

the speech was at bottom a re-affirmation of the "knock-out" strategy—a reiteration of the fighting formula of no peace negotiations except as the consequence of a decisive military victory. But it is precisely in this respect that the Glasgow speech did not pursue the beaten track of his previous speeches. While he was, very properly, as fiery and as uncompromising as ever in rejecting the idea of peace terms which would afford any real encouragement to German aggression, he no longer expressly insisted upon a military decision as a condition of peace. He emphasized not the mere fact of victory, not its amount, but its quality. The war, he said, would not come to an end until "the Allied armies attained the ends which they set out to attain when they accepted the challenge thrown down by Germany." This statement is ambiguous, but it is susceptible of an interpretation with which both Russians and Americans can cordially agree. Mr. Lloyd-George apparently means by "ends" not the purely military objective of stamping out all armed resistance on the part of the enemy, but the political object of protecting western civilization thereafter against a repetition of such a dangerous offense. Instead of subordinating political policy to military victory he subordinated military policy to the attainment of political ends, and so opened the door for their attainment by diplomatic as well as military action.

The remainder of the speech corroborated the correctness of this interpretation. He insisted on indemnities but they were transformed from punishment for past sins into guaranties against their repetition. He refused to return Mesopotamia to Turkey, but he did not claim it for the British Empire. The fate of Mesopotamia as well as that of the German colonies was referred to the peace conference. He made a useful distinction between the German government with Bethmann-Hollweg as Chancellor and the Prussian Junkers. While declaring that the Allies would bring to negotiations with a democratic Germany a less suspicious and more conciliatory disposition than they could with an autocratic Germany, he expressly repudiated the impossible idea of imposing with the sword a democratic government on the German people. Finally, the passages about Russia were admirable in substance and in spirit. A frank admission that the "developments in Russia have modified the military situation" to the disadvantage of the Allies was only the introduction to a warm tribute to the invaluable and indispensable contribution made by the Russian democracy to the moral structure of the common cause. A victory won with the help of the armies of the Russian Republic would be "a higher and more exalted victory than ever was contemplated before."

Mr. Lloyd-George's recent speech, consequently, in spite of many passages which were unnecessarily vague and ambiguous, should serve to mitigate dissensions among the Allies and perhaps in some slight degree to create them in Central Europe. It was to an unprecedented extent informed by political as distinguished from merely military objects, and it may well be the first symptom of a new diplomacy on the part of the Allies—a diplomacy which will seek to make the future organization of a League of Nations less rather than more difficult. His method for instance of providing for the future of Mesopotamia and the German colonies, while it may look like a convenient evasion, is really nothing of the kind. It tends in the direction of a settlement of these questions by negotiation rather than merely by superior power. The peace conference will be essentially an organ of international authority—a parliament of the world in which all belligerents will be represented and have their say. The explicit reference, consequently, of such knotty problems as the future of Mesopotamia to this international authority as an essentially international question is a significant concession to the principle underlying a League of Nations. By implication it places the future control of backward countries in the hands of the one certain future organ of internationalism, and there it is likely to remain. The economic and political problems involved by the backward countries are not essentially British or German or European. No one country or continent has a right to impose a particular solution on the rest of the world. Their disposition should not be left to the results of private agreements among the states whose interests are most immediately involved. Mr. Lloyd George's suggested solution diminishes the region in which private agreements among states will be the controlling authority and increases the region in which, one may hope, legislation will derive from an international organization based on an international conference and determined by international ideals.

Ideals and Interests

TWO sets of hard-headed people have been made uncomfortable by the statement that America is in the war for the sake of ideals. On the one hand the conservative tariff-Republican kind of man objects. He is belligerent, but he wishes to make war for some private and exclusive right, or to avenge some concrete injury. He distrusts the more generous reaches of the mind. To him the world is in reality a crowd of aggressive individuals, each trying to get as much as possible for himself, and it is dangerous self-deception to

act on any other theory. This opinion is shared by pacifist supporters of isolation. If Germany has sinister imperialist designs, so have the Allies. No American really wanted war except those who had something immediate to gain by it, or those who were fooled by the profiteers. The only individuals in the world who combine integrity of purpose with a sufficient measure of cynical wisdom, according to these objectors, are those who refuse to accept the deceitful ideology of a war to organize peace.

