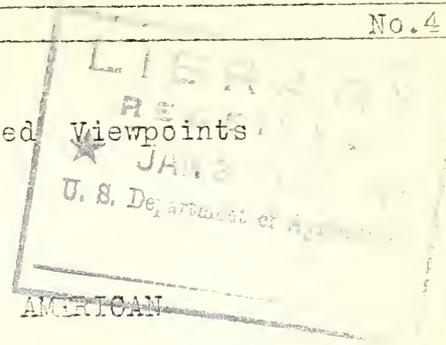


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9  
1986/2000  
Publication Extracts Which Present Diversified Viewpoints  
On The Question



WHAT KIND OF FOREIGN TRADE POLICIES DO AMERICAN  
FARMERS WANT? IN PEACE TIME? IN WAR TIME?

Discussion Series C. No. 4

-----Introductory Note-----

The publication extracts brought together in this form represent an effort to provide assistance for organizations and individuals in conducting county and other forums on questions of interest to rural people. They will be helpful particularly to persons preparing to present or take part in forum discussion.

U.S. Department of Agriculture

The Extension Service and the  
Agricultural Adjustment Administration, Cooperating

Washington, D. C.

January 1936



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The General Direction of Policy Is Toward Bilateral Agreements

B. K. Madan.

"Hence it is that the aspect of the central problem of commercial policy above indicated which claims immediate and urgent attention is that of reducing the restrictions on international trade. This end is sought to be attained in several ways. Regulation and control of international trade is necessarily common to all these ways, -- which may be classified into three rather well defined policies in operation of three distinct schools of thought in respect of such regulation by modern government of trade between nations. The three schools may be called the school of equality of treatment, usually known as the most favoured nation policy, the school of special bargaining, which tries to gain trade opportunities by buying and selling concessions or special privileges to other nations by bilateral compacts, and the school of group or areal agreements which tries to get outlets for trade by joining with several other nations in a regional or multi-lateral compact for lower national barriers. These three plans, the equality practice, the special bargaining policy, and the multiple regional scheme represent the real thought and practice of the world today -- and through all of them the different nations struggle to reduce the barriers on their trade with an eye to the opportunities of their own people.

"It is the policy of the group or areal agreements, however, (illustrated by the Ouchy agreement between Netherlands, Belgium and Luxembourg, by which the three countries agreed to reduce their tariffs as against each other, 10 percent each year for five years or 50 percent in all and offered the benefits and obligations of the agreement to any other nation that cared to adhere) which by the growth of relatively free custom areas provides the most promising prospect of an opening through the present unpromising situation for international trade.

"While this is the most desirable line of development under the present circumstances it is unfortunately not the most general direction in which policy is moving. The common and widespread, almost universal, form in which the present marked tendency towards planned or regulated trade is manifesting itself is by means of an elaborate network of negotiated bilateral treaties which include not only tariff rates, but quotas and other forms of quantitative regulation, private commercial agreements and even financial provisions. Their characteristic feature is a very careful balancing of concessions on both sides with minutely calculated exchanges of various kinds of goods against each other.

"No doubt the scope of such treaties is so strictly circumscribed and they are so full of conditions that their results must fall short of the freer arrangements of earlier days, for many of the most sound and profitable trading relationships are multi-cornered. Nevertheless, limited treaties of this kind, appear to be for the time being, the only way of overcoming the many barriers to international trade. Attempts at a 'broad solution by concerted action along the whole front' having failed to produce tangible results at the World Economic Conference, autarchic developments have received a distinct stimulus in almost every country, and each country has to flounder its own way through the tangle of trade complications as best as its circumstances and conditions permit."

"The Theory And Problems Of International Trade"

B. K. Madan

Indian Journal of Economics -- April 1935

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Practical Difficulties in the Way of More Foreign Trade

R. A. Goslin

"First of all, in order to restore our export trade to 1929 levels without at the same time lending money abroad, we would have to buy about \$2,826,000,000 more goods from other countries than we bought in 1934. If we wanted to receive the same income from our foreign investments we would have to add another \$524,000,000. And if we insisted on the repayment of our war debts, we would have to import even more. How would this affect the domestic market for American farm and industrial products? If our people bought imported goods, would they or could they also buy goods Made in U. S. A. ?

"It is claimed that the increased income from exports and from foreign investments would make it possible for our people to buy more imports and still spend the same amount of money for domestic goods. However, there is no doubt that some industries such as textiles, would be hard hit by foreign competition, and workers would be displaced.

"It has been estimated that out of 8,800,000 wage-earners employed in American factories and mills in 1929, 2,134,000 were engaged in industries whose products were protected by tariffs.

"There are powerful business groups who have a vested interest in maintaining high import duties and keeping out foreign competition. They descend on Congress as soon as they learn of any move to lower the tariff on articles they produce. They apply pressure to prevent such changes, and conduct an active propoganda campaign in favor of continued protection.

"Even if the tariff were lowered to admit more imports, the internationalists would have to face the difficulty of finding markets for our goods. Other countries have passed high tariffs and increased their own production. Not only the retreat to nationalism but also the setting up of more and more machinery has tended to lessen the opportunities for trade except in essential raw materials. The machine makes it possible for more and more countries to make the same goods with the same degree of skill and efficiency. This reduces the advantages of specialization.

"Again, if we decide on a policy of freer trade we must face the difficulties of greater and greater competition. Nations, like individuals, are operating under a competitive system. That system necessitates a struggle for control of raw materials, methods of transportation and available markets. Many times that struggle has become bitter and ruthless. There is little room for genuine cooperation. Business men do not help their competitors. The corporation of one country enters into keen competition with great combines of one or two other countries. And economic competition is more likely to make for war than peace.

"Whichever policy we choose, it would be necessary to place some or all of our producers under a certain amount of control. The government would have to exercise a guiding hand in making the necessary adjustments. If exports were not to be increased or were to be further decreased, strict government regulation of farm production would be necessary. If tariffs were lowered and international trade were revived, there would have to be some degree of control over domestic production so that imports could be admitted.

"What are the chances of carrying out either program successfully in the United States? Americans don't like government control. It goes against the grain. We are used to wide open spaces of liberty. We were brought up to believe that private initiative is the mainspring of business enterprise."

