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Series IV: Sermons, 1914-1963, undated.

Reel	Box	Folder
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Why Europe misunderstands America, 1926.

Western Reserve Historical Society 10825 East Boulevard, Cleveland, Ohio 44106 (216) 721-5722 wrhs.org American Jewish Archives 3101 Clifton Avenue, Cincinnati, Ohio 45220 (513) 487-3000 AmericanJewishArchives.org THE FOLLY OF DEBT CANCELLATION

ABBA HILLEL SILVER

The Temple, Cleveland, Ohio

The burden of war debts will keep Europe from major warfare for a generation. Remove that burden and you will witness another ghastly holecaust in a decade.

Friends of the League of Nations should be the first to insist upon the payment of these debts; for the greater the military load and the financial penalties of war, the more attractive will a peace-perpetuating agency, such as the League, loom in the eyes of the people of Europe.

Cancel the Allied debts, make war inexpensive for the belligerents and you will be facilitating future conflicts. Finances are the determining factors in modern civilized warfare, not human life. All that the beliggerent nations in the future will have to do will be to borrow the money which they need for the persecution of their war from some rich neutral, inveigle it into the struggle a little later by systematic propaganda, and at the close of the war ask for the cancellation of the debts in the name of Humanity. The erstwhile neutral will pay the bill and the belligerents will be left with all the booty of war. Thus the thieving diplomats, who in the first place were responsible for the war, will be vindicated and active preparations will then be begun for the next war. This is exactly what is happneing in Europe today.

The Allied nations are conducting an intensive campaign to stampede un into debt cancellation, in order to place the financial burdens of the last war upon the shoulders of American taxpayers. They will then be free to pursue their imperialistic policies in every corner of the earth. It is seeningly more honorable in the eyes of these debtor nations, to carry on costly wars of aggression in Morrocco, in Syria and in China, to squander national wealth upon military establishments at home and abroad, greater than in pre-war times, than it is to pay just national obligations.

America is unpopular in Europe today. That is unfortunate but not very serious. National popularities are rather evanescent things in European all times. They change sometimes as high as four or five times a year, according to the dictates of the political manipulators of European affairs. We were extremely popular during the war - when we gave of ourselves unstintingly. We became suddenly unpopular during the Peace Conference, when we began to ask, not for ourselves, of course, but for the cause of justice and permanent peace. In January, 1919, Woodrow Wilson was hailed as a savior in Europe. Three months later, at a signal from certain powerful interests, he was demned in half the towns and villages of Strope.

When we settled our debt with England in 1923, the English were satisfied. Mr. Baldwin was greeted on his return home as a financial genius who had effected a very advantageous financial settlement. More than three years later, america is denounced as extortioner: Someone high in authority is again pulling strings... America should not be disconcerted by the maximulations manifestitations of European sporatic distemper. We must determine for ourselves what is the just and wise thing to do - and then, regardless of praise or censure, carry on . . . "WHY EUROPE MISUNDERSTANDS AMERICA."

RABBI ABBA HILLEL SILVER.

THE TEMPLE, SUNDAY MORNING,

OCTOBER 3, 1926, CLEVELAND, O.





One carries away with him a great many impressions from a visit to Europe, even if that visit be a brief one. One obtains certain new flashes of insight, and one has his views formed at long distance from books and newspapers corrected and modified. Above all, a visit to the Old World enables one to get an idea of the full life of the Old World, --not merely of the outstanding political and economic problems which find their way into the trans-Atlantic cables; one learne much more; One sees much more, and that much more is the real Old World and the real civilization of the Old World.

The Old World is far from being ruined, however much it tried during the past decade to ruin itself. for fuids There is a very vigorous cultural and intellectual activity everywhere. The collges and the universities of Europe still harbor the finest intellects of the world. Europe has made and is making marvelous strides in every department of scientific thought and discovery. The Old World is still eager and alert and full of beauty. Europe has not yet abdicated its cultural and intellectual egends, to my mind.

And then, Again, one is impressed on visiting the Old World by the fact that America, richer by far and the peoples of more prosperous, has yet much to learn from the Old World, much to learn from the old World, Involute learn from its standards of thought and modes of living. Their values are sounder; their artistic reactions

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are keener; their intellectual activity per man is greater, and above all, their mode of living has much more of the peace and leisure, and, I suspect, much more of the things that really matter, than our mode of living. Of course Europe has much to learn from us, and it is learning much from us. Organization, administration, efficiency, standards of physical comfort, -- they are learning these things quite rapidly from us; and well it is that they are. Still study from us; and well it is that they are. Still study form us; and well it is that they are. Still study form us; and well it is that they are. Much real profit, for many generations to some, atudy European standards of thought and culture and European cultural traditions.

