the large foreign market and paid little attention to the smaller Mexican needs. Consequently, this tax was used as an economic, as well as a fiscal, measure to make it worth while to the oil companies to develop the Mexican market. The tax is fixed every two months and is in addition to the royalty and the land tax provided in the decrees cited. It is also in addition to a land tax on mining claims.

The right of foreign Governments to protest against the confiscation of the property of their citizens is unaffected by the method adopted for the confiscation. The remedy, however, is limited by the legal situation. Since only by a constitutional amendment can the property rights affected be restored, the only remedies open are compensation, or the granting of concessions to oil-land owners or lessees, satisfactory, not necessarily to them, but to their Governments; for if the Governments require their citizens to accept an agreed settlement on condition of a withdrawal of support, the dispute will be over.

Compensation will be an unsatisfactory remedy. The operators have taken the risk and developed the industry in the expectation of profit from a growing business; they have invested in ships, refineries, and pipe lines; they have established trade connections and agencies which market their products; and no compensation which would be awarded would cover their prospective loss. Furthermore, if the basis of settlement is to be payment for the value of the oil properties, Mexico will face an indemnity which, in its present impoverished condition, it could scarcely meet, especially as the revenue from the oil fields would be temporarily, at least, cut down, if not altogether stopped, should the present owners cease work. It would probably be difficult for Mexico to induce new capital to enter the fields except on terms very unfavorable to the Government. Neither side would gain by extreme measures, and the increasingly conciliatory attitude of the Mexican Government, if met on the part of the operators and their Governments by realization of the practical impossibility of an amendment of the Constitution, makes it probable that satisfactory contracts of concession can be agreed to.

The tax question is not of equal importance. Whether the operators are taxed as owners, lessees, or concessionaires makes little difference; the Government, by changing the form of its royalty to a license tax, can compel them to pay the same amount of money, and it will not be seriously contended that the legislature, in 1887, in freeing "mines of petroleum" from taxation, bound the hands of subsequent legislatures. If a future Mexican Government attempts to confiscate property rights of foreigners by taxation or in any other way, the right of protest of their Governments will be the same whether the rights arose from concessions or from land ownership.

The Mexican oil question is evidently one for reasonable solution. The desire of the Government to raise revenue from so flourishing an industry is not unjust, provided that the taxes are fair; and the adjustment of taxes so that there will be an inducement to refine the oil in the country, and sell it or its products at home instead of exporting them, will not encounter objection in a country which, like the United States, is still committed to the principle of the protective tariff. The more thorny dispute over ownership can be settled by fair concessions which shall recognize, on the one hand, the Mexican desire to secure the orderly utilization of its national resources, and, on the other, the rights of the operators who have made investments in the country.

Lord Robert Cecil on World Peace

THE following is the larger portion of an address delivered by Lord Robert Cecil on November 12, on the occasion of his installation as Chancellor of Birmingham University. The introductory portion, which is omitted here, dealt in general with the war and the losses which it had occasioned. The address is reprinted from the London *Times* of November 13.

In the face of a catastrophe like this, it is right that men should ask whether nothing can be done to prevent its recurrence. Some demand the destruction of Germany and the predominance of her present enemies. That the realization by the Central Powers of their defeat is an essential condition of any future settlement is true enough. But it is more than questionable whether permanent peace can be established on the basis of the world domination of the Entente or any other group of Powers. To such a settlement I do not believe that the peoples of the world will ever be brought to submit for any length of time, and I must add that, in my heart, I do not wish that they should do so. World domination is, after all, only another word for international despotism, and however benevolent such a despotism might be, it must be inconsistent with that liberty without which all other political advantages are insipid and not infrequently degrading.

