

The Spirit of Stockholm

SOMEWHERE in Stockholm there is a little park, rather deserted, with some white statues, a fountain and a kiosk. I discovered it first, I remember, two years ago on a hot August day, and I sank then into its green, comforting, silence with a happy sigh of gratitude.

With that same sigh I sink into it again now, here in this city of blue rippling water and green forest. There is a peace here that cannot, I verily believe, be found just now in any other town in Europe. To-morrow I must go on again, but for twenty-four hours at least there will be at my side the spirit of this place, assuring me that the world is just as it used to be—how many ages ago?

On the afternoon that I left Hull the rain came down, a hissing torrent. On the boat we were a cosmopolitan company, two Russians, three Swedes, five Englishmen and a German. We all of us tried to forget that a week earlier the "Runo" had been sunk by a mine, and the captain told us that it would be four days at least before we reached Christiania. We did our best, I am sure, to be pleasant to one another, but we were suspicious and detestably conscious of our German companion. Mines, Louvain, Belgian refugees, Dinant—and here he was, stout, with large spectacles, mild blue eyes, the mouth of a sentimental child, eyeing us now apologetically, now almost fiercely, responding suddenly to some little courtesy on our part, remembering that we were his enemies, and might, had things been otherwise ordered, be at this moment engaged in splitting open his head with a shell. No, it was not pleasant.

On the third day our ship was whirled into a storm, and we were all of us, I think, very ill. I know that Herr S. was horribly indisposed, because I could hear him, from my cabin, calling loudly upon his Fatherland. Rolling upon my own berth, sympathizing daily with him, I knew that in seasickness, at any rate, there are no nationalities.

Then, approaching Christiania, we slipped suddenly into a gray mirror of a sea, above it a sky of smoking, flaming scarlet. Herr S. appreciated deeply its splendour, sighing, wiping his spectacles, seeing in it who knows what "daemmerung" of hopes and placidities and pleasures, all the tranquillity of a contented life, flung at one man's call into limbo. I know that he would have turned and demanded my admiration had we not, of course, been enemies.

In Christiania one was still pursued. The hotel was littered with German newspapers. On every side there are huge headlines, "90,000 Russian Prisoners," "Rising of Natives in India," "Socialist Disaffection in England." The world is thundering at one, "Defeat, defeat, defeat." Seasickness and mines are a poor prelude just now to German newspapers. During my night journey to

on the electric light and discussed German victories with pointed and over-eager volubility. Sleep was nothing to them. They sang their war song until seven of the morning. As the train slipped into the Stockholm station they turned to me, and with an exaggerated bow wished me good-morning.

And here, suddenly, the plague is stayed. I know, sitting in my little green park, that Stockholm has preserved its soul in peace, and is telling me that so I must preserve mine. That is not to say that Stockholm is not interested in the war. Its papers have huge headlines, in many windows there are maps with coloured flags, there are military photographs in the bookshops, and little eager groups of argument at the street corners. Moreover, Sweden is pro-German. Russia, with Finland in its grasp, is too near at home; the Baltic is too narrow. Stockholm is conscious of the war, but the war has not touched its spirit, that remote, beautiful, plangent tranquillity born of the thick forests and the myriad islands and the lakes that are about it.

Between the dark, cool trees of my little park there is a break, and against the blue evening sky a white curving bridge runs. Up and down this bridge little toy figures, moving swiftly, but to me, so far from them, with a remote silence, like coloured marionettes, pass and repass. Those moving figures are all of the living world that I can see, and the evening peace finds its voice in the measured note of a church bell.

To-morrow I cross the Baltic. Already two Swedish steamers have been stopped in their crossing and searched for Englishmen; from one of them thirty Englishmen were politely handed over to the courtesy of German detention. By this time to-morrow I may be a German prisoner, and in any case, if I escape that fate, I shall, in Petrograd, be once more plunged into the whirlpool of the war. Here, for a day, I have been encouraged to believe that the time will surely come when once again the old values, the old friendships, the old sympathies and understandings will assert themselves, that flaming, angry sky above Christiania giving no more the true colours of the picture than the sacking of Louvain represents the normal character of mankind.

