upon, it was not decided by the House of Commons or the electorate, but by the concurrence of ministers and ex-ministers." These same men, or some of them, and the same breed of men, the same system and the same policies, are again leading the world to the verge of war. How shall we control such situations except by declaring war a crime and making the fomenters of war criminally liable? What other protection have the people against being manipulated into war?

How utterly vain are all schemes for peace not based upon the principle that war is a crime and its fomenters to be dealt with as criminals, may be illustrated by what has taken place since the organization of the League of Nations. Every war of invasion, every invasion of territory, since the League was created has been by a member of the League. Every move for disarmament has been opposed by a member of the League. Every military alliance since the Treaty of Versailles has been initiated by a member of the League. It was a League member which incited Greece to war and then deserted her in her humiliation and defeat. It was a League member which armed and financed Turkey and brought her back into power. The army which butchered helpless and defenseless women and children on that field of carnage in Asia Minor was armed and equipped by a member of the League of Nations. The three invasions of Russia were equipped and munitioned by members of the League of Nations. The Serb-Croat-Slovene state began war on Albania. Albania appealed to the League, the League evaded the issue, and the war continued between the two members of the League. The Italian Fascisti under D'Annunzio, began war on and captured Fiume. Italy was a member of the League and of the Council at the time. Italy later expelled D'Annunzio but kept Fiume. Greece was a member of the League when she invaded Asia Minor. Poland, a member of the League, invaded and took Vilna and began war on Lithuania. Poland, a member of the League used arms against Eastern Galicia. France, a member of the League, invaded the Ruhr.

It has been repeatedly said that the plan for outlawing war is illusory and impracticable. It is not so much so as the plan to end war, while all nations and all international plans for peace still recognize war as legitimate, as morally permissible, still rely upon force as the ultimate arbiter. When the sentiment of mankind has been taught to look upon war as a crime and when that sentiment has been crystallized into international law and to be construed by an independent international judicial tribunal, the world will be near to universal peace. The work of educating the world to this task is tremendous. But unless we are to go on as we have for three thousand years, talking peace and practising war, we shall at once undertake the task; we shall seek to change the attitude of the public mind toward war, as the first step to end war. If, therefore, this proposed treaty marks another step in an effort to found the plans of peace upon the proposition that war is a crime, that it is no longer recognized as an institution for the settlement of international disputes, it is the most encouraging feature of the peace movement which has transpired since the Armistice. I sincerely hope we are to move tremendously along these lines and that this treaty will be made to conform absolutely to the proposition of outlawing war.

WILLIAM E. BORAH.

De-Bunking Mr. Dawes

IN the course of his first speech as a candidate Charles Gates Dawes, the Republican nominee for Vice-President, said:

> In the campaign which is before me . . . I pledge myself to adhere to the truth and to the common sense conclusions to be drawn therefrom. As to the demagogue on the stump, whatever may be his party, I want it distinctly understood that in the coming campaign I ask no quarter and will give none.

Is it not, therefore, appropriate immediately to consider the truth about Mr. Dawes and the "common sense conclusions to be drawn therefrom" as to his fitness for the Vice-Presidency? Mr. Dawes describes himself as a "financier." (See Who's Who.) He was Comptroller of the Currency from 1897 to 1902 and has been president of the Central Trust Company of Illinois since that date (until recently made chairman of the board of directors). He was admitted to the Bar in 1886 and practised law for some seven years. He is, therefore, a banker and a lawyer. The quality of his character, the soundness of his ethics and the depth of his integrity may well be tested by his acts as a banker, and perhaps more safely than by his speeches as a politician.

The records of the Supreme Court of Illinois show that Mr. Dawes, without the knowledge or authority of the board of directors or executive committee of his bank, furnished William Lorimer on October 21, 1912, with $1,250,000 in cash of the Central Trust Company, which was counted by a state bank examiner as the property of the LaSalle Street Trust and Savings Bank, which Mr. Lorimer was organizing to take the place of the LaSalle Street National Bank which was rapidly going on the rocks. The money was then immediately returned to the Central Trust Company. In the language of the Supreme Court of Illinois:

> Thus the LaSalle Street Trust and Savings Bank instead of beginning business with a capital stock and surplus of $1,250,000 in cash, as the statute required, and without liabilities, began business on October 22, 1912, with the assets of the LaSalle Street National Bank and with all its liabilities.

