation whose cities have been leveled, whose farms have been destroyed, and the larger part of whose men and boys have been killed. Misery and starvation stalk through the former Austro-Hungarian Empire. Turkey has lost at least a quarter of its population in the last four years; massacre, starvation, and war have made the whole Ottoman Empire an empty shell. As we go into Asia we find that demoralization and misery have become the normal facts of life. Even such proud and upstanding nations as England, France and Italy will need assistance.

The whole world has thus become almost a desert, whose one great oasis of prosperity and happiness is the United States. It was Emerson who said that “America represented God’s last attempt to save mankind.” The position which we occupy today, indeed, seems almost at an evidence of providential foresight. This nation has been preserved and made great, I think, in preparation for the very contingency that now faces mankind. Practically anything that the world needs lies abundantly in America’s lap at the present moment. The world wants food -- and here,

Mr. Hoover tells us, is food enough to supply Europe's needs as well as our own. It wants agricultural implements to make its farms productive -- and America is the country which has invented these implements and can provide them in inexhaustible amounts. It wants ships -- and we shall build 11,000,000 tons next year, more than one-half as many as England's whole fleet when the war began. It wants money -- and there seems to be no limit to the amount which we can furnish, or its effective substitute, credit. But, and above all, it wants the help of a great, sympathetic American soul, a spirit of unselfishness and brotherhood. Without this, all our material help will be insufficient. With it we shall finally realize our historic place in the world, and make a reality of Emerson's prophecy.

How can we reduce all this idealism to concrete terms? In other words, what can we do fro these distressed nations in a practical way? Fortunately, the United States has already given the world illustrations of unselfish, humanitarian statesmanship. Twenty years ago we embarked upon certain experiments which aroused much cynicism in the Old World and much misgiving among our own people. We fought the war with Spain precisely as we have fought this war, for humanitarian purposes. Its outcome found us the guardian of Cuba and the Philippines, both countries backward in civilization. When we took over these countries, the world saw in our act nothing but the manifestation of that imperialism, which, up to that time, seemed almost exclusively to regulate the ambitions of nations. These so called annexations seemed to negative all the fine pretensions with which we had started our national career. The democratic state of Jefferson, which rested upon the principle of the consent of the governed, and which regarded

holding peoples in subjection as the greatest sin, had apparently ended by becoming a land grabber itself.

Yet America soon disproved all these criticisms. We freed Cuba from the scourge of yellow fever -- a disease which had drained the lives and vitality of her people for centuries; we gave her clean streets, splendid highways, railroads, school houses, and even more than that -- our own democratic institutions. And then, completely restored and revitalized, we made her an independent nation. The promptness which Cuba displayed in following our lead in declaring war on Germany, at the same time proclaiming to the world that the friends of the United States were her friends, and our enemies her enemies, was a splendid and grateful acknowledgment of the justice of our policy.

In the Philippines our work has been even more remarkable. There we have given the world a new Standard of colonization. The greatness of our achievements in these islands is well known to foreign observers, but it is hardly recognized here. How may of us know, for example, that Manila, which, twenty years ago, was one of the fever holes of the East, is now the most beautiful and healthy city of Asia? Its splendid asphalted streets, its fine public buildings, its modern sewer system, its schools, libraries and hospitals -- all the work of twenty years -- form an eloquent monument to the new ideal that inspired the United States when it assumed these new responsibilities in the Orient. For we went to the Philippines with one underlying purpose; the American idea of a victory was not to acquire territory that might be exploited. We believed

that our real duty was to develop such a country for its own people, and to convert these people into a free, self-governing democracy. Our work in the Philippines was unselfish missionary work on a gigantic scale -- nothing less than the redemption of ten million people to civilization. In this work we were willing to spend our energies and our money, with no hope of profit beyond the satisfaction of having established a new self-governing commonwealth and of having constructed a democracy out of material that at first seemed rather unsatisfactory.

Europe, even in its most enlightened countries, smiled at our idealism then; in particular, the idea of making an oriental country sanitary appealed to their sense of humor. Yet our statesmen started at this problem in no Don Quixotic spirit. They had not illusion about creating a democracy over night. With their practical common sense they knew that certain fundamentals underlay any civilization. First, the people must be freed of disease. Second, they must have the opportunity and the tools to obtain their living from the soil. Third, they must have the means of communication, -- streets, highways, cars, and railroads. Fourth, they must have decent living conditions. Fifth, they must have education, -- primary schools, colleges, even universities. If all these facilities were made available to the masses of the people it would inevitably follow that they would advance in enlightenment and morals and civic consciousness, and so lay the groundwork for a self-reliant, successful democracy.

In the last twenty years we have been engaged in introducing these fundamentals of civilization. In 1898 the Philippines were a nation of invalids; they were afflicted with all kinds of tropical

diseases - malaria, hookworm, bubonic plague, dysentery, beriberi, small pox, cholera, and the like -- which had made them listless, apparently lazy, and altogether valueless to themselves or to anybody else. In those days a single disease, small pox, killed 40,000 a year, and the other ills that I have mentioned raged uninterruptedly. There was not a sewer, not an artesian well, hardly a hospital or an insane asylum anywhere in the islands. At present entire years pass without a death from smallpox. All the other diseases enumerated above have been driven from the islands. The result is that this oriental country is a healthier place to live in than is our own United States. Highways have been constructed everywhere; sewers, water systems and public lighting systems are almost as general in these islands as in this country, and school houses, built on the most modern lines, are as common as in New England. Philippine children now learn to read and write as a matter of course, just like their compatriots in the States.

The result is that an industrious, thrifty and intelligent race is taking the place of the indolent, careless and illiterate people whom we took over as wards twenty years ago, and that the time is not far distant when another Japan will come into existence in the pacific. We shall complete this work when, at the appropriate time, we give these people their independence. European observers who visit these islands unhesitatingly pronounce the civilization of the Philippines the greatest colonial experiment in history.