"Made in U. S. A."  
Ryllis Alexander Goslin  
Headline Book No. 2  
The Foreign Policy Association  
1935

Latin American Trade Possibilities  
Hon. Cordell Hull

"This raises a large question with respect to the policy which should be pursued in the Western Hemisphere. In Latin America, under the pressure of the gap in the balance of payments created by the fall in the price of their leading exports, an effort was first made to close this gap by allowing the exchanges to seek the level required to balance their international accounts. Subsequently, it was necessary to introduce the device of exchange control whereby the out-payments and in-payments were forcibly brought into accord. Since, at the official rate, there is not enough foreign exchange available in these countries to meet all payments, exporters have been compelled to wait frequently many months for payment in terms of dollars. In some cases, the United States might compel immediate payment by blocking the exchange created by American purchases of imports from these countries. By undertaking such clearing arrangements, however, the United States would encourage the spread of clearing and compensation agreements over the Western Hemisphere, thereby prolonging and strengthening the grip of these injurious practices upon international trade. If, on the other hand, this country takes a sympathetic position looking toward the gradual re-establishment of a free exchange market, and refuses to force upon these countries preferential treatment of our own nationals and trade, we shall hasten the movement toward liberal commercial policy and bring nearer the day when all these artificial restraints are wholly removed from international economic relations.

"Conditions are improving with sufficient rapidity in the Latin-American countries to make one optimistic that if right policies are pursued, the achievement of free exchange markets is feasible in the not far distant future. This is a time in which it is important to resist immediate and short-sighted advantage and to look toward the steady rebuilding of a sound international structure with a view to achieving the far more valuable long-run benefits obtained thereby."

"International Trade"  
Honorable Cordell Hull - Secretary of State  
Address - World Trade Dinner--Nov. 1, 1934.

Inherent National Advantages Still Allow Room For Trade  
Henry A. Wallace

"The contention that it is useless now to press against the world tide and try for international trade is strengthened in some measure by the contention that machinery levels off regional potentialities; that the products of one civilized country soon become very much like those of another country; and that to trade like products is simply a waste of money and time. The drift toward economic nationalism is therefore bound to accelerate, according to this argument, as the years go by.

"Undoubtedly there is something to this argument. Imitative factories producing similar products can spring up in almost any soil and climate. That clustering of specialized skill which makes Detroit, for instance, a motor center may be bodily removed, in a manner of speaking, to China, through importations of machine tools and a few factory technicians. The increasing success of the Russians, never distinctly a machine-minded people, in turning out tractors and other modern equipment somewhat like our own, may also be cited as a case in point. But I think it is obvious that in a sane world, without barriers of hatred and suspicion, the Russians would have chosen to develop products more in line with their own national genius, and trade such products for our machines, rather than to turn out toilsome imitations on their own soil.

"Mechanization may tend to make the manufactured products of all countries more nearly alike; but the tendency cannot be considered apart from the question of raw materials; and the natural zones of the highest potential production in agriculture and mining are little subject to mechanistic change. There is a best place, and a second and third-best place in the world to mine coal or grow cotton, just as there are favored and less favored cotton and coal regions within the United States. We cramp the finest possibilities of a civilization when, blinded by local pride, either regional or national, we blink at plain facts.

"The same thing holds true of innate or inherited capacities. England makes better cloth than we do, and better hand-made shoes. France, I am told, makes better wine. Unquestionably, however, we raise apples more cheaply than France. Accordingly, one of our first approaches toward dealing with the world again, on a new basis, is as simple and sensible as a swap between two pioneer farm neighbors. We traded France some of our apples for some of its wine.

"International trade is not necessarily complicated. If we allow ourselves again to approach world trading as if it were a sacred and impenetrable mystery, then we are likely again to get into another jam. The considerations which make international business desirable are plain. Recently I heard for the first time a saying popular in Arkansas. It was that Arkansas could build a wall a mile high around its borders and go right on living and doing business. That may be true; but I doubt if even the noisiest orator in Arkansas would claim that the people there could live as well or as spaciouly as they do even now, exchanging goods and services with the people of other states. It is equally obvious that we take only meager advantage of this opportunity to exchange special products or special capacities if we coop up the process within national boundaries.

"I say, then, that in respect to raw materials and handicraft products, world exchangeability is as desirable now as it ever was; and I deny that mechanization wipes out national differences in skill and ingenuity. Where it seems to do so, I think the result is impermanent. Chinese to whom we send machine-tools may turn out a good Ford car, but the next improvement in the car and in the machinery which makes it, would be likely to occur on this side of the water. On the contrary, we could train American workmen for years on end and equip them with the best Chinese devices, yet the best Chinese embroidery would still come from China. Granting then a certain tendency of modern equipment to standardize and level the product, there remains for the long pull a great variety of inherent national advantages which, in a sane and neighborly world, would allow plenty of room for trade."

"America Must Choose"  
Henry A. Wallace

What The Internationalists Say  
Ryllis A. Goslin

"In reply to these arguments for high tariff and isolation, let's hear what the internationalists say about the advantages of foreign trade.

"1. "Men and Nations are Dependent on Each Other"

"It used to be that the people of a town or village could supply their own needs fairly well -- raise their own food, weave their own clothes out of the cotton or flax they gathered, build their own houses out of the lumber they cut down, and educate their children at the village school. But the days of handicraft and candles and wood stoves are gone. Science and technology have increased the division of labor, whereby each man or community or nation does some part of the total work of production. This makes each one more and more dependent on the other.

"2. "Trade Increases Wealth"

"Trade has always increased the wealth of a community or a nation. As soon as men began to divide up the work to be done, they developed greater skill and efficiency. Later on, communities specialized in the production of certain products and exchanged them for those of other communities. As specialization increased, people could produce more and therefore had more with which to trade. Thus trade gives every individual, community, and nation a chance to specialize in the production of those goods which he or it is best equipped to produce.

"Today it would be economic suicide for us to require every community or state in the United States to produce all it needs, since it would deprive us of all the advantages of a division of labor. In the same way, it would be unwise to cut off the profitable interchange of goods among nations. Because of its climate, its natural resources, the aptitudes of its people or other factors, every country is able to produce certain goods more cheaply and efficiently than others. Its wealth will increase as it specializes in these goods and exchanges them for those which other countries can produce to better advantage. The United States excels in the production of cotton, tobacco, automobiles, and a large variety of manufactured articles which can be turned

out cheaply by machine in great quantities with little labor. Tropical countries in turn have the advantage over us in the production of coffee, tea, rubber and certain fruits. England has become famous for her woollen goods, France for her wine, Japan for her silk, Holland for her lace, and China for her embroideries.

### "3. "Trade Raises the Standard of Living"

"The exchange of goods enables each country to confine its efforts to producing goods which it is best fitted to produce, either because of natural resources or special skill. In this way it can produce more, and thus have more to exchange for other goods. The internationalists claim that greater production results in higher wages which can be used to purchase more and more imported commodities. And thus the entire standard of living is raised. High wages in the United States are not the result of the tariff, but of our great wealth of resources and our superior methods of production. The American working man gets a higher wage than his foreign rival primarily because he is able to produce more with the help of abundant resources and better technique.

