

The Economic Club of New York

128th Meeting

What Should Our Foreign Policy Be

March 22, 1939

Hotel Astor
New York City

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Introduction

President Wendell L. Willkie

The size of the audience this evening I think demonstrates the interest in the subject of discussion, “Our Foreign Policy”. You know, we have a rival meeting; the Securities Dealers are having a meeting this evening. They paid seven and a half dollars apiece to listen to the Chairman of the Securities and Exchange Commission, and for the same price of admission, they are going to get a look at the new Supreme Court Justice of the United States.

This is a day of appeasement and cooperation both here and abroad! (Laughter) I know you have all watched as I have, and participated in, the recent delightful appeasement between the government and business, and it has been some time since I have seen such a delightful spectacle as the cooperation between the Stock Exchange and the S.E. C.

The Economic Club as always tries to pick the most vital subject of the moment, and bring to the festive board the best possible speakers available. I believe this evening the subject “Our Foreign Policy” is the most vital subject of the time, and I think the Board of the Economic Club have selected the three men in the United States who have given the most thoughtful consideration to the subject.

The first speaker of the evening is a former President of the Economic Club, a man who has

devoted years of his life to the foreign policy problem – our old friend, James P. Warburg.

The audience arose and applauded

The Honorable James P. Warburg

Banker, Author, Economist

President, the Economic Club—1934-1936

Mr. Chairman; Senator Wheeler, Mr. Dulles, Ladies and Gentlemen, Fellow Members of the Economic Club of New York: Our topic for tonight is “What Should Our Foreign Policy Be?”

There is probably no other single subject upon which opinions differ so widely, upon which feelings run so high, and upon which there is so little background of genuine public understanding. There is probably also no other single subject which at the moment needs so badly to be understood, if public opinion is to reach a considered judgment concerning the vital issues which are at stake.

It is, I think, true that all of us are more emotional about questions of foreign policy than about our domestic problems. This is perhaps due to the fact that civilization has progressed much farther within than among nations. Within this nation, for example, we are accustomed to settle our domestic problems—often after violent differences of opinion— without resort to armed

violence; but in the background of any dispute between nations there always lurks the danger of the primitive use of force.

Nations are not yet accustomed to act amongst each other upon the assumption which governs the daily lives of citizens within most civilized nations; namely, that physical violence is outlawed. Therefore, in all our thinking about foreign policy we are influenced, consciously or unconsciously, by emotions of terrific force let loose by the fear of war. War not only threatens us with death, but menaces the destruction of everything we hold most dear, and arouses in us not merely fear, but love and hate and murder.

All the more reason then that we should try to understand a little better a subject upon which we know that, even with understanding, we shall find it difficult to think and act unemotionally. And let us try also to remain aware of the fact that not only the other fellow, but we ourselves are emotionally involved. It is so easy and so natural to dispose of another's opinion by saying, "Of course he would be an internationalist." or "Naturally, she feels that way with two boys growing up!", or, "What do you expect of an Austrian refugee?" Surely a man is influenced by his own interests. Certainly a mother is motivated by fear for her sons. And of course a refugee from persecution is swayed by his recent experience.

The point is that we are all thus influenced in greater or less degree; only we see it in others more readily than in ourselves.

And where we do see it—or think we see it—in others, we are more likely to generalize, and then we usually go wrong. We are likely to attribute to whole nations, to racial or religious groups, to geographic or social sections, a uniform emotional bias. Because a man is a Catholic, he must think and feel in such and such a way; because he is a Jew, he must have certain other definite prejudices and predilections; because he is a day-laborer, he must necessarily feel this, and because he is a Middle Western manufacturer, he must obviously think that.

It is this sort of lumping into categories of those with whom we disagree—this sort of contemptuous discarding of another's opinion because of an assumed emotional bias—this sort of blindness to our own emotional involvement—that makes for much talk and little understanding of the subject.

So much by way of introduction. The presentation which follows is made in the full realization that we are dealing less with facts than with opinions, and that opinions are necessarily the product of individual thought and feeling.

Foreign policy is a nation's code of behavior towards other nations. It is the code of behavior of our nation towards other nations that we are to discuss tonight.

Presumably we would all agree—unless there are specimens of the almost extinct genus of American Imperialist among us—that the two chief general objectives of our foreign policy are

and should be:

1. To protect our national welfare and maintain our rights as against other nations, while respecting the rights of other nations and adhering strictly to our obligations towards them, and
2. The maintenance of peace.

That these two objectives should be in more or less constant potential conflict with each other is obvious and unavoidable. Therein lies what to many people seems the heart of our problem of foreign policy. Should we, in other words, lay more stress upon protecting our rights than upon avoiding war? Or should we place the greatest emphasis upon the maintenance of peace, even at the sacrifice of some of those rights?

To me, it would appear that neither of these two alternatives is altogether satisfactory. To be overzealous in the assertion of one's rights may easily lead to war and a national loss far greater—even in the event of victory—than the loss of rights or prestige originally involved. On the other hand, to be over-ready to make concessions to unreasonable demands in order to avoid war at all costs is to be pushed back first here and then there and eventually forced to fight in any case.

To me it would seem that the two objectives really go hand in hand. We cannot effectively

protect our national welfare unless we do so without resort to war: and we cannot hope to avoid war unless we vigilantly, though with scrupulous regard for others, protect our national rights and welfare.

If all nations were to do just this there would be no very difficult problem. Unfortunately that is not the way the world looks today. Today we see the world divided roughly into three parts:

1. The aggressive expansionists, Germany, Italy and Japan.
2. The two great empires of Great Britain and France upon whom, together with Russia, rests the decision of whether to resist the expansionists or make concessions to them, and
3. The other nations of the world who may or may not take sides. In this latter category we are perhaps the most important single factor.

It would lead us too far afield to seek out the causes of this present condition. They are many and complex. To say that the present situation is caused by the Treaty of Versailles is only partly true, for that ill-omened document had its roots in the hate and unreasonableness engendered by the Great War and—as we are all too likely to forget—was directly influenced by the outrageous peace treaty which the victorious Germans imposed at Brest-Litovsk.

And it is equally true that it was not so much the Treaty of Versailles itself as the subsequent failure to revise it that produced the economic distress and unrest out of which were born the dictatorships. In this we must take our share of blame.

But, whatever the causes, wherever the fault may lie, the fact is that we are today faced with the result. What are we to do about it?

It is very appealing and very tempting to say, “why should we do anything about it? It isn’t our quarrel. If Europe insists upon being a madhouse, why should we get mixed up in another one of their periodic wars? Didn’t we fight one war to make the world safe for democracy? And look at the wretched thing now!”

It is not only tempting, it becomes almost irresistible to say this when we witness such events as those of last September.

But can we say this? Can we as a practical matter accomplish the complete withdrawal from world affairs which this implies?

Desire answers, “Yes, we can—we must!”

But reason answers, “No, we cannot.”

And now we definitely enter upon controversial ground, for, while I say that reason denies the feasibility of our withdrawing from the affairs of the world, there are many who think otherwise. Inasmuch as I suspect that our distinguished guest this evening will support a view contrary to mine, let me endeavor to state as briefly and as clearly as I can the basis of my conviction.

We are almost certainly all agreed that war is the ultimate and disastrous catastrophe; to avoid which we must bend every effort. Where we may differ sharply is in our beliefs as to whether if a major war breaks out in Europe, we can successfully remain aloof, or whether our only hope of remaining at peace is to help prevent the outbreak of a major armed conflict.

Those who believe we should remain aloof, generally speaking, favor strict neutrality laws and rigid government control of private dealings with belligerents. They hold the view that we were drawn foolishly into the last war by commercial and financial entanglements with the Allies and by Allied propaganda. Therefore, they argue, that if we avoid such entanglements in the future we ought to be able to resist all temptation to become embroiled.

I disagree with this view for several reasons:

In the first place it is extremely difficult—as our own experience has already shown—to draw neutrality laws which really accomplish what they set out to accomplish. Here are a few examples of these difficulties.

- (A) If the shipment of war materials is to be prohibited, obviously shipments of planes, guns and ammunition are forbidden. But what about cotton? What about grain? What about meat? What about automobiles? What about oil and gasoline?

- (B) If shipments of war materials to belligerents are to be prohibited, what about shipments to neutral nations who might re-export to belligerents?

- (C) Are shipments to all belligerents to be forbidden? If so, would we refuse to sell arms or other supplies to country “A”, wantonly attacked by country “B”, and thus perhaps aid the aggressor? Or, if not, how do we determine who is the aggressor?