This attitude is in part temperamental, but it finds its metaphysical home in a surviving eighteenth-century tradition. The philosophy of absolutes, akin to the religion of absolutes, justifies the complete separation of the ideal and the real. On the one side is clear and final justice, on the other are hard and immutable facts. The world is a place of essential oppositions. God and the Devil, good and evil, unselfishness and selfishness, profit and progress—what have these things to do with each other? If you cleave to the facts you regard the idealist as an amiable person who can be tolerated so long as he does not interfere with the course of events, but who is, alas, impractical. If you cleave to unselfishness you will not sully your soul by making any bargain with one seeking his own interest. He and all his works are bad, now and forever.

It is a truism of speech, but a rarely recognized motive of action, that there is no such disjunction in practice between opposite absolutes. Modern thought has applied searching criticism to these categories and has found them wanting. Modern psychology has probed the unconscious and discovered that motives disguise themselves in all sorts of queer ways. A man working in his own interest may produce a result desirable for others. A man who thinks his motives are pure may do a great wrong. Neither consequence follows inevitably. One who attempts to direct his action solely by the category in which his or anyone's motives lie becomes lost in a maze of contradictory ineffectiveness. From this maze realistic thought seeks to extricate him. It concentrates attention on the result most desired. It casts about for means to approximate that result. It examines those means to see whether they lead to incidental consequences so undesirable that they counterbalance the main object. It makes its decision on the basis of what is likely to happen, and is ready at any moment to revise its means to suit new developments.

To the realist the attitude of both the standpatter and the suspicious pacifist toward the war is supremely irrelevant. He does not distrust the expression of an ideal, if it seems to him likely to

translate itself into some kind of desirable reality. He does not become hopeless of that realization because he is aware of selfish motives on the part of people who are taking the action which he for the moment advocates. He has faith in the validity of his purpose, but he is humble as to his means. He does not believe in any necessary opposition between ideals and interests. He knows that unselfish ideals may in the end serve interests, and he knows that interests often serve ideals.

Such an attitude clears up many confusions in thought about the war. Suppose your realist begins with the assumption that what he most desires is a world soundly organized for peace. Suppose he sees that for the moment the greatest obstacle to that organization is the success of Imperial Germany. You may then convince him that Imperial Russia was as much responsible for the beginning of hostilities as was the German Empire—it will make no difference in his decision to fight Germany now. The fixing of guilt is not in itself supremely important to him. You may prove to him that the real motive of many who wanted America to fight was to protect their loans to the Allies—he is nevertheless willing to accept their help. The only way you can shake his resolution is to prove that his object is in danger. You might even show him that the champions of his object were either insincere or did not understand the difficulties in their way. He would regret it, but his judgment of events would rest, not on anyone's state of mind, but on what was likely to happen as a result of that state of mind. If he believed that the resultant of forces would fulfil his purpose, he would not care much whether the leaders he supported understood the process or not. He would not care, either, whether their ruling motive could be called selfish, unselfish, or both.

The primary reason for his equanimity in despite of the hard-headed is the fact that he is working not for "an ideal" in the old sense, but for an object. He has accepted the League of Nations not as a dogma, but as an attainable means of organizing a real situation which he sees to be present in the world. It is to him not something remote and metaphysical, a gesture of generosity, but a measure tending to control and harmonize forces in such a way as to serve the best interests of the people of the United States. It arouses in him a more passionate loyalty than could an exclusive interest or a rarified ideal. He knows that the standpatters are really the impractical men. There is nothing more idealistic and without tangible result than the defense of abstract right or the revenge of injury. There is nothing

more fatuous with deceitful ideology than the refusal of pacifists to work for a good end because somebody's motives are not pure.

