

ment of industry in neutral states. Nor would it be excess of prudence on our part if we sought to accumulate funds against possible future needs. It is not to be taken for granted that the United States will escape a serious financial shock when the readjustment to peace takes place. Nationally we may come to regret the dissipation of our potential reserves.

What Next With Germany?

WHETHER Germany yields or stands, the essentials of the President's course are determined for him. His task, as in the beginning, is to bring home to the minds of Germans the full consequences of what American hostility would mean. They will yield nothing whatsoever to pleas of humanity and law, for a people fighting in the mood of desperation has no difficulty in imagining that law, reason, religion, and all history justify whatever that people wishes to do. Unless words are weighted with tangible penalties, it is idle to expect the Germans to pay any attention to them. The kind of peaceful settlement which Mr. Wilson desires has always depended upon his ability to make the Germans imagine what it would mean to face the enormous resources and potentialities of America.

Nothing Germany can say in the way of concessions will alter that fact. If she renews her pledges or makes new promises, the real problem will still be whether she can be compelled to abide by them. It will still be necessary for Mr. Wilson to keep the mind of Germany impressed with the consequences of a rupture or hostilities. It will still be necessary for him to keep alive in Germany a vivid sense of American power. If, on the other hand, Germany refuses to yield and diplomacy breaks down, Mr. Wilson can avert war only by exerting the most conspicuous pressure, by using every ounce of power he can command to show Germany the danger of open hostility. If he has averted a diplomatic break now, it was by threatening it; if he averts war later, it will be by threatening it. Whatever Germany may yield, she will yield to our potential power, and to nothing else.

How can the President exert this pressure? By beginning at once, no matter what the German answer may be, to organize and dramatize American resources. This war is primarily a war of exhaustion. Let Mr. Wilson begin therefore by showing Germany that we are preparing to throw our untouched and fresh economic power into the scale against her. Let him call a meeting of the Federal Reserve Board, and consult with it as to how best to mobilize American credit. Let him call together

the Interstate Commerce Commission, the railroad executives and the chiefs of the railroad unions and consult with them about the organization of munitions' transport. Let him call upon the Engineering Boards for plans to double or treble the munitions output backed by government guaranties. Let him call upon the Federal Trade Commission, the National Chamber of Commerce, the American Federation of Labor for a mobilization scheme of the important industries. Let him put the navy into condition for immediate service. Let him insist upon the passage of the Senate Army bill. Let him call upon the necessary committees of Congress to prepare resolutions for emergency appropriations, for a non-intercourse act, for the sequestration of German property and patents, for the requisitioning of the German merchant ships. Let him open parleys with the British and French Ambassadors to discuss possible terms of coöperation.

In other words, let the President put the country immediately in a condition of preparedness. If that is done with any skill, he will have created the guaranties behind any promises Germany may make. Then if those promises are broken it will not be necessary for him to rush us into an old-fashioned war. He will have a great variety of weapons at his command, and after each violation or "accident" he can put on the screws. For one outrage he can declare non-intercourse; for another he can make a loan to the Allies; for another he can sequester German property; for another he can begin munitions work; for another he can dispatch the fleet.

And all the while, it is of first importance that he keep the issues definite. Just as he must make Germany realize the consequences of a break, so he must keep alive the terms on which friendly relations can be resumed. If the break comes, it must not be merely a case of cutting Germany dead. The reasons must be made clear, the penalties must be made visible, and the terms on which peace can be restored must be left open as a standing offer. All this is valid, we believe, whether or not the diplomatic program outlined last week in "An Appeal to the President," is accepted. It was based on the idea that if direct pressure by the United States fails to safeguard American rights, America should pool her rights with those of Belgium, abandon the doctrine of neutrality, and coöperate against the power which was the first offender and the most ruthless violator of international law.

But any diplomatic program depends for its effectiveness upon the organization of American power. For whatever course we decide to pursue, one truth is preëminent. The success depends upon our capacity to affect the issues of the war, and upon a realization by Germany that we have such capacity.