- (D) When, with the modern technique of undeclared war, does the neutrality law come into effect? Take for example the Chinese-Japanese war, which, so far as our government is concerned, does not exist.

These are only some of the difficulties involved in legislating neutrality. To the extent that the law leaves discretion or technical loopholes, it only tends to increase the danger of involvement.

But let us assume an airtight law which leaves no discretion and no loopholes. Such a law would have the effect of embargoing the major part of our foreign trade immediately upon the outbreak

of a major war.

“Well”, you may say, “Why not?”

The answer is that such a law is theoretically possible and might very well accomplish its purpose of keeping us out of war, if we were willing to pay the price.

Let us see what that price would be.

Let us suppose that Germany, Italy, and Japan went to war with Great Britain, France and Russia, that the rest of the world remained neutral, and that we at once stopped all trade with belligerents, and all exports to any neutrals who did not likewise embargo shipments to the belligerents. And let us assume, which is fair, I think, though not essential to our case, that Brazil and Argentina declined to embargo exports to the belligerents. I say this is a fair supposition because it is hard to see how either country could get along even for a short time without exporting coffee and cotton in the case of Brazil, and wheat and meats in the case of Argentina. The same might easily apply to other countries.

Now let us see what would happen to us.

No cotton exports. No oil or gasoline exports, a bankrupt South.

No exports of cereal or meat-products. A bankrupt Northwest and Southwest.

No exports of citrus fruit. Bankrupt fruit growers in Florida and California.

Little or no exports of automobiles, machinery, typewriters. Little or no imports of silk, tin, manganese or rubber. A disrupted industry, idle plants, hungry men out of work all over the country, a crashing stock market, mortgages foreclosed, banks in trouble—a far worse depression than any we have yet known.

That is what would happen to us.

“Very well”, you may say, “Even that is better than war. The government would have to step in, that’s all.”

Oh, yes. The government would certainly have to step in. The government would have to take over complete control not only of imports and exports, but of all production. Both agriculture and industry would have to be regimented far beyond the A.A.A. and the N.R.A. experiments. Farmers, homeowners, industries, banks and railroads would have to lean upon government support and subsidy as never before. And the Lord knows how many millions of men and women would have to go on relief. We should probably end up with a planned economy, complete in the latest European style, a centralization of power in the Executive, and a regimentation of the people just as thorough as if we were at war.

The strain upon the national credit could hardly be less than if we were at war. We should probably have forced loans and much higher taxes. And we should have to bear all these burdens without war hysteria and patriotic ardor to act as a narcotic.

How long would that last? How long would it be before we began to blame our distress on the government and drifted toward revolution—or, on one or the other side among the belligerents and drifted into war?

Not very long, I think. And that, very briefly, is why I see but little hope of keeping out of war, if we pin our faith to the emotionally attractive idea of strict neutrality. We should have no soldiers killed or wounded, but we should have all the suffering—on some respects more—all the loss of freedom, all the heritage of debt for our children that we would have if we went to war. And in the end we should probably go to war anyway, or else find ourselves living under a form of government that no stretch of the imagination could call democracy.

This may seem fantastic since, as everyone knows; our foreign trade is only about ten percent of our nation's business. But any businessman knows what a difference that ten percent means—in many cases the difference between making a modest profit and having to close up shop. Yet that is not all. It so happens that our foreign trade is not evenly distributed over the whole field of our production but is heavily concentrated in a few areas. If you stop cotton exports, the whole

economic structure of the Southern states crumbles. The same, as I have said, is true of wheat and the Northwest, cattle and the Southwest, and so forth. Once this is realized, the rest of the argument follows inescapably.

What then? Does this mean that we are foredoomed to become involved in another European war? The answer is yes—if a major war, such as the hypothetical conflict we have just been discussing, should take place.

And does this then mean that our whole future depends not upon our own actions but upon what happens in Europe?

No, it does not. Not if we pursue what seems to me the only realistic foreign policy which is open to us—a policy which recognizes that our only way to keep out of war is to turn to and help prevent such a war from breaking out.

Let me make it clear that I do not mean to imply that a major European war is inevitable if we do not try to help prevent it. Now do I wish to suggest that if we do try to help prevent if our efforts will necessarily be successful.

What I do mean is this:

That as the world looks today; a major European war is not unlikely.

That if such a war starts, we shall almost certainly be drawn in.

That if we pursue a realistic and courageous foreign policy, we can add immeasurably to the chances of avoiding the outbreak of hostilities and thus help to save not only the rest of the world but ourselves from a catastrophe too horrible to contemplate.

And now in the short time that remains, let me sketch briefly the outlines of such a policy.

Assuming that what I have said is accepted as correct and true, the first task would be to take immediate steps to enlighten the citizens of this country as to the realities of our present situation—particularly as to the futility of the whole neutrality idea.

As soon as public opinion could be prepared for it, we should then embark upon a course which falls naturally into two parts; a long range policy, and an intermediate policy.

The long range policy would have two major objectives:

1) World-wide disarmament, and 2) the rehabilitation of the peaceful processes of world trade; for without world disarmament and the reestablishment of a free exchange of goods and services between nations there can be no permanent basis for peace.

The intermediate policy would likewise have two objectives: First, to put an immediate stop to the use of force or the threat of force as a method by which one nation can obtain its demands from another or interfere in the domestic affairs of another.

And, second, an immediate attempt to break down further the barriers to international trade between those nations which still adhere to civilized methods of negotiation with each other.

The implementation of this intermediate policy would then present the next problem. I would suggest the following:

1. A program of rearmament such as that upon which we are at present engaged.
2. A clear and unequivocal statement to the Axis Powers that if they henceforth threaten France and Great Britain with war, they must realize that they are likewise threatening us.
3. A statement to France and Great Britain that we know that they are just as anxious to avoid war as we are; that we realize, however, that they have probably reached the limit of concession to force or threat of force; and that if they decide to resist further threats or acts of aggression on the part of the Axis Powers they can count upon our support. The nature of this support would have to be defined in accordance with circumstance and need not necessarily involve sending troops to Europe.

4. Simultaneously we should say to France and Great Britain, as well as to the Axis Powers, that our position is not to be misconstrued as an alliance nor as a guarantee of the status quo in Europe; that we do not presume to pass judgment upon the merits of any present or future claim of one nation upon another; and that our sole interest is to help stop aggression and insist that such differences as may arise be settled in a lawful, civilized way with each nation respecting the rights of others.
5. We should immediately signify our willingness to cooperate at the earliest possible moment in halting the armament race and in the beginning of world-wide disarmament.
6. We should strengthen our trade relations, by further mutual concessions, with all those nations who would join us in taking a stand similar to our own against the use, by threat, or actuality, of armed force. And finally,
7. We should refrain from provocative comment or criticism of other nations' management of their purely internal affairs, no matter how repugnant to us such management may be, provided that a nation which uses brute force and arbitrary methods within its own borders does not thereby affect people beyond its borders, nor seek to apply similar methods in its foreign relations, nor to impose its methods and ideas upon neighboring peoples.

There you have, whether you agree with it or not, at least a definite proposal. It may not appeal to some, but I can see no hope that any other course, which might presently involve us less, would not in the end involve us more. And I do believe that if we take such a course soon and

follow it consistently, there may be no war this year or for many years to come.

One other word in closing. The nature of the struggle which is going on in the world today—though probably economic in origin—transcends the mere matter of territorial or economic adjustment. It has become a struggle of conflicting theories and practices, not only in the behavior of nations towards each other, but in the behavior of human beings towards each other within nations. The aggressors seek not only to conquer territories and markets, but, by boring from within, to implant their theories and practices of human behavior upon other nations. The war which threatens is a war in which military attack from without will not constitute the sole weapon. We have seen the “Fifth Column” at work in Austria and Czechoslovakia. By its very nature the existence of totalitarian dictatorship is an active challenge to the continued existence of democracy.

Why, then, you may ask, have I said nothing about democracies and dictatorships, about tolerance and persecution, about freedom and tyranny? Because tyranny and intolerance can survive only in a world ruled by force. Because I believe that the last war might easily have been averted had Germany known for sure that England would fight on the side of France; because the war which now threatens may well be averted if the dictators know that we should be found on the side of France and England; and because I believe that once the dictators are denied further outward success by their present methods, once force is again outlawed among nations, the common sense and inherent decency of the peoples now under the dictatorship will reassert themselves.

