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Justice, a Business Asset of Importance

The New York Tribune has a Washington bureau and that Washington bureau has sent to its paper, under a Washington headline, a dispatch attacking the policy of the president as applied to the state department on the subject of dollar diplomacy. Scare headlines are placed over the article as it appears on the page of the Tribune. Here they are:

BRYAN'S POLICIES MENACE TO TRADE

His Hostility to Foreign Business Projects in Which Americans are Interested Causing Alarm.

FELT IN LATIN AMERICA

Capitalists Who Invested in Foreign Enterprises in Good Faith Under a Protective Administration Object to Repudiation.

(From the Tribune Bureau.)

Then follows this report:

How gravely are American interests abroad to suffer as the result of Secretary Bryan's administration of the department of state? Has the American citizen any rights whatever outside his own country which the government should protect?

These questions are occasioning grave anxiety to those Americans who, unable to foresee the coming of the "Little America" policy of the state department, have invested capital in foreign countries. There is an unsettled feeling in the commercial world, due to apparent hostility of Secretary Bryan toward any foreign business project in which American financiers are interested, and as a consequence trade relations between the United States and other countries are seriously threatened.

Under the Taft administration encouragement was given to Americans to develop the natural resources of the Latin-American countries, for the mutual benefit of those countries and the United States. As a result there has been unprecedented prosperity, and at the same time American interests have been protected; but Secretary Bryan's disapproval of these enterprises threatens to result in grave loss to American investors and to reduce the countries concerned to a condition in which they will be unable to secure necessary financial aid to maintain their commercial progress.

One instance of Secretary Bryan's policy toward American interests in Latin America has come forcibly to the attention of the president and has caused the Nebraskan not a little embarrassment. This was his attempt to recall Henry Janes, who was delegated by President Taft last November to act as one of the arbitrators in a claim dispute between the government of Ecuador and the Guayaquil & Quito Railway company, an American corporation, in accordance with the provisions of a contract between the disputants.

Encouraged by the apparent unfriendliness of Mr. Bryan to American financial interests abroad, the Ecuador government submitted to the secretary statements regarding the dispute over the claims, which were for transportation and damages resulting from the revolutions in that country since 1908, with the result that Secretary Bryan promptly decided that the railroad company should not be aided in any way by the department in its efforts to collect the claims. Accordingly, he induced President Wilson to authorize the recall of Mr. Janes, and the latter was ordered back to Washington.

By a strange coincidence a capitalist who is interested in the railroad called at the White House soon after Mr. Janes was recalled to pay his respects to President Wilson. In their friendly chat the president inquired about his caller's business, not knowing that he was one of the heaviest stockholders in the Guayaquil & Quito Railway company.

The president's friend replied that his railroad in Ecuador had been having serious trouble with the government in connection with the collection of certain eminently proper claims, but that a Mr. Janes, appointed by President Taft, seemed about to secure an equitable settlement.

It dawned on President Wilson that it was his friend's interests he had abandoned at the instance of Mr. Bryan, and he immediately directed the countermanding of the order recalling Janes. A telegram was sent instructing Mr. Janes to remain.

Mr. Janes is still at Quito, but Secretary Bryan is not satisfied with the situation, it is learned from an authoritative source. The Ecuadorian charge d'affaires, knowing that he enjoys the sympathy of Mr. Bryan, is bringing every influence to bear to effect the recall of Mr. Janes, and appears to be receiving some encouragement from Mr. Bryan, despite the president's attitude.

The government of Ecuador has appointed Dr. Alfredo Baquerizo Moreno, president of the Ecuadorian senate, to act with Mr. Janes in the arbitration of the dispute.

Fear is expressed by those who have invested money in the Latin-American countries that as soon as Secretary Bryan's attitude becomes generally understood there will ensue a series of repudiations of contracts or similar injuries to American property and investments. They submit that this is manifestly unjust to them, because whatever may be the attitude of this administration toward the future investment of American capital in foreign countries, that which has been invested in the past, and when it was the policy of the government to protect and foster such investments, is deserving of continued protection.

"Repudiate dollar diplomacy as hard as you wish. Throw it into the deep blue sea, if you wish. But don't permit your secretary of state to abandon those of us who invested our money in good faith and with the knowledge that we had the approbation of the government at Washington to our fate at the hands of these more or less irresponsible and oft-changing governments in Central and South America," President Wilson's caller is reported to have said, and the president heeded his plea.

The president, it is contended, will have to go further if he is to protect Americans who have invested their funds in the countries to the south. He will have to induce the secretary of state not to withdraw his moral support of the rights of Americans, for it is that moral support which is usually most effective.