Beyond my park there is one of Stockholm's many quays. I cannot see it from where I am sitting, but I can fancy its colours, the piled wooden green trees reflected in the waters of the opposite shore, the blue ferry-boats, the red and black funnels of the steamers. To-morrow once again I shall search the papers for news of the war, shall be alarmed at this rumour and rejoice at that, shall see in the streets of Petrograd the mourning that the women of Russia are wearing for their sons. To-night the little coloured figures dance across the fairy-bridge, the gold of a splendid sunset steals into the dark chequer-board of the trees. . . . They are playing, I see, "Rigoletto" at the Opera

The Cotton Crisis

WHEN we denounced the Brazil coffee valorization scheme as an extortionate monopoly, we did not dream that we should within less than three years give serious consideration to a similar scheme for sustaining cotton prices. Still further were we from dreaming that out of the non-interventionist South would arise a movement for the introduction of a method of economic control that may be of more varied and far-reaching possibilities than any now regularly employed by the government. Yet such has been one of the results of the crisis in the cotton trade. Our cotton growers and all the miscellaneous interests based upon cotton production have been placed in a situation analogous with that of the Brazilian coffee producers at the opening of this century. And, political traditions to the contrary notwithstanding, the South is ready to demand governmental intervention of a nature very similar to that which has been employed in Brazil.

Four-fifths of the coffee of the world comes from Brazil; not far from three-fourths of the cotton comes from the United States. In the single Brazilian state of Sao Paulo is produced one-half of the world's supply of coffee; in our own state of Texas, between one-sixth and one-fifth of the world's supply of cotton. The whole economic life of Sao Paulo is bound up with the price of coffee. In the years 1897 and 1898, when coffee sold at an average of sixteen cents, existing plantations prospered and new plantations were laid out at an astonishing rate. In the evil years of the opening century, when coffee dropped as low as 3.55 cents (August, 1903) mortgaged plantations in great numbers fell under the hammer, merchants were ruined and banks failed. No part of our own country, it is true, is specialized to cotton production to the extent that Sao Paulo is specialized to coffee. Nevertheless, twelve-cent cotton means prosperity throughout the South, and six-cent cotton would mean widespread distress, especially in the state of Texas.

The huge coffee crop of 1906-1907 (twenty million bags, as compared with an average crop of twelve millions) forced upon the attention of the Brazilian mercantile community and the state government, the inadequacy of a *laissez-faire* policy in the matter of this chief staple. The present European war, with its attendant disorganization of markets consuming one-third of the world's cotton supply, is producing a similar effect upon American opinion. As was the case in Brazil, it is assumed here that the emergency to be met is temporary, that a restoration of normal conditions cannot be long delayed. The experience of Brazil has proved, however, that such an assumption is fallacious. We might corner the existing supply, but

if the situation goes on unchecked we shall find that the impounding of supplies is a disastrous policy. If the government enters upon a policy of supporting the cotton market with its credit, it will never be able to withdraw without loss unless, like Brazil, it resorts to methods of controlling production.

The Brazilian method of control of the coffee market consists, in the first place, in the warehousing of the existing supply, and the limitation of shipments from the government warehouses to such amounts as will not depress prices unduly. In the second place, shipments on private account are checked by a heavy export duty. By its control of the conditions under which coffee is accepted at the warehouses, the State is able to keep production within bounds. Those who are urging the Federal and State governments to "valorize" cotton overlook the fact that existing constitutional restrictions make it impossible for us to control production through direct State action. It may be constitutional to warehouse the existing supply, and thus postpone the final slump in prices or distribute the loss over several years. But we cannot restrict production through export duties nor, probably, through excises. Accordingly, in so far as the cotton depression is likely to prove chronic unless production is readjusted, we appear to be quite without effective lawful remedies for the evils of the situation. Whatever palliative measures we may adopt, it seems that we must endure the slow and painful process of adjustment through the action of individual producers under the crushing weight of ruinous prices.

Certainly such would be the course of events if we possessed no other means of industrial control than the repressive or the subsidizing activities of the traditional organs of government. But we have in our banking system an unacknowledged governmental organ, perhaps the more potent because it is developing spontaneously to meet the public need. In recent years there have been occasions when banking associations, believing that crops were being held off the market unwisely, have forced more rapid movement through limitations upon credit. The great financial houses have frequently exerted a steadying influence upon industry through restraint upon projects that were designed to inject a cut-throat competition into a situation otherwise satisfactory.

The banks hold the key to the cotton situation. If the banks choose, the area planted to cotton next year can be reduced in such proportion as they may deem wise. The suggestion that they should thus assume control of the industry has already been made in unexpected quarters. Secretary of Agriculture Houston is credited with the proposal that the