"On the other hand, when men or nations try to produce things they are less fitted to do, they become less productive. This means lower wages, less goods, and a lower standard of living.

### "4. "Culture and Progress Follow Trade"

"It is said that civilization has followed the path of commerce. The traders of ancient times transferred knowledge, skill and invention from one city to another as they carried their goods. Cities grew up and flourished as centers of trade--Tyre and Sidon, Antioch, Carthage, Pisa, Athens, Rome. Today trade makes possible the rapid communication of technical, scientific and artistic advances from one country to another.

### "5. "Freer Trade Would Promote World Peace"

"The isolationists claim that the United States would run less risk of being involved in war if it kept its trade at home. In reply, the internationalists say that, although isolation might be a temporary solution for us in the immediate future, isolation would not be a wise or practical policy for any nation in the long run. Almost no other country except Russia could hope to live on its own resources. Countries like Switzerland, Czechoslovakia, or Belgium could not possibly shut themselves off from outside markets without changing their whole way of life.

"Furthermore, they say, trade in itself is not a serious cause of war. The race for colonies and the struggle for markets and raw materials tend to become bitter when nations close their home markets by raising high tariff walls. We can already see some of the results of the attempts at nationalism in various parts of the world. Japan, poor in natural resources and overpopulated, has seized a large part of China. Italy, in need of raw materials and markets, is trying to take possession of Ethiopia. Germany's extreme nationalism under Hitler has increased the fear of war in Europe.

"Only by exchanging goods peacefully, the internationalists say, can we hope to avoid imperialism and conflict. Gradually then we can develop a

system of cooperation whereby all can have the advantages of a division of labor and access to the necessary raw materials."

"Made in U. S. A."  
Ryllis Alexander Goslin  
Headline Book No. 2  
The Foreign Policy Association 1935

What the Economic Nationalists Say  
Ryllis A. Goslin

"1. "Be Economically Independent"

"As the richest country in the world, we have plenty of land and nearly all the resources and raw materials needed for our productive plant. We have the chance of becoming more nearly self-sufficient than any other nation. We would, therefore, be doing the world as well as ourselves a service if we put our own house in order and ceased to depend for our livelihood or our prosperity on the needs and desires of the rest of the world. Economic nationalism, say its defenders, is not a selfish or narrow policy. Rather, it grows out of a wholly admirable desire to be able to take care of one's own needs instead of being dependent on others.

"2. "Avoid the Uncertainty of Foreign Markets"

"It is hard to depend on selling goods abroad. Foreign nations are liable at any moment to raise tariffs, or decide to accept only so much goods, and thus cut us off from an important source of income. Our factories and farms become dependent on the purchasing power of people in other nations and therefore may suffer from their depressions. Or foreign producers may suddenly dump large quantities of goods on our shores at low prices and ruin our home industries.

"If we kept our trade at home, we could study the home market, know how much to produce, and how much we could sell. But foreign trade is always uncertain. Why not, therefore, pay more attention to the home market and stop worrying about the economic troubles of other countries?"

"3. "Big Foreign Markets Are Gone"

"We have gotten into the habit of thinking that by dint of effort, we could discover greater and greater foreign markets for our goods. But the nationalists say we must face the facts. The reason why our exports were so large during the war was not because of American initiative and enterprise, but because Europe was at war. They did not have time to cultivate lands, harvest crops, and manufacture goods. But when the war was over, their men went back to work again. They not only produced as much as before, they produced more. They too had the advantages of scientific methods and power machinery. We cannot expect to sell goods to people who now produce their own. Science, machinery, and the desire of nations to be economically independent have cut down our chance to sell our goods abroad.

"4. "Foreign Trade is Not Important Anyway"

"Our foreign trade is actually a very small part of our total business. Our total production in 1929 was 52 billion dollars worth of goods. Our total exports in that year amounted to just over 5 billion dollars, or about 10%. In 1931 our exports had dropped to about  $7\frac{1}{2}\%$  of our total production. Export trade accounted for only about 4 dollars out of every 100 dollars of income. It is far more important, the nationalists say, for us to remember that 90% of our total market has always been at home and try, therefore, to restore the purchasing power of our own people.

"5. "Protect the American Standard of Living"

"If we are to restore the purchasing power of our people and protect the American standard of living, we must protect our industry and our agriculture with a high tariff. Other countries can often produce goods more cheaply because of lower living standards. In order to meet such competition American producers would have to lower prices and reduce wages, and this in turn would cut the purchasing power and the standard of living.

"6. "We Must be Prepared in Case of War"

"Again, the economic nationalists urge us to protect and strengthen our own industries, so that we would be able to furnish our own supplies in time of war. They warn us that it is dangerous to be dependent on other nations for raw materials, and advise us to encourage home production and to discover substitutes wherever possible for the necessary raw materials."

"Made in U. S. A."

Ryllis Alexander Goslin

Headline Book No. 2

The Foreign Policy Association 1935

Planned Economy and Laissez-faire Economy: Walter Lippman

"And so it may be said, perhaps, that the difficulty of a self-sufficient controlled economy would lie in the lack of wisdom for centralized direction and the necessity for regimentation; that the difficulty of international laissez-faire has been found to lie in the immense human resistance which has developed to the consequences of free competition.

"Therefore, one must conclude, I should think, that profound readjustments of capital and labor will be called for quite regardless of whether one prefers an open or a closed economy. I strongly suspect that the amount of planning, of centralized control, and of regimentation which we adopt will be determined by the amount of readjustment which circumstances force upon us.

"For the American economy is obviously not now organized for a policy of self-containment. Very important producing interests both in agriculture and in industry are adapted to world markets, and must face enormous losses and human misery if those markets are permanently lost. Those who argue that the exports of the United States are a negligible fraction of the total production are using statistics to obscure the realities. To reduce American

agriculture to a self-contained market would, it is estimated, call for reducing the productive acreage by 40,000,000 acres of average land or by 60--70,000,000 acres of poor land. This is not a negligible readjustment. What would be required, in the way of loss of capital and displacement of labor in order to reduce American industry to a basis of self-sufficiency, I do not know, though it was estimated in 1928 that two and a half million families were dependent upon industrial production for export.

