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### **MS-4787: Abba Hillel Silver Papers, 1902-1989.**

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Dollar justice and dollar diplomacy, 1926.

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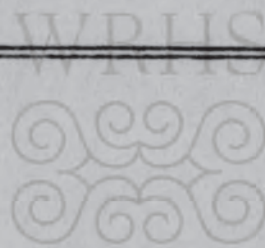
"DOLLAR JUSTICE AND DOLLAR DIPLOMACY."

RABBI ABBA HILLEL SILVER.

THE TEMPLE, SUNDAY MORNING,

DECEMBER 26, 1926, CLEVELAND.

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JOSEPH T. KRAUS  
Shorthand  
Reporter  
CLEVELAND



While on the train this week coming in from New York, I was reading a book which has since become quite well known, the book of Samuel Hopkins Adams, called "Revelry," which recounts, in the form of a novel, the episodes of a national administration not long since past, which has left a rather unsavory reputation behind it. Alongside of me sat a friend of mine, a rather prominent citizen of our community, who had read this book. When I finished it he turned to me and said, "Don't you think, Rabbi, that such books do more harm than good? Don't they shake a people's confidence in their government? Do they not tend to lower a people's esteem and reverence for government?" Of course I said to him that it is not a story of that orgy of corruption which shook the people's confidence in their government but the corruption itself. It is not the account of the event but the event itself, the occurrence itself which is responsible.

I said, furthermore, that one does not cure an illness by hiding it; that the first approach to the cure of a serious human ailment is the complete probing and analysis of that ailment and bringing it to light, and applying then the necessary remedy. I said of course there are people who will interpret such criticism of our national government as lack of patriotism, muckraking and what not. However, I found that most of those people who are loudest



in their denunciation of muckraking have political careers of their own that are very replete with political muck of one kind or another. A nation needs periodic stocktaking, a nation requires an inner searching, a self-examination from time to time. And isn't it one of the prime duties, if not the chief prerogative, of a private individual, I said, to tell Jacob his sins and Israel its iniquities?

There are a host of people who will tell you how good you are and how wonderful you are, what a fine and noble man you are, but it takes a real friend to tell you what your shortcomings are. And the people who flatter you are not likely to help you very much. They will satisfy your vanity; they will not stimulate or improve you. It is your truest friend who, freed from all taint of sycophancy and flattery, will point out to you just where your delinquencies and shortcomings are, who is likely to help you most in your advancement in life.

Now, we have plenty of people in these United States who will tell us what a wonderful, remarkable people we are, how perfect, how full of idealism, etc. There are two million people on the pay-rolls of our government, either federal or state or municipal, who have certain vested interests in government, and there are others who do not wish to have words of criticism said. But the real Americans, those who love their government deeply and profoundly, who are zealous concerning its integrity and its absolute righteousness, so that it might be a light unto the world, those



people will, from time to time, tell the shortcomings, the weaknesses of their own country.

Now, events have happened within the last few months, at home and abroad, which require, to my mind, a deep soul-searching on the part of the American people,-- a critical and thoroughgoing self-examination; at home, in the administration of justice; abroad, in our foreign policies. Two trials were recently held which, somehow, fell far below our own standards of justice. Two trials of notorious corruptionists were held, one in New York, one in Washington. In the one instance an erstwhile attorney-general of the United States, a man who above all other men was entrusted with the supreme and sacred responsibility of safeguarding the laws of our land, but who notoriously flaunted these laws; who conducted his high office like the most miserable of ward politicians; who stooped to the deepest forms of graft, and who was finally caught in half a dozen shady dealings and was hauled before the bar of justice on a charge of conspiracy to defraud the government.

This man, the erstwhile attorney-general of the United States, did not even have the manliness to testify in his own defense; and yet this man was acquitted. There are, of course, some who say this and some who say that, but the American people says that if this man were a poor man, if this man did not have approach to those devices and facilities which delay trials for three or four or five years, until the defendant is ready to be tried on his own terms; if



this man did not have access to the most skillful legal talent in the land, this man would today be behind the bars where poor criminals often go but rich criminals never.

The other trial concerned an erstwhile secretary of the Interior, a member of that same cabinet in that same ghastly administration. For the neat sum of a hundred thousand dollars, brought to him in a little black bag, he bartered away some of our naval reserve oil lands, which would have brought the beneficiary of this contract, according to his own testimony, one hundred millions of dollars in profit. This erstwhile Secretary of the Interior and his obliging millionaire friend and oil magnate were brought to trial on a conspiracy charge, on the charge of conspiring to defraud the government. Their defense was hilariously funny. This sum of one hundred thousand dollars was not a bribe, the defense held, but a loan! No one satisfactorily explained why such a loan should be sent in such a peculiar way, in cash in a little black bag, transmitted in person by the son of this oil magnate. Nor was it satisfactorily explained why this erstwhile Secretary of the Interior, on being caught with the goods, declared that a third man had loaned him this money and not this oil magnate, which third man promptly denied that. And upon being questioned as to why this lease on the most valuable naval reserve oil land was granted, these defenders had the audacity to say that they did it as a supreme patriotic act of duty, of love of country. You see, Japan was about to



attack the United States, and these people were the only two people who knew about it; and so one said to the other, "You go down to Hawaii and build me some oil tanks to keep the Japanese off from the United States, and I will pay you with oil, oil taken out from the naval reserve lands!" At that very time when Japan was about to attack California, the Secretary of State was negotiating with Japan, and with some of the other great powers of the world, for a new accord as regards the Pacific, a new treaty--and it was amicably arrived at--which established even friendlier relationships between the United States and Japan.