So that in our discussion which follows and discussion which follows and discussion which are changing daily, one ought not to confuse the transi-Timal and distreming political and companie publicus these problems with the real civilization of the Old World, which has weathered more than one hurricane and which possesses strong and glorious and abiding qualities.

The American visitor to Europe this year was undoubtedly impressed, or rather unpleasantly impressed with the fact that the American is unpopular in Europe. In certain quarters the American tourist was greeted coldly; in other quarters he was greeted warmly, --all too warmly, -for that matter, with hoots and cat-calls and similar indubitable of acceletions; and Gur guileless visitors from the various sections of our lond were rather outraged by these manifestations of disfavor, and interpreted them as close evidences of base ingratitude on the part of these nations whom we so magnanimously rescued from disaster just a few years ago. Well, That we are unpopular abroad today is true; that this unpopularity is unfortunate is likewise true, but it is also true that this unpopularity is notwery serious. Yeu know, Mational popularity in Europe is a rather evanescent thing. It sometimes changes four or five times a year, according to the manipulations of the men in control of propaganda and publicity.

During the war we were extremely popular in Europe, when we gave unstintingly of ourselves) During the Peace Conference we suddenly became extremely unpopular because we began to ask - not for ourselves, of course, but to ask, nevertheless, because of justice, humanity, permanent peace. When Woodrow Wilson, of blessed memory, first visited Europe in January of 1919, he was the most popular man in the world. He was hailed as a Savior and a Messiah. His visit to the various lands was tike a triumphal procession, and his way was strewn with the flowers of a cheering and an acclaiming multitude. Three months later he was Some on had given the damned in half the towns and villages of Europe, at the the signal. behest of Certain powerful interests who controlled public opinion in Europe, just as there are powerful interests whe uns unfimilar. control public opinion in the United States. It is the same the world over it fallows they fore that So that this unfortunate unpopularity to

which we are now being subjected should be discounted by thoughtful Americans. It is an artificially stimulated

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affair and may change at any moment. The cause of this for to seeks unpopularity is, of course, not hard to see: the debts, -- the debts which the Allied Nations owe us and which we would like to collect. Instinctively, of course we resent a creditor, and vigorously do we resent him when he insists upon payment. That is human nature. Our erstwhile Allies claim that the war was a common enterprise; that we came into the war late. and that therefore they, the Allies, had to carry the whole brunt of the war up to our entrypee, and much of the burden They claim that their sacrifices, after our en especially in man-power, were far greater than ours; they maintain that for the sake of the successful prosecution of the war they were compelled to borrow money from us, but now that the war is ended, justice and morality dictate that these debts be cancelled, and Inasmuch as the United States cannot be persuaded by these second considerations, see this moral angle of the debt problem, it is clearly an extortionist nation, a Shylock among the hations of the world. And therefore we are extremely unpopular.

Of course in making these claims the Allies say nothing about the booty and the swagger which they carried away with them from Versailles; the colonies and the mandates and the millions of square miles of territory. They say nothing, for example, that England's share alone of this booty will pay the whole cost of the war in a generation. Nothing is said about the responsibility for precipitating the war, --which it has since been proved was shared by some of these Allied Powers. It is

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still unctiously assumed or stated that Germany and Germany alone was responsible for the beginning of the war, whereas historians, both at home and abroad among the Allied Powers, have proved conclusively that some of the Allied Powers, at least, were equally culpable with Germany for the precipitation of the struggle.

The allied nations fail to realize that In 1926 the war, in the United States, is no longer envisaged as it was in 1917. We know now what we did not know then, -- that the war was not a war for civilization, but that the war was a war of barbarically civilized nations against other barbarically civilized nations, for power and dominion. We paid our share of the war, --65,000 slain, 200,000 wounded, 15 billions in wealth expended, 3 billions more in bonuses, 400 millions of dollars to be spent annually for the care of our veterans. We paid a handsome price for the vindication of our rights which were violated in the war. But now that we are asked to assume an additional burden of eleven thousand millions of dollars in the name of an idealism which was cynically flaunted, the American no longer as people is not as easily persuaded; and therefore it is extremely unpopular.