"So, if at this moment in the autumn of 1933, I had to testify in answer to the question: Is the United States passing through a social revolution which will bring into being a closed and controlled economy?, I should have to answer in some such way as this: The economy of the United States is dislocated. Since the economic relationships which existed before 1929 cannot for various reasons be restored, 'recovery' involves certain deep readjustments. The system of free enterprise has become too rigid and the sense of social obligations too acute to permit the carrying out of these readjustments by individual action and individual sacrifice. Therefore, by the logic of the circumstances, the United States has been driven to experiment in collective control designed to facilitate the necessary readjustments. These experiments have their roots in the desire for recovery rather than in a popular enthusiasm for the ideal of an authoritarian state and a planned economy. They are, therefore, practical expedients rather than revolutionary processes. But it is possible that the dislocation may not yield to the expedients, thus compelling resort to more drastic ones. It is possible that the expedients may themselves deepen the dislocation by inhibiting the free enterprise upon which an essential part of recovery depends. It is possible that the expedients will seem admirable and equally possible that they will seem detestable.

"And therefore the only conclusion that is now justified, it seems to me, is that as long as the expression of opinion remains free, it will be immediate experience rather than theory which will dictate the course of policy. Indeed, the more I reflect upon the problem, the better I understand why revolutionists bent upon a radical transformation of human society do, and in fact must, begin by abolishing freedom of expression. There is no other way in which a complete transition can be effected swiftly except by preventing the people from impeding, deflecting, and limiting the change in accordance with their experience."

"Self-Sufficiency"

Walter Lippman

Foreign Affairs -- January 1934

Nationalism and Internationalism: Each Has Qualities of the Other:  
Report of Economic Commission

"Economic nationalism, as the word is used today, means a policy of withdrawing from intercourse with foreign people to the greatest possible degree, a policy directed toward as much self-containment as is feasible in the modern world. It assumes that foreign commerce is dangerous because through it the economic disturbances arising in one country may be transmitted to another. It is based on the belief that the national security obtained by withdrawing from international commerce is worth the sacrifices that admittedly have to be made in the way of some depression of the standard of living unpredictable in degree, and of some narrowing of the national culture.

"Internationalism when applied to economic matters means, on the contrary, intercourse between nations on a basis as free as possible from artificial barriers. It assumes that, since in the past one hundred years or more man reached his highest economic and cultural development while engaging in international trade and financial intercourse under minimum restrictions, to interrupt such intercourse would lead to a prolonged and profound economic dislocation everywhere and start mankind upon a road leading no one knows whither.

"Despite this apparently sharp contrast between these two philosophies, the Commission came to realize, as it proceeded with its inquiry, that in fact the distinction between them is superficial and unreal. No national policy is wholly nationalistic, none wholly internationalistic. Every policy contains many compromises; each is national in the sense that it is intended to promote the interests of the nation that adopts it. Internationalism is national in the sense that it is never in practice followed except with the intent to promote the interests of the nation. Internationalism in this sense is nationalistic. No one can say, except arbitrarily, at what point a given policy ceases to be international and becomes national."

Report of Economic Commission  
International Economic Relations. (Reprints Obtainable)  
Published by University of Minnesota Press, Minneapolis, Minn., 1934

Steps Leading To Neutrality Act: W. W. Van Kirk

"Meanwhile, the trend toward war became more pronounced. Germany had thrown the Versailles Treaty overboard; tension points throughout Europe were increasing; Japan and China were at odds and the Far East was in turmoil; Italy was threatening to make war upon Ethiopia. The American people began asking the question: "If war comes, how can the United States keep out?"

"About this time a public debate was started regarding neutrality. Mr. Charles Warren who had been from 1914 to 1927 Assistant Attorney General in charge of enforcing the neutrality policies of the United States began the debate. Mr. Warren, while skeptical of the possibility of the United States maintaining strict neutrality, in the event of a major war, outlined a set of proposals which might help keep the United States out of war. These proposals were:

- "1. All high-powered radio stations should be controlled and their use prohibited by all ships in our ports and waters, and, probably the transmission of secret code messages, even by foreign diplomats prohibited.
- "2. The supply or sale of arms or ammunition to belligerents should be forbidden.
- "3. If we are not prepared to forbid the sale of arms, their shipment in American vessels should be forbidden.
- "4. The entrance into our ports or waters of any commercial ship of the belligerents which is armed, should be prohibited.
- "5. American citizens should be forbidden from travelling in such

- "6. The entrance of submarines into our ports or waters should be prohibited.
- "7. Neither military nor commercial planes belonging to a belligerent should be allowed to descend on or pass over our territory.
- "8. Merchant ships should be treated as adjuncts of navies and those of belligerent nations should be interned if they remain in neutral waters beyond a given time.
- "9. Loans by private citizens to belligerent governments should be prohibited.
- "10. American citizens should be prohibited from enlisting in belligerent armies.
- "11. We must forego our so-called 'neutral rights' of trade and be content with what opportunities belligerents are willing to grant us.
- "12. Assembling here and dispatch abroad by foreign officials of reserve members of belligerent armies or navies should be prohibited and possibly also american citizens forbidden to enlist abroad in belligerent forces.

"Things now moved swiftly. The Munitions Investigating Committee laid bare the story of America's participation in the World War. The facts unearthed by this investigation shocked the people. One of the most startling pieces of evidence unearthed by the Senate Committee was the confidential message cabled to President Wilson in March, 1917, by the American Ambassador to Great Britain. This message said in part, 'Perhaps our going to war is the only way in which our present preeminent trade position can be maintained and a panic averted. The submarine has added the last item to the danger of uncertainty about our being drawn into the war, no more considerable credit can be privately placed in the United States and a collapse may come in the meantime.'

"It became increasingly clear to the American people that if the United States were to be kept out of another war steps would have to be taken to regulate our trade with warring nations. A group of Congressmen and Senators drew up a set of recommendations forbidding the shipment of all arms and munitions to any warring nations; prohibiting American bankers from making loans or extending credit to a warring nation; compelling American exporters to ship at their own risk any article declared to be contraband by any belligerent; denying passports to American citizens travelling in war zones.

"A vigorous discussion followed the publication of these proposals. The upshot of the whole matter was the adoption by the American Congress in late August, 1935, of a Neutrality Act."

"The A B C of American Neutrality"  
Walter W. Von Kirk

Federal Council of the Churches of Christ in America - 1935

Problems Of Neutrality: Charles Warren

"Neutrality is difficult to preserve, except in case of a war between small nations or one in which our commercial interests are not gravely affected. If a war should fail to remain localized and should extend so as to involve other major powers, then the complications likely to arise, the belligerent propaganda inspired in this country, the oratory in Congress, the pressure from commercial and financial interests affected by actions of the belligerents, might easily lead us to the verge of war.

"Under such conditions neutrality and adherence to peace would be difficult. Americans must be willing to pay a price for it--a price which would most certainly touch their pocketbooks and their pride.