I have described this in some detail because our work in the Orient has a practical bearing on the problem that immediately confronts us; I have in mind particularly the work which we shall be

called upon to do in Russia, in the Balkans, and in the Ottoman Empire. The peoples of these countries, of course, are not to be compared with the native tribes of the Philippines. They all have back of them centuries of Christian civilization; all of them have splendid histories and achievements; and all of them have made great contributions to art, literature, and general progress. But they have all been held back and exploited for centuries by tyrannous autocracies, and all of them lack what I have called the fundamentals of civilization. In Russia the population is 80% illiterate, sanitation has been neglected, agricultural methods are exceedingly primitive, highways are few and far between, and railroads are most inadequate. The same conditions exist in the Balkans and in Asia Minor. The physical restoration of countries is something for which we, as a nation, have shown great ability, and we have before us a splendid opportunity to exercise that ability. We have the resources to finance these restorations on the gigantic scale which the occasion demands. Moreover, we have the man power for this work, and it is fortunately placed on European soil at this moment. The work in Cuba and the Philippines was the work of the American army. Why can we not use the American army that is now in Europe as the driving force for this great work of rehabilitation? This army contains one of the finest sanitary corps in the world. For nearly two years it has kept the American boys free from typhoid, dysentery and the other diseases that in the past have destroyed more soldiers than power and shell. We can hardly conceive the wonders that would ensue if these scientists were put to work among the civilian populations of Eastern Europe. This army has the engineers that can build the highways and railroads, and restore the cities and villages that have been devastated by war. It is now becoming a great university and so can carry the blessings of education into

countries that now hardly know it. And, even perhaps more important than these material advantages, the United States can carry to those suffering lands the same idealistic and unselfish spirit that has made them so successful in Cuba and the Philippines.

These thing we should do, not only for the benefit of peoples more unfortunate than ourselves, but for the benefit of our own soul. In this way, we can help repay the debt which we owe to our European brothers for the sacrifices they have made in the last four years. There is a tendency to grow bitter about Russia, but let us not forget that millions of unarmed Russians in 1914, 1915, and 1916 exposed their bare bodies to Prussian bullets, and that, had they not made this supreme sacrifice, the battle would have gone against the western powers and our present civilization would have been lost.

The part that America should play in the next few years is therefore plainly marked out. But for this we need more elevation of mind that is evident now. We need the crusading spirit -- national exaltation that will take us out of ourselves and make us willing to lay all that we have at the feet of civilization. We could do this in ward. Can we do it in peace? Millions of Americans differ in religion, but there is one religion in which we can all unite, and that is the religion of humanity.

(Great Applause)

MR. MORGENTHAU: We are extremely fortunate in having with us that magnificent representative of the Army, who has done so much of the very thing that I have explained here -- Major-General Bell. (Great Applause)

First Speaker

Major General J. Franklin Bell

U.S.A. Commander Department of the East

Ladies, Gentlemen of the Economic Club: It seems a bit curious that a man, who has spent his life as a soldier, knows nothing about business, and less about economics, should be called upon to address the Economic club. Possible, however, as I have never had any personal interest in economics, beyond the effort to make a moderate income meet an expensive taste, (Laughter), it is possible that is an advantage, because I know so little about economics that I can float around the fringe and possibly say a few things more interesting.

Our forefathers inherited an immense domain of virgin soil, filled with boundless resources. For the first hundred years of our existence, our statesmen were so busy with legislation for the development of those resources, that they hardly had time to realize that we had any external side, which less time enough to give them careful consideration.

That this is true, and that we are not a never have been a military nation, is illustrated by a few incidents of our history. Right after the Civil War, General Grant, then the greatest soldier on earth, realizing the value of the Danish Indies, negotiated a treaty for the purchase of those islands form Denmark for \$5,000,000 but our Senate, smelling a military wedge, and contrary to our traditions, refused to ratify that treaty. We have learned some things since those days and recently with the consent of our Senate we paid \$25,000,000 for the same islands. (Laughter)

You gentlemen all recall that when a small band of missionaries offered the Hawaiian Islands a free gift to the United States, our present of that day, not only declined that gift, but even made an attempt to undo the act of these American missionaries by trying to re-seat the native queen on the throne again.

Why, thee isn't a man, woman or child -- I will say, an intelligent man, woman or child in America today, who doesn't recognize that the Hawaiian Islands are probably the most important outposts in the advance of this nation. There isn't anybody in Congress that doesn't recognize that now. (Ripples of Laughter) Gentlemen that may have been some kind of a "bull," but I didn't mean it as a joke. (Laughter)

It may not be known to all of this audience that at one time we had a great whaling fleet in the Pacific Ocean and when they were not busy with whales, they were busy with guano and then they took possession of many islands in the pacific, I believe, as many as 60, in the name of the

United States Government, and got the guano, and then the islands were supposed to be worthless.

Sometime afterwards, because our State Department recognized or founds out that other governments were considering that those islands belonged to us, sent a circular letter around renouncing all claims to those Islands. Subsequently, when it became necessary to find a landing place for a trans-Pacific cable, our government tried to buy one of those Islands or tried to negotiate for one those Islands, offering a million dollars, and couldn't get it. As I say, we have learned.

Possible, our objection to the consideration of external interest was more influenced by the advice of the Father of our country, to “avoid entangling alliances,” than it was due to being busy with external affairs. We have also learned in that regard. We have learned that unless we can become and remain a hermit nation, living within our own confines, refusing, failing to sail the seas, that it isn’t always possible to avoid entangling alliances.

Everybody knows that we tried hard enough to keep out of this trouble. (Laughter and Applause) We elected a President because he kept us out of it. (Applause) Do you suppose that the Father of this country would have insisted so much upon avoidance of entangling alliances had he foreseen aircraft, railways, telegraphs, telephones, not to mention the phonograph and various other things that contribute to the ease of communication?

I noticed in the papers only this morning that a Caproni and a Handley-Page aeroplane were both being built for the expressed purpose of crossing the sea -- the Atlantic -- and I confidently expect to see someone sail in an aeroplane across the Atlantic in less than six months. (Applause)

When communication becomes so perfected that men of different countries can communicate with each other with such ease, why, gentlemen, it is impossible to live as a hermit kingdom any longer. (Applause) We have learned that we have not only a place in the world, but obligations to the world, and that if we would not degenerate into a nation, not respected by the rest of mankind, we must consent to take our part in the world's affairs. (Great Applause)

I notice on the program that we were expected to address ourselves to the obligations as well as the responsibilities of peace on Victory. We are credited with having the highest standard of living that exists in any country on earth. (Applause) It has been found in other countries most difficult to maintain a high standard of living among the working classes whenever an agricultural country becomes overpopulated. Who knows how long it will be before our own country will be overpopulated, and who knows how long it will be before, in order to maintain our present standard of living, we must begin to seek secure and maintain our fair share of foreign trade. Mind you, I say our fair share. I am quite in sympathy with the sentiment which has been recently expressed that we don't want to "hog" it all. (Applause) but we do want our fair share. We haven't had it. (Applause) If we do not have our fair share, then we must see our

laboring people come down to living on black bread, potatoes and other cheap forms of food and cease eating meat and becoming a red-blooded virile population.

We can't have foreign trade without friendship. We can't have friendship without confidence. Fortunately, we have been wisely led for many years. The President of this association has already mentioned to you the altruistic attitude of our government with regard to Cuba and the Philippines.

