

Conscience in Diplomacy and Business

Henry N. Hall, representing the New York World, has written for his newspaper, an article from which the following is taken:

Mr. Bryan's advent in the state department marks the beginning of a new era in the international relations of the United States, because his conception of the uses of diplomacy is radically different from that which for the past sixteen years has directed this country's foreign policy. Mr. Bryan had been discussing with me what is known as "Dollar Diplomacy" and its effects. There was nothing of the emotional orator about him. His talk was as calmly reasoned as a court decision, but it radiated heartfelt faith in the American people, in their principles, their morality and their form of government. He was rugged, grave, studious and sincere. He epitomized all our talk in one of those short, expressive sentences he is so fond of using when he said:

"The preceding administration attempted to till the field of foreign investment with a pen-knife; President Wilson intends to cultivate it with a spade."

We were travelling together from Washington to Philadelphia. "Dollar Diplomacy," he said, "is a phrase coined to describe a policy of government under which the state department has been used to coerce smaller nations into recognizing claims of American citizens which did not rest upon a legitimate basis—claims that were either founded in injustice or which were exaggerated until they represented an unfair demand. When a great nation like ours deals with one comparatively smaller, as, for instance, the republics of Central and South America, the larger nation must be even more scrupulous as to the methods employed than when it is dealing with a nation that can defend itself. If, for instance, an American corporation or an American promoter goes into a country awaiting development and obtains a concession or makes a contract, questions may arise—they actually have arisen—as to the performance of the contract by the American corporation. The corporation when its rights are affected turns to the state department for assistance, and it is proper that the state department should render such assistance as can be legitimately rendered."

A GUNBOAT WITH EVERY BOND

"But what assistance is legitimate?" I asked. Mr. Bryan, who makes very few gestures in speaking, gave a little pull to his white shirt sleeve and looked for a moment at the old-fashioned flat cuff button he was wearing. Then he went on:

"Everything depends upon the definition of the word 'legitimate.' Some of the American promoters have acted upon the supposition that a gunboat goes with each bond, to quote language that has been actually employed. They demand of the government that the diplomatic representative of the United States accredited to the country they are interested in shall require that country to meet any and every demand that the promoting company may make, and some seem to think it right that these demands be supported without regard to their character—unjust ones as well as just ones. Sometimes the contract entered into between the Latin-American and the American promoter provides for the arbitration of controversies, the president of the United States to appoint the American representative on the arbitration board. It has even been the opinion of some—trained in the ways of dollar diplomacy—that this American representative should be not a judicial officer but the special representative of the corporation engaged in the controversy. The corporation has even been allowed to name the American arbitrator, and the government has been expected to support him and his findings just as if he were representing the honor of the nation instead of the interests of the corporation."

BEGINNING A NEW ERA

There was a shade of indignation in Mr. Bryan's voice as he spoke. He said:

"The change that has taken place in the conception of the nation's obligation in such matters was clearly set forth in the president's admirable statement on the Chinese loan. The preceding administration, acting in perfect good faith and in accordance with the former president's ideas of American interests, asked a group of American bankers to join a similar group in five other countries and negotiate a loan to the Chinese government. The American group was to have

a monopoly of this nation's part in the loan—not only a monopoly of the nation's part in the present loan but a preference in certain loans contemplated in the future. The American group joined with the groups in the other countries to arrange the details of the loan, one of the details being a provision for the appointment of foreigners to supervise the collection of certain customs duties as a matter of security. President Wilson, after a careful investigation of the subject and after the American bankers had had a hearing, refused to renew the request, setting forth his reasons therefor. While the statement related but to this Chinese loan, the reasons given for a reversal of the policy of this country on the subject applied and apply to the entire subject of diplomacy as it relates to American investments abroad and marks an era.

"The country has indorsed the president's course with unanimity and it can hardly be doubted that his approval will be extended to the subsequent development of this policy as it is applied to similar cases. The president believes—and what disinterested citizen does not—that this nation's obligations to urge fairness on the part of Americans dealing with foreigners are as binding as its obligation to ask fairness on the part of foreigners dealing with Americans."

And then, a somewhat stern expression in his dark eyes, he looked me full in the face and, raising his voice gradually till it swelled into an organ-toned tumult of sound, declared:

"The change that has taken place can not honestly be regarded as the inauguration of a new diplomacy; it is simply a return to the diplomacy of earlier years. It is the application of common sense, of common honesty and of plain every-day morality to our international affairs. It is a recognition of that sound philosophy which teaches that national ethics can not differ from individual ethics. President Wilson believes, and I believe, that there are no moral principles binding upon an individual that are not binding upon a nation. The attempt to formulate a moral code for nations different from that which governs us as individuals is the fruitful cause of most of the injustice that strong nations attempt to perpetrate upon weak ones. The golden rule is just as useful in international affairs as it is among neighbors and it is just as dangerous to ignore it."