No nation is wholly good or wholly bad. If a man, driven mad by hunger, rushes around waving a pistol and screaming nonsensical abuse, the first thing to do is neither to offer him a good meal nor to shoot him down. The first thing to do—by force, if necessary—is to make him throw away his pistol; then show him that you too are unarmed; and then sit down and talk to him as a fellow human being. Locking the door of your house in the hope that someone else will deal with the madman may mean that eventually you will have to face him and his pistol alone.

And finally, suppose that eventuality occurs. Suppose we do withdraw into our house and lock the door in the hope that others will deal with the madmen of Europe. And suppose the others fail. Suppose France and England conquered by the dictators from without or within, democracy overthrown, and the fascist-Nazi theories triumphant throughout the world.

Even if we make the unlikely assumption that such an eventuality would leave the Western Hemisphere untouched, do we not sooner or later approach a point where the mere preservation of life in a world such as this would be loses of some of its attractiveness and importance?

Do we not, sooner or later, reach the point where, if we wish to preserve the heritage of our forefathers, we must be willing to fight for the maintenance of our freedom even as they were willing to fight to obtain it?

Once we reach that point—once we know and the world knows that if necessary we are willing to fight—the chances seem immeasurably greater that our sword will never have to be taken from its scabbard. (Applause)

PRESIDENT WILLKIE: I assume that most of you know the next speaker as I do, as one of the ablest and most brilliant members of the American Bar, senior member of the noted law firm of Sullivan and Cromwell. He, in such capacity, not long ago, sent me a speech he had made, and I said, “Foster, that is a masterpiece of persuasive speech on the wrong side of the subject, the most persuasive I have ever read.” (Laughter) we are going to hear him tonight, however, where there is no fee involved. We are going to see him in another aspect. There is no client here to serve except the cause of his fellow man.

John Foster Dulles has made a life-long study of foreign questions. It is my great pleasure to introduce one of the noted members of the American Bar, Mr. John Foster Dulles!

The audience arose and applauded

John Foster Dulles

Counsel to American Commission at Versailles

to Negotiate Peace, Member of Reparations Commission

Mr. President, members of the Economic Club and Guests: As is suggested by the order of our speaking, my position is perhaps intermediate to that of Mr. Warburg and Senator Wheeler.

Briefly stated, it is my view that we should seek to avoid violent participation in foreign affairs so long as this would be merely surrender to what Mr. Warburg suggests may be inevitable, or so long as this would merely be giving vent to an emotional demand for action.

On the other hand, I would not oppose affirmative action if our policy were based upon an intelligent appreciation of the causes of the present crisis and was intelligently designed to achieve a world order whereby recurrent crisis might hereafter be avoided. Unfortunately this prerequisite to affirmative action seems to me to be non-existent.

Let me first say that I think the United States is in a position to choose deliberately its own policy. Our geographical position and economic power are such that others cannot make our policy for us. There is no reason to believe that any totalitarian states, separately or collectively, would attempt to attack the United States or could do so successfully. Certainly it is well within our means to make ourselves immune in this respect. Only hysteria entertains the idea that Germany, Italy and Japan contemplates war upon us.

It is, of course, true, as Mr. Warburg has suggested, that the existence of war abroad would have a very serious effect upon our economic life. But the adjustments which this would make necessary are not nearly as serious as those which would be required by our participation in war

and are not a justifiable reason for war. If it be inevitable that we will participate in a world war, it will not be primarily for economic reasons. It will be because we will have caught the war fever, which is a highly contagious form of disease. I do not think that we should do something which our reason cannot now justify merely because we are afraid we will hereafter become unreasonable.

If we are to act now, it should be because the application of rational processes convince us that we can thereby achieve a worthwhile objective.

If we test our foreign policy by this standard, we must, I think, face the question of whether there is anything this country can do, or would be likely to do, at this particular juncture which would permanently serve the cause of peace or whether we would merely be playing a role in the ever-recurrent struggle between European nations for a preponderance of power which will permit some to impose their own desires on others. If the latter be the case, then our participation will not make any permanent contribution to the cause of peace.

At this point, I should like to look back upon how Germany, Italy and Japan have developed. For if our objective is to avoid for the future such dangerous manifestations as are there apparent, it is surely worthwhile to seek to ascertain their cause.

You will recall that, as President Roosevelt pointed out in his recent Constitution Day Address,

the end of the World War initiated a revival of democratic and liberal institutions throughout the world. In particular Germany, Italy and Japan operated on democratic principles under liberal leadership.

But in each of these countries a dilemma soon arose. On the one hand their people were, or became energized. On the other hand, economic pressures closed down from without. The result was intense popular awareness of restraints attributed to the selfish and possessive attitude of the status quo powers.

There was ample opportunity afforded to England and France, and to the United States, although it was less directly involved, to encourage liberal leadership in Germany, Italy and Japan. But precisely because those nations then had leadership which was liberal; because they seemed unable and indisposed to bring about change by force, no change was made.

Article 19, or the League Covenant, the true “heart” of the League, had contemplated the orderly revision of treaties and change of international conditions. But this Covenant was nullified. The dynamic peoples of the world were given to understand that they could expect no peaceful change. The satisfied nations proclaimed the doctrine that henceforth international morality would be equated with perpetual acceptance of the status quo.

That attitude marked the death knell of the “democracy”, the demise of which we now so lament.

For it seemed to the German, Italian and Japanese peoples that their economic necessities and their political and social aspirations no longer permitted them the luxury of democracy. For democracy is, of course, a luxury. It involves certain inefficiencies and weaknesses and is incompatible with the quick attainment of a maximum national effort. We frankly recognize this, even for ourselves. Not only did our democracy disappear during the World War, but it was seriously curtailed to make way for the national economic effort made in 1933.

We then went far in adopting the “leader” principle of government. Business was regimented under the NRA; Congress became a rubber stamp; the Supreme Court was upbraided and nearly destroyed because it failed to “cooperate” with the leader. Any criticism of the executive was looked upon as disloyal.

Now remember that the democratic process is far more deeply rooted in the United States than it was in Germany, Italy and Japan. Also remember that the problems with which we had to cope were infinitely less serious than those which confronted them. If in our own country, the wealthiest and least threatened of the world, individual freedom was sharply curtailed by a passing economic crisis, is it surprising that there occurred what did occur in Germany, Italy and Japan?

These dynamic peoples, feeling themselves in a position of political and social inferiority and economic distress, determined to mould their state into a form which would permit them to take

their destiny into their own hands and to attain that enlarged status which, under a liberal and peaceful form of government, had been denied them.

Japan decided that if any foreign power was to dominate the currency and customs and political policies of amorphous China, it would be Japan and not England and Russia.

There crystallized in Germany a determination to achieve by unilateral action some redress of those provisions of the peace treaties which rankled as injustices and which surrounded Germany with artificial restraints and inhibitions.

Italy determined to take, if necessary by force, that enlarged domain in the Mediterranean area which she felt to be both her historical heritage and economic necessity.

In short, these nations organized for revolt against the established order. We had, in the making, the counterpart, in international affairs, of the French and Russian revolutions.

The creation of a strong national will, adequate to breakthrough the surrounding restraints, involved those incidents which are inherent in any totalitarian system. Leadership passes to those who are super dynamic. Individual freedom is repressed and there is expulsion or suppression of those elements which, because of racial differences or religious loyalties, do not readily submerge their individuality into that of the personified state. Further, as unilateral and forcible

action achieves successes denied to liberalism and democracy the new system attains internal prestige. Force becomes glorified and now and unreasonable objectives are undertaken; the shocking and unjustifiable subjugation of the Czechs, as an example.

That is what has happened and why it has happened. We are now faced with the problem of what to do about it.

Now I accept the premise that our foreign policy should revolve around an ideological concept, namely, to make more safe in the world the individualistic philosophy of life. But I would assume that our first duty is to preserve that liberty at home. If, consistently with that, we can support and extend liberty abroad, that should be our second objective.

As to individual liberty at home, no one, I think, would question the fact that were we to become involved in a general war, this would, at least for the time being, disappear. It did so in 1917 and it would more surely do so today because our present political leadership already has strong collectivist tendencies.

Further, it is highly doubtful that we would readily regain the freedom we would lose. It has barely been possible to retain the freedom we had before, during the economic depression and if, before our economy is normal, now and incalculably heavy losses are piled on to our social body, the capitalistic and individualistic form of our society might well be doomed.