On June 12, 1914, the LaSalle Street Trust and Savings Bank was closed by the Auditor of Public Accounts. Subsequently its assets, according to the attorney for the receiver, "were found to be insufficient by more than $2,000,000 to satisfy the claims of its depositors and other creditors." In addition the stockholders of the bank, many of them persons of small means and innocent of any wrong-doing, lost their investments and were compelled to pay, under the law, amounts equal to the par value of their stock. In an opinion filed April 19, 1917, the Supreme Court of Illinois discussed Mr. Dawes's part in this transaction. The facts found by the Supreme Court are worthy of consideration by those who are asked to vote for Mr. Dawes for Vice-President of the United States, in order that "common sense conclusions" may be drawn therefrom.

The LaSalle Street National Bank commenced business on May 10, 1910, with William Lorimer, then United States Senator from Illinois, as its president. The Supreme Court states:

> During its existence it was examined at various times by a national bank examiner and its method of doing business had been severely criticized by him. Changes had been required by the Comptroller of the Currency and had been promised, but the promise had not been complied with.

It also appears that the bank was unable to obtain membership in the Clearing House Association and that the Corn Exchange National Bank, through which it cleared its checks for a time, later refused to continue as clearing agent. It was apparent by October, 1912, that the Comptroller of the Currency would not permit the bank to continue carrying on business much longer. The scheme was then devised to change the National Bank to a state bank. The Illinois law required that the capital stock and surplus of the state bank should be paid in cash. Considerable difficulty was encountered in obtaining the necessary cash, but the Supreme Court reports that on October 21, 1912, the following arrangement was made:

> William Lorimer, the president of the national bank, on this same day called upon Charles G. Dawes, the president of the Central Trust Company, and told him that he would want an amount of money equal to the capital and surplus of the new bank to be counted by the agent of the auditor in compliance with the requirement of the law, and that the bank did not have that much currency.

The opinion continues:

> Nine of the directors, in accordance with the auditor's requirement, made an affidavit that $1,250,000, all the capital and surplus of the bank, "is actually paid in, in cash, and no part thereof is in notes or pledges of any description, and that said capital and surplus is now in the hands of the proper officials of said association, as above set forth, and is to be used by them solely in the legitimate business of the association when the same shall be opened for banking." This was delivered to John H. Rife, an examiner from the auditor's office, who then, accompanied by Lorimer, who had been elected president of the bank, and Charles E. Ward, one of the directors, went to the bank of the Central Trust Company for the purpose of verifying the statements of the affidavit and satisfying himself that the cash was actually in the possession of the officers of the bank and dedicated to the business of the bank. There $1,250,000 in currency was delivered to Lorimer by the cashier of the Central Trust Company. Rife counted the money and returned it to Lorimer, together with the auditor's certificate authorizing the trust and savings bank to commence business as a bank. Lorimer handed the money back to the cashier, who returned the cashier's check, indorsed by the Central Trust Company without recourse.

After the failure of the state bank the receiver brought suit against the Central Trust Company on the ground that it had received funds belonging to the LaSalle Street Trust and Savings Bank and retained them without authority of law and a decree was rendered against the Central Trust Company in the amount of $1,487,854.16. The Supreme Court found the Central Trust Company to be liable in the following language:

> The Central Trust Company having represented that the $1,250,000 exhibited to the auditor's agent was the property of the LaSalle Street Trust and Savings Bank, and having immediately taken and retained possession of it to the exclusion of the bank, in an action for an accounting for the benefit of the creditors of the trust and savings bank it must make good its representation and must account for the money so wrongfully taken by it.

After the evidence had been heard the Central Trust Company made an effort to escape liability by alleging:

> . . . that the entire transaction in question was done and carried out by William R. Dawes, the cashier of the Trust Company under the authority of Charles G. Dawes, its president, without the knowledge or authority of the board of directors or executive committee. . . . and that any acts done by them of that character were beyond their authority and not binding on the trust company.

The Supreme Court held that the Central Trust Company was responsible for the actions of the cashier of the bank which were within the scope of his authority. However, the Court held that the Central Trust Company was liable only for the

amount to which the capital stock of the National Bank was impaired at the time of the transfer to the State Bank. Therefore, the decree was reversed and the case was referred to a master in chancery to determine the value of the assets of the National Bank on October 21, 1912.