If, then, we reject the idea of a peace imposed on the world by some powerful alliance, there remains no other method by which peace can be safeguarded except some general agreement, or association, or league of nations. With this proposal almost every one expresses a general sympathy, and makes it the theme of more or less sincere perorations. But in their hearts there are many who are convinced that the whole thing is just a dream born of war-weariness and sentiment. To such men the old system of the balance of power and groups of allied nations watching one another with steadily increasing armaments, reinforced by secret treaties of insurance and reinsurance, is all that can be hoped for. Unless they are mad, they recognize that this means the recurrence from time to time of devastating wars. But I suppose they hope that, with our historical good fortune, we shall always be on the winning side. It is surely enough to point out to those who hold this view that, even assuming future wars were no worse than this one, it is doubtful whether European civilization could be relied on to withstand a repetition of the last four years. Revolution and anarchy have already overwhelmed Russia, and threaten to engulf Austria, and perhaps Germany. Moreover, terrible as this war has been, the next one would be far more terrible.

If, therefore, the league of nations is a dream, it is difficult to avoid despair. And yet it would be folly to ignore the strength of the case of those who doubt whether such an organization can ever materialize. They can point with undeniable force to previous history. They can quote, for instance, the state papers and proclamations of Alexander I. of Russia in the closing stages of the Napoleonic wars, which could, with scarcely any alteration, be printed in a leading article to-day, and they can add that the only outcome of these admirable sentiments was the creation of the Holy Alliance. For myself, I am not prepared to say that a holy alliance of democracies would really make for the peace of the world. The main defect of the Holy Alliance as an instrument of peace was not so much that it favored autocratic forms of government, objectionable as that was on other grounds, as that by its nature it became restricted to a certain group of nations. We must build on surer foundations than that if we are to hope to establish a better international order. Our new society of nations must not be a group, however large and important. It is absolutely essential

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

that the league of nations should be open to every nation which can be trusted by its fellows to accept *ex animo* the principles and basis of such a society. I would even go so far as to say that such a society will be incomplete and proportionately ineffective unless every civilized nation joins it. Indeed, it is a matter for consideration whether those who will not join willingly should not be compelled to do so by economic or other pressure.

It may well be asked what hope is there that such a society can be formed? Heaven knows I do not underrate the difficulties in our way, but there seem to be some favorable conditions. The overwhelming horrors of the present war, and the appalling dangers to civilization itself of any recurrence thereof, must exercise a powerful centripetal effect on the nations of the world. Then there is the growing acceptance of the doctrine that, however admirable may be the sentiment of nationality, yet underlying it is a common humanity which has, in some respects, a paramount claim on the loyalty of us all. The movements towards religious reunion on one side and international labor organizations on the other are evidence of the strength of this sentiment. Even Bolshevism, before it degenerated into the bloody and ignoble tyranny of a few adventurers, may be cited on the same side.

Finally, we have a right to place some confidence in the increasing recognition of the truth that all civilized states are parts of one economic whole. We have seen that under the stress of war the Entente nations have been forced to create an elaborate inter-allied economic organization. Granted a well-ordered and vigorous organization of this kind, especially if it were joined by other nations besides those which are concerned in it at present, it might be used to compel all nations to become members of the proposed league. It would facilitate the economic coercion of a country bent on aggression, and by promoting international coöperation instead of competition might tend to remove some of the chief causes of international strife. Since, therefore, nations have shown a tendency to combine for other purposes, it does not seem hopeless that they should form an association to promote the greatest of all earthly blessings—namely, peace.

It is when the nature and structure of such an association has to be set forth that the great opportunity for destructive criticism arises. We are seeking, indeed, to substitute something like the reign of law for that of brute force, and it is obvious that the reign of law presupposes, in the first place, a lawgiver to enact laws, and, in the second, machinery to enforce them. As to the lawgiver there can be little doubt; the only possible authority for the making of laws to bind nations is an assembly of the nations themselves or their representatives. The fundamental principles which the league of nations is to try to enforce can only be thus laid down. It is the machinery required to enforce these principles that causes the real difficulty.