Certainly Russian Communism would then have the opportunity for which it has been watching and waiting, and either this or fascism would perhaps a regime of individual liberty surely this is a future which we should not entertain lightly or for other than a result which is both worth the risk and which there is some reasonable chance of achieving.

Now what are the present prospects of our achieving for the world that which Wilson failed to achieve twenty years ago. In certain respects the chances are better, but in other respects they are worse. They are better in that England and France, whose reactionary leadership primarily frustrated Wilson's ideals, have through the hard school of experiences come to realize that neither permanent peace nor liberal government can be founded upon seeking to retain, in a few satisfied nations the power to maintain perpetually the status quo.

Both Mr. Chamberlain and M. Bonnet have within recent weeks expressed their regret at the failure of the League to vitalize Article 19 of the Covenant and they have ascribed to this cause much of our present troubles. There exists, particularly in England, an important body of opinion which is convinced that the sovereignty system as it has functioned is inherently incompatible with permanent peace and contains within itself the seeds of its own destruction.

But the leadership of the United States appears now to have reversed itself. It was Wilson who recognized that respect for treaties and law and order, on the one hand, required on the other hand, an elastic and not a rigid world. It was he who fought for the "revision" article in the

League Covenant, who sought a mandating of the colonial areas to the end that they should be opened up on a basis of equality. It was he who advocated the freedom of the seas and saw the danger in using boundaries as barriers to intercourse. He was peace as a rounded whole. He saw the rigidity made revolt inevitable, and that violence could be eliminated only if opportunity were afforded for peaceful change. Above all, he sought not to inflame but to moderate public opinion, to the end that reason might prevail.

At that time, and subsequently, the leaders of France and England had a blind spot. They saw only half of the whole. But while their education has been proceeding, our own ideas appear to have reverted to those of post-war France and England. Except for that orphan child of the administration, the Hull trade policy, I cannot find any word or act which evidences adequate perception of the true nature of peace. We talk only in terms of “sanctity of treaties”, “law and order” and “resisting aggression”. It is our own self-styled “liberal” government which has made itself the principal exponent of the status quo philosophy, and thereby forfeited all moral influence with the German, Italian, and Japanese people. Twenty years ago, it was France which, through alliances and grants of money and armament, sought to build up a preponderance of power committed to the maintenance of the existing status. As was inevitable, the structure crumbled; pent-up pressure burst forth and dynamic influences have now assumed the ascendancy.

Now it is proposed that we should take on where France left off. It is we who, through power of

money and armament, are to create a new world bloc committed to the doctrine of the divine right of things as they are. The height of our ambition, the goal of our policy, seems to be to regain the power to make over again the same mistakes. And the emotions of our people are deliberately stimulated so that they may blindly follow in this way.

Let me here make clear that I have no idea that peace should now be sought merely by throwing sops to the dynamic powers. There was a time when voluntary concessions, which we would now all feel reasonable, might have saved liberal leadership in Germany, Italy and Japan, and prevented the building up of these explosive forces which we now dread. But that time has passed. Concessions made purely under the threat of force often serve o result other than to encourage the force system.

I fear that is the situation which confronts us today. But if, when we are not under any direct menace, we are to risk voluntary entry into war, it presumably should be for a purpose more fundamental than to help repress a revolt which the policies of the democratic powers have made inevitable, and which a continuance of those policies will make recurrent. It should presumably be in the hope of establishing a world order which destroys the justification for forcible revolt.

Now I was willing and eager to see the United States go into the World War under the leadership of Wilson. I felt that he had perceived and might correct the inherent defects in our present world system. Today the domestic risks that we take are much greater and the chances of international

success seem to me less. For I do not find in our public opinion, official or private, any comprehension of the true nature of the problems. Our reactions seem to me to be impulsive and emotional, wholly lacking either that intellectual content or that intelligent idealism which alone would justify the risks which would be involved.

So long as our present mentality prevails, so long as our participation in world events would not be intelligently directed to extending, into world affairs, the principles of democracy and equality of opportunity, then it seems to me best that we should concentrate upon keeping alive, if we can, within our own border, the flame of liberty.

So long as this is our policy, and even if we contemplate its ultimate reversal, then we should refrain from those offensive measures commonly referred to as “short of war”. In no way is the influence, and indeed the safety of a nation, so endangered as by starting something which it is not prepared to finish. I trace the present dilemma of England very largely to the fact that she attempted by “measures short of war” to stop the Italian conquest of Ethiopia. She organized an economic blockade which was highly offensive to the Italians and which—and this is the important thing—failed. The result was a worldwide impression that England had been bluffing and was not prepared to make good. It stimulated recurrent efforts to take advantage of her supposed weakness of will. I felt at the time that English influence and suffered an irreparable blow and subsequent events seem to have justified that judgment. She may have put herself in a position where only by actually fighting can she regain the prestige which she then lost.

So in the case of the United States I am strongly opposed to trying to combine “neutrality” with these pinprick measures “short of war”. They inflame sentiment against us; they destroy our possible influence with the totalitarian peoples – as distinguished from their governments – and are not likely to have any decisive effect either in Europe or the Orient.

Perhaps a new low of statesmanship was struck by Senator Pittman when he said, in relation to Japan: “Why shoot a man when you can starve him to death.” I can think of several reasons, but more important is perhaps this: A man who seeks to break the will of another by starvation means, while at the same time he proclaims unwillingness to fight, is commonly judged to have the soul of a poltroon. He will be crowded and crowded until he finds himself in a corner where he will have to fight to prove the contrary.

I do not include as objectionable or as “measures short of war” an amendment of our so-called “neutrality set” which would restore the right of belligerent powers to buy here such military supplies as they can finance and transport. This is true neutrality as it has historically been applied over the centuries. Our present Neutrality Act, in so far as it would reverse the historic practice of the nations, is in fact a perversion of neutrality.

Let me say in conclusion that I realize that my viewpoint will prove highly unsatisfactory to many. It does not have those clearcut definitive features which in times of emotion we crave. I

accept the major premises which to many seem to require an affirmative foreign policy. For I recognize the existence of a world crisis and that destiny has placed in our hands the power to play a decisive role in world affairs. Also, I agree that it is tragic if this power is immobilized. But, on the other hand, I fear that in the present state of our official and public opinion, our participation would be designed merely to recreate with England and France a military domination which would be used to enforce peace under conditions such as prevailed during the first post-war decade, and out of which our present troubles all arise. I see no justification for our participation in the senseless cyclical struggle which, under our present world system, always goes on between static and dynamic forces. I am convinced that we should not accept the incalculable losses and risks of war unless there is some reasonable prospect that we might thereby inaugurate a new world order which would break that vicious cycle.

My intense desire is that the scales should fall from our eyes and that we should perceive the true nature of peace and how to attain it. Then, indeed, we might act, confident that to our great might we have added the essential ingredient of wisdom. (Applause)

PRESIDENT WILLKIE: I want to say in the beginning, in introducing the next speaker; he comes to address us at a great sacrifice. He has been, as you have seen from the public press, much engaged of late. He has had no time to prepare a written manuscript. He will speak extemporaneously, largely in reply to the two other speakers.

There is a story I have heard about him that he grew up in Massachusetts and went out to work his way through the Michigan Law School. After graduating there, he started for the West Coast to practice law. Unfortunately, or fortunately, he stopped in Butte, Montana. He engaged in a poker game and he was stripped of all his assets, with the result that he stayed in Butte, and practiced law.

As far as I know, since that time, he has lost few games and has seldom been taken in. He is an independent spirit. His friends say of him that he wears no other man's collar—his enemies say he doesn't even wear on.

The last time I met him officially, or semi-officially I was the witness and he was the examiner. If any of you think that was a tea-party, try it sometime! (Laughter) But I learned then, as all men have learned who have come to know him, whether you agree with him—and men do, and have, and will disagree with him—but all who know him recognize both the courage he displays, his capacity and his forthrightness.

It is my great pleasure to introduce one of the most noted members of the Senate, The Honorable Burton K. Wheeler.

The audience arose and applauded

The Honorable Burton K. Wheeler

United States Senator from Montana

Chairman of the Interstate Commerce Committee of the Senate

Mr. Chairman, Mr. Warburg, Mr. Dulles, and Members of the Economic Club and their Friends:

In view of the fact that my good friend told a story on me, let me tell you one on him.

You know, when this Administration came into power, and the utility interests found out that I was to become Chairman of the Interstate Commerce Committee, they held a meeting here some place in New York, I understand, and said, to themselves: “What are we going to do about this?”