"In an article in April, 1934, entitled 'Troubles of a Neutral,' I pointed out that sacrifices of alleged rights must be made and obligations must be assumed by our citizens as a part of that price. From observations of actual difficulties in the path of a neutral, made by me when as Assistant Attorney General of the United States I had charge of all matters relating to the war and neutrality which came to the Department of Justice from 1914 to 1917, I suggested, on the basis of this experience, twelve subjects as to which laws should be enacted in the effort to avoid the frictions, complications and dangers which the United States actually encountered as a neutral during the World War.

"Of these twelve subjects, five have been taken care of in the Neutrality Act of Aug. 31, 1935--embargo on 'arms, munitions, or implements of war'; prohibition of shipment of such articles in American ships; prohibition of travel by an American citizen on a ship of a belligerent nation except at his own risk; regulation of belligerent submarines in our ports and waters; and further restrictions on ships attempting to supply belligerent war vessels from our ports.

"There remain, however, at least three major subjects as to which no legislative enactment has been made or legislative policy declared, and which urgently demand attention. The first of these is the question of armed merchantmen of a belligerent.

"Under international law, a neutral nation is obliged to use due diligence to prevent the equipping and departure from its ports of any belligerent vessel which it has reasonable ground to believe is intended to cruise or carry on war against a power with which the neutral is at peace. At the same time, under international law, a merchantman of a belligerent is allowed to carry armament for defensive purposes without taking on the character of a war vessel.

"During the World War the United States found great difficulty in making the decision whether armed belligerent merchantmen in its ports were armed for defense or offense. . . . .

"Hence, having full power by domestic legislation to regulate in its own ports the presence or operation of any foreign vessel, this country should by statute now exclude from its ports in time of war all armed merchantmen of a belligerent or treat them as ships of war. Such action was taken by Holland during the World War.

"The second subject which undoubtedly will require action by Congress is that of loans and credits to the belligerent nations or to their citizens.

"But public loans to a belligerent government nowadays form but a small part of the financial assistance which may be rendered by a neutral to further the war. Commercial loans and credits, whether made to a government or to its citizens, constitute the bulk of the financing for the belligerents in a neutral country. These latter must also be prohibited or restricted.

"That such legislation will result in considerable loss of business to our citizens is one of the prices which they must pay to remain at peace. At the same time, it should be noted that the present statute imposing an embargo on arms and munitions will itself, ipso facto, result in the restriction of commercial loans and credits to a belligerent; for hitherto such financing has been largely for the purchase of arms and munitions.

"The third subject to which our government, for the maintenance of neutrality, must give careful consideration is that of contraband.

"Hence the question arises: What can the United States do with reference to its contested right of trade, now or at the outset of another serious war?

"In the first place, American citizens should consider carefully the reason given by the belligerents for their extension of the term 'contraband,' namely, that, under modern conditions, the success of a war depends not only on troops but on the commerce and labor of the civil population; and that supplies to the army and navy and to the civil population are of almost equal importance in their effect upon the outcome of a war.

"From the belligerent's standpoint, neutral shipments of food, chemicals, metals, rubber, and other contraband articles to an enemy give military aid to the enemy equally with neutral shipments of arms and munitions. Americans, therefore, should ask themselves the question: Why, logically, should a neutral not adopt toward these other forms of contraband, which are of importance to a belligerent in waging war, the same attitude as toward arms and munitions?

"There are four different policies which the United States might adopt with reference to this contraband question.

"The more reasonable and the least complicated policy would be to give formal notice, by Congressional action or by Presidential proclamation, that all sales and exports of articles declared contraband by any belligerent are to be at the risk of the seller or exporter, and that our government during the war will not enter into controversy with the belligerents, but that after the war it will assert claims before some international tribunal for damages in behalf of such persons, based on any right of trade found to exist under international law.

"Any one of these courses might call for considerable sacrifice of American trade, and unquestionably loud and passionate outcry would arise from cotton, wheat, meat, copper, steel and other agricultural and commercial interests affected.

"But the issue is a simple one. Should the United States insist on disputed rights of trade in contraband and run the risk of war in order to protect the profits to be made out of war by some of its citizens? Is the right of a citizen to trade in contraband to be regarded as superior to the right of the nation to preserve itself from the risk of war?

"A vigorous address was made on these questions by Admiral William S. Sims (retired) on May 8, 1935, in which he said: 'The point of the whole business is this--we cannot keep out of war and at the same time enforce the freedom of the seas, that is, the freedom to make profits out of countries in a death struggle. If a war arises, we must, therefore, choose between two courses--between great profits with grave risks of war on the one hand or smaller profits and less risk on the other.

"The time to decide is now, while we can think calmly and clearly, before war propaganda gets in its deadly work. \* \* \* Therefore, let every citizen who has the cause of honorable peace at heart take this stand: 'Our trade as a neutral must be at the risk of the traders; our army and navy must not be used to protect this trade. It is a choice of profits or peace. Our country must remain at peace'."

"But the most ardent advocates of neutrality must be made to realize, furthermore, that even with all the legislation already enacted or still proposed, and even with this Presidential action, the United States cannot be certain of keeping out of war. For one of the chief sources of danger to our neutrality still remains untouched. It was the unrestricted submarine warfare of the Central Powers which actually brought the United States into the conflict; and up to date there has been no international agreement regulating the future use of submarines.

"Moreover, a new element presenting a possible danger to neutral lives and neutral trade has arisen in the probable use of airplanes for bombing merchant vessels which refuse to comply with belligerent orders. Therefore, there still remains the danger from these sources to the lives of American passengers or crews on American ships--especially passengers and crews who are not engaging in transactions with belligerents. And in spite of all legislation now enacted or proposed such loss of life in the future would probably again arouse our people to war.

"When, therefore, everything is said that can be said for a policy of strongly entrenched neutrality (with which I am in full sympathy), it still remains true that the United States can best keep out of war by a policy of hearty and positive cooperation with other nations in attempting to prevent the occurrence of wars."

"Pitfalls In The Path of Neutrality"

Charles Warren

The New York Times Magazine

October 20, 1935

Raw Materials And Neutrality Policy: W. W. Van Kirk

"The National Munitions Control Board met in late September. It drew up a list of the articles which might fairly be regarded as 'munitions and implements of war.' President Roosevelt, on September 25, made public a list of the war implements covered by the Neutrality Law. These implements include rifles, machine guns, ammunition, bombs, torpedos, tanks, armored trains, vessels of war of all kinds, aircraft designed peculiarly for military purposes, aircraft engines, poison gas and flame-throwers.