For the enforcement of laws amongst individuals we rely chiefly on two great agencies. We have courts of law, whose decrees are ultimately executed by physical force, and we have public opinion, which in the end is made effective by moral sanctions. The two agencies are in reality quite distinct. There are many rules enforced, with great severity, by public opinion of which the law knows nothing. Conversely, in certain states of society there are actions which the law condemns, but public opinion condones. In such cases it will generally be found that public opinion is the more powerful agency of the two. Ultimately, no doubt, where the courts are strong and respected, the law will tend first to mold public opinion, and then to replace it. For this result, however, to take place it is essential that the machinery of the law should not only be strong, but it also must have the support of public opinion.

I conclude, therefore, that, in dealing with individuals, public opinion without the law may be very powerful, yet that courts of law, even though backed by overwhelming force, are, unless also supported by public opinion, by no means universally obeyed. In international matters the difficulties in the way of establishing courts of law which would command obedience are enormous. In the present condition of international feeling, it is hard to say how the *personnel* of such courts could be secured. If the judges were drawn from nations now belligerents they would clearly not be universally respected. Even in friendly arbitrations in times of profound peace many have thought that the patriotism of international judges has been more remarkable than their impartiality, and it would be absurd to expect any nation to submit matters of importance to the decision of a tribunal on which would sit men who have recently been its enemies. There remain the neutral nations. I certainly desire to speak with all respect of them, but I must frankly say that I cannot conceive a court constituted of members drawn exclusively from nations now neutral which would be a satisfactory international tribunal.

Nor is that the only, or even the chief, difficulty. The great trouble about the creation of an effective international court has always been to discover a really satisfactory means of enforcing its decrees. Various devices have been proposed, but ultimately they all come down to some form of international armed force. I confess to the gravest doubts whether any such plan is practicable. It involves a very serious inroad on national sovereignty. It seems very doubtful whether any sovereign state would agree that its armies should be put in motion, its blood and treasure poured out, to enforce a decree, perhaps of doubtful justice, and either unimportant to its interests or even opposed to them. It may, however, be said that even if the decrees of such a court were unenforceable, they would still be of value as helping to form public opinion. But a court which can only make unenforceable decrees has no real analogy to a court of law. At the very utmost it cannot be considered as of more value than a tribunal of arbitration, or perhaps even a commission of inquiry.

To decide questions which at present would form occasions of war we require, then, an instrument of far greater authority than any international court can be expected to possess under existing conditions. Such an instrument can, I believe, be found in organized and concentrated international public opinion. Even at the present time the germ of such opinion exists. Moreover, anyone who considers the matter fairly will agree that the part directly played by international public opinion even in this war has been by no means unimportant. When the war began, it was obvious both sides attached great value to the verdict of those not directly involved in the contest, and made considerable exertions to obtain it. As time went on, and the German conduct of the war gradually convinced all impartial observers that civilization could only be safeguarded by a German defeat, the Germans realized more and more the importance of the judgment of mankind. World opinion, therefore, even now may have great influence on international relations. But it is not of much use at present to prevent the outbreak of war, because it may so easily be overridden by rapid military action. All will recollect the steady refusal of the Germanic Powers to face an international conference at the beginning of this war. They were perfectly aware that if they had had to make their case openly before the world at large they would have found it difficult, if not impossible, to induce their own people to sanction hostilities. As things now are, they were able to avoid this difficulty by rushing into war. But suppose that after the receipt of the Serbian reply to the Austrian ultimatum the Central Powers had been compelled to submit the matter to an international conference, and it had been clearly established that the Serbian concessions had left not a shadow of excuse for warlike action. If that had occurred, it seems doubtful whether the Germanic Powers could have declared war. Nor is this a special case. Discussion and delay must always make for peace.