A few days ago I came across a rather pointed and extremely clever cartoon in one of the Chicago newspapers accompanyed by with a paragraph in the nature of a subscript, an interpretation of the cartoon, which In a humurous vein presents the American point of view on this subject of American unpopularity abroad. The cartoon represents Uncle Sam addressing a group of men, - the neutrals during the war: Holland, Norway, Sweden, Denmark and other neutrals. And his plaint: " this is the monolog of Unclo Sam:

"Say, save Uncle Sem, "how do you explain this puzzling situation? You-all had a lot more ships and men sunk by the U-boats during the war than I had. You were in the front and back yard of the war during the four years it was raging, with pieces of it flying over the fence. Both sides violated your neutrality, but you sat tight and stood pat, even though history knows you are a proud, husky and courageous lot. You stayed out of the war. I was on the other side of a great ocean, three or four thousand miles from the nearest cannon. My folks did not care to mix in the fight .- at least, they said so as late as November. 1916. They thought it was kind of a family row. But we joined up in April, 1917, and announced that we were fighting to save civilization. What I can't exactly understand is why you fellows did not hop in, too, if old Mr. Hiram W. Civilization was in such danger. However, to make a long story short. I finally got in, after being cussed for not getting in, and then being cussed for getting in so late. I raised four millions of soldiers, sent a couple of million to France. left a lot of them over there, ran up the national debt from one billion to twenty-six billions, helped the Allies with ships, ships and more ships when they desperately needed them. sent food when they couldn't get enough anywhere else, lent them money when they were broke, sent them men when they

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desperately needed them, with their backs to the wall, and finally, by sheer weight of resources, tipped the scales to victory. In the peace negotiations, based on the Fourteen Points, which soon got more or less lost in the shuffle, I helped the Allies to some choice picking in the way of several million square miles of territory; but when I wanted the little island of Yap, they blocked me and offered instead a mandate for Armenia, which they haven't been able to get anybody to accept to this day. There is no oil there. I even kept lending them billions after the fighting was all over and civilization had been saved from King George's Cousin Bill.

"Now here we are eight years after the war. They call me a selfish, grasping, dollar-pinched, miserly Uncle Shylock. They all like you boys who stood on the side lines during the scrap, and they don't like me who lent them a hand. It gets me. How do you explain it? Would I be as popular as you if I stayed out? Or would you have been as unpopular as I if you had gone in? Figure it out and drop me a post-card."

The propaganda for debt cancellation has now reached our own shores, and many sincere and capable men have arisen in our midst to champion debt cancellation. Somehow the arguments used seem to have the seme flavor of those finally propaganda arguments of pre-war days which catapulted us that into the maelstrom. You recall we were told then back in [916 and the early days of 1917, that if we would but enter

the war on the side of the Allies that we would put an end to war for all time: that we would establish universal peace; that the nations would disarm; that a new day, a new age would dawn for civilization, - if only we would come into We did come into the struggle and we now the struggle. helped to knew on. know what a wonderful new age we have. No disarmament and no peace and no democracy; more of suspicion and more of hatred and more of dictatorship and more of imperialism rampant in the world today than the days before the war. And now we are told in the self-same pietistic style if we war would but cancel these debts, why permanent peace would be established in Europe, all the economic problems of the nations over there would be solved, and peace and prosperity and happiness and a universal millennium would set in.

One should be on his guard against such Athertations an derived to erguments, because they have the same effect which the earlier arguments had - to mislead and to stampede. What will the cancellation of debts do for the peace of Europe? Nothing. What have American debts to do with the peace of Europe? Nothing. What had American debts to do with the war in 1914? Nothing. The war was the result of interand ruthless Economic Comfetition and Comfetients national rivalries, and these intermational rivalries, will not be stopped by the cancellation of our debts. What have American debts to do with France's invasion of Morocco and France's little war in Syria, and England's little war and big massacres in China? Nothing.

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With credit tight and under the heavy load of

indebtedness, the nations of Europe have since the war increased their armies and their navies and their air forces, maintained extensive military establishments, shalegic er military establishments in central Europe, financed et and carried on a few little wars of their own. What would happen if the load of debt is lifted and credits become easier. Less war? More war! Less armament? More Less imperialistic adventures in all parts of armament! far more! The burden of war debts the world? More, by will keep the nations of Europe from engaging in a major war for a generation at least. Lift that burden and you will have another universal holocaust in a decade. Cancel to the used the debts, make known that war is inexpensive, -- for mind you. modern civilized nations are determined in the matter of declaring or not declaring war by financial considerations exclusively, not by the fear or the dread of losing human life, -- make war inexpensive and you will be precipitating lukes conflicts in Europe. All that a nation will have to do in the future will be to declare war, to borrow the wherewithal for the prosecution of the war from some rich neutral, and then subtly to carry on an intensive propaganda to inveigle that neutral into the war as an ally, and finally, at the conclusion of the war, to ask in the name of humanity for the cancellation of the debt. 3

That is what has happened; that is what is be raddled with likely to happen. The erstwhile neutral will carry the financial burdens; the victorious will carry away the booty

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Wear fuge is winkently more interested in English neval supremacy than is English spiritual mpremacy.