Finally, someone of them suggested that the thing that they ought to do was to go to confession and the question then arose as to where they would go. Someone said, “Well, out on the outskirts of New York City, here, there is a deaf priest and let us go out and go to confession to him.”

And they went out there and they selected my good friend here to go in first. He went in and he came out and he looked bedraggled; perspiration was running down his face, and somebody said to him, “Who was that? Wasn’t that the deaf priest?” He said, “Hell no; that was Tommy Cochran.” (Laughter)

You know, in traveling about the country and speaking in some places, they generally want to

take you in and have you go and see the new buildings that have been erected, want to show you a new library; they want to show you a new Post Office building that has just been dedicated by my good friend, Jim Farley; or they want to show you some new gymnasium or some new church; and I have seen churches and libraries from one end of this country to the other.

The other day, speaking over in New Jersey, I had a new experience. A man came to me and he said to me, “We want to show you this new insane asylum.” (Laughter)

I hesitated a moment, because I thought for a few moments they had mistaken me for the Congressman from Montana. (Laughter)

But at any rate, I decided to go in, and as we went in we came across to a certain cell, and the warden said to us, “Here is a strange case—this man used to be a pitcher, he was on the New York Nationals. He was a great pitcher. Now he is here, at this insane asylum.” He said, “When we take him to the garden, he picks up an imaginary ball; reaches down and gets some dirt and rubs the dirt on his hands, and winds up and throws the imaginary ball.” He said, “It’s a very sad case.”

The gentleman accompanying us said, “I don’t know—if economic conditions don’t pick up pretty quick, I’m going to be in here catching for that fellow. (Laughter) Now the picture you know that my good friend Mr. Warburg has painted for you as to what is going to happen to us if we stay out of war, I am sure is going to put us all in there, catching for that fellow.

As your chairman has said, I have been in a war in the last few days – I thought I had the battle won, last night, and I found, today, I had lost it. So I haven't had a chance to prepare for this address and I don't know, anyway, why I was selected to discuss foreign affairs. Many members of the Senate are more capable of discussing it than I am; I am not on the Foreign Relations Committee, and you have many who are on the Committee—Gerald Nye, and Borah and Clarke, and all the rest of them—and so, as I say, I have been so busy I just haven't had the time.

But I have been interested in what my good friend Mr. Warburg said, and I thought perhaps I would not only have to answer him, but also Mr. Dulles. But instead of that, I find I am in quite an agreement with practically everything Mr. Dulles has said.

After I was elected to the United States Senate in 1923, I took a trip – I went to Europe. I felt that I wanted to know something about the European situation and to know something about foreign affairs, because I felt that if I went there, I could probably learn firsthand what actually was taking place. I am different from a great many of you people, and particularly from college professors, who are writing books about it – I have to go and see things for myself, rather than read about it and then write about it. (Laughter)

I went to France and into Russia, and to Sweden and Denmark, and to Finland and Italy—in fact all over Europe. When we got into Germany, I found at that particular time, the German mark

which is usually worth four to one American dollar, was 20,000 marks for one American dollar. A month later it was 40,000 marks for one American dollar, and then it went on up from there.

And I saw women working in the fields, I saw women hitched up with cows, plowing the fields, and I saw a state of poverty hard to describe, and I said to Mrs. Wheeler, “Let this be a lesson to us. First of all”, I said, “you and I feel that what is taking place over here in Europe, in Germany and in Austria, cannot take place in the United States of America.” But, I said “while we think that possibly I am afraid the same thing is going to take place here, because of the inflation that was taking place at that time.”

Women of the better class, and men who had been raised as gentlemen and ladies who had never been taught to work with their hands, found themselves as a result of that, of that terrific inflation, unable to find anything to do. And women were driven into the streets and compelled to sell their virtue in order to keep body and soul together.

I want to say this to you; when you come to discuss foreign relations, if you say one thing, you are charged with being a Fascist, and if you say another, you are charged with being a Communist, but whatever I say tonight doesn't make much difference, because you cannot vote for me, or against me—so it doesn't make much difference what you think about it. But the reason why you have got a Hitler over there is because of that Versailles Treaty and the reason why you have got a Hitler there is because of the fact that the Allies did not make concessions,

concessions of territory and other concessions, to a democratic Germany, like they should have made, and if they had made, there would not have been any Hitler tonight, in Europe, and you would not be faced with the critical situation with which you are faced today.

We ought to start out with that premise. We were told in 1916 that we were going to make the world safe for democracy, and that we had to get into that world war. Well, we came out of that World War with —we have less democracy in the world today than we had in 1923.

I want to recall and read to you again what my good friend Mr. Warburg said. “Now let us see what would happen to us if we kept out of the war?” He said, “There would be no cotton exports, no oil or gasoline exports and a bankrupt south. Well, that wouldn’t be anything new for the South, because they are bankrupt now.

No exports of citrus fruits; bankrupt fruit growers in Florida and California. I was in California just a short time ago and the fruit growers in California are bankrupt today.

Little or no exports of automobiles, machinery, typewriters. A disrupted industry — idle plants — hungry men out of work all over the country — a crashing stock market — mortgages foreclosed — banks in trouble — a far worse depression than any we have yet known. Little or no imports of silk, tin, manganese or rubber. Well, if we had no imports of manganese, we would manufacture manganese out in Butte, Montana, and put some men to work rather than importing it from

Russia.

A far worse depression than any we have yet known. That is, of course, if we had refused to export anything whatsoever.

Now, there are some people who say that we should not export anything to any of these countries in the event of war. I don't subscribe to that idea. There are some that advocate that we should only export what we are exporting now, or export under normal conditions, and that we shouldn't export a tremendous lot of munitions to the various foreign countries in case of war because if you do build up a great munitions plant and you have an abnormal condition existing in this country by the exporting of munitions and having plants working at night the same as we did before, that then, at the end of the war, you would have again like you had the last time, a tremendous unemployment; you would have a temporary boom.

And so, I am not worried as to the loss of our exports, I am not worried about the sanity of our people in exporting what is necessary. I am more afraid that we will export, build up an export trade of munitions and things of that kind temporarily, than I am that we won't export anything at all during a period of war.

Now, he said: "The strain upon the national credit would hardly be less than if we were at war.

We should probably have forced loans and much higher taxes. How long would that last? How

long would it be before we began to blame our distress on the government and find we had drifted toward revolution?”

Then, he states: “A Clear and unequivocal statement to the Axis Powers that if they henceforth threaten France and Great Britain with war, they must realize that they are likewise threatening us.”

I certainly cannot subscribe to that idea. After all, we want to be realistic about it, and I do think, in the first place, we are living in a democratic government at the present time, and I hope we will continue to live in a democratic republic. (Applause)

And in a democratic republic no President of the United States has any right to say to either Great Britain or France: If you get into a war over there we will come in and be on your side.

(Applause) He not only hasn't any right to say it, but he shouldn't say it, because of the fact that the overwhelming sentiment in the United States today is to keep out of any European war.

(Applause) And he would be misleading Europe and he would be misleading England if the President of the United States should serve notice upon those people, or to hold out false hopes to those countries that we were coming in the war upon their side. I think we would be doing them very much of a disservice if we did that.

A short time ago I happened to talk with a gentleman who knows a good deal about our situation

in this country, and I said to him: “Are you going to war?”

He said, “No. We have made a survey in numerous states, and,” he said, “you know the American people wouldn’t go to war if they blew up San Francisco Harbor.”

I don’t think that is correct, but I am sure that the American people aren’t going to war for the purpose of either helping France at the present time, or helping England at the present time, and no amount of pressure, and no amount of propaganda is going to get us into the next World War.

We are talking about the results. A great many people said when they came to pay the Soldiers’ Bonus they didn’t want to pay it, and I talked with a very prominent Senator from the State of New York, whom I know that you all respected and knew, and he said to me, “You know, the time to think about the paying of the Solders’ Bonus is before you go into war.”

Now, when you look around you, my friends, and you see the boys that went off to war, and you see your hospitals filled up with men, the youth of this country maimed, with their arms off and their legs off, and gassed, and you see the terrific burden that is placed upon the taxpayers of this country as a result of that last war, and then you say to me that you want to tell England and tell France that if they get into another war that we are coming over there and help them!

Certainly, we would have in this country temporary prosperity in the event of another war, and

we would have another boom, but after that war we would have here in the United States another terrific depression, and I feel that we wouldn't be able to go through the next depression, because we should be much weaker—we are much weaker today than we were in 1914, financially and economically, and you mark what I tell you, and I am not a prophet nor the son of a prophet: If we get into another world war, if the United States gets into another world war, you will come out of that world war with more dictatorships and more authoritarian governments than you ever had when you went in there, and, in my humble judgment, you will come out of there, come out of that next world war with an absolute loss of democracy in the United States of America.