I am convinced, therefore, that the most important step we can now take is to devise machinery which, in case of international dispute, will, at the least, delay the outbreak of war,

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

and secure full and open discussion of the causes of quarrel. For that purpose no very elaborate international machinery is required. All that would be necessary would be a treaty binding the signatories never to wage war themselves, nor permit others to wage war, till a formal conference of nations had been held to inquire into, and, if possible, decide on the dispute. It is probably true, at least in theory, that decisions would be difficult to obtain, for the decisions of such a conference, like all other international proceedings, would have to be unanimous to be binding. But since the important thing is to secure delay and open discussion—that is to say, time to enable public opinion to act, and information to instruct it—this is not a serious objection to the proposal. Indeed, from one point of view, it is an advantage, since it avoids any interference with national sovereignty except the interposition of a delay in seeking redress by force of arms. That is the essential thing, and to secure it the treaty would require each of the signatories to use its whole force, economic as well as military, against any nation that forced on war before a conference had been held. To that extent, and to that extent only, international coercion would be necessary.

And here let me say that I attach very great weight to the use in this connection of the economic weapon. For one thing, it will be easier to induce the weaker members of the league to cut off all intercourse with a powerful offender than to take the field against him. If all restrictions on the use of this weapon by the league were swept away, and it were put in force by the whole, or almost the whole, of the countries of the world against one offender, it would mean certain and irretrievable ruin for that country.

It will be observed that in the plan thus outlined nothing has been said about national disarmament. It is, indeed, most true that without disarmament there can be no complete security against future war, and I earnestly wish that some really effective and trustworthy means may be found drastically to limit the armed forces of every state. The problem is a difficult one, and I have so far to admit that, after giving considerable thought to the subject, I have not yet come upon any plan for this purpose which seems safe and practicable. Failing such a plan, we must trust that the nations will gradually disarm, as and when the necessity for national armament disappears. The thing to hope for and to work for is the habit of international goodwill. With this object, besides the big change here proposed, there are many other steps that should be taken. Treaties should be rigidly observed. The signatories of the league should undertake periodical consultations to review obsolescent treaty obligations. The control of backward races should be solved, if possible, by international action, and there is probably a large and increasing field for international activity in dealing with certain social questions and other matters of more than national importance.

I am quite aware that to some people these proposals may seem inadequate. They desire to see a fully equipped international legal system, imitated directly from national institutions. To them I would say: "Consider well the difficulty that lies before you. Remember all the elements of opposition which await you, and then think whether a change which really precluded the possibility of sudden attack, which definitely forced contending nations to submit their quarrels to the opinion and conscience of mankind, would not constitute a great step forward towards the goal which you are striving to reach." To others these proposals may seem visionary. As far as technical questions go, there are good grounds for asserting that they present no serious, and certainly no insuperable, difficulty. I venture to claim that they are free from some of the objections to which other similar schemes are open, and that they constitute a genuine and practicable attempt to solve what is by far the gravest social and political problem of the day.

But I would add two warnings. In the first place, I do not think that any league of nations should make us careless of or indifferent about the other terms of peace. Not only is it necessarily an experiment—and we have no right in such vital matters to gamble on the success of any experiment, however promising—but we must have a good peace to give the league a fair start. For any true partnership of nations we must have a territorial settlement based on natural justice, we must re-establish the sanctity of treaties, we must exorcise the spirit of German militarism. Finally, if any new international organization is to be created, it must be brought into existence by the treaty which shall close this war. The great force on which we must rely is the hatred of the cruelty and waste of war which now exists. Now that the war is over, the process of oblivion will set in. Men will say, possibly with truth, that a new world war will not come in their time. Few men really care what will happen to posterity. In such a field doubts and fears will grow apace. The chauvinists who believe that all foreigners are barbarians, the bureaucrats who think that whatever is is right, the militarists who regard perpetual peace as an enervating evil, will combine with the disciples of the late Lord Melbourne to say, "Can't you let it alone?" It is only, therefore, while the recollection of all we have been through is burningly fresh that we can hope to overcome the inevitable opposition and establish at least the beginning of a new and better organization of the nations of the world.