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and the bla tragic tale of pre-use competion in armament would be retold-and later on menseted in filerd.

were of the war, and the scheming diplomats, who in the first place were responsible for the war, will thus be vindicated, and preparations will then be begun for the next war An eminent English churchman, the dean of St. Paul's, -- Dean Inge, recently wrote a rather intemperate adds his voice T book in which he joins chorus of his fellow countrymen in denouncing America, arggraph he gives the 5 the Euclean adirate & concellation Case away obt concellation problem. He says: "English naval supremacy is at an end, and with it the instrument by which we built up and maintained our Naval strength depends mainly on national wealth. empire. We are no longer rich enough to build ships against all possible rivals, and the Americans, by insisting on our repayment of the vast debt, incurred for the sake of France. to which we rashly put our names, have secured that we shall remain permanently tributary to themselves and unable to challenge them on the water."

What does it mean? It means that if America were not insisting upon the payment of the debt, and if England were financially able, she would be today embarking in order y on a vast program of naval expansion, so that she may permanently dominate the world. N as the part gow unhan Naval expansion would be g uccen to similar expansion m The MR.TSThe the other nations of the world. "Before the natices war the peoples of Europe had four millions of men in their standing armies. Since the war, under the load of those debts, France increased her army about 100,000 men; England by 34,000; Belgium by 32,000; Greece by 44,000; Rumania by

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rearly all the victor on mations has universal and compulsory military training. I dawd which is in dire economie distress financies an army of 306,000 men, 510 aniplanes, 220 tanks and 441 batteries .deven permi needer- aline

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43,000; Spain by 50,000 - increased strong on. And at the same rate The navies have be ncincreased and the naval budgets have risen in almost every nation of Europe that has a navy. And the Gir forces have increased at an appalling rate. France alone acknowledges to having 3500 flying planes ready to be launched into battle. How many. others are not being acknowledged we do not know. A great point is made of the economic cancellation of debts. By cancelling the argument f debt it is held we would help to rebuild the economic position of the countries of Europe; they would therefore become better customers for American products; our foreign trade would increase, and therefore Rebt cancellation is a wise economic policy. I am not a close student of inter-. national economics, -- that is not my milieu. The Allies can discover many and many a loophole in this economic argument. It is assumed (an assumption not based on fact) that the debt is the sole or the chief reason for an economic depression in Europe. That has not at all been proved. What have our debts to do with the coal strike in England, which has retarded the industrial recovery of England? What have our debts to do with the fact that the French government is not able to balance its budget? France has as yet not paid us one sou on the principal or the interest of the debt. The French nation is prosperous; French taxation is lower than where had been that in almost any other country engaged in the war. France has been collecting tremendous amounts by way of reparation

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have received from from Germany. This Aast year Germany paid t 570 millions gold marks in reparation . What is responsible for the demoralization in Freach polities the French government finances? French militaris m. The fact that France ecause the people are prosperous. wishes to maintain a vast military establishment of over if she werks to manon her 700,000 soldiers, not counting her navy and her air forces; the fact that France Wishes to con not in my fremenden enperin military adventures in Morocco, and another little way in Syria; the fact that R/ France wishes to maintain armod allied forces in Central these things demoralize her finances, then in all fair. Europe, and these things demoralize her fina new cars, while be blamed for this demoralization? It is being stated, too, that our exports have dropped in the last few years because of the conomic 5 their weapacity demoralization of the peoplesof Europe, because they rannot to buy our products. That, to my mind, is clearly erroneous. Our exports have decreased in the last few years not because of the economic demoralization of Europe but because of the economic recovery of Europe. In 1914 we exported to Europe amounted to something like \$1,400,000,000 worth. In 1920, during the greatestperiod of war inflation, when the economic life of Europe and debits un cancelled. was completely broken up and demoralized, when Europe had to depend on us, our exports jumped to \$4,800,000,000, but Since due to Euchede stady recovery then, because the peoples of Europe are able more and more to take care of their own needs, because many of them are themselves exporting now, our export has dropped regularly every year, -- \$3,400,000,000 in 1921; \$2,200,000,000 in 1924; there to the last there years 2,061,000,000 in 1922 -12in 1923 2,035,0+0,0+0

appenr, makely and real in A sint . and the cost TO MILLIONS ROLD DEFESSED TO MEMORY CAS When the bains of an the granth own experts in the form year helper the war this the figure will represente the a normal nicease in an expense to a period of the years from 1914-1926. - and in the second of the second of the second bas . Closed man i without which is a the and the second second second the strogroups tast The all the strate a . The Date of Cold 10 100 100 stoenoure viscale at . all the of and an day to enoming of Bethenrer on Al-2 mil occult to the placedoe and Herm conduction on the state of the series one are no to the select of the se aunit and .000.000.000. of here asseance and the one can preminance etde in energies a selecter ette angeles an a stand to vite the second a solution of the stand of the theman benders and troome and . Wen enline a boylondert 1.400.000.000 in 1981; 18.200.000.000.000

accord 2, 500,000,000. in the last year. Between June 1925 and June 1926, it had improved a bit to \$2,330,000,000. This is a normal economic readjustment. And even at that Our exports today are nume than 1919. Bearly one billion dollars more than they were in the days before the war. So that Our debts have nothing to do with Medicine on the fall of our exports, and the economic argument for debt cancellation collapses.

