

# The New REPUBLIC

*A Journal of Opinion*

VOLUME XXXIX

NEW YORK, WEDNESDAY, JUNE 4, 1924

NUMBER 496

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the new government off under the gloomiest of auspices. The drop from more than six and three-quarters cents to less than five and a half is sufficient warning of what might happen if Poincaré set out to wreck the franc.

GERMAN communists, as could easily have been foreseen, are opposed to the adoption of the Dawes plan. If the plan fails the present condition of distress in Germany will be prolonged indefinitely and a larger fraction of the population will be weaned of all hope of economic reconstruction along traditional lines. There is logic in the position, if not much sense. The French communists take the same position. They are going to fight this "counter-revolutionary Holy Alliance of the bourgeois parties." If they can help it, capitalism is not to have this chance of getting another lease of life. The communists of both countries know that their opposition to the Dawes plan throws the two governments toward the Right and increases the probability that no workable settlement will be reached. But this is exactly what the impossibilists are looking for. Let matters go from bad to worse until the crash comes to usher in the millennium.

## The Week

MANY signs conspire to prove that the new French government will lean sufficiently toward the Right to maintain a formal continuity with the policy of Poincaré. The Ruhr, M. Herriot says, will be evacuated, but only when the Germans have adopted the measures necessary to put the Dawes plan into effect and when an understanding with England insures France against flagrant German default. When Russia acknowledges her debt to France she will be recognized. Poincaré's agreements with Morgan on budgetary reform will be observed. Plainly the French conservatives have little to fear from an Herriot government. The radicals have been sobered in anticipation of responsibility. The power over the franc which Poincaré continues to wield is probably a still more potent influence making for sobriety. He would only need to pass the word that the Bank of France would hold hands off to start a bear raid that would send

IT is a curious fact that the most conservative political parties are never safe guardians of the interests of property. In Germany and in France the extreme Right stands today, as it has stood ever since the war, for policies that make for the decay of private property. They are against the Dawes plan, against trade with Russia, against a sound fiscal policy. In England it is the "Socialistic" government which is pushing the interests of British trade. The extreme Tories look coldly upon MacDonald's efforts to compose the Franco-German quarrel and to extend the market for British products in Russia. Our own extreme Right, led by Mr. Hughes, not only opposes American recognition of Russia but frowns upon British and French moves in that direction, being quite unaware of the fact that the success of the Dawes plan is premised on the opening of new markets for the increased volume of industrial exports. With the best of will toward property interests the extreme Right gets squarely in their way. Its defect is one of intelligence stunted and distorted by

too rigid an armor of abstract principles. The moderate radicals do not love property interests so devotedly, but their intelligence is usable. That is why property interests find it advantageous in the long run to come to terms with them.

THE Senate has accepted, by a vote of 56 to 5, the report of the Borah Committee exonerating Senator Wheeler. That it would do so was a foregone conclusion. No evidence was obtained to justify in the least degree the supposition that he had violated the law which prohibits a member of Congress from appearing on behalf of a client before a federal department. Senator Sterling made a sorry spectacle of himself when he spoke for three hours against the Borah resolution, although admitting that he does not believe Wheeler guilty. He was subjected to an unmerciful bombardment by his colleagues while not one of the men who might be expected to come to his rescue in a case of this sort lifted a finger. Senator Sterling, indeed, had somewhat the air of one who has been appointed to be a sacrificial goat, and accepts the pain and humiliation of the rôle in expectation of rewards well-earned. We confess we cannot muster much sympathy for him. Senator Sterling is seventy-three. A man of that age should long ago have passed the time when he would consent to wield the whitewash brush on behalf of such a sorry crew as sought to engineer a frame-up against Senator Wheeler and blackmail him into dropping the investigation of Daugherty.

