

## The Fatal Years

THE EVE OF 1914. By Theodor Wolff.  
New York: Alfred A. Knopf. 1936. \$4.50.

Reviewed by SIDNEY B. FAY

THIS is an excellent translation of "Der Krieg des Pontius Pilatus," which was published a couple of years ago. Its distinguished author, now an exile from Germany, was at one time Paris correspondent of the *Berliner Tageblatt* and then editor of that great liberal daily from 1906 to 1933. He had abundant opportunity for intimate contacts with diplomatic personages of many lands, and like a shrewd journalist absorbed a great deal of inside information. In this volume he gives a vivid, spicily written, and generally fair-minded account of the fatal events from 1911 to 1914 which culminated in the World War. It is journalism of the highest quality, very readable, rich in literary allusion, and based more on personal information, the psychology of mankind, and on memoirs than on a close study of the more prosaic and tedious mountains of diplomatic documents. One gets the feeling of being on intimate speaking terms with many of the great ones in frock coats and uniforms who were responsible for the final terrible catastrophe. As he skips lightly from the dissection of one personality to another and passes from one dramatic scene to the next, one sees the figures moving across the stage to their doom as in a Greek tragedy.

The last third of this volume, in which Editor Wolff describes his own activities and personal impressions during the weeks just before the war, constitutes the most valuable and interesting part of the book. He explains how on May 21 he was invited by Baron von Stumm of the Foreign Office to expose in the *Tageblatt* the secret of the negotiations for an Anglo-Russian naval agreement, of which the German Government had secretly learned through Baron Siebert of the Russian Embassy in London. At the moment that Austria presented her ultimatum to Serbia he was with his family at the seashore in Holland, when he was urged by the Foreign Office to return to Berlin at once. On arriving he found that his newspaper had not lived up to his editorial injunction to caution but was giving too much support to Austria. During the following hectic week he visited the Foreign Office daily, often several times a day, and analyzes vividly the psychology of the helpless over-optimism of its inmates and of the excited street crowds whom he met on his way. Especially notable is his conversation with Bethmann-Hollweg some months later in which the grief-stricken Chancellor revealed his poignant suffering at the failure of his efforts for peace.

Sidney B. Fay is professor of history at Harvard. His "Origins of the World War" is the authoritative work in its field.

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# Directors and Misdirectors

*RULERS OF AMERICA.* By Anna Rochester. New York: International Publishers. 1936. \$3.50.

Reviewed by E. D. KENNEDY

**I**F a pacifist were to write a treatise on 18-inch guns, his objection to heavy artillery would be colored by his objection to weapons of any description. When a radical writer bases a study of the connection between large American banking houses and correspondingly large American corporations on "the economic and political teachings of Marx as developed for the imperialist era by Lenin," her thinking is conditioned by her hostility to private property, the profit system, the position of labor and capitalism in general. Thus Miss Anna Rochester, attempting a restrained, factual, documented study of America's progress toward the complete Capitalist State, handles her material with an intemperate emotionalism that prohibits any scientific spirit of inquiry. She has, for instance, a weakness toward the use of the word "notorious." She refers, almost casually, to the notorious Charles Mitchell, to the Liberty League as supported by men whose anti-union policies are notorious, to the Mellons as having notoriously refused to make adequate contributions to the Pittsburgh Community Chest, to the notorious propaganda of public utility companies, to NRA as having notoriously backed down before open shop corporations. A good example of notorious (with context) is seen in the observation that

Rockefeller philanthropy and systematic publicity, put over by the late notorious Ivy Lee, have built up a picture of kindness and generosity which cannot fool the rank and file workers who are sweating to build up the Rockefeller wealth.

There is certainly no reason why a radical writer should not be entitled to speak her mind about bankers and industrialists. But Miss Rochester sees the capitalist evil only in the oversimplified, melodramatic terms of a physical devil with horns, tail, and pitchfork.

The rulers of America, as Miss Rochester defines them, are large industrial-bankers and large banking-industrialists whose ramifications extend through every branch of American industry. The Morgan interests, the Mellon interests, and the Rockefeller interests are the particular objects of attack. By an elaborate technique of listing interlocking directorates, Miss Rochester concludes that Morgan interests reach 362 corporations with assets of more than seventy-seven billion dollars; that Rockefeller influence reaches 227 companies with assets of nearly forty-five billion dollars; and that Mellon influence reaches 118 companies with assets of some seventeen billion dollars. After showing how interests influence corporations, Miss Rochester presents brief sketches of several key industries. Here she reverses the process, listing the corporations and going back to the interests behind them. Concluding

chapters give the history of American foreign investments in twenty-four pages, sum up the Depression in fourteen pages, and discuss the problem of "Will the Rulers Maintain Their Power?" in six pages. Miss Rochester says that "present trends foreshadow a revolutionary crisis at some future date."

It is obvious that a discussion of Morgan (or any other) interest depends upon the extent to which the banking house influences the corporations associated with it. Miss Rochester begins by listing corporations who have on their directorate a Morgan partner. Then she adds companies who have as a director anyone who is a director or an officer of the First National Bank or of Bonbright & Co. Next she lists companies which keep some of their cash on deposit with J. P. Morgan & Co., First National, or Bonbright. By this time her position is becoming distinctly insecure, for the fact that a corporation may have a balance in a "Morgan" institution does not establish it, in any significant sense, as a Morgan company. For instance, this classification includes the American Tobacco Co., Bethlehem Steel, and Eastman Kodak in a grouping at which Mr. George Washington Hill, Mr. Charles Schwab, and the late George Eastman would certainly protest. It also includes E. I. duPont de Nemours & Co., which the du Pont family probably imagines is controlled by the du Ponts and the Standard Oil Co. of New Jersey. It is really tearing a passion to tatters to put John D. Rockefeller's original Standard Oil trust into a Morgan sphere because the New Jersey company may keep a balance in a Morgan vault. Of course Miss Rochester realizes that Standard of New Jersey is primarily a Rockefeller company and it also appears, in full force, under the Rockefeller listings. American Telephone & Telegraph Co. also appears under both the Rockefeller and the Morgan influence and its \$4,235,000,000 of assets help mightily to swell both totals. But when Miss Rochester sets up a Morgan influence in a company which, like Standard of New Jersey, is so emphatically not a Morgan company in any proper sense, it is difficult to accept her ticketing in many other cases in which no more substantial connections are established.

Miss Rochester has still another Morgan classification, made up of companies whose directorate includes a "Morgan man" (not a Morgan partner) from Bankers' Trust, Guaranty Trust, Chase National, or National City banks. Here Miss Rochester overestimates the influence of a director, also the influence of a commercial bank, and follows her thesis through several removes from reality. Many of the officers of these Class IV Morgan companies are also directors of other corporations, and Miss Rochester could have added several hundred additional companies to the "interest" if she had pushed her interlocking directorates through one more step. She does come close to this fifth step in discussing the Rockefeller interests by counting as