It has been my good fortune to have been concerned in a most intimate way with the efforts of our Government in those countries. (Applause) A most interesting experience and possibly I can give you a little information which would be news to you because of that experience.

You possibly don't know that we have never charged Cuba a cent for policing its country the second time from 1906 to 1909, and that when we went to Cuba our Government gave us orders to keep an account of not how much it cost us to maintain our army in Cuba, but how much it cost us to maintain it there over and above what it would have cost had we kept it at home.
(Applause)

I was the Commanding General of that army when it first went to Cuba. I was ordered to keep those accounts. Gentlemen, there stands charged against Cuba on the books of the United States Treasury today a balance of \$6,000,000. Nobody has ever asked for it and I don't suppose that

two men in this room that knows that Cuba owes it. Nobody wants it. It was just a mere matter of bookkeeping.

Our beneficence in the Philippine Islands -- it would take me more than weeks to tell you about.

There was a time when we were universally considered in Europe as a lot of selfish dollar chasers. Now what do they think? They look upon us as a lot of generous idealists. (Applause)

You gentlemen doubtless have been pricking your ears to hear me say something about universal military training. In fact, I was requested to talk on this subject. Gentlemen, I am full sympathy with the evident views of the War Department that soldiers had best let taxpayers talk about universal military training and preparedness. People are so apt to think a soldier's interest only as a matter of dollars and cents, a matter of salary. It isn't true, but they think it sometimes. Besides, I have been thinking on that subject not much and in these piping times of war, it is a bit hazardous for a soldier to undertake to give extemporaneous expression to ill-digested thought. I guess I will let you talk about that. (Laughter and Applause)

But there are a few things that I am proud to stand here as a representative of the army and to tell you about. You are going to see your boys coming home from Europe, soon, I hope. (Great Applause) I have got a few minutes more of my time and I am going to tell you one or two

incidents illustrating the type of boys that you sent to Europe and the type that will be coming home.

Mr. Fosdick of the War Department Commission on Training Camp Activities recently made a trip to France for the purpose of coming into intimate contact with our soldiers and I heard him tell these stories. Probably some of you have heard them, too, but they are so good, they will bear repeating. He said that at his request, the District Officer of the Y.M.C.A. took a vote of all the soldiers he could come in contact with, requesting each to express his opinion as to the three cardinal sins of the world. That sin which had the largest number of votes of all was Cowardice.

(Applause) The next was Selfishness and what do you suppose the third was? -- Conceit.

(Applause) Gentlemen, your representatives in Europe have set such an example of modesty that I hate to tell you anything that pleases you for fear you will become immodest. (Laughter)

But I will tell you another. Mr. Fosdick said a Battalion Commander one day noticing a poor, old woman, bent over with pain, digging in the ground and harvesting a crop in a small patch of ground. Reflecting a moment, he called some of his boys. He said, "Boys, don't you think we might help that old woman gather in the crop?" "Sure," they said, and they called the balance and pretty soon the whole battalion, seeing what was going on, hunted for fields to conquer, and then the third battalion joined, making the regiment complete and the second regiment of the brigade, feeling ashamed at having nothing to do, to get exercise, marched off as a body hunting ground they could gather the crops on, and after all the crops in the whole country around within

reach of their billet had been gathered, still not having enough exercise, they fell to and cut up all the winter wood in the whole territory and piled it at the doors of the people. (Great Applause)
And now, Mr. Fosdick says, it is impossible in the while district and community to even mention the word America or American, without seeing the clutch rise in the throats of the people.

Don't you think that men who voted on those cardinal sins and exhibited such striking generosity of fit representatives of an altruistic nation, don't you believe that they deserve all the credit that you have been in the habit of giving them?

You're New Yorkers and you are naturally fond of the 77th Division. (Great Applause) You have no monopoly of that. (Laughter) I am a Kentuckian and I am fond of them too. (Applause) but I want you to know, because I don't think all of you know how much your division accomplished in its Argonne Forest fight. They were put into the Argonne Forest, universally considered the hardest test that can be assigned to any troops and they started in at one end and they didn't take up the shortest road through; they went the longest direction, from the south to the north. The point is, gentlemen, that is the first time in the military history of the world when anybody thought it was worthwhile to try to take the Argonne Forest from an enemy. (Great Applause) formerly, we did not fight in continuous trenches, a continuous line of trenches. We fought open warfare, one army against another, opportunity to maneuver, and Napoleon always gave the Argonne Forest a wide berth. He could do so. This time we had to take the Argonne Forest,

because we were fighting in a continuous line and you may consider that it was a very great honor when a portion of this task was assigned to your Division -- the 77th. (Great Applause)

MR. MORGENTHAU: Ladies and Gentlemen: Our next speaker is not only the president of the most prosperous and successful life insurance company, but is one of the most careful students of international affairs. I take great pleasure in presenting Mr. Kingsley. (Great Applause)

Second Speaker

Darwin P. Kingsley

President, New York Life Insurance Company

Mr. President, Ladies and Gentlemen: We have helped to win a complete victory over the enemies of ordered liberty. What are we and our Allies -- together the responsible, liberty-loving, self-governing nations of the world -- now to do with victory?

By that question I do not mean how shall we dispose of the immediate problems of territory, of reparation and restoration, of self-determination and all that. We can, indeed we must, assume that at the peace table all these matters will be dealt with effectively, perhaps, sternly, certainly justly. I mean something more far-reaching, something that will give the justice which we assume in all those decisions a wider application and a new significance.

This ware has been an earth shaker. It has applied the acid test to civilization. It has made some things clear -- so clear that we shall fail t understand them only if we forget our own history, only if we are morally and socially deaf and blind.

As yet we get only an incomplete glimpse of the picture, a quick impression of al that lies between Sarajevo in June, 1914, and that huddled figure in Holland. But that is enough to show that the movements in this war were fundamental, elemental, and that no one man was wholly at fault. It is clear also, I think, that no single people were wholly at fault. One man must pay the price. One people must pay the price. You remember what Christ said:

“Woe unto the world because of offenses, but woe to that man by whom the offense cometh.”

The primary fault that led to this war lies in the very structure of civilization.