In April, 1922, the Appellate Court for the First District handed down an opinion in which Mr. Presiding Justice O'Connor ruled that the Central Trust Company was liable for $737,220.54 plus 5 percent interest making a total liability of $978,029.11. Mr. Justice Thomson dissenting held that the capital stock and surplus of the bank were wholly impaired and the Central Trust Company should be liable for $1,250,000, plus interest. Mr. Justice Taylor concurred except as to five items, fixing the liability of the Central Trust Company at $597,411.94, plus interest. On appeal to the Supreme Court the opinion of the Appellate Court was reversed in April, 1924, and a re-hearing denied in June, 1924.

In its final opinion the Supreme Court has reaffirmed its original opinion, stating "we make the distinct point here that the law of the case now in hand so far as announced in our former decision is still the law of the case and our former decision must be taken as a complete answer to all arguments against its correctness." In reviewing the facts upon which to determine the amount of the liability of the Central Trust Company, the Supreme Court put a much higher value on the assets of the National Bank than any of the three judges of the Appellate Court and entered a decree against the trust company for "the sum of $110,457.51, including interest at 5 percent from September 25, 1915, and for the costs in the Circuit Court." As is shown by the opinion of the Appellate Court, able and disinterested lawyers may disagree as to the amount of liability of Mr. Dawes's bank, but the record closes with the finding maintained that a legal wrong was committed.

The Supreme Court in its first opinion stated that it was "immaterial whether the Central Trust Company or Mr. Dawes had any fraudulent intention, knew anything about the condition of the National Bank, or made any profit out of the transaction." It appears, therefore, that the gentle statements in the opinion of the Appellate Court to the effect that the Central Trust Company and its officers may not have had any idea that they were violating any provision of the law and may have acted "entirely innocently" in the matter, should be regarded in no way as judicial exonerations of Mr. Dawes. They are rather unfortunate indications of the hesitancy of judges to condemn a person of notable wealth and influence. That such courtesies from the Bench are duly appreciated is clearly shown by the vigorous manner in which Mr. Dawes, for example, organizes his Minute Men of the Constitution to protect the courts against "unjust assaults."

It is not perhaps of particular interest to the general public to consider the complicated legal issues involved in this protracted litigation. It should be, however, of much interest at the present time to consider the business principles and ethical standards exhibited. As the Supreme Court stated:

> The object of the Banking Act is the protection of the depositors and creditors of the bank, and the requirement of the possession of the whole amount of capital and surplus in cash at the organization of the bank is for their benefit.

Clearly Mr. Dawes could not have been ignorant of the object of the Banking Act. Clearly as the president of a large Chicago bank cashing a check for $1,250,000 he could not have been ignorant of the general condition of the LaSalle Street National Bank, nor ignorant of the results likely to flow from allowing $1,250,000 of the funds of the Central Trust Company to be counted as the funds of the new state bank. The Supreme Court discusses the situation as follows:

> The elaborate system of notes, checks and bookkeepers' entries, debit and credit, do not affect the substance of the transaction. They did not create any cash, and if none of those documents had been executed and none of the entries made the substance of the transaction would still have been the same, and that was, that the Central Trust Company, at Lorimer's request, permitted him to hand to the auditor's representative $1,250,000 of the trust company's money as the money which the directors of the LaSalle Street Trust and Savings Bank had in their affidavit stated was in the hands of the officers of the bank, to be used solely in its legitimate business. Of course, the auditor's agent was not brought there to satisfy himself that there was that much money in some bank in Chicago, and, of course, nobody thought so. The counting of the money is spoken of as a technical requirement of the auditor, but if it is properly regarded as a technical requirement nobody could reasonably imagine that the counting of $1,250,000 of anybody's money would satisfy the requirement. It was the bank's capital and surplus about which the auditor was required to satisfy himself, and the exhibition and delivery of the money to him was as the bank's capital, which was stated in the affidavit to be in the possession of the bank's officers and was produced from their depositary for his inspection. This amounted to a solemn declaration that the particular currency which was there present was the property of the LaSalle Street Trust and Savings Bank, dedicated solely to its business and subject absolutely to its control.

In his opening speech as a Vice-Presidential candidate, Mr. Dawes refers to "the curse of demagoguery in political discussions in this country." He asks all good citizens to "unite in demanding from those who represent us in political debates that they present our differences honestly and from the standpoint of truth, not from the standpoint of passion and prejudice." Certainly Mr. Dawes cannot complain if the facts regarding his con-

nection with the failure of Lorimer's state bank are presented, if this is done without any characterizations which might amount to appeals to passion and prejudice. In this case the facts may well be considered without any interpretation other than that which has been furnished by the highest court of the State of Illinois.

DONALD R. RICHBERG.