THE results of the investigation clearly call for a future Congressional inquiry into the detective bureaus, which so many of the departments in Washington have been slowly building up. They have gradually become an abuse, a waste and a source of grave demoralization. If Mr. Crim is right, they are not merely for the most part inefficient and useless agencies but in their functioning they inevitably leave a trail behind them of corruption and intimidation. This is what one would logically expect in the conduct of an activity which at best assumes the guilt of other people and seeks to procure proof of such guilt, and the anticipation is confirmed by everything which we know about the operation of detective agencies outside and inside of the government. They necessarily operate secretly and irresponsibly. They necessarily use for their employes people of limited intelligence and ambiguous morals. They necessarily consider themselves to belong to a class of superior malefactors who are privileged to break the law in order ostensibly to detect its violators. As a matter of fact they often work to manufacture the crimes which they are supposed to detect, and when they are dealing with a really powerful criminal, they are much more likely to betray their employer than they are to detect the crime. The diminution of this abuse should be one of the first official acts of a future progressive majority in Congress.

WE do not understand why Mr. McAdoo should be disturbed because Judge Gary imputed to him the idea of the government's taking over the steel industry during the war. It has long been known generally that at the beginning of the war the steel industry had an exaggerated idea of fair prices and profits. It had been spoiled by the extremely lucrative Allied contracts. There was a serious question as to whether the industry would give its services wholeheartedly to the government unless it received prices far above cost. So far as the public was informed, the industry finally consented to a scale of prices which, while stiff enough to make a lot of money for the industry, was not ruinous to the government. Now we learn from Judge Gary's statement and Mr. Baruch's reply that the steel industry consented to the policy of moderation only after the War Industries Board had threatened to take over the industry. If Mr. McAdoo had originated the threat—which he denies—it would have been something to be proud of, not to apologize for.

FROM Judge Gary's account of the matter we are given to understand that it was his courageous resistance that blocked the project. The inference from Mr. Baruch's account, which appears to have more authentic records behind it, is that Judge Gary's yielding on the matter of price made federal operation unnecessary. Judge Gary did not like price fixing and doubted the legal power of the government to apply it. We are sorry he did not test it out. It would interest millions of Americans to have it established that in time of war, when the government assumes the right to conscript every citizen for military service and to send such men as it chooses to certain death, it has not the power to force its industries to perform work as essential as fighting at the front unless it permits those industries to charge such prices as they see fit. We think Mr. Baruch is right in his view that in time of war the principle of conscription should extend to money and industry as well as to men.

SENATOR LODGE'S monstrosity of a new World Court plan has died in the cradle; and Senator Pepper now stands forth as the proud parent of compromise nearly as absurd, if viewed in the light of commonsense and not of partisan politics. Mr. Pepper would retain the existing court, existing judges and jurisdiction. But instead of keeping as the parent body the Council and Assembly of the League, he invents a "Council of Signatories" and "Assembly of Signatories," with membership which could be practically coextensive with these bodies in the League. This plan has now been reported out to the Senate by the Foreign Relations Committee, which voted 10 to 4 in favor of doing so. It is generally expected that no action on the World Court will be taken before the June adjournment; and while we regret the delay, postponement is better than action so absurd in its truckling to hysterical

isolationism that it would make us the laughing stock of the world. The forty-seven nations which are supporting the existing Court are well aware that sentiment in the United States is moving steadily toward adhesion to it under reservations no more drastic than the original Harding-Hughes suggestions. They know that a Democratic victory next fall would probably mean prompt entrance on those terms. They are not likely to imperil their whole project now on the chance of securing American coöperation somewhat earlier than it would otherwise be proffered.

GEORGE H. CARTER, United States Public Printer, is a federal official in refreshing contrast to many others of whom we have recently heard. When Mr. Carter entered upon his activities he found the Government Printing Office honeycombed with inefficient and illegal practices. The buying and selling of liquor was almost universal, one foreman actually operating a still on the premises, while a trusted messenger between the Printing Office and the Capitol was a bootlegger for Congressmen. Scores of employes were gambling on the races, government wires being used to place bets which averaged a total of \$1,000 a day. An oath-bound secret society existed and apparently still exists, which protects its members no matter how inefficient. Mr. Carter in his effort to clean house has dismissed 268 employes; but he declares that the forces hostile to him are still strong enough to be planning a drive to get him ousted. An investigation of the situation is now proposed by a Congressional committee. On the face of the facts it seems wholly desirable.

