

ment because the latter enacted a similar policy toward Mexico. On February 4, 1914, President Wilson, according to a statement of a representative in congress in the committee for foreign affairs of December 30, 1914, upon lifting of the embargo on arms to Mexico, declared that "we should stand for genuine neutrality, considering the surrounding facts of the case * * *." He then held that "in that case, because Carranza had no ports, while Huerta had them and was able to import these materials, that it was our duty as a nation to treat (Carranza and Huerta) upon an equality if we wished to observe the true spirit of neutrality as compared with a mere paper neutrality."

If this view were applied to the present case, it would lead to an embargo on the exportation of arms.

THE SECRETARY OF STATE TO THE GERMAN AMBASSADOR

Department of State,
Washington, April 21, 1915.
No. 1379.]
Your Excellency:

I have given thoughtful consideration to Your Excellency's note of the 4th of April, 1915, enclosing a memorandum of the same date, in which Your Excellency discusses the action of this government with regard to trade between the United States and Germany and the attitude of this government with regard to the exportation of arms from the United States to the nations now at war with Germany.

I must admit that I am somewhat at a loss how to interpret Your Excellency's treatment of these matters. There are many circumstances connected with these important subjects to which I would have expected Your Excellency to advert, but of which you make no mention, and there are other circumstances to which you do refer which I would have supposed to be hardly appropriate for discussion between the government of the United States and the government of Germany.

I shall take the liberty, therefore, of regarding Your Excellency's references to the course pursued by the government of the United States with regard to interferences with trade from this country such as the government of Great Britain have attempted, as intended merely to illustrate more fully the situation to which you desire to call our attention, and not as an invitation to discuss that course. Your Excellency's long experience in international affairs will have suggested to you that the relations of the two governments with one another can not be wisely made a subject of discussion with a third government, which can not be fully informed as to the facts, and which can not be fully cognizant of the reasons for the course pursued. I believe, however, that I am justified in assuming that what you desire to call forth is a frank statement of the position of this government in regard to its obligations as a neutral power. The general attitude and course of policy of this government in the maintenance of its neutrality I am particularly anxious that Your Excellency should see in their true light. I had hoped that this government's position in these respects had been made abundantly clear, but I am of course perfectly willing to state it again. This seems to me the more necessary and desirable because, I regret to say, the language which Your Excellency employs in your memorandum is susceptible of being construed as impugning the good faith of the United States in the performance of its duties as a neutral. I take it for granted that no such implication was intended, but it is so evident that Your Excellency is laboring under certain false impressions that I can not be too explicit in setting forth the facts as they are, when fully reviewed and comprehended.

In the first place, this government has at no time and in no manner yielded any one of its rights as a neutral to any of the present belligerents. It has acknowledged as a matter of course, the right of visit and search and the right to apply the rules of contraband of war to articles of commerce. It has, indeed, insisted upon the use of visit and search as an absolutely necessary safeguard against mistaking neutral vessels for vessels owned by an enemy and against mistaking legal cargoes for illegal. It has admitted also the right of blockade if actually exercised and effectively maintained. These are merely the well-known limitations which war places upon neutral commerce on the high seas. But nothing beyond these has it conceded. I call Your Excellency's attention to this, notwithstanding it is already known to all the world as a consequence of the publication of

our correspondence in regard to these matters with several of the belligerent nations, because I can not assume that you have official cognizance of it.

In the second place, this government attempted to secure from the German and British governments mutual concessions with regard to the measures those governments respectively adopted for the interruption of trade on the high seas. This it did, not of right, but merely as exercising the privilege of a sincere friend of both parties and as indicating its impartial good will. The attempt was unsuccessful; but I regret that Your Excellency did not deem it worthy of mention in modification of the impressions you expressed. We had hoped that this act on our part had shown our spirit in these times of distressing war as our diplomatic correspondence had shown our steadfast refusal to acknowledge the right of any belligerent to alter the accepted rules of war at sea in so far as they affect the rights and interests of neutrals.

In the third place, I note with sincere regret that, in discussing the sale and exportation of arms by citizens of the United States to the enemies of Germany, Your Excellency seems to be under the impression that it was within the choice of the government of the United States, notwithstanding its professed neutrality and its diligent efforts to maintain it in other particulars, to inhibit this trade, and that its failure to do so manifested an unfair attitude toward Germany. This government holds, as I believe Your Excellency is aware, and as it is constrained to hold in view of the present indisputable doctrines of accepted international law, that any change in its own laws of neutrality

during the progress of a war which would affect unequally the relations of the United States with the nations at war would be an unjustifiable departure from the principle of strict neutrality by which it has consistently sought to direct its actions, and I respectfully submit that none of the circumstances urged in Your Excellency's memorandum alters the principle involved. The placing of an embargo on the trade in arms at the present time would constitute such a change and be a direct violation of the neutrality of the United States. It will, I feel assured, be clear to Your Excellency that, holding this view and considering itself in honor bound by it, it is out of the question for this government to consider such a course.