(Applause)

In the first place, if you get into that war, what is going to happen? The pressure will be to turn over all the powers of the legislative branch of the government of the United States over to the executive branch of the government of the United States. When you come out of that war, any president of the United States will still have those executive powers, and he will have the Army and he will have the Navy to back him up; and if he wants to, you will have an economic depression, and those emergency powers will be kept, and the greatest danger to democracy in the United States of America, in my humble judgment is, if we get into this world war.

We must keep out of it. I want to do everything that I possibly can to help England and to help France, but I don't want to get into any war; and let me say this to you: As far as I am personally concerned, as long as I am in the Senate of the United States, I am going to vote to keep us out of

a European war. (Applause)

Now, with reference to neutrality. I appreciate the fact that all neutrality laws have their faults and it is very difficult to make them work. I think the present neutrality law has worked against the people that we wanted to help. It has worked against the nations that are in favor of—have built up their munitions; that are in favor of war, and it is against the peaceful nations; and so I think we have got to change and should change our present neutrality law. To what extent we should go in supporting the law that has introduced by Senator Pittman, I am not sure, because as I said to you a moment ago, I haven't had a chance to thoroughly examine it, but I am quite sure that the Senate of the United States, and the Congress will amend it in some particulars.

Now, the statement is made simultaneously we should say to France and Great Britain, as well as to the Axis Powers, that our position is not to be misconstrued as an alliance nor as a guarantee of the status quo in Europe; that we do not presume to pass judgment upon the merits of any present or future claim of one nation upon another; and that our sole interest is to help stop aggression and insist that such differences as may arise be settled in a lawful, civilized way, with each nation respecting the rights of others.

That sounds very lovely, but as Mr. Dulles has pointed out, what took place after the last war? We went into that war in good faith, thinking that it was a war to stop war, and then afterwards France went around and with their money set up and bolstered up all around the countries in the

Balkans, and every place else, for the purpose of maintaining the status quo, and it couldn't be maintained. You couldn't take a seventy million people in Germany—it was an impossibility—and intelligent selfishness ought to have told France and Great Britain that you couldn't keep seventy million people in the status in which they were at that particular time.

I am surprised that there arose in Germany a Hitler, but much as I deplore the things that Mr. Hitler has done, and every right-thinking person must deplore what Hitler has done—I haven't words at my command to denounce him sufficiently—but much as I do deplore the things that he has done, the taking away of the liberty of the people, the persecution of different races, and the taking away of the liberties of those people—and as much as deplore that, and as much as deplore what Mr. Mussolini has done in Ethiopia, and much as I deplore what Japan has done to China, I am far more interested in seeing our liberties preserved here in the United States of America, than I am in going over there and trying to make the world safe for democracy in some other countries because, I am sure, that we will not only not save them from dictatorships, but we will lose our own liberties here in the United States of America. (Applause)

A great many people of this country say to me: Well, there isn't any danger of our losing our liberties in the United States. As some of you know, I have disagreed with the administration on some of the laws which have been passed down in the Congress of the United States. (Applause) I haven't disagreed with them at times in some of its objectives; I have disagreed on the methods that were adopted.

I want to call your attention—because the NRA was discussed here tonight, or mentioned here tonight—I want to call your attention to an incident that took place. When that bill was pending before the Senate of the United States, a very prominent and distinguished individual came to see me from New York, the head of one of the greatest industrial concerns in the United States, and urged upon me to vote for the NRA. I said to him: “You want to get away from the Sherman Anti-Trust Law.”

He said: “Yes”.

“We go into a room and we lock the doors and we agree upon the price of our particular commodity, and we haven’t any more than stepped outside that door before some son-of-a-gun—and he used a little stronger word than that—cuts the price.”

“Well”, I said to him: “Let me say this to you: This bill is going to pass, and I am going to vote against it, and I want to say to you that you cannot set up in a democratic republic a dictatorship over industry, you have got to have the army and the navy back you up, in order to make it a success.”

Now, that is what was sought to be done in that law, and I said: “You want to remember this: When you are coming down here to Washington asking for legislation to permit you to get together and fix the price of your commodity, you want to remember that the people of this country are going to demand when you do that that they fix your profits; they fix your wages,

and that they govern your business from the City of Washington, and you are going to come down here in less than a year's time and tell me that this is a bad law.”

Now some of you think, I am sure, that that law that was drafted, the NRA, was conceived in the minds of some of these so-called brain trusters, and I am sure that some of you would be surprised to learn that it was conceived in the minds of that great liberal institution known as the United States Chamber of Commerce, and they brought it down to Senator Black, now Justice Black, and asked him to introduce it, and when he refused, it was introduced by your Senator from this State and made an administration measure.

Now in that legislation, that was one of the trends, and the difficulty is that businessmen and others come to the Congress of the United States asking for certain definite legislation, they think very little of the trends and the way that they are going when that legislation is adopted.

There has been too little thought on the part of the businessmen and too little thought on the part of lawyers and too little thought on the part of politicians and too little thought on the part of Senators that when we enacted certain legislation we were drifting constantly and constantly away from the fundamental principle upon which this government is founded, and toward a dictatorship in the United States of America. (Applause)

When certain legislation was before the Congress of the United States, a great deal of

propaganda went on and it said that Congress ought to stand up—they ought to stand up, and they ought not to take dictation from the President of the United States.

Well, a few years ago, when a Republican administration was in, and some of us were opposing it, we got telegrams and letters from the same people saying: You ought to stand behind the President of the United States of America.

Then, we have had one step after another. Now, the reason why I opposed the President with reference to the Supreme Court bill wasn't because of the fact that I didn't think the Supreme Court of the United States had not ought to be liberalized; it was because of the fact that I didn't want to see a President have the Supreme Court of the United States of America destroyed as an institution, and I felt it would be destroyed if we put six more men on it under a democratic president, because I felt then a republican president would come over and he would do the same thing, and then your institution, your independent court would be destroyed. (Applause)

Now with reference to your reorganization bill, I am not worried as to what they are going to do under a reorganization bill, but the Congress of the United States is giving up its power to the executive branch of the Congress, and the Congress said: We can't legislate; we are incompetent to reorganize the various departments of the government of the United States, and so we are turning it over to the executive branch.

Now we are going to have—I call these things to your attention because of the fact—we are going to have sufficient trouble in the United States of America to maintain a democracy in this country without getting into any war and turning over all the powers to any president, whether he is a Republican or Democrat, as we would have to do in the event of war. (Applause)

Now I know that the American people are a very hysterical people. No one knows it any better than I do.

I was United States District Attorney during the last World War. My people all came from England, and my sympathies were all with the Allies. But when we got into that war, I saw the American people so completely lose their sense of balance that one would scarcely believe it.

I think I told a story here one day in which I said how out in my state, and it was true all over the country, the same thing, if you had a German name then, they wanted to put you in a concentration camp. If you even dared to say, criticize some action of the Congress of the United States, then they wanted to put you behind the bars because of that.

And out in a town in the western part of Montana, a report went down to Washington to the effect that there was a German airplane flying over the mountains. The Department of Justice wired me and asked me to investigate it, and I went out and investigated it—or sent an investigator down, and he came back and he said there wasn't anything to it.

I wired back and said there was nothing to it. Again they came back, “But representative citizens of the community tell us that there is a German airplane flying over those mountains.”

I sent the United States Marshall down there, and he came back and said there wasn’t anything to it. But still the Department of Justice insisted that that was true, and there was the German airplane; and finally I went on down myself, and I went to the Captain of the Fort. I said to him, “What is there to the story?”

He said to me, “Mr. Wheeler, have you ever been up to Hamilton and ridden down through that beautiful valley to Missoula at night?”

He said, “You go up there and you ride down that valley at night; you look over your left shoulder and you will see the North Star, and from your automobile it seems that you are seeing an airplane in the mountains.”

Then he said, “These good people have gotten to the point where they can actually hear the buzz of an airplane and that is all there is to it.”

