

AUSTRIA'S PLEA TO AMERICA*

By MICHAEL HAINISCH,
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WHILE I am penning these lines in compliance with your invitation, the delegates of the Finance Committee of the League of Nations are at work in Vienna deliberating together with the Austrian government about a scheme the ultimate aim of which is to get Austria international credits for the re-establishment of an equilibrium in her public budget. We are hopeful that the efforts of the League of Nations will succeed. In any case, we gratefully acknowledge the fact that the attitude of the victorious Great Powers towards Austria has undergone a fundamental change. They have ceased to be our enemies not only technically, but they are evidently sympathetic and have our welfare at heart.

This change of feeling in the authoritative quarters is probably due to the growing realization of the actual position of Austria, and the fact that the peace of St. Germain matured effects which we are safe to assume were not intended by the victorious Great Powers.

To understand these effects it is well to consider the history of the late Austria.

The former Austro-Hungarian monarchy was one of the most singular formations of history. Not natural geographical conditions, not sameness nor similarity of nations, but a peculiar coincidence in the dynastic succession welded this

* This important article on the historic elements that went to make up that part of Europe that was known before the war as Austria-Hungary, and on the economic conditions there today, has been written especially for THE FORUM by Federal President Dr. Michael Hainisch, chief executive of present-day Austria, and one of the leading statesmen of Europe.

monarchy. In 1526 the King of Hungary fell in battle against the Turks, and, as fate willed it, he was the same man who, owing to a chain of circumstances, had been also the King of Bohemia. Now the medieval covenants of succession which puzzle us to-day resulted in these two countries, which were inhabited by two nationalities absolutely divergent in race and civilization, becoming the inheritance of the Hapsburgs. The Hapsburgs owned a loose group of mountain territories which were largely inhabited by Germans, but in the south, also by Slavs and Italians. This was the origin of that most curious phenomenon, the Austro-Hungarian monarchy, to which, in consequence of the disastrous dismemberment of Poland (which, by the way, the wise empress of Austria, Maria Theresa, strongly opposed), parts of Poland were added. The last acquisition of the Hapsburgs, who were always on the lookout for new lands, was Bosnia and Herzegovina, a country which had formerly belonged to Turkey, for the most part inhabited by Serbs, situated at the meeting point of the Austro-Hungarian monarchy and the Balkans. This territory became, from its occupation by Austria-Hungary in 1879, the apple of discord between Serbia and the Austro-Hungarian monarchy, and it was here that the Hapsburg Crown Prince fell a victim to a Serbian assassin—the well-known immediate occasion of the world war.

Variegated as Austria-Hungary was in its racial composition, heterogeneous as was her geographical configuration, she had, in other respects, conditions of vitality, a fact unfortunately overlooked in the Peace Treaty. She was economically a close-knit body, having almost all the raw materials as far as they are produced in Europe and thus forming a well-balanced economic unit, with Vienna as its business center and commercial capital. Vienna was the seat of all the great banking houses and limited companies, Vienna was the head of that stream of capital which fertilized all the nations, especially the Slav countries. It is a fact that most commercial and industrial enterprises had their centers

in Vienna, while a large number of factories were situated in those countries which, at present, are separated from Austria.

The way of provisioning Austria was also peculiar. Vienna, the big center of commerce and industry, lived comfortably and easily on the surplus production of the vast plains which surround it to the north and east. The Alpine regions whose inhabitants made a living by their own industries or by accommodating the many strangers who came there as to a summer resort, were hardly able to provision themselves and were absolutely unable to spare anything for Vienna.

Of the large monarchy with its fifty-two million inhabitants, no more than six million are left. The vast, fertile plains, where the coal deposits and the oil springs are, have been allotted to Poland, Hungary, Jugoslavia, and Czechoslovakia. The Austria of to-day is composed of rough, not very fertile mountainland (in part high peaks with bare wide-stretched masses of rock and glacier), and of Vienna with its two million inhabitants. Now, it is true that Vienna has kept its big banks, its commercial centers, and its trade; yet a large number of factories that belonged to the Viennese are now situated in other states; trade is crippled, owing to a whole system of prohibitions and duties originating with the neighboring states which interfere with the transports to Vienna, and owing to the lack of transportation. To this must be added the facts that the population is exhausted in consequence of several years of famine and its efficiency greatly reduced, that the most vigorous men perished in the war or in captivity, and that the Austrians had to offer homes to refugees who, on account of their German nationality, were expelled from the States of Succession.

It is easy to see that the severing of millions of threads which unite people into a common state must needs be followed by an enormous dislocation of the economic life. This dislocation is the more drastic, when a country poor in itself is robbed of its former resources, and is, at the

same time, burdened with the largest part of those charges which the unprecedented war had entailed on a state four times its present size.

For the late great empire to readjust itself to a small state of six million inhabitants requires time, and is unthinkable without the help of countries rich in capital. A large portion of our population has pinned its faith to the dogma of joining a new economic area, and is eager to coalesce with Germany, not only from national, but also from economic reasons. This movement points to the fact that Austria, since the dawn of her history, that is, since 972, until 1866, constituted a part of the German empire.

From this brief survey the American reader will be able to form an opinion of the political and economic position of the Austrian republic—of the enormous difficulties which its government has to overcome—and of the distress prevailing among large sections of its population. In this our distress the relief afforded us by the Americans on truly American lines has been a wonderful consolation. The name of Herbert Hoover is, in Austria, one of the greatest recorded in history. The whole American nation, by its innumerable acts of charity, has not only saved the lives of a very great number of Austrian children, but has also saved a great many adults from death by slow starvation.

I cannot, therefore conclude an article for an American periodical of high standing more appropriately than by forwarding to our American benefactors through this channel our heartiest thanks.



DISCUSSIONS ABOUT BOOKS

JAMES BRYCE AND MODERN DEMOCRACIES*

By JOSEPH HAMBLÉN SEARS

HERE and there throughout history there appears a man with a mind so simple, and at the same time so profound that nothing is too unimportant for his attention and nothing is too abstruse for him to make clear to others. At whatever period, in whatever country, he lives he approaches the vital questions of his day with an immense capacity for detail and a profound wisdom which separates or combines these details and produces conclusions that are not only intelligible to any reader, but that influence mankind thereafter to new and other standards.

Anyone can list these minds to his own satisfaction, but few would omit King David and Julius Caesar, Plato and Aristotle, Gibbon and Hume. David fought as generals have seldom fought in history. He governed as it has been given to but few to rule. What he wrote stands today amongst the greatest writings in any literature of any period. Caesar fought a campaign in Gaul which is hardly equalled in the history of warfare, and in the nights between his battles he wrote their history in a form so clear, so simple, so profound that his story is the best example of all Latin literature, is given to the young to read because of its simplicity, and is studied by the student of military operations, of government, and of literature. Plato laid the basis of all philosophy in his writings. Thousands of years have passed;

*"Modern Democracies," by James Bryce; The MacMillan Company, 2 Vols., \$10.50.