At the same time the realist has his own dangers to fear. He cannot become a romantic partisan. He cannot cast up accounts once for all and then throw himself blindly into relentless action. He must check up his partners as well as his enemies. He cannot let his consciousness of the main obstacle furnished by Germany blind him to the minor obstacles furnished by others. He must make shrewd estimates of probabilities. Having justified himself by his desire for results, he must abide by them—his good intentions count for nothing. He must prevent his purpose from becoming a dogma in his mind; he must not let it float away from the flux of events into the sky of the absolute. Constant analysis and criticism of the stream of consequence is his only safeguard. He has accepted the challenge of things as they are because of his interest in things as they may be. His only life is by intelligence; his only salvation by works.

Government Ownership or Railway Reaction

TEN years ago many of us believed that we had found a solution of the railway problem. Under the law of 1906 we were stamping out the evils of unfair discrimination. We reposed unbounded hopes in the new power of the Interstate Commerce Commission to fix rates. What the general traffic could bear or should be made to bear no longer rested with the uncontrolled decision of private railway interests. Rates were to be made reasonable, and this meant that they were to yield a return that would cover the operating expenses together with a fair return on capital. Thus the public was to enjoy rates practically as favorable as the rates that would be fixed by the government if it owned and operated the railways itself. At the same time we thought we were escaping the political responsibilities involved in public ownership, and preserving the advantages, whatever they might be, of private initiative.

To-day we are losing faith in the solution of 1906. It is true that unfair discriminations have practically ceased. It is also true that rates are kept at a limit that is fair enough, from the point of view of the unprivileged masses. The railways that are well managed are making profits that compare favorably with the profits earned by the modest investments of the masses. The railways that are managed ill share the fate of the

incautious small investor. But under this apparently fair régime the railways seem not to thrive. We are not building so many railways nowadays as the country needs. We are not conquering grades, eliminating detours with the boldness that marked the height of Harriman's operations. The solution of our terminal problem waits. We are not even acquiring the rolling stock necessary to the fullest possible utilization of our rails.

What is wanting is capital, billions of it. But capital has gone on strike, assert the railway spokesmen. So indeed it seems. Capital has gone on strike against conditions that look to the unprivileged masses as fair. Capital demands such a relaxation of regulation as will offer it the same inducement to go into railways as into other industries. The brilliant achievements of American enterprise, during the last ten years, have been confined to fields free from regulation. Nothing has happened in the way of railway development that can compare with the growth of the automobile and the metal industries. Duplicate the conditions of those industries, and we shall soon see capital flowing in floods into the railways. There will be tracks enough and rolling stock enough to handle any probable expansion of traffic.

The argument is sound, but let us consider what the conditions of unregulated industry are that we are asked to duplicate. In the first place we may safely assert that no unregulated industry ever boomed conspicuously under a régime of moderate profits. If Henry Ford had never made more than seven per cent or ten per cent on his actual investment, the Ford car could not by any possibility have attained to its present ubiquity. If Bethlehem Steel had been held down to a modest profit it would not have become in three years a second and more grandiose Krupps. What is true of big industry is also true of little. If a provincial department store succeeds in enlisting capital to double its plant and stock, you are safe in giving the longest mentionable odds that its past profits and future expectations enormously exceed a "fair" ten per cent. It has always been so in America. Huge profits were the lure that attracted capital into the oil, the steel, the lumber and the coal industries.

In the second place we may safely assert that "attraction of capital" into a booming industry is little more than a figure of speech. Rockefeller and Carnegie did not organize a vast propaganda among investors to secure the capital required for the development of the oil and steel industries. Most of the real capital in those industries originated in the surplus profits of the industries themselves. The same thing is true of Ford Motors and Bethlehem Steel. It is equally true of the