These men ask nothing in the way of concessions or guarantees, it is pointed out, but merely that it be made known that the United States will not tolerate injustice or injury to the property of its citizens abroad any more than it would injury to their lives. It is argued that any other policy will jeopardize every dollar of American money invested, and, in addition, will greatly detract from the respect in which this country is held in Central and South America.

Now for the facts:

The man who called at the White House was the vice president of the railroad and he called for the express purpose of laying the case before the president after the matter had been presented at the state department. He called upon the president with the approval of the secretary of state, and the secretary of state heard him after he returned from the White House. Almost all the facts in the case were obtained from this railroad official and they were laid before the president. The president, after fully informing himself, rendered a decision, and Mr. Janes was not recalled until after the decision was rendered. Neither was the recall recalled. Mr. Janes sent in his resignation, as asked, and a new arbitrator will be appointed.

The telegram recalling Mr. Janes stated that the president had not had occasion to consider any questions personal to him but that he was recalled because he did not and under the circumstances could not meet the requirements of the contract between the government of Ecuador and the American company. The contract provides that in case of dispute the matter in controversy shall be settled by a board of arbitration to be composed of the presidents of the two republics or, in case they can not act, of two persons, one appointed by each president. In case the arbitrators thus appointed can not agree, the two presidents are to appoint a third, and the decision of this board of arbitration will be final as to the matter in dispute. The president believes that America's representative on the board of arbitration should be impartial and unbiased, a man in position to act as a judge or a juror acts in a court of law in this country. Mr. Janes did not meet the requirements of such an appointment. For more than a year he had assisted the railroad official in preparing the case against Ecuador. He was then appointed by the department at the request of the railroad official, the railroad official being asked by the department to suggest a person for arbitrator. His compensation was fixed by agreement between him and the railroad company and fixed at an amount more than six times as great as the salary which he was drawing in the department. Mr. Janes had been trying for more than three months to secure the co-operation of the government of Ecuador in the arbitration, but the government had given one excuse after another for refusing to accept him as arbitrator, the real objection being that he could not be considered unbiased.

No disinterested citizen of the United States will dissent from the president's decision when the facts are fully understood. The attempt to secure arbitration before such an arbitrator as Mr. Janes was—and no reflection is intended upon the character or purpose of the man—has already caused irritation that is prejudicing American interests in Ecuador.

The decision reached by the president in this case is hailed with joy, not only in Ecuador but throughout Central and South America because it is a promise that the moral force of this government will not be used to compel acquiescence in methods that are repugnant to our own principles of jurisprudence.

Now as to the "menace" which the Tribune seems to fear. "Dollar Diplomacy" has not only menaced American interests in foreign countries, but it has closed the door of opportunity to American capital. It has excluded American enterprise from a fertile field which is the natural outlet for American business men. We heard a few years ago of the importance of confidence as an aid to business—can there be confidence without justice and fair dealing as a foundation?

The harvest is ripe and President Wilson is seeking to extend and enlarge the area of American activity. He has rightly decided that honesty has a commercial value and that justice is a business asset of importance. He expects to make the American capitalist favored throughout those countries which are only partially developed and he expects to do it by compelling American investors to be as honest and fair abroad as they are at home.

Let the New York Tribune state the facts and it will not dare to criticize the president's position, for the president has taken his stand upon a truth—a truth so self-evident that even a partisan newspaper can not challenge its success before its readers.

THE PEACE PROPOSAL

Following are dispatches to the New York World: London, April 25.—"Secretary of State Bryan's peace proposal laid before the diplomatic corps at Washington has all the simplicity characteristic of the great idea," says the Evening Standard today, "but whether it is practical only time can show."

"The gravest discredit will be reflected on the European government which does not welcome the communication and give it the fullest and most sympathetic consideration."

FAVORABLE COMMENT IN ENGLAND

Chicago, April 25.—Secretary of State William J. Bryan, passing through Chicago today on his way to California, expressed pleasure on reading a dispatch from London commenting favorably on his peace proposal laid before the diplomatic corps. When Mr. Bryan saw the dispatch he dropped some parcels he was carrying and standing in the station read it with apparent satisfaction.

"It is a great pleasure that the idea is being well received abroad," he said.

The secretary also read a dispatch from Buenos Aires, Argentina, approving of this government's expressed attitude toward Latin-American countries. "That evidently refers to the president's attitude toward dollar diplomacy and to an interview I gave out on the subject at Washington a few days ago," said Mr. Bryan.

ARGENTINE PAPER COMMENDS

Buenos Aires, April 25.—An expression of the fullest approval of the attitude of Secretary of State Bryan in connection with the relations between the United States and the Latin-American nations is published today by La Nacion.

The newspaper considers that President Wilson has spread confidence and sympathy by eliminating the causes which were arousing suspicions of Monroeism, in this way, it says, he favors commercial expansion.