"No announcement of policy has as yet been made regarding what, if any, raw materials are to be included in the embargo list in the event of war. The questions which the National Munitions Control Board must ask are these: What are munitions of war? Are such raw materials as cotton, copper and other 'borderline' materials to be regarded as 'implements of war'? Under a strict interpretation of the Neutrality Act is the exportation of these 'borderline' materials to be prohibited in the event of war? No official of the national administration has, as yet, answered these questions. And yet it is precisely these questions that haunt the minds of European statesmen. If, for example, the League were to impose economic sanctions against a nation resorting to war, would or would not the United States prohibit the shipment of essential raw materials to the so-called 'aggressor' nation?"

"The A B C of American Neutrality"

By Walter W. Van Kirk

Publ.--Federal Council of The Churches  
of Christ in America

We Must Pay For Neutrality: Editorial Wallace's Farmer

"Ask any American whether he wants the United States to get into another world war, if one develops, and his answer is 'No.'

"But if you had asked the same question of any American at the time of the Napoleonic wars, he would have given the same answer. Yet we got into the War of 1812.

"If you had asked the same question in 1914, the answer would have been the same. Yet we got into the latest world war, in 1917.

"Why did we get in when we claimed we wanted to stay out?"

"Primarily, the reason in each case was that we got to hunting profits from war-time trade so hard that we got into war without knowing it.

"War put up prices of goods we had to sell. We found that selling these goods abroad meant that we had to protect our merchant ships from the blockading restrictions of nations at war. In trying to protect this trade, we got into trouble--with Great Britain in 1812, with Germany in 1917.

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"When we try to make money out of a world war, we get into it ourselves. . .

"Munitions makers were making money. But so, apparently, were wheat, hog and cotton farmers. Prices were up. Things were booming.

"Actually, how much was being made? We shipped abroad all sorts of goods. What did we get in exchange? Nothing, except cancellation of our debts to Europe and pieces of paper signed by European nations, saying they would pay us some day. . . .

"To protect these (private) loans, to protect these apparently profitable exports, we tried to keep British ships from blocking trade, and we tried to prevent German submarines from sinking merchant ships. Finally, after quarreling with both sides, we went to war with Germany.

"That war cost us \$25,000,000,000 in direct costs. Our unpaid war loans come to \$12,000,000,000 more. Interest charges on these debts, care of wounded veterans and similar expenses run the total up to \$55,000,000,000 and the end is not yet. Worse than this, we dislocated our industry and agriculture so that the war prepared the ground for the depression of 1929. Farmers plowed up pastures and increased wheat, hog and cotton production for a temporary foreign market.

"With this experience in mind, how can we stay out of the next war if it comes? We need to remember that it costs money to stay out of war. We'll have to pay for neutrality. We will be tempted with the offers of high prices for wheat, cotton and pork if we overproduce again and guarantee delivery across the water. Yet those high prices will be mostly fakes. We'll be offered I.O.U.'s again, and we should know now how much those are worth.

"In return for these fake profits, we'll run the certainty of getting into war. We can avoid it by forbidding loans to warring nations, by blocking shipments of munitions, and--most important--by insisting that shipments to warring nations be made at the risk of those hungry for profits. If submarines sink the ships, that's their hard luck.

"If we stay neutral, we must pay the cost of neutrality. We must be willing to go without speculative war-time prices for wheat, hogs and cotton. But in the end, it will cost us a lot less, in money as well as in lives, to wage neutrality instead of waging war."

"It Costs Money to Stay Out of War"

Editorial

Wallace's Farmer and Iowa Homestead

October 12, 1935

Isolation to Prevent War: Ryllis Alexander Goslin

"But there is another important group of people who believe strongly that we should keep our trade and business interests at home for somewhat different reasons. They see very clearly the difficulties of trade that have already been

pointed out--the uncertainty of world markets, increasing competition, and growing nationalism in Europe and Asia. They see also the dangers of imperialism and war.

"Therefore, they advise us to isolate ourselves as far as possible from the rest of the world not as a defense in case of war, but as a method of avoiding war. If we were not interested in securing foreign markets, our merchants would not be entering into keen competition with the merchants of other nations. We would not have to build up our Navy to protect our trade, our investments, or the property of our citizens abroad. The large profits of war trade would cease to interest us. These isolationists believe that, if we could work out plans to supply the needs of our own people, we would then be in a better position to enter into a program of real cooperation with the other nations of the world."

"Made in U. S. A."  
Ryllis Alexander Goslin  
Headline Book No. 2  
The Foreign Policy Association  
1935

How Far United States Can Go In Joint Action Without Becoming Involved:  
Shepardson and Scroggs

"To many American citizens it has always seemed that the foreign policy of the United States rested, and should rest, upon two basic principles: to uphold the Monroe Doctrine, and to avoid foreign entanglements. In the popular mind this means, in effect, that Europe must keep out of the affairs of the New World, and that the United States must keep out of the affairs of Europe. The general lay idea of neutrality seems to conform to these broad conceptions of foreign policy; it means little more than keeping out of war. These prevailing concepts, however, do not per se spell isolation; they are not a bar to international cooperation, if this cooperation does not lead to 'involvement'. Then arises the practical question, How far does the United States feel that it can go in joint action with other powers without danger of becoming involved? What contribution might it naturally be expected to make to the advancement of collective security?"

"In the spring of 1935 Professor Jessup of Columbia University attempted to answer these questions. It was his conclusion, based on a careful study of the record, that the United States stood ready to join in international agreements (1) for the limitation of land, sea, and air armaments; (2) for the regulation of the traffic in arms; and (3) for redetermining and clarifying the rights and duties of neutrals in time of war. Furthermore, on the express condition that the powers should agree upon a general program of disarmament, the United States was prepared to conclude additional agreements, including: (1) pacts of non-aggression, carrying the pledge to move no armed forces across frontiers; (2) pacts of consultation, provided that they embodied no advance commitment regarding actions to be taken as a result of consultation; and (3) an undertaking to renounce the exercise of so-called neutral rights in dealing with aggression, if the United States concurred independently in the identification of the aggressor.

"On the negative side there were certain obligations which the record showed that the United States government was not ready to assume. For example, it would not engage in advance to participate in the application of sanctions or to use its

military power for the enforcement of treaties; it would not give pledges in advance to accept the final decision of any international group or organization regarding its obligations. Nor would it fully renounce its rights as a neutral.

"This survey of the possible contribution of the United States to collective security, published in May, 1935, was both realistic and conservative. It seemed to hold out no false hopes whatsoever. Yet in the short space of three more months the immediate likelihood of even such limited contributions faded out; for toward the end of the session the mood of Congress, clearly in response to the public desire to keep aloof from troubles overseas, had become increasingly isolationist. Its members for the time being were not interested in plans for consultative pacts and arms limitation: they were interested in neutrality, because neutrality meant keeping out of war."