I am apprehensive—I am very apprehensive that there may be a war in Europe, and I know if there is a war in Europe, that there will be terrific propaganda in the United States of America to get us into that war. There will be a terrific drive to get us into that war. But I hope that the

American people will have sense enough, and that they will remember the things that were promised to the American people the last time; I hope that they will have sense enough, if you please, to remember that we went over there, and we sacrificed men and money, and that the money has not been paid back; and I hope that they will remember what some of those countries called us when we asked them to pay back the money. (Applause)

That is being realistic about it, but it is time that the American people were realistic. You know, a few years ago, I went over to China, and I had the good fortune to meet Chang Ling, and I met Chian Kai-Shek. Chang Ling was the northern dictator of China. I met him after 12 o'clock at night because he had been playing Mah Jong all the day before.

When I went in to him—then, there was a fight going on between the north and the south. I said to him: “Why don't you stop this fighting that is going on? Why don't you take this money that you are spending and spend it on schools and educate your people? Why don't you spend it on roads, build roads through china so your people can get together? Why don't you do this and why don't you do that?”

Do you know what he said to me? He turned to me and he said, “Who are you that you should come over here and tell us how to run this government of ours?”

He said, “We had a civilization over here that was on the very top rising of the civilization of the

world when your forefathers were roaming the plains of Europe with nothing to cover their naked bodies excepting the skins of animals.”

I went out and I looked around me. I saw the Great Wall – I went up and saw the Great Wall that was built around China. I went into their old art museums and saw some of the handicraft work that had been made thousands of years ago, long before Marco Polo ever crossed the Gobi Desert. I saw some of their old palaces—to me more beautiful than anything I had seen in Europe, and I said to myself: Surely they did have a great civilization over here. Then I asked myself, I said, “What has happened to bring that great civilization down that ladder of civilization, rung by rung by rung, until finally they had fallen off of that bottom rung and down into this mire and this disease and in this degradation—what did happen?”

Well, it was the same thing that has happened in every great civilization before us. It has been the greed and the selfishness upon the part of the people of those countries.

Now, my friends, the same thing we think—it couldn't happen here in the United States of America. But I say to you it can happen. It happened in every great civilized nation that has gone before. They have gone up and then they have gone down. And some of these nations over in Europe, we are told today, that we must come in and fight for them in order to preserve them. It is a fight between dictators on the one side and democracies on the other side.

Well, let's examine it. We are saying now that Russia and England and France – that we must go to the rescue of these three countries. Well, certainly, there was a time when I came back from Russia that I said the Russian Government was going to continue in existence so long as they could maintain their present army and the newspapers out in Montana said that I ought to be deported to Russia. Now we say we ought to go in and help the world for democracy; and the other day France set up practically a dictatorship in France.

So, it isn't a fight between dictators and democracies over there at all.

Then they say to us: Look at Italy. Italy is going to go down and take Tunisia. Should we go to the rescue of France or get into a war in Europe over Tunisia?

And when they say to me: And somebody has said to me—that Germany is going to take this, and Germany is going to take that, and then they are going to come to South America, and then to Brazil, and then up into Mexico, and then come up here and take the United States, I say that is nonsense in my judgment.

We heard the same thing in 1914 to 1916. We heard the same, identical story, and I am wondering whether or not the American people are still going to be led into another war.

No, Mr. Warburg. I am sure you misjudge the American people, and I think the last thing we ought to do is to misrepresent our position to Great Britain and to France and that the last thing

we ought to do is to misrepresent our position to any nation; and I am sure that if we did say to France and England that we will go into that war in the event that you do go into a war, that we will join you, I feel quite sure that there would then be a world war.

I am quite frank in saying to you that I have not got the solution for the present situation as it exists over there today. I do not think that the administration has got the solution for it. I do know, however, my friends, and I repeat, if we want to save democracy in the United States of America—and I am sure every man here does want to save democracy in the United States of America—that we must try to work out our own people here in this country and try to put those 10 million people that are out of work—to find jobs for them—if we are going to maintain a democracy in the first place; and secondly, if we are going to maintain democracy in the United States of America, we have to keep out of that war; and thirdly, we have businessmen and lawyers and everybody else has got to watch every step that we are taking from now on, in legislative matters, and not let us drift and drift into a dictatorship here in the United States of America. (Applause)

You know when the Supreme Court issue was up I said to Senator Borah: “There is one good thing about this court issue: it has made the American people study their Constitution as they have never studied it before.”

He said: “That is right. And it has made the United States Senators study their constitution as

they never have before.”

I am glad to be with you tonight; glad for this opportunity to say a word to you, and to apologize for not having had an opportunity to be more prepared, having had to get up here and make more or less a rambling talk as I have this evening. But I can assure you of one thing, that our foreign policy—no one can say today what is going to be, nor tomorrow, what it is going to be—because things are changing so rapidly. Whether we should do more to help England and France, or what we should do will depend to a large extent upon the circumstances as they arise. But whatever we do, we are not going into that war if it is at all possible for some of us in Washington to keep us out.

I thank you! (Applause)

PRESIDENT WILLKIE: I was very much interested myself in that analogy that the Senator made in the opening of his remarks, between Tommy Cochrane and the sacred Father Confessor. I think even Tommy would get a laugh at that.

In view of the fact that they have two-timed Mr. Warburg tonight I am going to change the order of business and let Mr. Warburg reply for ten minutes, and then give Mr. Dulles and Senator Wheeler a chance to jump him again. Mr. Warburg.

MR. WARBURG: My position is a little like that of Pat who went to church a little the worse for wear. The clergyman, in the course of his sermon stopped and said, “All get up who love the Lord.”

They all got up except Pat who had been fast asleep, but the rustle of dresses woke him up just as the clergyman was saying, “Let all those arise who do not love the Lord.” The drunk got up and said, “Seems to me you and I are in a hopeless minority.” (Applause)

However, there is this virtue in being in a minority, that is that I can attempt to answer both speakers at once.

In the first place, with due respect for him, I should like to set Mr. Wheeler right on this: I didn’t say that the President should make a statement as you suggested in my outline of policy. As a matter of fact, what I did say, before I even got to the policy was: Assuming that what I have said is accepted as correct and true, the first task would be to take immediate steps to enlighten the citizens of this country as to the realities of our present situation—particularly as to the futility of the whole neutrality idea. As soon as public opinion could be prepared for it, we should then embark upon a course which falls naturally into two parts: a long range policy, and an intermediate policy.

There is quite a difference between preparing public opinion and suggesting such a course be

embarked upon without consulting public opinion by a President.

Now I think in these brief remarks, I shall confine myself to Mr. Dulles, because Senator Wheeler has kindly identified himself with Mr. Dulles—and I would like to say a word to the thoughtful and dispassionate presentation he made. He analyzed for us the post-war policies and speaks with the authority and depth of knowledge few can command. I don't disagree with a single word he said on the subject, nor do I disagree with him that it would be a grievous mistake in fulfilling the maintenance of peace with the maintenance of the status quo.

But I am puzzled at the conclusion at which he arrives after analyzing the causes of our present predicament. In fact, it seems to me that he says we with the British and French have brought this predicament on ourselves by refusing to revise the Treaty of Versailles when we had a chance to do so—and then he says that if we now subdue the dynamic dictatorships we are certain to make the same mistake again; that we have learned nothing and shall learn nothing.

With all due respect to a man so eminently qualified to hold such a view, and to Mr. Wheeler, who has identified himself with this view, I cannot accept this view or this conclusion for two reasons.

In the first place, I believe that we have learned something—in fact; I believe that we have learned several things. I believe, for one thing, that we have learned to lose a dictatorship which is

imposed on us because of a state of war. I don't think it took long after the close of the last war for us to lose all vestige of dictatorship. I cannot agree with the impression, however, that we have learned to lose a dictatorship imposed in time of peace, and I have tried to point out that to remain neutral, if a major world war breaks out, requires a degree of self-containment which, in turn, requires a dictatorship such as we have not seen since the last war, and I doubt very much, if we had such a dictatorship without going to war and without having that automatic alarm clock go off, we would shake it off as easily as the dictatorship we took on ourselves in order to prosecute war.

Secondly, I think we have learned the use of the radio. I would like to suggest the thought to you that if the radio had existed in 1919, and if President Wilson could have used the radio instead of using up his last strength in making speeches all around the country for the League of Nations, the whole course of history might have been vastly different. (Applause)

Third, I believe we have learned that the imposition of large reparations upon the vanquished can only mean—while they may suffer for a time—that the victors will, in the end, foot the bill.

Nothing can make me believe that France, Great Britain and the United States will repeat that mistake tomorrow, and that is the gravest mistake of all.