Kings talk -- or did talk -- about their sacred persons; nations, even democracies, talk about their sacred soil. Both mean practically the same thing. Both are the product of a condition evolved through centuries, under which the surface of the earth has been divided into curiously shaped areas around which dead-lines are drawn and between which is an intangible strip where there is no real law. Every nation, free or otherwise, is surrounded by potential anarchy. No Man's Land lies in the very heart of democracy waiting for the day when it shall be plowed with shells and drenched with human blood; it lies, to be specific, on our northern border and stretched across more than 3,000 miles of mutually, unguarded frontier; it lies on the sea and lurks in that cryptic phrase “the freedom of the seas.” If I understand what President Wilson means by freedom of the

seas -- and I sometimes wonder whether anyone understands it -- Great Britain will never agree to it, and as a matter of fact never could agree to it. As a consequence the basis of grave differences between Britain and ourselves is likely to be laid down at the peace table. Already the question of the relative size of the British Navy and our Navy is being mooted. We shall probably soon have a larger merchant fleet than Great Britain has. Necessarily we shall plan to protect it. On the other hand the British Empire from its very nature cannot let her Navy be less than the Navy of any other nation. The contest in sea-power that went on so long between Great Britain and Germany and finally culminated in this war is apparently about to be transferred to the British empire and the United States. Could anything be more stupid -- not to say criminal?

The controlling fact in civilization is the Doctrine of Sovereignty. The controlling fault in civilization is the Doctrine of Sovereignty.

Sovereignty is the supreme law not only over a nation's people but over its relations with other peoples. Sovereignties make treaties with other Sovereignties, it is true, but the interpreters of such treaties are the nations that make them, each for itself, and sometimes the nations disagree and sometimes they are interpreted by military necessity and sometimes they are held to be only "scraps of paper." This has been the rule of civilization for a long time and is the rule today. Therefore we have between states so called questions of "honor"; issues that we admit are non-justiciable. When we say that a question is non-justiciable we mean that civilization has no court in which that question can be adjudicated. Self-respecting, liberty-loving men know that the

greatest issues that can arise in the world, issues that are certain to arise, can be settled only by the arbitrament war. That condition is not the fault of any man or of any people. It grew out of the evolution of society. But woe be to liberty-loving men if they fail to correct that fault when the hour strikes. I hold that the hour has struck.

Since sovereignty was evolved out of necessity and semi-savagery, humanity has progressed. Knowledge has grown. Morals have improved. Science has developed and abolished the vast spaces and the time that earlier divided nations and justified their fears. As a result the nations in recent years have been forced to deal with the problems of modern life while bound by medieval rules.

The law of national existence still says “Be ready; you are surrounded by enemies; your only safety lies in your own good right arm.” The Kaiser learned that law and learned it well. The law of national existence says that only the strong, the ruthless, may survive. The Kaiser learned that law also and learned it only too well. How easy from this, indeed how logical -- I had almost said necessary -- to evolve the German philosophy. If a man believes his life is in danger and sees a way by which he thinks he can escape, he is certain to evolve reasons and plenty of them that will justify any act that seems necessary to his safety. The German leaders taught by Frederick accepted the Doctrine of Sovereignty in its entirety. They therefore needed a philosophy that would justify and glorify war, and the German philosophers quickly provided it. From that to

frightfulness and bestiality and lying and unbelievable cruelty was, for the German, a short and an easy step, and for those inhuman crimes Germany must pay.

The Doctrine has reaped many grim harvests; but it has now reaped its greatest harvest: eight million men dead; twenty million more maimed in some way; two hundred and twenty billion dollars of debt. An unprecedented sacrifice for the wise use of which the masses of mankind, now mute, will ultimately hold the leaders of the world and the institutions of the world responsible.

But we rejoice and take courage nevertheless, because greater than all that calamity and worth more than all that loss, is victory -- victory that for the first time in the vicissitudes of time and circumstance has placed men who love liberty in control of the destinies of the world. That along is worth the price paid.

But while the masses are mute they know what they have sacrificed and they will not always remain mute. They want relief from this intolerable condition; they want leaders who will lead not so-called statesmen who only trade and dicker. Our boys went into this war not merely to defeat Germany; they fought as crusaders. If our leaders do not use this dearly-bought opportunity, if they go on tinkering with worn-out machinery, there will come here and in all democratic countries a bitter day of reckoning.

Therefore I hold that sovereignty as now enforced is a greater issue than the specific problems of the peace table. We have it with us always, even though we do not recognize it, in peace as well as in war.

Do you know for example, of anything quite as agonizing as the usual ambassadorial speech -- post-prandial or official? Why does your Ambassador -- who is not infrequently a man of parts, even of eloquence -- indulge only in harmless and stupid platitudes? Why does he verbally pick his way along after dinner as gingerly as though he were inspecting a TNT factory? The reason is obvious; he represents sovereignty. There is powder even in times of peace in the relations of friendly powers. The relations of one absolute authority with another absolute authority create a "No Man's Land" between, which may already be full of old shell holes and your Ambassador must watch his steps.

If we admit that the fault which led to this war cannot be charged wholly to one man or to one nation but is fundamental, let us beware of assuming that victory corrects that fault. It does nothing of the sort. Neither is the fault corrected merely because liberty-loving men now control the destinies of the world. Liberty-loving men can correct the fault. But will they?

There is at present a powerful movement allover the world looking toward a League of Nations. Some proposal of that sort will hold the centre of the state at the Peace Congress. Can any mere

League of Sovereign States discharge the present duty and meet the present obligations of free men? Will it correct the fundamental fault? I think not, and will give the reasons for my doubt.

Perhaps the frankest concrete statement of what a League of Nations is and must be, fundamentally, ever put out is contained in the London Spectator of October 26th.

After saying that the fate of the civilized world and of all human progress hangs on whether we take the right or the wrong path in dealing with the problem of a League of Nations, it submits a sketch of a Constitution of such a League.

It then makes the amazing statement that the basis of its suggestion is “the extraordinarily able, far-seeing, and well-drawn document which, to the great credit of the English-speaking race, was produced by the independent American Colonies directly after they had freed themselves from the control of the British Parliament.” By this the Spectator means not our Federal Constitution, but the Articles of Confederation drawn in 1777 and finally adopted in 1781.

At first blush this statement is a facer. An American can hardly read without anger the suggestion that we can now save the world by a plan which we have already tried out, a plan which was so impotent in practice that the government created by it lost first the respect of the nations of Europe, then the respect of the constituent states, and then its own self-respect. Our fathers had to abandon it to preserve their liberties.

But while the suggestion is shocking, it is useful. It flashes upon our consciousness as almost no other illustration could just what is meant by a League of Sovereignties, and drives home the insufficiency and futility of any such plan.

Observe the first paragraph in the Spectator's proposed Constitution: "Only sovereign states are entitled to be members of the League, and each member retains its sovereignty, freedom and independence." That is the essence of our old Articles of Confederation, and the chief cause of the Confederation's failure. Observe now the opening words in the Preamble of our Federal Constitution: "We, the people."