A Campaign Glossary

A-LARM-IST *n.*; one who protests upon opening the safe-door and finding two hundred and fifty million barrels of oil missing.

BAL-LOT, *v.*; to vote; to cast a ballot; *synonym*—neck, to get it in the.

BEST MINDS, *n.*; *pl.* (obsolete).

BON-US, *n.*; species of legislation characteristic of American politics, in that each party is (1) for it, (2) against it.

DEM-O-CRAT, *n.*; see RE-PUB-LIC-AN.

DIN-NER PAIL, *n.*; usually full, but only if the Republicans (Democrats) turn the Democrats (Republicans) out of office.

DIS-GRUN-TLED, *v.t., p.p.*; unreasonable; stubborn; not satisfied with serving as a highway.

FAR-MER, *n.*; (colloquial); producers with a quaint idea of trading even with the millers.

FEAR-LESS, *adj.*; without fear; willing to wait only for a good technical excuse to discharge a Cabinet officer who is proved corrupt or incompetent.

FEL-LOW-CIT-I-ZENS, *n., pl.*; people who will listen to the fourth paragraph if one of the first three tells a funny story.

FIL-I-BUST-ER, *v.*; to attract attention; to get into the newspapers with the ordinary processes of legislation toward the end of a session.

HAR-MON-Y, *n.*; quality attributed to a political party when its factions agree not to shoot on sight until after the election.

HEM-I-SPHERE, *n.*; usually western; *synonym*—God's green footstool.

HU-MAN IN-TER-EST, *n.*; photograph of a pipe, child, cow, being smoked, kissed, milked, by a candidate for the Presidency of the country.

HYS-TER-I-A, *n.*; uncalled-for excitement on the public's part upon being robbed.

I-DE-AL-IST-IC, *adj.*; term of abuse; used to describe a disagreeable proposal when all else fails.

ILL-AD-VISED, *adj.*; that which is not agreed with; *synonym*—ill-timed, ill-devised, ill-contrived, ill-digested, ill-defined.

IM-PAR-TIAL, *adj.*; not partial; admitting there are arguments on the other side without stating them.

IN-DICT-MENT, *n.*; (slang) method by which what might otherwise prove troublesome is disposed of.

IN-FANT IN-DUS-TRY, *n.*; an industry which needs the protection of a tariff; i.e., an industry earning (a) less than 12 percent on its capital, (b) more than 12 percent.

IN-TER-VIEW, *n.*; a carefully prepared statement mimeographed in bulk and delivered simultaneously to thirty-three hundred newspapers.

LEAD-ER-SHIP, *n.*; the faculty of avoiding being run over by one's own party after having started it.

LOB-BY, *n.*; (1) a place to sit; (2) a reason for a prompt decision.

MAN-I-FEST, *adj.*; only partially opaque.

MIL-LEN-I-UM, *n.*; a period comprising all time more than six months distant, and therefore something so remote as not to engage the interest of the practical politician.

MUD-SLING-ER, *n.*; one who slings mud; i.e., objects to finding someone's else hand in his trouser's pocket.

NEV-ER, *adv.*; often.

NOM-I-NATE, *v.*; conjugated as follows:

I vote	We vote
You vote	You vote
He votes	They nominate

OIL RE-SERVE, *n.*; (humorous term) land thought to have been set aside for the use of a navy.

PAR-A-MOUNT, *adj.*; commonly used to single out certain issues for discussion as especially important; *synonym*—safe.

PLAT-FORM, *n.*; depository for items not conveniently carried elsewhere; *synonym*—bucket.

PROS-E-CU-TION, *n.*; formerly a court term, now used to indicate the passage of time; *synonym*—oblivion.

PROS-PER-I-TY, *n.*; Baldwin Locomotive: open 112½; close 117¾; net gain 5¼.

RE-PUB-LIC-AN, *n.*; see DEM-O-CRAT.

RE-PUD-I-ATE, *v.*; to reject what one would not get anyway.

UN-E-QUIV-O-CAL, adj.; any statement issued by a politician which does not make use of at least three of the following phrases: this does not mean, of course I am not prepared to say, however, nevertheless, for the present, on the other hand.

WHIRL-WIND, *adj.*; campaign in which a candidate travels with more than six staff reporters and his own dining-car.

WILL-OF-THE-PEOPLE, *n.*; what happens, when, at the end of four months of sheer confusion, some 1,250,000 more people put an X in one certain square on a sheet of paper than in a certain other, thus solving for another four years the complicated problem of governing a modern state.

C. M.