And, finally, I believe we are in the process of learning that there can be no permanent peace in this world so long as the nations try to be economically self-sufficient. I believe we have learned,

given the unequal distribution of the world's natural resources and independent process of industry, there can be no peace without relative distribution of such resources between peaceful peoples of the world.

We, ourselves, are in this respect the best proof of advanced enlightenment. When in 1870 we inaugurated the system of high protective tariffs, we, with the Hawley-Smoot Tariff and the post-war inability to recognize that we were a creditor nation, endeavored to sell more goods, refusing, at the same time to buy from debtor nations—we were as much to blame as any nation for the centralization of economic trade and the trend of economic nationalism.

Now, under the wise and patient leadership of our great Secretary of State, we have taken the lead in the opposite direction. Where once our tariffs were exclusive trade barriers, today the treaties are breaking down obstacles, wherever our government can induce others to make mutual concessions.

That is why I think we have learned something—not all there is to learn, perhaps—but we have learned a great deal, and not only have we learned, but other nations, as well.

So I would say to Mr. Dulles, if it comes to war and the making of another peace, I am not as hopeless as he is about the sort of peace it would be.

But beyond that I disagree with Mr. Dulles', and Senator Wheeler's conclusions for another reason—a very primitive and perhaps uncivilized reason. I hope that by taking an affirmative stand against lawlessness and brute force, we should be able to avoid war, and that peaceful negotiation will then give to the “dynamic” people, free access to the world's markets and sources of supply, so they can be happy and cease to be so “dynamic”

But if that hope fails, and if war must come, then I would rather run the risk of our making another stupid, victorious peace than be the victim of the sort of victorious peace that would be imposed on the democracies by the victorious axis powers. (Applause)

PRESIDENT WILLKIE: Mr. Dulles, I want to see; now whether the two others can answer him.

MR. DULLES: There is not as much difference perhaps as might appear between Mr. Warburg and myself, and he has put his finger on the point which creates the difference, namely, whether we have or have not been sufficiently educated so that if we took the great risks of war we could expect to come out better than we did the first time.

Mr. Warburg has got a splendid program, a program, to which we need to educate the American people—to which I agree. The extent to which we are needing to educate the American people and particularly some of them, is evidenced by the fact that Mr. Warburg is no longer in Washington advising government. The fact is that people who have thought along such lines

have not been welcome in Washington, and I have been of the opinion that whereas there has been some education of the American public along the particular lines of trade barriers, there has been nothing like the education of the American public which existed before we went into the war in 1917. We had had then for years a president who saw the kind of thing Mr. Warburg was talking of tonight, who deliberately tried to keep the American people from becoming passionate and make them see reason, and keep in a state of mind where they would be governed by reason and not emotion.

He made that famous speech which was prophetic and attacked at the time “Peace without Victory.”

What have we today in Washington? The views which I hold today as to what the true nature of peace must be are not now. I have expressed them at various times and have scrutinized with meticulous care all the utterances the State Department has issued since grave and serious international affairs have come about, and I have seen not a word about anything except the time-honored mottos used by the people wanting to keep the position of sanctity of treaties and law and order. And I seem to see that instead of trying to keep people calm and reasonable and in a position to turn their minds to the fundamental problems, every excuse has been taken by provocative words to arouse sentiment in the American people, rather than a disposition to reason. I seem to find in view of the blindness in Washington as to what true peace is, the willingness to rule by sensation and emotion.

But what I want to say is, I think I am an idealist. I have certainly written things that people said were idealistic, that perhaps do not make sense today. The one thing that I hold dearest to my heart is that we should educate people again so that we can bring about something that is different from systems doomed to extinction. I have done and have welcomed things such as he says tonight are designed to educate people. I long for leadership in Washington to educate people, along those lines, but until I feel that we have made such progress here, and similarly in other parts of the world, then I say the moment has not come to throw all that we hold most dear into a struggle. (Applause)

PRESIDENT WILLKIE: Senator Wheeler now.

SENATOR WHEELER: I don't know that it is necessary for me to add anything to what has been said, except that I would like to know how Mr. Warburg is going out to educate the people, and, after that, who is going to give the message to England and France and tell them we will come on their side in the event of war, except the President of the United States. The only people to declare war is the Congress of the United States. But at the present time we can get into undeclared war. Any President can put us into war or bring about incidents so that we will be in the war to such an extent that we have to declare war.

Now of course I agree with my friend Mr. Warburg, with reference to the Smoot-Hawley Tariff

Bill and other such tariffs. I think it is one of the reasons we are in the condition we are today. I was one of those opposed to the Smoot-Hawley Bill but it passed during a Republican administration and the result of that tariff law passed during the Republican administration was that every country in Europe and America—and I am sure Mr. Warburg will agree with me—every country in Europe started in to set up quotas and put tariff laws around each and every little country over there in Europe, bringing about an economic situation that couldn't possibly last. After that had happened, we were in a position where it was difficult for us to reduce our tariff laws and because of the depression of the currencies of those countries, and they did depreciate them from 10% to 70% in Japan, and to 40% in Brazil, and so on, we were in a position where if we had reduced the tariff laws they would have flooded the country, and we couldn't have sold them anyway, because of their quotas.

That was the fault of the Republican administration, but because of their mistakes I don't want to go to war with England and France against any countries.

The point of difference between Mr. Warburg and myself, and Mr. Dulles, it seems to me is this: I think Mr. Warburg's program would very definitely lead us into war—it is inconceivable to me that if we told England and France that we would go in on their side that there would not be a war start in Europe, very very shortly thereafter. No one can commit us to that war—no one except the Congress of the United States can commit us to Great Britain and France, and, as I said and repeat again, we should not, under any circumstances or conditions, mislead England or mislead

France into saying that we are making commitments to them; that we are coming to their rescue in the event of war. Any of you people that feel that you want to make commitments of that kind and want to go to war, that is very fine, but I want to say this to you, if you think you are going to educate the American people to that program, you are sadly mistaken, because I think I am in touch with the sentiments of the American people—perhaps not in New York City, but fortunately for the country, New York City is not the United States of America.

There was a time in the history of the United States when you thought that all of the radicalism and all of the liberalism came out of the West. You thought that when our farmers picked up pitchforks and drove off a sheriff, that we were going to have a revolution out there. Let me say this to you people: The most conservative people in the United States today and the people who are more interested in the preservation of democracy in the United States today are the farmers of the Midwest and the West. They are the backbone of the democratic form of government in the United States, and if you have a time when the overthrow of this government come about and you have a totalitarian state, it is coming out of New York City and your large industrial centers—and make no mistake about that.

The only points of difference, as I say, as it seems to me, are first with reference to the neutrality laws—and I can agree it is difficult to pass a neutrality law that will be effective. I don't think it is possible that you can. And I think one of the reasons why the present neutrality law was put on the statute books was because of the overwhelming sentiment which was aroused, not because a

lot of people felt it would be effective but felt it was serving notice on the rest of the world that the United States of America would not take part in another war. That was the principal reason that law was passed. Probably it should be modified, and probably will be modified, but it is not going to mean that England or France should get the idea, if it is modified, that the Congress of the United States has changed its opinion. When I say that I am speaking not of the Democrats, or expressing the sentiment of the Democrats in Congress, but I know the sentiment of the Republicans in Congress as well as the Democrats in Congress. I don't think you could tomorrow, get ten men in the Senate to vote for such a program such as you outlined tonight, from either the Democrats or the Republicans, and I thank God that you couldn't get them!

Now I only want to close by saying that Mr. Dulles did not touch on the tariff, as I recall it, and I am in through accord with the tariff views of my friend Mr. Warburg, but I thoroughly disagree with reference to the proposition of our telling France and England that we are going to come over there again with our money and our boys and back them up in the event that they want a war, when they, themselves, in my humble judgment, could have prevented the condition that existed. With reference to the Treaty of Versailles, the Senate, you will recall, refused to ratify it. So we were not in a position to amend it—it was France and England, but particularly France that would not modify or give in until forced to give in by circumstances existing over Europe, now. Having made those mistakes, and having refused to make concessions to a democratic Germany, now they say “We want you to save us again.” The American people are not stupid enough and are not going to do it. (Applause)

PRESIDENT WILLKIE: In view of the lateness of the hour we will dispense with the questions, but I don't want the meeting to close until I have expressed to Mr. Warburg, Mr. Dulles and Senator Wheeler our thanks for this stimulating discussion.

They at least all agree on one point—a sincere profound admiration for the democratic process, in which we all join, and likewise they join in rebuttals to capricious autocracy, at home or abroad.

(Applause)