The United States in World Affairs  
W. H. Shepardson and W. O. Scroggs  
Council on Foreign Relations  
Harper & Brothers, 1935.

Economic Policies Must Recognize Political Conditions: A. H. Hansen

"In the consideration of economic policies due regard must be given to political considerations. Economic policies that take no cognizance of political sensibilities are likely to endanger world stability and world peace. In the adoption of a tariff policy, for example, account should be taken not only of the effect on the domestic economy but also upon possible serious international complications. Tariff acts at times have had not only unfortunate economic consequences but have served to strengthen the hands of the aggressive militaristic party in foreign countries. The intense economic nationalism of the current depression finding expression in numerous arbitrary trade restrictions, monetary depreciation, and the like, has given rise to an immense amount of resentment and international ill-will.

"On the other hand no government can afford to take a strictly international viewpoint even though such a policy were, abstractly considered, wholly in the national interest; for, unless nationalistic sentiments or prejudices are mollified, dangerous consequences to the peace of the world may ensue. There is danger that a program of planned economic internationalism, such as that foreshadowed by the League of Nations and the various international economic conferences of the post-war period, may, in a highly nationalistic world, attempt too much and thereby destroy the very stability it is sought to achieve.

"Political and economic instability are intimately intertwined in a cause and effect relationship. Disarmament, regulation and control of the munitions industries, the World Court and other international institutions facilitating consultation and settlement of disputes - these are problems that concern international economic relations no less vitally than trade agreements, stable exchanges, and foreign lending.

"The treaty recently concluded with Cuba abolishes the former contractual right to intervene in Cuba and to participate in the determination of domestic policies such as those relating to finance and sanitation. The consummation of

this treaty constitutes a significant forward step. Moreover, the recent public declaration by the President that the definite policy of the United States from now on is one opposed to armed intervention should be vigorously supported.

"Such a program does not imply that American traders and investors shall be accorded no protection abroad. Most of the difficulties that arise can be adjusted by friendly diplomatic exchange. Recourse may be had to the local courts and to international adjudication. There is an established body of international law which provides for protection to aliens carrying on their business abroad. Supplemental to this there is also a large body of treaty law. It might be desirable to have this law administered by an international tribunal. However, until agreement can be reached on an international court, the problems must be dealt with through diplomatic channels.

"Moreover international organizations, preferably non-political and non-governmental, can and have been devised to insure fair treatment and protection. Examples can be cited of such semi-governmental organizations as the Foreign Bondholders of Great Britain and the newly formed Foreign Bondholders Protective Council in this country."

"Some Considerations With Respect to National Policy"  
Alvin Hansen  
International Economic Relations (Reprints Obtainable)  
University of Minnesota Press

Deal With The Cause of War: James P. Pope

"The United States is now trying to establish such regulations in the form of control of the munitions traffic, taking the profits out of war, and stricter neutrality laws to prevent our being drawn into a foreign war. \* \* \* \*

"These are wise measures and I am supporting all of them. But, like the yellow fever quarantine regulations, none of them go to the heart of the problem. None of them seek to find and remove the cause of the plague. None of them would have the effect of preventing war. The old saying that an ounce of prevention is worth a pound of cure is just as true in the matter of war as it is in the matter of disease.

"The causes of war are economic conflicts brought on by currency depressions, trade barriers, dislocated gold supplies, and there are racial and religious animosities, traditional rivalries, and armament races. The great problem is to deal with these underlying causes of war."

"How We Can Stay Out of War"  
Hon. James P. Pope  
Radio Address - May 15, 1935

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We Need Substitutes For War: Nicholas Murray Butler

"War is made not by peoples but by governments. It is the plain business of public opinion to control government so that it be not permitted to engage in international war and then, when hostilities are begun, to make emotional appeal to the men and women who must risk their lives and all that they own in order to take part in the conflict not of their own making and to carry it on under governmental direction. If public opinion tells governments that there shall be no war, there will be no war. If public opinion does not tell governments in unmistakable terms that there shall be no war, then there may be war.

"In order to prevent war, no farther formal action by any honorable government is necessary except to keep its plighted faith. Substantially every nation has united in the solemn declaration of the Pact of Paris, now some seven years old, to renounce war as an instrument of national policy. If this declaration be adhered to, if the plighted word of these governments be kept, what more is necessary, what new conferences, what additional agreements, are either possible or excusable?

"It is quite idle to say that the Pact of Paris does not relate to defensive war if by that be meant attack on another people in the name of self-defense. That is pure hypocrisy, for there can be no such defensive war if the Pact of Paris be adhered to. That nation which by armed force first attacks another in the guise of self-defense is waging not a defensive but an offensive war, and it has violated the Pact of Paris.

"What should follow the Pact of Paris? My answer is, those steps toward closer international understanding, toward fuller international cooperation, toward better world organization to deal with all those things which are common to civilized peoples everywhere. This means that the separate nations are to be constituted a genuine family and not merely a nominal one. They are to sit down together in constant council to deal with their common problems, to promote agriculture and industry, to relieve suffering, to raise the standard of living and to multiply the satisfactions and the happiness of men through the guaranty and the habit of that security and peace upon which these alone can rest. The one and only sure way to avoid war and to let militarism die of atrophy is to bring into existence effective and practical substitutes for war, and to insist that these substitutes for war be appealed to and used whenever international differences threaten. This means constant and intimate international consultation at Geneva, habitual use of the Permanent Court of International Justice at The Hague and the bringing into existence of an international police force to preserve world order and to control world traffic when there is need. Is that vision quixotic? Is that hope impracticable? If it be so, then man is not sufficiently civilized to protect his civilization and the tragedy, which our blindness for the moment may conceal, awaits either us or our children with appalling certainty. We shall have shown ourselves unable, through lack of insight, lack of courage and lack of capacity to preserve and to hand on to our children and our children's children that civilization which our fathers handed on to us. Now is the appointed time, now is the hour for public opinion to act and to insist that governments take their orders from it and from it alone, and that those orders be to protect and establish the peace of the world."