IN view of the announcement that Léon Bourgeois will represent France on a special committee appointed to formulate a plan for a League of Nations to be submitted to the peace conference, it is interesting to note the provisions of the report on the same subject recently submitted to Premier Clemenceau by M. Bourgeois and Baron d' Estournelles de Constant. The essential provisions of this report are: 1. Compulsory arbitration without limitation or any exception of questions involving national honor or dignity. 2. Limitation of armaments. 3. The establishment of a council of administration of the nations for the formulation of new international administration and international legal procedure. 4. The application of diplomatic, juridical, economic, and, as a final resort, military sanctions to enforce upon recalcitrant nations the decisions of the league. In explaining the plan Baron d' Estournelles de Constant is reported as saying: "There will be different views concerning the military enforcement of peace. Our aim is to reconcile these differences and secure some workable basis of agreement.

The
INTERNATIONAL RELATIONS
Section

of the *Nation*, containing articles on international questions, English texts of important documents, selected editorials and other matter from the foreign press, and news notes of events throughout the world, is issued fortnightly with the coöperation of the following

Advisory Council

André-Louis Chevrillon, Paris.
Winston Churchill, Windsor, Vermont.
Stephen P. Duggan, College of the City of New York.
The Rt. Hon. Sir George Foster, Ottawa, Canada.
Henry Goddard Leach, American-Scandinavian Foundation.
John Bassett Moore, Columbia University.
Gilbert Murray, Oxford.
Rómulo S. Naón, Washington.
Joseph Reinach, Paris.
James Harvey Robinson, Columbia University.
Jacob H. Schiff, New York.
Oscar S. Straus, New York.
Frank A. Vanderlip, New York.

The International Relations Section is sold only in connection with the *Nation*.

LIBRARY
WALLACE COLLEGE
LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED

Documents

An Ambassador Extraordinary

THE official Russian *Vestnik* reprints, in its issue of October 6, President Wilson's New York speech of September 27, together with the following extraordinary manifesto of Mr. David R. Francis, the American Ambassador.

I submit herewith the text of President Wilson's speech, and desire to call your attention to the broad, humanitarian, and comprehensive principles of a lasting peace which are expressed therein. It sets forth clearly and definitely the objects for which the American people are making such efforts and such enormous sacrifices. In striving for these objects, the President says, all the Americans and all the Allies are heartily united. These objects are essential to an enduring peace, and without their attainment no peace can last. Failure will mean that all the sacrifices have been fruitless and all the blood has been spilt in vain. The attainment of these objects will give universal freedom to the nations, and the realization of the true brotherhood of man.

This speech was made at New York on September 27 on the occasion of the opening of the Fourth Liberty Loan campaign for $6,000,000,000. The first three loans amounted altogether to $13,800,000,000, and went through with extraordinary success. The loans made by the United States to the Allies for the struggle against the Central Powers exceed $6,000,000,000, which amounts at the present rate of exchange to R.60,000,000,000, and the United States are ready to double this enormous sum, if necessary, for Germany's defeat. My country stepped into the war exactly eighteen months ago, when it was absolutely unprepared, but in this short time we have sent over 1,700,000 soldiers to the battlefields of Europe, we have enlarged our fleet to several times its original size, and we have launched ships with a total displacement of 3,000,000 tons—truly remarkable achievements.

The Central Empires are already facing an overwhelming defeat. Bulgaria is suing for peace, and has thrown herself upon the mercy of the Allied countries. The Turkish army is routed and has lost so many men by casualties and capture that the spirit of the Turk is broken, and the Ottoman Empire has ceased to be a factor in the world war. Great uneasiness, bordering on panic, pervades the Governments and civil circles of Germany and Austria on account of the continued defeats of their armies on the western front, where their losses have been enormous, while the Allied forces have been achieving an unbroken series of victories. Some Russians express the fear that Germany and Austria, repulsed on every side, will turn with an avenging spirit against defenceless Russia, whom the German Foreign Minister, von Kühlmann, mistakenly and maliciously charged with the crime of beginning this horrible war.