Here are the two great systems and two great principles. It has been our high privilege to test both. We abandoned the first when we accepted the second, and at the same time we passed from confusion and governmental impotency into ordered liberty. To ask free men when faced with a like problem to adopt the principles of the Confederation rather than the principles of our Constitution is almost as grotesque and reactionary as it would be to ask us now to tear up the Federal Constitution itself.

Having slain autocracy shall free men now destroy the system that gave irresponsible authority its opportunity, its incentive? Or shall the free nations of the world enter into the same old competition in a different form? Shall we separate from our Allies, re-erect the old barriers;

reconstruct the economic machine-gun nests called tariffs; call upon all the old prejudices; rehabilitate the old fears; limp off each to our own bit of earth; draw the mantle of unconditioned sovereignty about us, and proceed to get ready for the next war? “Ah,” says the advocate of a League, “that is just what we propose to prevent.” I answer that a league of Sovereignties not only will not prevent all that; it will compel it. To qualify as a member of such a league a state must be sovereign and must act as a sovereignty; that means the dead-line of frontiers, and tariffs, and all the ancient fears and prejudices, and eternal preparation for war. With or without a League the Allies by the sheer centrifugal force of Sovereignty will rapidly revert to the status quo. The only alternative is federation.

It is clear, if we would save ourselves alive, that we must do one of two things; either arm to the teeth and be ready by land and by sea -- and every other considerable power must do the same thing; or all must qualify the Doctrine of Sovereignty. As a member of a League of Nations we shall do neither. As long as the great nations preserve full sovereignty they cannot disarm. They would not dare to. It is safe to say that we have at least learned that lesson from this war.

The nations of the earth, even the free nations, are now exactly like a group of naturally peaceable, law-abiding men in a frontier town where there is no real law. Each walks about armed, with his gun-hand free. He has no desire to shoot, but knows that some will shoot sooner or later, and when he hears that there is an outlaw around he puts on another gun. He knows that the man who shoots first has an advantage. The pistol shot may come from an irresponsible in-

another Sarajevo; or over some question of so-called “honor” a perfectly respectable man may shoot, or someone may have a fit of nerves and shoot, or a gun may accidentally be discharged -- in any one of these contingencies each knows that the shooting will instantly become general.

Put those same men in relation where law rules, where no questions of “honor” are tolerated, where no differences can arise that are non-justiciable, and none of them would think of shooting, indeed none could because none would carry a gun. The outlaw should automatically disappear from that community.

Government under the Articles of Confederation gives us a perfect historic background; here were thirteen states more or less armed, eyeing each other sharply, with their gun hand free. Each state claimed to be sovereign, each levied tariffs, each robbed its neighbors as it could, each cordially hated all the others and did just what a Sovereign State might be expected to do as a member of a Confederation. Under those conditions as soon as the unifying pressure of war was removed government became a travesty and narrowly escaped being a tragedy.

These same states under the Federal Constitution give us another historic background and a startling contrast. Government at once became effective; questions of “honor” disappeared; national credit was established, and inside of two years the thirteen original commonwealths began that expansion which has since added thirty-five stars to the original flag.

Here you have the problem and its solution. Here you have the necessary fundamental change.

Here you have the fundamental fault corrected. The people everywhere demand a program which will banish such wards as this. It is indeed time to ask, “What shall we do with victory?” Shall we go on carrying guns? Or within the Anglo-Saxon world at least -- and why not within the Anglo-Latin world -- shall we institute the reign of law?

Shall we go on regarding Canadians, for example, as potential enemies? Or shall we smash the barriers that divide the Anglo-Saxon world”? We were divided one hundred and forty-two years ago by the act of a mad German King. If another mad German King should be instrumental in reuniting us it might go far to rescue the reputation of both Kings from utter infamy.

What does the widespread movement for a League of Nation in some form really mean? What condition explains the demand? Its advocates are patriots. Some of them are great patriots. They include William H. Taft, Lloyd George, Viscounts Grey and Bryce and President Wilson. Once and once only has the President sounded the prophetic note, once and once only, has he advocated federation. That was in his address to the Congress, December 4, 1917. None of the others named, within my knowledge, has ever risen to the height touched by Mr. Wilson in that address.

Doesn’t this powerful movement reveal a wide-spread consciousness that unqualified nationality is now a menace? Isn’t it a half-conscious admission that the Doctrine of Sovereignty is the old

bottle into which we are otherwise obliged to pour the new wine of modern life? Doesn't it record a hesitant concession, a grudging admission, that something should be done? Isn't it after all a confession, a less than frank confession, that we know what ought to be done and are afraid to do it? Isn't it a compromise, a bit of patchwork? Will it not certainly fail now as it failed when we tried it earlier?

This is the hour for action. Not again in a century unless we grasp this opportunity will the United States and the British Empire be so near each other. Not again in a century shall we otherwise see Britain and ourselves yielding sovereignty to France.

A Military League of Nations gave us the confusion and disaster that so cruelly punished our Allies up to the hour when President Wilson insisted on a unified command under Foch. A temporary Federation of military power quickly gave us victory.

Since Alexander Hamilton thundered for the Constitution in Poughkeepsie, since Marshall and Madison pleaded for the Constitution in Richmond, liberty-loving men have faced no such crisis and opportunity as this.

A post-bellum League of Sovereign States would lead us back and not forward, it would lead toward confusion and not toward order. Before we join another Confederation we must forget or repudiate about the brightest page in our history.

A post-bellum Federation, of the Anglo-Saxon world at least, and why not of the Anglo-Latin world, would take its inspiration from Independence Hall and not from Potsdam; it would react to the philosophy of the Federalist and not to the philosophy of Bernhardi; it would correct the fundamental fault; it would solve the problems that lie on the seas; it would move the world away from the shambles of sovereignty and hasten the coming of the day when “the war drum throbs no longer and the battle flags are furled.”

(Tremendous Applause, entire assemblage rising)

MR. MORGENTHAU: We are going to hear from professor Emery, who was formerly President of the Tariff Commission, and has just returned from Russia by way of prison in Germany -- Professor Emery. (Great Applause)

Third Speaker

Professor Henry Crosby Emery

Guaranty Trust Company

Mr. Chairman, Ladies and Gentlemen: I thought I had suffered some in Germany, but I assure you that the Hun was guilty of no such atrocity to me as you are tonight in sandwiching me between Mr. Kingsley and Dr. Eliot, (Laughter), but you are more atrocious to yourself.

The General, who goes to war for purposes of brutal conquest or the nation that wages war for sordid material ends, has this great advantage: when the victory of arms is won, they know what they have gained. They do not have to wait the verdict of history, a verdict determined by subtle and obscure forces, which affect ideals, order, and civilization. Quite different are the problems of a nation which has waged a holy war in order to establish a better order of society. For different are the responsibilities which such a nation faces on the day of victory.

