

wishes only. What did one of the greatest natural leaders of men, what did Garibaldi offer his followers after Rome had surrendered and the only hope left them was forlorn? He offered them *fame, sete, murcie forzate, battaglie a morte*. "Fortune," he said, to give his speech in Mr. Trevelyan's English, "fortune, who betrays us to-day, will smile on us tomorrow. I am going out from Rome. Let those who wish to continue the war against the stranger, come with me. I offer neither pay, nor quarters, nor provisions! I offer hunger, thirst, forced marches, battles and death. Let him who loves his country in his heart and not with his lips only, follow me." Such an appeal can be successful in any country only when crisis is present and visible. It can seldom be made with success in an American Presidential campaign. But there will always be a suggestion of self-sacrifice and danger in the ideal appeal to any large body of us Americans who have time to make a picture of ourselves. The ideal appeal suggests to those who hear it a thrilling and satisfactory blend of risk and reward. Those who follow the leader of the forlorn hope shall find themselves on the loaded wagon. Loaves and fishes shall be the portion of them whose backs are against the wall. No wonder the ideal campaign cry is rare—rare as the poorest on record, which we take to be Mr. White's.

## Peace by Confiscation

**B**OTH the Republican and Democratic candidates for the Presidency propose to conclude a peace with Germany which shall perpetuate in economic terms the fact of American success in the war. The two proposals, in so far as they are articulate, differ in manner and method, but the spirit of American accession to the Treaty of Versailles, and the spirit of Senator Harding's "effective peace" are in accord. They aim to secure to the United States the fruits of victory. Now the fruits of victory in the year 1920 are our national honor and eight hundreds of millions of dollars of German property in the hands of the Alien Property Custodian. And the vice in the promise of Senator Harding, as in the program of the Democrats, is simply that we cannot retain them both. For one thing it is altogether inconsistent with the professions under which we entered the war that we should profit in vast material gain even at the expense of the enemy. For another it is at variance with the recognized and accepted usages of international law, as practiced for a hundred years previous to 1914, that we should confiscate on our public demands against a foreign government the private property of citizens of that state.

On either ground our retention of the property now in the hands of the Alien Property Custodian vitiates our achievement in France.

The past conduct of the Alien Property Custodian's office makes our disposition of these funds a matter of the utmost importance. We have already progressed so far toward confiscation that only the most generous and liberal treatment of the German owners of seized property can save us from the charge of hypocrisy and bad faith. And it will not justify our action that the responsibility for confiscation falls upon the shoulders of Mr. Attorney General Palmer.

The original act creating the office of Alien Property Custodian, the Trading with the Enemy Act, was thoroughly in accord with international morality and the protestations of Mr. Wilson. In committee hearings Secretary Lansing, Secretary Redfield and Assistant Attorney General Warren described the act as designed only to suppress trade beneficial to Germany and German subjects. Said Secretary Redfield:

The creation of an Alien Property Custodian is a novelty and is in line with the same effort toward equity which impels us to indicate an earnest desire to show to the people with whom, unfortunately, we are engaged in war, that here is the opposite of confiscation and here is the opposite of requisition.

The provisions of the act looked to sequestration of enemy property only, and gave the Custodian, Mr. Palmer, power to sell sequestered properties in the single case where sale was necessary to protect the property. It was clearly the intention of Congress to create a custodian of private enemy property, a trustee in the true sense, who should at once prevent Germany from benefiting from American trade, and protect the German owner against violation of his rights in international law.

Under this statute, and acting with extraordinary skill and perfect impartiality, Mr. Palmer built up the immense trust company of the Custodian's office. But it soon developed that Mr. Palmer's notion of his functions differed vitally from the conception of Congress. He thought of himself not as a trustee but as a member of the military forces of the United States. "Instead of permitting myself to become a mere conservator of enemy property, I have tried to make the Trading with the Enemy act a fighting force in the war." He thought of the war as an economic struggle, he saw himself in a position to injure the enemy financially, and he determined to inflict that injury. To that end he asked for, procured, and acted on an amendment permitting him to sell German properties without the restrictions placed upon him as trustee.