Do you know what German invasion means? Look at devastated Belgium. Turn your eyes towards suffering Serbia. But you need not look so far. Consider your own Ukraine, from whose borders the ruthless invader is being driven by your outraged brothers whose treatment by the Germans has driven them to desperation. Then consider Rumania, upon whom a peace has been imposed which, if observed, will convert the Rumanians into German slaves for generations to come. But you need not look beyond your own borders in order to become acquainted with German oppressions. Behold the peace of Brest-Litovsk, which took from Russia thirty per cent. of her richest territory and 56,000,000 souls of her population, and yet grasping Germany is not satisfied, but continues to make additional demands and further encroachments which the Bolshevik Government grants because it claims to be powerless to refuse. The Soviet Government at Moscow is charged with no desire to resist Germany; it is accused of being the plain tool of the German Government; proofs of this are now being published in America, and will be reproduced in Russia as soon as the documents are received.

I also publish herewith the appeal of my Government to all Allies and neutrals for protection against the thousands of unjustifiable, cruel, merciless executions which the Bolsheviks, at the instigation of their German masters, are daily perpetrating on your own brothers and sisters. How much longer will you suffer such conditions to exist? Will not the Russian people cease their civil strifes and put a temporary stop to party bickerings, to restore order throughout their afflicted country, and rise in their might to organize their wonderful man-power, as they are able to do, into an irresistible force to drive the oppressing and selfish invaders from their borders?

The injuries inflicted upon your land, your industries, shipping, and internal commerce can soon be restored if you so resolve. The blood of your murdered brothers cries to you from their unmarked graves to put an end to this senseless slaughter, if not to avenge their unjustifiable assassination. Your Allies are willing and ready and able to come to your aid if you will request them to do so.

In connection with the foregoing, the following extract from an article by V. I. Lebedev, published in the New York *Narodnaya Gazeta* of December 28, is of interest. Mr. Lebedev was Minister of the Navy in the Cabinets of Prince Lvov and Kerensky, and a member of the Omsk-Ufa Government. He is now in this country on a mission for the latter Government. The *Narodnaya Gazeta* is an anti-Bolshevik and pro-war socialistic paper.

At this time there arrived in Samara the French military agent of the Czech National Council, Commander Alphonse Guinet, who declared to us at a general meeting of military leaders that, according to the Allied plan, it is necessary that we go on with our conquest of the Volga [region], with a view to the creation and retention of the Volga front until such time as the Allies would join us; and the Allies, he said, were bound to join us very soon. This fully corresponded to the plan which had been worked out by the Allied and Russian organizations in Moscow, according to which the Volga *place d' armes*, approximately from Kazan to Saratov, as well as the northern front about Vologda, were to be created as soon as possible. This was corroborated by the fact that we knew of the landing of the Allied troops at Murmansk and Archangel, of their battles in the direction of Vologda, and of the proclamation of American Ambassador Francis in Archangel urging the Russian people to fight against the Bolsheviki, [and] promising them the aid of all the Allies.

Alphonse Guinet pointed out to us that for the purposes of the Allies and of Russia we must hurry with the capture of Simbirsk, Kazan, as well as Saratov. . . .

The repeatedly-promised aid from the Allies had by that time as yet failed to materialize, either in the form of troops or in that of ammunition, but the faith in their arrival, confirmed by their official declaration, was so great that nobody entertained any doubt about it.

Labor in Canada

THE following summary of the provisions of two recent Canadian Orders-in-Council relating to labor appears in the Vancouver *Daily Colonist* of December 21.

In view of labor conditions in Canada incident to demobilization and the sudden cessation of the production of war munitions, the Government has passed an Order-in-Council providing for the appointment of an official, to be known as "director of labor research and employment service." The duties of this official will be:

LICENSED TO UNZ.ORG
ELECTRONIC REPRODUCTION PROHIBITED