You read the other day where the coal and iron magnates of Germany, France and Belgium united to form a syndicate or a trust for the control of the steel market in Europe. One of their objects is to exclude American steel products. Now while delt cancellation might benefit, presumably, these magnates, just where will debt cancellation benefit American export? The European nations are recovering their markets in foreign countries; they are also carrying on by way of anti-American canpaigns in these foreign markets.

Just where will lebt cancellation benefit us commercially? One fails to see. Clearly, if there is any to merit in the debt cancellation argument it is end not eff in the economics at all but and of idealism and morality. If it can be ebtablished that debt cancellation will hasten the day of peace and prosperity in Europe, and therefore in the world, then it is the bounden duty, as it would be the greatest privilege, of the American government to cancel these debts. If, on the other hand, it is established that such cancellation at this time would be the very reverse, --

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precipitate additional conflicts, enkindle s still greater competition in armaments and bring additional woes upon the bruden duty oppressed peoples of Europe, then it is the clear moral duty of the American government to insist upon the full payment of these debts.

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From my way of thinking there is but cne under condition, which, if granted, our government should cancel these debts, and under no other consideration or condition. and that condition is the complete and universal disarmament of all the peoples of Europe -- simultaneously! - the scrapping of armies and navies and air ships, which never protect a people but always instigate war, bloodshed, catastrophe.

If the nations of Europe, realizing the folly of the past century, the stupidity of competitive armaments. the inevitable tragic consequences of such armaments, will consent to reduce their armament to an absolute minimum. should, as its contribution to good-will and , as its contribution, cancel these debts then America mag internation frandships, cancel debts the and hasten the return of the world to normal conditions. Failing in this, then I am almost confident that the peoples of Europe are not ready to embark upon any such epochmaking program. They are still steeped in the ideology, in the psychology of the days before the war. Failing in this, our nation would do well to determine for itself the right thing to do, and regardless of praise or blame, see it theory h regardless of popularity or unpopularity, carry on and pursue its destiny.

We have a rare opportunity to guide the world

if the world will be guided; we have a rare privilege to help the world if the world really wishes to be helped. Clear logic, sound reason, are the only instruments to be employed by thinking Americans in this problem of debt & entrut war Lurid sentimentalitien cheap appeals to cancellation. will emotionalism will deprive us of the last great opportunity which we have for helping mankind.

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sermon 215

The burden of delits will keep Euche prom major warfare In a generation. Remoth that Ander and you will withers another ghastly holocaust in a becade. Friends the League haters shall, when the payment the deber for the preater the military load and the finian-cial fenalties when the stronger with attractive will a feace. the leges of the perfecte furte. and man uper heuris for the belli sente mate man uper heuris for the belli sente for and you the frame the baci latating for the coupliets. All that helle percute matines in the Jution well have to do

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Why Europe Misunderstands America

Sermon 215

Some Impressions of a Recent Visit Abroad

By

RABBI ABBA HILLEL SILVER, D. D.

THE TEMPLE CLEVELAND, OHIO

Vol. VI No. 2

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Why Europe Misunderstands America

By

Rabbi Abba H. Silver, The Temple, Cleveland, Ohio

O NE carries away with him a great many impressions from a visit to Europe, even if that visit be a brief one. One obtains certain new flashes of insight, and one has his views, which are of necessity formed at long distance from books and newspapers, corrected and modified. Above all, a visit to the Old World enables one to get an idea of the full life of the Old World,—not merely of the outsanding political and economic problems which find their way into the trans-Atlantic cables. One sees much more, and that much more is the real Old World and the real civilization of the Old World.

The Old World is far from being ruined, however much it tried during the past decade to ruin itself. One finds a very vigorous cultural and intellectual activity everywhere. The colleges and the universities of Europe still harbor the finest intellects of the world. Europe is making marvelous strides in every department of scientific thought and discovery. The Old World is still eager and alert and full of beauty. Europe has not yet abdicated its cultural and intellectual hegemony.

Again, one is impressed on visiting the Old World by the fact that America, richer by far and more prosperous, has yet much to learn from the peoples of the Old World, from their standards of thought and modes of living. Their values are sounder; their artistic reactions are keener; their intellectual activity per man is greater, and above all, their mode of living has much more of the peace and leisure, and, I suspect, much more of the things which really matter, than our mode of living. Of course, Europe has much to learn from us, and it is learning much from us. Organization, administration, efficiency, standards of physical comfort, they are learning these things quite rapidly from us; and well it is that they are. But we may still study with real profit to ourselves European standards of thought and European cultural traditions. So that in the discussion which follows we ought not to confuse the transitional and distressing political and economic problems with the real civilization of the Old World, which has weathered more than one hurricane and which possesses strong, glorious and abiding qualities.