Whatever we may think of the ethics of this

step there can be no doubt that Mr. Palmer was proceeding in accord with the generally accepted theory of the war and that the campaign he proposed was good strategy. Economic compulsion was admittedly the most effective of war measures. But unfortunately for Mr. Palmer's reputation as a statesman he out-economized the economists. He proposed not merely the present injury of German trade as a war measure: he proposed the permanent destruction of German trade in the United States as a measure of business advantage.

Of course, I cannot speak for anybody except myself. The feeling is, I think, that the time has come when the ownership of some of these great German properties should be permanently separated from German capital, and that the enemy might as well know now that the connection which she has been able to maintain with American industry and commerce is broken, not simply during the war, but broken never to be resumed.

And again:

. . . . these great concerns financed by the Deutsche Bank, supported by the junker class . . . . are the kind we ought to Americanize. That is what we ought to do with them.

It is worth noting in passing that we have here an authentic translation of the verb "Americanize," from the mouth of its most frequent user.

Mr. Palmer had, of course, other reasons for advocating so revolutionary a measure. The big German industries in America were potential "nests of sedition." The measure was a proper act of reprisal for German liquidation of American industries within the empire. Liquidation would be a positive kindness to the German owners because no one would trade with them after the war and their properties would be effectually confiscated if they were returned in kind. Germany must be made to suffer in her foreign trade in order that she might know she was defeated.

The Treaty of Versailles has attended to the disciplining of Germany, and the passage of time has reduced the confiscation argument to its essential absurdity. There remain the justifications based upon sedition and reprisal. Of the former it is enough to say that Mr. Palmer as Custodian conducted certain German businesses without liquidation throughout the war. It has never been charged that a spy system flourished in these concerns unless it was the system operated by the Department of Justice. To the reprisal argument a sufficient answer is that Mr. Palmer seems to have been misinformed. In his report as Alien Property Custodian he refers to a German "measure" of March 4th, 1918, ordering the liquidation of American concerns in Germany, and assumes upon the basis of that law that liquidation was in fact

enforced. Germany has always emphatically denied this charge. American observers in Germany have denied it. And we have now the comment of the Privy Councillor of the Department of Foreign Affairs, Wiedenfeld, upon the Custodian's report:

In point of truth it ought to have been known to Mr. Palmer, since information upon the subject had been repeatedly sent to America through neutral channels, that though the German government from time to time, as American proceedings became known, *procured authority* to take measures of reprisal, nevertheless, throughout the entire war, no American private or business property was liquidated.

Whatever the validity of Mr. Palmer's contentions in March, 1918, the only justification for our retention of the proceeds of liquidated German properties today is the argument based upon the protection of American industries against German competition. That argument is inadequate in that it does not cover the property of private German citizens seized and sold. But in so far as it does apply it raises squarely a question of international morality of the first importance. Can we afford to write into international law a precedent for the destruction of enemy-owned industries in time of war? Can we so far repudiate the declared purpose of our entry into the war as to impose as a condition of peace the confiscation of private property?

## Harding and a Mexican War

**N**OW that the constitution has been valiantly defended by Mr. Harding, and now that the Ten Commandments have been duly celebrated by Mr. Coolidge, there remains just one question on which a plain answer is due to the people of this country. If Governor Cox is well-advised he will not permit Mr. Harding to escape without saying where he stands on Mexico. On the record Governor Cox can assert, and challenge Senator Harding to deny, that the dominant group in the Senate, now the dominant group in the party, intends to make war upon Mexico. He will be well within the truth if he insists that the election of Mr. Harding is equivalent to a declaration of war, a war which all the world will call a war of brazen conquest, a war that for long generations will destroy the possibility of friendship with Latin-America, a war which army officers estimate will require a half a million men and eight years to finish, a war involving a new "autocracy" at the White House, more loans and more inflation, more taxes and probably more conscription, more bureaucrats and more censorship and more hate propaganda.

The dominant group intend such a war. Who is