Thus patriotism, which is very often the last resort of the scoundrel, is again brought in to account for the failings of a public servant and the unscrupulous manipulations of an oil speculator, and the flag is again summoned to cover over the delinquencies of a public official. Well, these two men were tried and acquitted; in spite of the fact that a year and a half ago a district court declared these contracts entered into by this erstwhile Secretary of the Interior and this oil magnate to be null and void because of corruption and bribery; in spite of the fact that a Court of Appeals sustained the district court and declared these contracts null and void, these men who perfected these contracts were acquitted.

They say, of course, it is difficult to establish a conspiracy; they say this and they say that. But the American people say that if these people were poor, if



they could not engage attorneys and pay one \$400,000.00 and another \$100,000.00, if they could not influence the political machinery of this country so that their trials would be delayed five years,--if they were poor they would now be behind the bars of the penitentiary, where poor criminals are found but where rich criminals never are found.

Now, I regard these two trials as very serious; I regard these two acquittals as very serious. Not because I am vindictive or because I should like to have seen these two people or these three people punished; not at all. It is because such miscarriage of justice eats ultimately at the very vitals of a government. When justice is flaunted, when men of power can brazenly defy our laws, then our national strength is water and our foundations are sand. Such miscarriage of justice makes law contemptible in the eyes of men, cheapens our regard and reverence for law. When people become convinced that men in power can with impunity flaunt our laws and cynically disregard them, why, these people become resentful. When our American people will become convinced that in this land, as some one said, you cannot convict a hundred million dollars, then our own system of justice and government is in danger of collapse. It was Josephus Daniels who declared--and wisely and profoundly--that such verdicts do more to undermine the pillars of society than all the Reds of Moscow.

I do not question the integrity of the judges who presided at these trials, nor do I question the desire of



the juries who handed in their decisions to be fair and honest, but the conviction is strong in my mind, as it is in the minds of 99% of our people, that these men, while acquitted, have not been vindicated; that these gross crimes were committed by men who should know better against the integrity and the safety of our government, and that these men have gone scotfree. And the conviction is strong in my mind, and the minds of many, that these two are not isolated cases but typical of what is daily transpiring in this land. The rich criminal is not punished, and wealth is a defense for every wrongdoer. I am very much worried about the state of affairs.

Again, things have transpired abroad which reflect upon our international policies, and which do not reflect credit upon us. I have in mind, first of all, our relations with Mexico. Mexico has had, as you know, a checkered career. For hundreds of years it was exploited, maltreated and abused by the Spanish government. More than a hundred years ago Mexico won its independence, and from that time on to this its history has been one of unrest, revolution, internal strife. Mexico is one of the richest countries in the world, and one of the most unfortunate.

Two factors have contributed, in the main, to keep Mexico troubled, complex. The one has been the church, and the other foreign capital. For centuries the church dominated the life of Mexico; for centuries the church has had complete control of the educational and cultural life



of the Mexican people, with the result that up to this day only one-half of one per cent. of the Mexican people are educated. The percentage of illiteracy in that country is appalling. There are tribes in Mexico to this day that are uncivilized. The church in Mexico has not been content to confine its activities to the spiritual or the religious realm, but it has mixed up quite aggressively in politics. It has sought to direct government. It has always been the defense of the feudal landlords and the oligarchs that has been the enemy to Mexican freedom.

In 1917 Mexico, after a revolution, adopted a new constitution which established for all times the separation of church and state and which forced the church out of the political life of the Mexican people, a step which was absolutely necessary for the future progress of the Mexican people. But the church has defied that constitution, and by every means available has sought to undermine its authority, and recently the church went to the extreme of establishing an ecclesiastical boycott, a strike, as it were, in Mexico, and has fostered an economic boycott in the hope of destroying this constitution and this constitutional government; and it has spread propaganda concerning<sup>the</sup> "atheists" who are now in control of Mexico and the "Bolsheviks" who are now ruling Mexico. These two terms are easily resorted to when one has no other argument to present. The rulers of Mexico are neither athiests nor Bolehsviks. Most of them are members of this self-same church, but they love Mexico and they believe



that Mexican freedom and progress can be achieved only if the church will be forced out of the political life of the country; and the Mexican people will succeed in that.

But they have a more serious problem as regards the foreign capitalists who, attracted by the great wealth of Mexico, have invested large sums of money, and who have, through the last few decades, used the governments of Mexico for their tools, who have manipulated governments and manipulated revolutions in Mexico to serve their own interests; and our own American capitalists are not without blame in this matter.