A WESTERN correspondent has sent us a clipping from the Spokane Spokesman which offers interesting information on the fate of the Single Tax in the Canadian Northwest, where it seemed to have gained secure footing fifteen years ago. Edmonton abandoned the Single Tax in 1918 and is taxing improvements at 60 percent of their value. In 1919 Calgary raised the tax on improvements from 25 percent to 50 percent. Moosejaw and Vancouver tax improvements at 50 percent, Saskatoon at 45 percent. Victoria held on longest to the principle of exempting improvements but now taxes them at 33 1-3 percent. Apparently the reason for returning to the taxation of improvements was purely fiscal. The land taxes alone, which looked like an adequate source of revenue in the boom period of the first decade of the century, proved inadequate. There is still a differentiation between land and improvements in the tax levy, which shows that public sentiment has not altogether repudiated the principle of the Single Tax. This point will no doubt be ignored by those who are eager to prove the failure of the Single Tax, just as the exceptional circumstances of a boom period were ignored by those who were eager to prove the success of the Single

Tax. Success or failure in isolated cities proves nothing, unless extreme pains are taken to discount the effects of forces not properly in the experiment but powerful nevertheless.

WHEN Cyrus H. K. Curtis bought the New York Evening Post and subjected it to a process which Franklin P. Adams has described as "Philadelphia Legerdemain" there must have been a good many readers of the paper who looked forward apprehensively to the future of its admirable Saturday book supplement, the Literary Review. Apparently, this apprehension was not without justification, since the editors of the Literary Review recently resigned in a body. We are glad to inform our readers that the type of work they have been doing is not to disappear. Dr. Henry Canby is to become editor of a new Saturday Review of Literature, to be published in New York. He will have associated with him not only William Rose Benét and Miss Amy Loveman, of the Literary Review, but Christopher Morley, the philosophic essayist who lately resigned as editor of a daily column, the Bowling Green, in the Evening Post. We congratulate Dr. Canby and his associates on having surmounted with success a type of adversity which is becoming almost the universal lot in journalism; and we congratulate the bookloving public that literary criticism in America is to continue to feel a decidedly useful influence.

THE player-writer controversy in the lawn-tennis world is reaching a climax. No one denies the services that Mr. Tilden—rather unwisely chosen as a peg for the United States Lawn Tennis Association's thesis—has rendered to the game. His superlative genius as a player, and his high standard of sportsmanship, invaluable as they are as an example, have possibly contributed less even than his indefatigable encouragement of young players and the stimulus that he has given throughout the country to interest in lawn-tennis. The Association seems, we believe, a little hazy in its definitions: Just what degree of incompetence as a player safeguards one's amateur status? How small a fee as a writer saves one from the taint of professionalism? Pending the decision on these vital issues, we shall continue to believe that the word amateur is synonymous with "lover of the game," and describes a spirit which can be neither engendered nor destroyed by arbitrary regulations.

ON May twenty-fourth Anatole France celebrated his eightieth birthday. Or perhaps it would be more accurate to say that he reluctantly joined in a great national ceremony, the most impressive purely literary tribute France has rendered to one of her sons within the memory of living men. The occasion was distinguished by the presence of his most eminent colleagues in half a dozen fields. The nation, as well as the author, was honored by recital of his



golden words: the reading of M. Bergeret, the playing of *The Man Who Married a Dumb Wife*, the singing of *Thais*. But Fate has paid Anatole France a higher tribute still, the tribute of acknowledging him to have been right. From the darkest days of the war madness he stood by the radical internationalist, Caillaux, as once before he stood by Dreyfus. From the first days of Caillaux's banishment he has resolutely asserted through thick and thin of political controversy that the exile would come back. He has made the return of Caillaux a symbol of the subsidence of political passion, the recovery of national equilibrium. And now, in supreme poetic justice, the leaders of the new Chamber of Deputies are considering the recall of Caillaux. This is the highest honor which could come to the prophet for the celebration of his birthday. No one who knows his mind can doubt that Anatole France would rather be right than be President of the Academy.