History shows us that the greatest danger to a victorious nation is that in the moment when it celebrates the victory of the sword, it allows the victory of the soul to slip away beyond recall, aye, even to pass into the hands of an enemy chastened by defeat. Rome conquered Greece and Horace, the chosen laureate of Roman victory, said, “Graecia capta ferum victorem cepit,” -- “Greece conquered took the fierce victor captive.” Rome was in turn conquered by the armies of the barbarians, but the barbarians were conquered by the civilization of Rome, and although I agree with the President and with General Bell, regarding the Spanish American War, the danger at the time was so great that one of our greatest American thinkers of the day, 20 years ago, wrote an essay entitled, “The Conquest of the United States by Spain.”

I do not wish to give a note of doubt in this evening for the celebration of victory, and my mind is not occupied by doubt. It is filled with hope, even with confidence, but I want, for one, in this momentous hour, to make sure that no future poet can say “Prussia conquered took American

captive,” that no future historian of morals can write an essay entitled, “the Conquest of the United States by German.” (Applause)

A scholar and thinker in German, who during the last four years, or I will not say that, -- during the times since America came into the war, has done the most to tell his people, honestly, the truth about America, who at great risk to himself, has refuted the charges of greed and imperialism brought against America and has proved beyond cavil to his own people, the idealism of our aims, said to me last September, “I see in the defeat of German a chance for her to save her soul. I foresee a future Germany which a moral man can well live and work for,” and he added, “I only wish I felt so sure regarding the moral effect of victory on America.” Some things which he had in mind can be, I think, swept aside, as giving ground for no fears. Others, perhaps, deserve deeper consideration.

I cannot conceive how any sane man can believe that there is any possibility whatsoever that American can ever become militarized in the German sense. Since the civilian Secretary of War, Stanton, sent that curt note to the soldier victor Grant at Appomattox that he should consider no questions of policy because these are questions which the President refuses to submit to any military tribunal whatsoever, since that day there has been no danger that the saber will rattle at our council tables, or that epaulets will give orders to the frock coat or the Palm Beach suit.

In the same way, I think, some people might exaggerate the danger to individual liberty. I was taunted in Germany with the fact that Americans had given up their individual liberties, for which our English and American ancestors had fought so long, that our President was endowed with more dictatorial powers than ever the Kaiser had and that the regulation of private life and business life in America had gone farther than it ever had gone in Germany. The answer of course was easy: that these extreme powers were the free gift, day by day, of a free people to a servant whom they trusted; (Great Applause), that these powers were not arbitrary and enforceable against the will of the people, but could be repealed by the people as they were given by the people, and I must confess that I was interested in the frankness with which they recognized this distinction and envied us our capacity to make ourselves efficient in war without subjecting ourselves to 50 years of suppression and oppression.

There is one Prussian trait which we must avoid. I refer to that overweening conceit, self-confidence, self-assertion, cockiness --call it what you will -- which made the German extremely disagreeable even in his peaceful moods, and which made him intolerable to the world when he marched out with the sword in one and the banner of his Kultur in the other. (Applause) There is no danger that any member of this audience will be guilty of such grotesqueness as the Germans were guilty of when they calmly assumed that their system was inevitably the best system, that they were the chosen race, that any nation which came under their sway, should thank God humbly for the privilege.

But, gentlemen, there is also no one here who will live up to his responsibilities at this moment if he does not do everything in his power to check that same attitude from spreading among a thoughtless public. The American people are justly proud of their share in this war, of what they did at the crucial moment to bring about the final victory. They are also proud of their liberty free institutions and their prosperity, but if this pride should take the form of self-assertiveness, of intolerance, of arrogance, if they should assume that because Europe had to turn to America for salvation the moment of their menace, that therefore the Americans are a superior race, and that from now on the American say-so must be substituted for the German say-so in the council of the world, it will be a victory not of American qualities, but of Germanic qualities. (Applause)

There is the opposite danger that we may not take our ideals seriously enough, that we may not take them solemnly enough, that we may forget our noble assurances regarding motives and aims too lightly. Such solemn assurances have been made and the world has listened to them. These assurances are so broad in character that I find nothing in them which does not make easy a completely harmoniously agreement with our Allies in securing their just demands at the Peace table.

But I sometimes hear statements to the effect that these noble statements were alright at the time they were uttered, but that no one meant to use them in the ultimate settlement. I sometimes hear it said that such sentiments were mere camouflage to trick the Boche, a scrap of paper which we need not consider further. Gentlemen, I confess such sentiments make me shudder. It may be that

I am too much affected by the experience which I went through in the hands of the enemy; it may be that living among them I detect too easily the Germanic accent when one talks of trickery and deceit, but I must also tell you of the solemn pride it was mine in those last momentous weeks in Berlin, which city I left on October 22nd, to find how completely the intelligent German people took it for granted that the American government meant exactly what it said. (Applause)

A leading liberal newspaper stated, “It is indeed humiliating that every proposition of the German Government should be looked upon with suspicion and that we should be asked at every breadth to give guarantees while we are asked to accept the statements of the American Government as sincere,” but it continued, “This is the situation which we have brought upon ourselves by our own misconduct and we must swallow it.”

I myself came in for some of this confidence, for in those later weeks the lid was off, everybody discussed with everybody else, with frankness, the situation, and I as an American was sometime appealed to by men of no small prominence for my views, and although they always expected me to take what they said with distrust, they seemed to accept what I said as sincere and honest, not because they knew me, but because I was an American. (Applause)

Gentlemen, don’t think I care too much about their opinion. I don’t want them to think us sentimental, I don’t want them to think us generous, I don’t want them to think us pitiful, but I do want them to keep on thinking us honest. (Applause) I want the neutrals to think us honest, I

want the verdict of history to declare that we were honest and when the history of that famous phrase “As crap of paper” comes to be written, I want it to be said that that phrase, made in Germany, was refused admission to our shores. (Great Applause) but it is not, gentlemen, only a question of honor, it is a question of practical wisdom, of national safeguarding, of insurance to the world.

We today are facing practical, difficult, complicated questions of the highest order. We need two things above all else; first, to recognize that there are no longer any parochial problems; every problem is a world problem. The character of the monarchy in Greece, the condition of the laboring classes in Sweden, these are questions which may become of vital moment to the welfare of the whole world -- so much the war has taught us, and secondly, we need to meet these world problems with clarity of vision and sanity of judgment. There is no occasion for sentimentalism of any kind, whether it takes the form of pity or generosity on the one hand, or whether it takes for form of revenge or hate upon the other. There is no time for a consideration of emotional questions of this kind.