"On International Peace"

Nicholas Murray Butler

Broadcast - "The Family of Nations"

Nov. 11, 1934 - Vital Speeches

We Need Common Action: D. C. Blaisdell

"The key to the solution of international problems is common action. American agriculture and industry and finance have been geared into an international system. Unless the American people, through artificial restrictions on both industry and agriculture, wish to experience a gradually declining standard of living and at the same time expose themselves to the consequent international political risks, the international course through the League and the World Court is the only way open to them. This simply means that the nations of the world which are now actually joined by radio, by ships of commerce, by credits, by iron, cotton, silk and bananas, as well as by music, art and literature, will take common action to see that their own interests are not destroyed by another world war. The United States knows that a major war in Ethiopia, China or Central Europe might bring us temporary profits for wheat, hogs and cotton. But we also know that eventually our debtors would be impoverished and our farm prices would again collapse. In the effort to preserve our trade we might well again be drawn into world conflict with the inevitable resulting post-war depression."

"The Farmer's Stake In World Peace"

Donald C. Blaisdell

Carnegie Endowment for International Peace

October, 1935.

We Need An Informed And Thinking Public: C. C. Davis

"Thus, war is another illustration of lop-sidedness and unbalance. I have mentioned four such examples. First, the rapidity of physical development of our transportation and communication systems in comparison with slower development of social and political unity.

"Second, our increased ability to produce goods without being able under our economic system to distribute and consume and enjoy them at a similar rate.

"Third, accumulation and concentration of money, and financial power, without controlling that power to serve the general good.

"And fourth, the way in which world peace efforts have been outstripped by war technique.

"What do I suggest we do about them?"

"The solutions in detail are different of course for each of these problems. I am not the social inventor to produce a sheaf of blue prints that will solve them all. But I would lend my strength to do two things. One is to point these problems out, to hold the lantern on them so that our aroused national consciousness can go to work and solve them. Our national genius will be restless so long as that light is held, and if the American people can see the needs of the present not too greatly colored by the ways of the past and will adopt whatever new methods the situation demands, their genius will save the day and they will need no further genius of mine. The mass mind and the mass genius of the people have brought new births and new eras out of old outgrown ones before. One of the things that I can do is to point the need, to help hold the light.

"The other thing that I can do is to present one common denominator solution for all these problems I have raised and for almost all our other problems too. The solution is an informed and a thinking people functioning through a workable democracy that is free from the hysteria and passions of partisan politics, free from the traditions of a past that is no longer with us, unafraid to step on toes that may need to be stepped on for the national good, and patriotic enough to sacrifice in times of peace what others sacrifice in times of war. That is the kind of a patriotic democracy in which I place my confidence."

"World Peace And Agriculture"

Chester C. Davis

Address: Institute of International Relations

June 13, 1935.

Eliminate The Causes of War; Ryllis Alexander Goslin

"Among the causes of every war you will find, if you look closely, a strong economic reason. To return to Europe for a moment, consider the economic problems there. In an area one-third smaller than the United States there were, before the war, twenty different countries, each struggling for its own economic existence. To-day there are twenty six. Each one must have enough land for its people and produce or import enough goods to supply their needs.

"The war to end war failed to solve the economic problems that had been its root cause. For back of national jealousies and desire for power is always the pressure for more territory, greater resources increasing world markets.

"We have seen one of the chief causes of war to be economic. Every nation needs something which some other nation produces. But to-day goods are not exchanged primarily for the purpose of supplying the needs of the people of various countries. Like the competition between rival merchants, nations are struggling with each other for control of existing markets. While governments are building tariff walls and fighting currency wars, three fourths of the people of the world do not have enough to eat. Yet modern science and modern machinery make it possible to produce vast quantities of all of the things people need. At present we are not making full use of our knowledge or our machinery.

"If the needs of the people are to be supplied, it may be necessary to forget national boundaries, as we have learned to forget state boundaries and make it possible for nations to exchange goods freely. This means the setting up of an intelligent and fearless system of cooperation that would give every nation a chance to export the products it can best produce, and to import the goods it needs in return.

"International machinery, to be effective, must also consider problems of overpopulation, adjust political difficulties, revise treaties and establish a world system of law and order.

"Is such a world system possible? Thus far the nations have been unwilling to compromise or cooperate on vital issues which affect their national interests. As much as any other nation, the United States has refused to pay the price of real international cooperation. Some of our people say they do not like foreign

nations and do not trust them. Others do not want to make the temporary sacrifices of reducing tariffs and canceling war debts.

"It was impossible in 1914 to go on 'doing business as usual' and still remain neutral. Therefore this year a strong anti war group in Congress presented a new neutrality program designed to keep our trade, our money and our citizens at home.

"No decision on the program had been reached by the third week in August when the situation between Italy and Ethiopia became acute. Congress was about to adjourn. There were urgent demands for action with regard to neutrality. Finally, a few days before Congress adjourned a compromise resolution was introduced and adopted.

"The compromise resolution ignores credits and loans and fails to recognize the importance of foodstuffs, cotton and other goods as war materials. It is designed merely to take care of the immediate crisis, and leave the way open for further discussion and the passage of permanent legislation at the next session. There will be many arguments for and against a permanent neutrality program. Above all, war profits would benefit all of us, directly or indirectly, as they did in 1915 and 1916. Business needs stimulation. More than ten million men are unemployed. A war would bring prosperity. It would open factories and create jobs. It would raise wages and increase profits for farmers, factory owners, shop keepers and investors. Would we--you and I--be able to resist war profits? To accept them means war.

"The new scientific age of power has bound all the nations of the world together. Our fate is tied up, whether we like it or not, with the fate of Germany, of Italy, of Russia, of Japan. As long as there is war anywhere in the world, we are in danger of being drawn into it, or of being hurt by it. It is imperative, therefore, that we join with other nations in an intelligent and determined effort to eliminate the causes of war. These causes are part of the warp and woof of our social and economic life. They arise out of the competitive struggle for material wealth and political power. It may be necessary to make fundamental changes in the social and economic structure before we can substitute international friendship for jealous nationalism, and cooperation for competition. It is not enough for us Americans to say, 'we don't like war.' We said that in 1914."

"War To-Morrow"

Ryllis Alexander Goslin

Headline Books, No. 1

The Foreign Policy Assoc.

Great Nations Are Nourished In War And Waste In Peace: John Ruskin

"It was very strange to me to discover this; and very dreadful--but I saw it to be quite an undeniable fact. The common notion that peace and the virtues of civil life flourished together, I found to be wholly untenable. Peace and the vices of civil life only flourish together. We talk of peace and learning, and of peace and plenty, and of peace and civilization; but I found that those were not the words which the Muse of History coupled together; that on her lips, the words

were--peace and sensuality, peace and selfishness, peace and corruption, peace and death. I found, in brief, that all great nations learned their truth of word and strength of thought in war; that they were nourished in war and wasted in peace, trained by war, and betrayed by peace;--in a word, that they were born in war and expired in peace."

Lecture, "War"  
John Ruskin