The American visitor to Europe this year was undoubtedly impressed, and rather unpleasantly impressed with the fact that the American is unwelcome there. In certain quarters the American tourist was greeted coldly; in other quarters he was greeted warmly,-all too warmly-with hoots and catcalls and similar indubitable ejaculations. Our guileless visitors were rather outraged by these manifestations of disfavor, and interpreted them as evidence of base ingratitude on the part of nations whom we so magnanimously rescued from disaster just a few years ago. That we are unpopular abroad today is true; that this unpopularity is unfortunate is likewise true, but it is also true that this unpopularity is not very serious. National popularity in Europe is a rather evanescent thing. It sometimes changes as often as four and five times a year, according to the manipulations of the men in control of propaganda and publicity.

During the war, when we were giving unstintingly of ourselves, we were very popular in Europe. During the Peace Conference we suddenly became extremely unpopular because we began to ask—not for ourselves, of course, but for justice, humanity and permanent peace. When Woodrow Wilson, of blessed memory, first visited Europe in January of 1919, he was the most popular man in the world. He was hailed as a savior and a Messiah. His visit to the countries of Europe was a triumphal procession. His way was strewn with the flowers of a cheering and an acclaiming multitude. Three months later he was damned in half the towns and villages of Europe. Some one had given the signal. Certain powerful interests who control public opinion in Europe, had waved the baton, and behold, Wilson was unpopular.

It follows therefore that the unfortunate unpopularity to which we are now being subjected might well be discounted by thoughtful Americans. It is an artificially stimulated affair and may change at any moment.

The cause of this unpopularity is, of course, not far to seek: the debts,—the debts which the Allied Nations owe us and which we would like to collect. Instinctively we resent a creditor, and vigorously do we resent him when he insists upon payment. This is human nature. Our erstwhile Allies claim that the war was a common enterprise; that we came into the war late, and that, therefore, they, the Allies, had to carry the whole brunt of the war up to our entry, and much of the burden after our entry. They claim that their sacrifices, especially in man-power, were far greater than ours: they maintain that for the sake of the successful prosecution of the war they were compelled to borrow money from us, but now that the war is ended, justice and morality dictate that these debts be cancelled. Inasmuch as the United States cannot be persuaded by these moral considerations, it is clearly an extortionist nation, a Shylock among the peoples of the world. And therefore we are extremely unpopular.

Of course in making their claims the Allies say nothing about the booty which they carried away with them from Versailles; the colonies and the mandates and the millions of square miles of territory. They say nothing, for example, that England's share alone of this booty will pay the whole cost of the war in a generation. Nothing is said about the responsibility for precipitating the war,—which it has since been proved was shared by some of these Allied Powers. It is still unctuously assumed that Germany and Germany alone was responsible for the war, whereas historians, both at home and abroad among the Allied Powers, at least, were equally culpable with Germany for the precipitation of the struggle.

The Allied Nations fail to realize that in 1926 the war is no longer envisaged in the United States as it was in 1917. We know now what we did not know then,—that the war was not a war for civilization, but a war of barbarously civilized nations against other barbarously civilized nations, for power and dominion. We paid our share of the war— 65,000 slain, 200,000 wounded, 15 billions in wealth expended, 3 billions more in bonuses, 400 millions of dollars to be spent annually for the care of our veterans. We paid a handsome price for the vindication of our rights which were violated in the war. But now that we are asked to assume an additional burden of some twenty-two thousand millions of dollars in the name of an idealism which was cynically flaunted, the American people is no longer as easily persuaded,—and therefore it is extremely unpopular.

A few days ago I came across a rather pointed and extremely clever cartoon in one of the Chicago newspapers, accompanied by a paragraph which interpreted the cartoon. In a humorous vein this paragraph presents the American reaction to its unpopularity abroad. The cartoon represents Uncle Sam addressing a group of men who were the neutrals during the war: Holland, Norway, Sweden and Denmark. And this is his plaint:

"Say, how do you explain this puzzling situation. You-all had a lot more ships and men sunk by the U-boats during the war than I had. You were in the front and back yard during the four years it was raging, with pieces of it flying over the fence. Both sides violated your neutrality, but you sat tight and stood pat, even though history knows you are a proud, husky and courageous lot. You stayed out of the war. I was on the other side of a great ocean, three or four thousand miles from the nearest cannon. My folks did not care to mix in the fight,-at least they said so as late as November, 1916. They thought it was kind of a family row. But we joined up in April, 1917, and announced that we were fighting to save civilizaton. What I can't exactly understand is why you fellows did not hop in too, if old Mr. Hiram W. Civilization was in such danger. However, to make a long story short, I finally got in, after being cussed for not getting in, and then being cussed for getting in so late. I raised four millions of soldiers, sent a couple of millions to France, left a lot of them over there, ran up the national debt from one billion to twenty-six billions, helped the Allies with ships, ships and more ships when they desperately needed them, sent food when they couldn't get enough anywhere else, lent them money when they were broke, sent them men when they desperately needed them, with their backs to the wall, and finally, by sheer weight of resources, tipped the scales to victory. In the peace negotiations, based on the Fourteen Points, which soon got more or less lost in the shuffle, I helped the Allies to some choice picking in the way of several million square miles of territory; but when I wanted the little island of Yap, they blocked me and offered instead a mandate for Armenia, which they haven't been able to get anybody to accept to this day. There is no oil there. I even kept lending them billions after the fighting was all over and civilization had been saved from King George's Cousin Bill.

"Now here we are eight years after the war. They call me a selfish, grasping, dollar-pinching, miserly Uncle Shylock. They all like you boys, who stood on the side lines during the scrap, and they don't like me who lent them a hand. It gets me. How do you explain it? Would I be as popular as you if I stayed out? Or would you have been as unpopular as I if you had gone in? Figure it out and drop me a post-card."

The propaganda for debt cancellation has now reached our own shores, and many sincere and capable men have arisen in our midst to champion debt cancellation. Somehow the arguments now used seem to have the flavor of those propaganda arguments of pre-war days which finally catapulted us into the maelstrom. You recall that we were told back in 1916 and the early days of 1917, that if we would but enter the war on the side of the Allies we would put an end to war for all times; that we would establish universal peace; that the nations would disarm; that a new day would dawn for civilization—if only we would come into the struggle. We did come into the struggle and we now know what a wonderful new age we helped to bring on. No disarmament and no peace and no democracy; more of suspicion and more of hatred and more of dictatorship and more of imperialism rampant in the world today than in the days before the war. And now we are told in the self-same pietistic style, that if we would but cancel the war debts, permanent peace would be established in Europe, all the economic problems of the warravaged nations would be solved, and prosperity and happiness and a universal millenium would set in.

One should be on his guard against such exhortations and such fantastic promises, because they are designed to have the same effect which the earlier arguments had—to mislead and to stampede. What will the cancellation of debts do for the peace of Europe? Nothing. What had American debts to do with the war in 1914? Nothing. The war was the result of international rivalries and ruthless economic competition, and these rivalries and competitions will not be stopped by the cancellation of our debts.

What have American debts to do with France's invasion of Morocco and France's little war in Syria, and England's little war and big massacres in China? Nothing. With credit tight and under the heavy load of indebtedness, the nations of Europe have since the war increased their armies, navies and air forces, maintained extensive military establishments, financed strategic military establishments in central Europe, and carried on a few little wars of their own. What would happen if the load of debt were lifted and credits became easier? Less war? More war! Less armanent? More armament! Less imperialistic adventures in all parts of the world? More, vastly more! The burden of war debts will keep the nations of Europe from engaging in a major war for a generation at least. Lift that burden and you will have another universal holocaust in a decade. Cancel the debts, make it known to the world that war is inexpensive,-for mind you, modern civilized nations are determined in the matter of declaring or not declaring war by financial consideration exclusively, not by the dread of losing human life,make war inexpensive and you will be precipitating endless conflcts in Europe. All that a nation will have to do in the future will be to declare war, borrow the wherewithal for the prosecution of the war from some rich neutral, and then subtly carry on an intensive propaganda to inveigle that neutral into the war as an ally, and finally, at the conclusion of the war, ask in the name of humanity for the cancellation of the debt. The erstwhile neutral will be saddled with the financial burdens, and the victorious nations will carry away the

booty of the war. The scheming diplomats, who were in the first place responsible for the war, will thus be vindicated, and preparations will then be begun for the next war....

An eminent English churchman, the dean of St. Paul's, —Dean Inge, recently wrote a rather intemperate book, in which he adds his voice to the chorus of his fellow-countrymen in denouncing America, and in which he gives the whole case of the European advocate of cancellation away. Dean Inge is evidently more interested in English naval supremacy than in English spiritual supremacy. He says:

"English naval supremacy is at an end, and with it the instrument by which we built up and maintained our empire. Naval strength depends mainly on national wealth. We are no longer rich enough to build ships against all possible rivals, and the Americans, by insisting on our repayment of the vast debt, incurred for the sake of France, to which we rashly put our names, have secured that we shall remain permanently tributary to themselves and unable to challenge them on the water."