Consequently, it seems to me futile to spend any time discussing what the Germans deserve. It is not a question of what the Germans deserve; it is a question of what the world needs.

I am confident after my experience in Germany that a wedge has been drive between the Kaiser and his people. But I also know what a terrible responsibility of conscience must lie upon the

intelligent people of Germany, who should have been defenders of liberty, but who allowed themselves, for the sake of prosperity and commercial advantage, to be harnessed to the car of autocracy and misrule. The burden upon them is great. They deserve probably more than they will get. Their failure to live up to their high duty in the past has brought them not only the scorn of the civilized world, but the hatred of the “Red” revolution, which now would sink them in the same boat with the Kaiser and his crew.

The evil of militarism was single headed. When we cut off that head, we finished that job. But the evil of Bolshevism is hydra-headed, and it is a grave question whether we can meet that issue with the same weapons with which we sealed the fate of militarism. What is to be the duty of the United States today? Is it going to prove the duty of America to police Russia and German and Austria and the Balkans, and I know not what more? Think over for a moment what it means, I ask you to think tonight when we are celebrating victory, of the handful of our boys frozen up for the winter on the Dvina River, in Northern Russia, fighting for their lives against the bands of Bolsheviks. Those boys went into the war with the same spirit that actuated the boys on the Western front, who are now coming back with the proud satisfaction of a great work accomplished. How long must they stay there? What will their feelings be? How many more hundreds of thousands of men will be sent before that task is ended, and yet thousands more, if we are to police Germany as well? If an army of occupation, an American army of occupation is to spread over Europe, it may be a necessity, but remember, our boys did not enlist with that thought. They will doubtless do their duty if they must, but there cannot be the same crusading

spirit in an army of occupation that there is in an army of liberation and an army of occupation cannot win the same laurels.

I do not say this policy is necessary or unnecessary. I am not arguing either to go in or to stay out. The issue must decide that, but the seriousness of the situation must be recognized. If we take this line of conduct at all, it will stretch on and on. We must go at it with our eyes open, with a good knowledge of what we are after, and the firm resolves to carry it through. I hope it may not be necessary. One thing is certain, that no man is faithful to his responsibilities in the hour of victory who by a single word or deed makes such a thing possible when otherwise it might be impossible. The error of this moment, gentlemen, the mistake of tomorrow morning, or the next day, may make the policing of the world by American forces necessary for months to come until this great war of the ages peters out into a series of petty conflicts for ages.

One thing we must then realize. We must cast our sentimentalism, emotionalism, whether it leans to one side or the other side and look at the matter in the cold light of a reasonable calculation of what is necessary, and how dear anybody may be to your heart, gentlemen, you must cast it out if it interferes with the one great aim that at the first possible moment coercion by force and the rule of tyranny must perish from the earth. (Applause)

Just one word more. In these problems which we are facing, we shall seem too many to be following ideals quite contrary to those which we have followed in the past, to be playing a role different from that to which we are accustomed. To fight against despots, to overthrow tyrants

seems the nature role of America in history, but we must remember that we are going to a very different problem now. We are going to be told that we are now on the other side. I have seen things go so fast in Russia in the 18 months that I was there that men who today were household words as the forerunners and protagonists of revolution and liberty, were tomorrow denounced as reactionaries and counter revolutionists. That is going to be our fate also. Don't forget that the word "Liberty", however badly used, however much misused, is still the watchword of the "Red" revolution. That word still has its magic charm to influence the masses and just as autocratic Russia and Autocratic Germany feared America as the bulwark of autocracy, so revolutionary Russian and revolutionary German are going to denounce America as the bulwark of order.

But let us not forget in this emergency that the phrase which Mr. Kingsley used again and again, "Ordered Liberty" is the word which sums up the idea of government as our fathers gave it to us. If we become the bulwark of order, we are as much living up to our great heritage as when we are the bulwark of liberty and just as we did not fear when the autocrats of Europe cried us down as democrats, so we must not fear when the revolutionaries of Europe cry us down as tyrants, simply because we believe in ordered liberty.

These are problems which we are facing. Above all, let us remember that they are problems so big that we must think of them as problems of a new era, not an old era. We must not let the great problems of Peace which confront us be approached most from the angle of war. We must not look upon these problems as relics of a war which is over, but we must look at them as

problems of a new birth of civilization, and in considering those problems we must keep our vision clear and for our watchword we must take simple the words, “Sanity, and again Sanity, and forever Sanity.” (Great Applause)

MR. MORGENTHAU: I wish you would remain seated. On your behalf and on behalf of the Economic Club and on behalf of myself, I wish to express that we have a great privilege and honor to listen now to one of the wisest and best beloved men in America -- Professor Eliot.
(Great Applause)

Fourth Speaker

Charles W. Eliot

President-Emeritus of Harvard University

Mr. Chairman, Ladies and Gentlemen: This is an Economic Club, but have we heard much about economics and economic management tonight? Before I get through I hope to be able to say a few words on the economic control and management of this country, but just now I feel in need, after listening to the admirable speeches which have been made to us, that I want to reflect with you for a moment on what we are proud of in the American action in this war.

I think, in the first place, we are proud, justly proud, that we, the leading democracy of the world and the most experienced democracy of the world, has had an opportunity to give a conspicuous

demonstration that a democratic government, whose very first principal is freedom, of liberty for the individual, has given the complete demonstration that such a form of government will develop the utmost possible efficiency in their industries. I ventured to hope that that would be the case in October, 1914, but now we have given in the sight of all the world this complete demonstration that free men, who are brought up to exercise personal initiative and personal enterprise and to live in a mobile society, where the able man, the industrial leader can rise through all the strata of society to the very top, I say we have given that profound demonstration that a people of free men will be more effective in all their industries than any other people in the world. We have given that demonstration; England has given that demonstration. Now that is something which we may take solemn satisfaction because that is going down the ages as an argument for liberty.

Then we have quite recently given another demonstration, we, the democracy. We have proved that without having had any preparation at all, we, the democracy, can create and handle well, an army that can fight, to say the least, as well as any other people can produce. (Great Applause) Now, that is a great demonstration for the future of democratic institutions to have given.

We, all of us, I suppose, believe that the world, and even the smallest community in the world, must possess an organized force in order to be free, in order to be just to all ranks and conditions of men. That is, so far as any human wisdom can see, to be a permanent necessity in human society. Now we have shown that a democracy can at any moment, and indeed all the time can

be organized, any necessary force for the protection of society and for the prevention of war.

That is another very valuable demonstration for the future of human liberty and of law.