The Republican Dilemma

ALTHOUGH only a little over a month has still to elapse before the assembling of the Republican Convention, he is a rash prophet who would dare to predict what course it will adopt. The party presents no less than it did three months ago a most distracted and disorganized appearance. Doubtless when the time comes it will by some supreme effort pull itself together and partly agree upon a candidate and a platform; but no one can tell how and how far it will succeed.

The leaders of the Republican party are confronted by a real dilemma. In order to have a good chance of winning at the election next fall, they need not only to reunite their own party; they need to unite it on a platform and in favor of a candidate presenting a sharp contrast to the platform and the candidate of the Democratic party. Their opponents have possession of the government. Republican leaders have hoped and expected to win by default merely as a result of the unpopularity of the administration or of division within the Democratic party; but of late the probability of so winning has become increasingly remote. The Democrats are becoming more popular and more united. The Republicans need an aggressive candidate and a sharp issue, and at present they see no way of getting what they need without paying a dangerously high price for it. The candidate and the issue which will contrast them most sharply with the Democrats is the candidate and the issue which may divide them most completely one from another. They are being driven to choose between an aggressive leader whose personal platform and personality will alienate many Republicans or some less aggressive leader who will keep the party together, but who may not be able to put sufficient vigor into his campaign to defeat such a well entrenched enemy.

The conspicuous alternative of aggressive leadership is, of course, embodied in Theodore Roosevelt. The American people have always figured him as a man who can be depended upon to push harder than any one else. Since he became a leader of national importance, he has always been first among the forwards—first, that is, among those who were straining to make the immediately important changes in American life and institutions. From 1901 until 1914 these most immediately important changes concerned industrial organization and domestic policy. Since 1914 they have concerned military organization and foreign policy. But the temper was the same in both cases. Mr. Roosevelt has has never been a radical in the sense of penetrating to the roots of an evil or an abuse and of devising an adequate remedy. But he has always been that

other and equally necessary kind of a radical whose ideas straightway explode into action and agitation. He is rallying behind himself at the present time those people who feel that we have entered upon a stern and critical period in American history, in which the country needs a man gifted with the genius of action, who can act decisively without being precipitate, who can act considerately without being dilatory.

If the Republican party is ready for this strenuous life, the leader, if not the program, stares it in the face. But how far are they ready? Undoubtedly there are many Americans all over the country, Republicans and Democrats, who believe that Mr. Roosevelt is peculiarly qualified to lead the country through the perilous adventures of the next few years, and who are seriously perturbed at the prospect of putting any less energetic and resolute man in the Presidential chair. If Mr. Roosevelt were nominated he would from the very start force the fighting and sweep along many hesitant people who are infected by enthusiasm and overborne by insistence, but it is doubtful whether or not he could communicate his own fighting spirit and that of his immediate followers to a sufficient number of the voters. The kind of campaign which Mr. Roosevelt would conduct would convert many, but it might dismay and irritate as many people as it would convert. The American people are in a serious but irresolute state of mind. Mr. Roosevelt's opponents will urge that such a campaign would probably result as it did in 1912; Mr. Roosevelt would get most of the enthusiasm and Mr. Wilson most of the votes.

No wonder the Republican politicians hesitate and search the horizon for some less hazardous leader. Mr. Roosevelt's candidacy has obtained a prodigious momentum, which is perhaps the most remarkable example offered by his career of his inexhaustible political vitality; but his success is remarkable precisely because he is breasting without overcoming what seem to be insuperable obstacles. The Republicans are no more a united party than they were in 1912. A certain measure of reunion has taken place, because Mr. Wilson's success in keeping the Democracy together provoked a grudging and a drifting return to the old party allegiance. But the schism has not been really healed. The larger business men, the politicians, and the loyal party Republicans who made up the following of Mr. Taft in 1912 are not ready to concede anything to the combination of farmers and small business men who composed the Progressive party. The former Progressives have not lost their distrust of the people who insisted on nominating Mr. Taft in spite of the publicly declared opposition of a majority of the party. Mr. Roosevelt's candidacy is not