What does it mean? It means that if America were not insisting upon the payment of the debt, and if England were financially able, she would today be embarking on a vast program of naval expansion, in order that she may permanently dominate the world. Such naval expansion on the part of one nation would, of necessity, lead to similar expansion on the part of other nations. And the old tragic tale of pre-war competition in armament would be re-told and later re-enacted in blood.

Before the war the nations of Europe had four millions of men in their standing armies. Since the war, and under the load of debts, France has increased her army by 100,000 men; England by 34,000; Belgium by 32,000; Greece by 44,000; Rumania by 43,000; Spain by 50,000. Nearly all the victorious nations have universal and compulsory military training. Poland, which is in dire economic distress, finances an army of 306,000 men, 510 airplanes, 220 tanks and 441 batteries. The navies of the Great Powers have increased and the naval budgets have risen in almost every nation of Europe that has a navy. Air forces have increased at an appalling rate. France alone acknowledges to 3500 flying planes ready for battle. What scope will not debt cancellation give to the militarists now in control of the nations of Europe!....

A great point is made of the economic argument in favor of the cancellation of debts. By cancelling the debt, it is held, we would help to rebuild the economic life of the countries of Europe. They would therefore become better customers of American products; our foreign trade would increase. Debt cancellation is therefore a wise economic policy. I am not a close student of international economics, -that is not my milieu. But even an untrained man can discover many a loop-hole in this economic argument. It is assumed (an assumption not based on fact) that the debt is the sole or the chief reason for the economic depression in Europe. This has not at all been established. What have our debts to do with the coal strike in England, which has retarded the industrial recovery of England? What have our debts to do with the fact that the French government is not able to balance its budget? France has as yet not paid us one sou on the principal or the interest of the debt. The French nation is prosperous; French taxation is lower than that of almost any other country which had been engaged in the war. France has been collecting tremendous amounts by way of reparation from Germany. Last year France received from Germany 570 millions of gold marks in reparation.

What is responsible for the demoralization in French government finances? French politics and French militarism. If France wishes to maintain a vast military establishment of over 700,000 soldiers; if she wishes to increase her navy and her air forces; if France persists in conducting tremendously expensive military adventures in Morocco and in Syria; if France is determined to finance military allies in Central Europe, and if these undertakings demoralize her finances, how in all fairness can American debts be blamed for it?

It is being said, too, that our exports have dropped in the last few years because of the incapacity of European countries to buy our products. That, to my mind, is clearly erroneous. Our exports have decreased in the last few years, not because of the economic demoralization of Europe, but because of the economic recovery of Europe. In 1914 our exports to Europe amounted to \$1,486,000,000. In 1920, during the greatest period of war inflation, with the economic life of Europe completely broken and demoralized, our debts uncancelled, our exports jumped to \$4,863,000,000. Since then, due to Europe's steady recovery, our export has dropped regularly every year,-\$3.408,000,000 in 1921; \$2,067,000,000 in 1922; \$2,035,000,000 in 1923; \$2,200,000,000 in 1924. In the last three years our exports fluctuated around \$2,500,000,000. Between June 1925 and June 1926 they amounted to \$2,330,000,-000. This is a normal economic readjustment. Our exports today are more than one billion dollars more than they were in 1914. On the basis of the growth of our exports in the four years before the war, this figure would, approximately, represent the normal increase in our exports over a period of twelve years from 1914-1926. Our debts have nothing to do with the

decline in our exports, and the economic argument for debt cancellation collapses.

Clearly, if there be any merit to the debt cancellation argument it must be sought, not in the realm of economics, but of idealism and morality. If it can be proven that debt cancellation will hasten the day of peace and good-will in Europe, then it is the bounden duty, as it would be the greatest privilege, of the American government to cancel these debts. If, on the other hand, it be established that such cancellation at this time would achieve the very reverse,—precipitate new conflicts, stimulate still greater competition in armaments and bring additional woes upon the oppressed peoples of Europe, then it is the bounden duty of the American government to insist upon the full payment of these debts.

There is but one condition under which our government should cancel these debts, and that condition is the universal disarmament of all the peoples of Europe—simultaneously! the scrapping of all armies and navies and fighting air planes.

If the nations of Europe, realizing the folly of the past century, the stupidity of competitive armaments, and the inevitable tragic consequences of such armaments, will consent to reduce their armament to an absolute minimum, then America should, as its contribution to good-will and international friendship, cancel the debts. If they fail to do this, our nation would do well to determine for itself the right thing to do, and regardless of praise or blame, regardless of popularity or unpopularity, see it through.

We have a rare opportunity to help the world, if the world really wishes to be helped. Clear logic and sound reason should be our sole guide in this difficult problem of debt cancellation. Lurid war sentimentalism and cheap emotional appeals will deprive us of the last great opportunity to help mankind.

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