But, then, we have some legitimate grounds of satisfaction, of happiness, I may say, in other demonstrations we have given during these months in which we have been fighting in Europe. I liked, I enjoyed very much that story that General Bell told you about our soldiers taking hold to reap the crops of the village where they were quartered. What did that mean? That the American soldier sympathizes with and will work for any population which he has come to deliver and help when it is engaged in a desperate struggle.

I like very much this story which one of the professors of the Harvard Medical School told in my presence, about the quality of the American soldier in foreign lands and what they say of him. He had been in Italy for a month, studying the Italian hospitals, dispensaries and relief work generally and he greatly admired the Italian work in all those forms. He came to Marseille, going back to France to pass there another month in observation of French hospitals, etc. In his train from Marseille he rode in a compartment with five French Officers, returning from the east to Paris. It was a train such as we often see in Europe, a lot of compartments with a very narrow aisle running along the compartments and the doors of the compartments all stood open. The train was late. It arrived at a French city about four hours from Paris about sundown and the train lay still there a long time, making the arrival t Paris still later. Dr. Crockett observed a French woman pass down the little aisle. She looked in the compartment in which he was, anxiously, and went on. After she had passed, Dr. Crockett remembered that there was a young French girl

following her, a girl of 18 to 20, and one of the French officers in the compartment spoke up and said, "Why, I know that lady. I wonder what she is doing here with the girl that followed her. I will go and see." So he followed down the train. The woman looked into every compartment she came to, in one car after another but did not stop. At last she arrived at the last car in the train and the French officer was close behind her and he saw her put her daughter -- it was her daughter -- into a compartment which contained four American private soldiers. (Great Applause) The woman turned away from her daughter and went crying toward the door of the car. This French officer spoke to her. He introduced himself, and his first question to her was, "Why did you put your daughter into that car, that compartment with four private soldiers?" "Because," said she, "they were Americans. I have lived in my city here for the last six months, seeing every day battalion after battalion of American soldiers, some quartered in this town for a few weeks, then replace by another. I have learned, sir, that Americans treat a young woman differently from what we do."

Now, Dr. Crockett, my friend, the medical professor, heard this repeated by the French officer who returned to the compartment and he said to himself, we are going to be very late getting to Paris. We shall hardly get there before midnight. I think I will look out for those four Americans and that French girl to see what they do with her. Accordingly, Dr. Crockett traveled up and down the platform when they got to Paris. It was very imperfectly lighted until he last discovered one private American soldier standing guard over the French girl and all her belongings. And Dr. Crockett addressed the soldier and said, "Where are the other three?" "Oh, they are scouting

around to see if they can find some kind of a vehicle to take this girl to her destination. She tells us it is two miles away and the streets are almost dark." Pretty soon, another American soldier arrived on a run, declaring that there was no possibility of getting any sort of a hack to carry this girl to her destination, and then the other two arrived with the same news. No vehicle to be had in the streets of Paris at this hour. And then the four soldiers held a consultation as to what to do. They promptly decided that all four of them would walk with this girl two miles to her destination, carrying her baggage and all four of them would see her safe inside the house. (Great Applause)

Now, gentlemen, I don't know how you feel, but that single incident gives me an enormous satisfaction and prophesies to me that great influence which our country, represented by a couple of millions of our fighting men, are going to have on European society in the future.

And then how glad we are to read the welcome that our troops receive in the towns and cities and villages through which they are now passing as they follow up the evacuating Germans. A delightful incident in Luxemburg the other day, some of us have lately read of in the paper, how six American soldiers dispersed a riotous mob, which had already done a great deal of damage by wrecking certain German shops in the town, which the mob asserted had sold certain things to the American troops at very exorbitant prices. It took only six American soldiers, two Lieutenants and four privates, to get the mob to go home. I must say that I, for one, should like to see American troops performing such functions in Europe for some months to come. (Laughter)

I am trying to set forth to you some grounds for pride and satisfaction we have a right to feel because of the behavior of our men at home and abroad during the 18 months of ferocious war, but let me get on to a more appropriate field.

We are called upon now to face economic problems of the utmost consequences. Are we going to face them as well as we have faced the problems of war, fighting war industries? We have succeeded in that field. Are we going to succeed in that field? I suppose that depends on whether we can maintain in a practical condition, in a working condition the same emotions, passions, you might almost call them, with which we have dealt with the war problems.

It has been fashion to say for many years now that wars were caused by economic errors or faults; that the causes of war, that is to say, were to be found in economic considerations. There is a good bit of truth that could be alleged in defense of that proposition, but, gentlemen, there are many other causes of war, and our conduct in going into this war illustrates those other causes.

We went in because we were greatly moved; we were full of passions, mostly good; now and then, a bad passion. We went into this war because we were indignant. These spiritual causes of war are what moved us and when moved by these spiritual effects, we went to war. We threw all economic considerations away completely. We threw away our money, we wasted it, because we

couldn't get is used efficiently. We would have done better pecuniarily if we remained manufacturers of munitions for the Allies. We cast every consideration completely aside, that is to say, we went to war for what we believed to be liberty and justice in the world, or for righteousness sake.

Now is going to test us in the next ten years in this country and we hope in many places. If we undertake to guide our conduct, the conduct of this nation, which after all, has boundaries although they run across a continent, if we undertake to determine our political action and our economic section without reference to these spiritual purposes, these instincts, passionate instincts, which guided us in going into war, we shall not adequately fulfill our mission. We have adequately fulfilled our mission in the fighting; now let us fulfill our mission in dealing with the economic problems which succeed those of war. There isn't time for me to tell you in any detail what I believe these righteous motives ought to be, but I will mention only two.

I think we must all see now after our experiences in the war, after our efforts to combine the food resources, the fuel, the raw material, shipping of many peoples the world over in order to feed and give power to the fighting belligerents on the side of freedom, I think we must see that that sort of relation of this country to the world ought to continue, that we ought to be able to combine the food, fuel, raw material, shipping resources of the democracies of the world in order that those democracies at any rate may have a common prosperity.

Now there is only one policy that will do that in the next ten years. it is the policy of free trade, modified, of course, by the necessities of the various nations created by the war, but no thought of protecting this nation, of keeping a wall about this nation will answer -- will answer the high purposes which this nation ought to cherish.

And then there is another economic problem of the gravest sort, which requires a very great wisdom, patience and revolution on the part of all managers of American industries and of all labor unions, and in general of all classes in our society, producing classes -- the labor question must be dealt with wisdom and patience and justice. I think there are many people in our country now who see clearly what wisdom, patience and justice call for in dealing with the labor question, with industrial warfare that has been and will be a horribly destructive warfare unless the businessmen of this country and the statesmen of this country and the lawyers and courts of this country and all the legislators rise to deal with that war with as much righteousness as they have dealt with the war which is now over. (Great Applause)