Now, in this constitution of 1917 two great reforms were introduced; one, a new agrarian policy which aims to subdivide the vast estates of landlords, and to place the exploited **peons**, the exploited Mexican peasants on the soil; and the second law aims to win back ultimately all the rich natural subsoil resources of Mexico for the Mexican people. And so a law has been enacted that hereafter only Mexican citizens and Mexican companies shall have the right to receive concessions from the government, all foreign companies who will renounce the right to appeal to their diplomatic representatives whenever they have a dispute with the Mexican government.

In other words, Mexico has determined, being a sovereign state, to rule its own land, to control its own resources,--a very just and wise thing to do. But Mexico has declared time and again that her new regulations touching



oil lands or other mineral lands are not retroactive. In other words, that those foreign companies who before 1917 invested in oil lands and other lands in Mexico will have their investments completely protected; that there will be no confiscation of property, no basic rights denied, and up to this day there has been not one foot of land confiscated and not one right of a foreigner denied. But these enormously rich foreign companies do not like these liberal laws of Mexico, and so they are seeking to embroil their own governments in Mexico. They are using their foreign offices and their state departments to back up their unjust claims in Mexico; and our own State Department has been used recently as a propaganda avenue for these capitalists in Mexico. We should be playing the part of the big brother there; this great democracy should now be helping a poor, struggling, desperately beset people that is now trying to find itself as a democratic people. We should be helping it, but instead of that we are bullying it and threatening it and making its road vastly and tragically difficult.

And the same criticism may be made of our policy in another country, the largest country in Central America,--Nicaragua. You read this morning where our marines have been sent into the country to drive out the rebels and to keep in power the present government, which came into power through force and violence,--a reactionary government, a government which is the catspaw and the tool of South American banking interests and other financial interests.



We have no business there. We are not the monitors of those countries, and we have no right to take sides in their internal disputes; but our army, our navy and our state department is being used for things which our country should not sanction.

And, lastly, there are the Philippines. We came into possession of the Philippine Islands after the Spanish-American War, just as we came into possession of Cuba. Whereas we declared Cuba independent, we did not grant the same boon of independence to the Philippine Islands, although Admiral Dewey then declared that the Filipinos were more fit to govern themselves than the Cubans were. Not granting them freedom, we had to subdue them by force and by brutality. It took 70,000 American troops to conquer the Philippine Islands, and there was more bloodshed in those few months of our conquest than in the three hundred years of the Spanish oppression of the Philippine Islands. Time and again we declared that it was our intention to grant the Filipinos independence. In 1914 both houses of Congress passed a bill, and it has always been the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established there; and in 1920 President Wilson sent a message to Congress stating: "Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of



Congress on their behalf, and have thus fulfilled the conditions set by Congress as the precedent to a consideration of granting independence to the islands. I respectfully submit, "wrote President Wilson, "that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands."

President Wilson's administration was soon succeeded by another administration that thought differently. Action on the granting of independence was postponed. An emissary was sent, a personal representative of the President was sent to the Philippine Islands to make another study of the situation, and this man, a citizen of our city, Mr. Carmi Thompson, has just returned. In his report, while in many regards liberal and generous, inasmuch as he counsels the ending of the military despotism which General Wood has established there recently, still he urges the American people to hold on to the Phillipine Islands until such time as the people are able to govern themselves.

Who is to determine when the people are able to govern themselves? A conquerer is never satisfied with the conquered until it is able to govern itself. How can a people develop itself politically unless it is given a chance to develop itself through self-government? In order to be free a man must have the right to exercise his judgment freely, to make his own mistakes, if necessary. We have made our mistakes in this country. We are still making them. We made some very tragic and disastrous mistakes in the course



of our political history. We had civil war and we had struggles at one time or another; but it is only through mistakes and errors that a people learns the truth, the technique of self-government. The Filipinos are just as much entitled to make their own mistakes as we are, just as much entitled to run their own government as we are. But there are vast sugar plantation interests and vast financial interests and other capitalists who would like to have the United States hold the Philippine Islands.

Now, my attitude is that our position in the world would be much stronger, our moral leadership in the world would be less questioned, if our own skirts were clean. The peoples of Europe know these facts even better than the citizens of the United States. They know the story of our exploitations in Mexico and in Central America and in the Philippines, and they frequently say unto us: "Doctor, cure yourself first." And if you will read from time to time that the peoples of Europe are cynical concerning our pretensions of moral purity and international righteousness, remember that they have some justification for their attitude of doubt.

We have fallen, from time to time, victims of dollar justice and dollar diplomacy. It has not been the steady, the consistent policy of our government. Thank God we have, in the main, succeeded in keeping our light undimmed and our ideals unclouded, but we have from time to time fallen short of our own ideals, as we have recently, and it



behooves us, as I believe, to engage in a soul-searching and intensive self-analysis and examination, so that we may not still further fall below the standards which we have set for ourselves,--standards of absolute justice for the rich and the poor, equality for all before the law, and standards of absolute justice in our relations with all peoples, great or small, strong or weak, especially towards the weak who are dependent upon us.

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