THE House Committee on Naval Affairs has originated a new theory of preparedness. The popularity of the recent disarmament conference makes a recurrence of disarmament efforts almost a certainty. The United States must therefore be prepared for that exigency. And since our stock of scout cruisers is so low that we should cut but a poor figure slashing that item, it is now clearly incumbent upon us to build eight more at a cost of \$11,100,000 per vessel. Then, presumably, we can disarm with some show of self-respect. This argument is probably disingenuous, but not after all so simple as it seems. The movement toward the reduction of armaments presents those who have the military fortunes of the nations at heart with an unprecedented emergency that must be met somehow. The only sure way to meet it is to discount it in advance. Assuming that disarmament may be confined in the future, as in the past, to obsolete equipment, the following rule appears to be the inevitable deduction from the necessities of the situation: We must build an active navy in preparation for war. We must also build an obsolescent navy for disarmament purposes. Then we shall be prepared for every emergency.

## A Degenerating Party

THE congressional session and consequently the most important task of Congress, that of investigating the operations of two of the executive departments, is coming to an end. Its ending need not be regretted. There are, no doubt, many more facts connected both with the oil leases and with the conduct of the Department of Justice which it would be useful to publish, but they would only add detail to a story whose large outlines and major values are already revealed. While the public does not know everything, it knows enough to detect the culprits, to assess the responsibility and to

understand what has happened to the stuff and quality of the Republican party as the result of Harding's nomination four years ago.

Two committees, one led by Senator Walsh and one by Senator Wheeler, have carried on the investigation. Senator Walsh's committee accomplished, of course, the rough pioneer work and exposed to the American public the existence of gross abuses in one executive department of the government. It discovered a member of the Cabinet in the act of accepting money from men to whom he was granting enormously valuable economic concessions. It forced the resignation of one of the two Secretaries who were responsible for the oil contracts and the criminal prosecution of the other. Yet important as the exposure was and damaging as it may and should have been to all concerned, it revealed in our opinion the existence of a less sinister and poisonous disease in the government and in the Republican party than did the exposures of the Wheeler Committee about the traffic in illegal privileges which was carried on in the Department of Justice.

In the case of the oil leases the investigation exposed the commission of something very much like bribery; and that is, of course, a peculiarly heinous offence on the part of a Cabinet officer and the presidents of large corporations. But the offence was not so poisonously infectious as that which appeared in the case of the Department of Justice. There were only a few people who had any knowledge of the corruption connected with the execution of the oil leases; and as soon as they were exposed they were all publicly repudiated and are being more or less severely punished. The President of the United States and the Republican leaders have acted in relation to those who were guilty of Tea Pot Dome in at least a formally correct manner. To be sure there are other aspects of the business in which their record is not at all so correct. There was probably a deliberate conspiracy on the part of certain oil magnates to have a man like Fall appointed as Secretary of the Interior. Conspiracy of this kind could not have succeeded unless the Republican party had become the kind of organization which allowed its favors to be bought and sold. Many important business men and politicians knew or shrewdly suspected the existence of this buying and selling and considered it of more public importance to suppress their suspicions or their knowledge than to publish them. Yet in relation to the economic justifiability of the leases themselves there was room for a difference of opinion. The New Republic considers them a grave mistake as a matter of public policy, but the verdict raises an economic question about which men may differ without being justified in calling each other hard names. A Republican may fairly urge that though in the case of some officials the oil leases were the product of fraud and crime, though in the case of many more something in the nature of a conspiracy by a few people to profiteer