THE REAPPEARANCE OF CONSCIENCE

Resuming his argument, Mr. Bryan continued:

"In a suit between two individuals in this country we are careful to insist upon the impartiality of the judge and jury. Any suitor can disqualify a judge if he can show that the judge is interested—either because of pecuniary interest or because of relations which would bias him. We carefully exclude from a jury every person who for any reason can be suspected of partiality to either litigant. Is there any good reason why we should be less insistent in our demand for fairness when the United States engages in a controversy with a foreign government over the claims of one of its citizens? Can we in good conscience ask that any other nation shall consent to arbitration before a board if the American representative is tainted with an interest or biased in favor of a party to the suit? Does not our country's sense of honor require that its representatives shall be above suspicion?"

"Dollar diplomacy was a repudiation of the fundamental principles of morality as universally understood and accepted, and it offended that sense of justice which is equally universal. The policy inaugurated by President Wilson seeks to bring international dealing into harmony with the universal conscience."

OUR BUSINESS IN OTHER LANDS

"What effect will this have on American business investments abroad?" I asked. There was confidence in Mr. Bryan's voice as he replied:

"I have no doubt that the effect will be most beneficial. To doubt it would be to distrust the economic value of righteousness. Justice is to the economic world what the law of gravitation is to the material world, and the suspension of justice is as disastrous as would be the suspension of the natural law that draws each particle of matter on the earth's surface towards the center of it.

"The attempt to enforce the claims of Americans by methods repugnant alike to conscience and to established usage has always resulted and will always result in an irritation that imperils

our trade relations and diminishes American opportunity. When the people of other countries understand that the United States will investigate claims before it puts its moral force behind them and that when it does approve a claim it will support that claim only by methods consistent with the nation's honor and the traditions of fair dealing—when the people of all other nations understand this they will welcome American capital and American capitalists.

"Many rich fields are awaiting development—the development of Central and South America is still in its infancy—and our nation is the nation to which our sister republics to the south of the United States naturally look for such assistance as they need. They followed our example in winning their independence with a gallantry no less than that of our own heroes; they modelled their constitutions after ours; their school systems are increasingly borrowing from ours; they are sending to us for instructions and for experts in various lines of material development. Why should they not be encouraged to avail themselves of our rich experience, of our advanced system of instruction and of our widespread prosperity? Why should they not look upon the United States as the great clearing house of their natural wealth?"

"It would be mutually advantageous. We need each other. Why not put our relationship upon an enduring basis of mutual confidence? The president's policy means extension, expansion and multiplication of American interests. We have, so to speak, been busy watching the spigot and neglecting the bunghole, and we have been doing it because of the short-sighted policy that allowed the man at the spigot to dictate the policy. The effort to get a few dollars by the employment of unfair and offensive methods has prevented our industries from securing that large and lucrative business which would have come with a more liberal policy—for a just policy is a liberal policy."

SOUTH AMERICAN IRRITATION

And then I asked him a question which for some time had been uppermost in my mind: "How are you going to win back the lost confidence of South America?" He answered in straight-flung words and few and with an honesty so obvious and plainly apparent that it won my heart:

"That matter will take care of itself. A splinter in the hand will make a sore and the sore will continue as long as the splinter remains. But when the splinter is withdrawn nature heals and heals quickly. Dollar diplomacy was a foreign substance; irritation was a natural consequence. The wounds of the past will soon be healed now that dollar diplomacy is dead."

DIRECT ELECTION OF SENATORS

Thus, "By open speech and simple, a hundred times made plain," has Bryan lifted his voice in the past to support the progressive principles dictated by his conscience. He began the fight for tariff reform thirty-three years ago, while yet in college. His first speeches, made in the campaign of 1880, when he was but twenty years old, are all on this subject, and for ten years it was almost his only theme. When nominated for congress in 1890, at the age of thirty, he wrote his own platform, and it contained a declaration in favor of the direct election of senators by the people. It was one of the earliest platforms upon the subject. As secretary of state he is to have the honor of announcing the adoption of the constitutional amendment just twenty-three years after he began his fight for this reform. He was elected to congress and appointed a member of the ways and means committee. It was in 1894, as a member of the sub-committee, that he assisted in framing the income tax bill and in its support made one of the finest speeches ever made in congress. From the time it was declared unconstitutional he waged an unceasing warfare in favor of an amendment to the constitution such as is now the supreme law of the land.

THE MAKER OF PHRASE

In dealing with the question of the trusts Mr. Bryan was a pioneer. Beginning before 1896 to speak on the danger of monopoly, he originated the phrase which has gone into four democratic platforms, "A private monopoly is indefensible and intolerable." The subject of publicity of campaign contributions, now also made law, was one of the doctrines in the advocacy of which Mr. Bryan blazed the trail. When first he urged this reform, so potent for the purification of politics, people scoffed at him. Nearly two decades ago he began to call attention to the money trust at a time when the