I hope that Your Excellency will realize the spirit in which I am drafting this reply. The friendship between the people of the United States and the people of Germany is so warm and of such long standing, the ties which bind them to one another in amity are so many and so strong, that this government feels under a special compulsion to speak with perfect frankness when any occasion arises which seems likely to create any misunderstanding, however slight or temporary, between those who represent the governments of the two countries. It will be a matter of gratification to me if I have removed from Your Excellency's mind any misapprehension you may have been under regarding either the policy or the spirit and purposes of the government of the United States. Its neutrality is founded upon the firm basis of conscience and good will.

Accept, etc.,

W. J. BRYAN.

Prosperity With Democratic Rule

Summary of address of Hon. William C. Redfield, secretary of commerce, at Indianapolis, Ind., April 28, 1915, before a meeting of representatives of Indiana manufacturing interests:

When I undertook a few days ago to prepare for speaking to you this evening I found on my desk two statements which seemed such as would interest you. One was in the morning paper for the day, a paper, by the way, not politically friendly to the administration. From its front page I quote these words:

"Expressing his firm conviction that the United States is on the high road to prosperity, Judge Elbert H. Gary, chairman of the United States steel corporation, told its stockholders at their annual meeting in Hoboken today that the position of this country in finance, industry, and commerce is better than ever before in its history."

A little further along Judge Gary is quoted as saying:

"Our position among the nations of the world is taking the lead. Finance, industry, and commerce are better today than ever before."

It should be understood that these words are not my own, nor are they taken from any partisan statement or even from a democratic newspaper. It will not be claimed that they come from any source prejudiced in favor of the democratic policy. I quote them not to criticize Judge Gary; on the contrary, to commend him for stating with frankness facts patent to all men of vision at the time when little minds and weak eyes dwell on vanishing troubles and prattle parochial politics as if that were statesmanship.

The other paper on my desk that morning was the statement of a prominent professional student of business, not connected with any party organization, a dispassionate and calm observer of commercial affairs. In his circular I find these words:

"Optimistic sentiment is finally developing into real business improvement. * * * The great industrial centers are awakening after a long sleep. Almost without exception manufacturing lines are picking up. * * * All lines connected with the building industry show improvement. * * * The outlook grows steadily better. * * * We are now the most favorably situated of any nation on the face of the earth, and in addition to a gradual improvement in this country we have the opportunity to develop our foreign trade as never before. Let every merchant and manufacturer take courage."

Again let it be noted these are not my words, nor do they come by any path however indirect

from any source remotely connected with the administration. They are the calm statement of a trained and impartial observer. Mr. William C. Van Antwerp, governor of New York Stock Exchange, is reported to have said:

"American business life is today built on more solid foundations than ever it was; its moral framework is based on character and the golden rule as never before. I firmly believe that the next ten years are to be the best years of our lives—best because freest from greed and selfishness—best because fullest of moral and material profit."

Must one be a democrat in politics to be glad of these things? I can not and do not believe that it is so. Can it be possible that any group of men for partisan purposes or political preference would minimize or conceal such facts as these? Do not all among us want to believe that Judge Gary speaks the plain truth and that the other authorities whom I quote know whereof they speak? Is it possible that there are among us any whose courage has so fallen away or whose partisanship is so passionate that they would even in thought assent to the country's being held back that they might clamber into office over the shoulders of those who for that precious purpose they are willing should be down and out?

I do not think so ill of your great state, my friends, as to believe that among its intelligent citizenship there can long survive the preacher of pessimism as regards our beloved country. If there be such among you, however, go, mark them well,

"For them no minstrel's raptures swell."

These purveyors of poverty for personal purposes will in due time go to their own places unwept, unhonored, and unsung, followed by the deserved curses of the deceived, falling into the limbo of the calamity howler where long ago the muckraker preceded them. These are they who in secret places speak evil of those who have brought the country through the most terrible commercial shock in its history and landed her safe and strong upon the peaceful shores of prosperity and influence.

One does not object to criticism when one thus speaks, but there are two kinds of the thing which men call criticism. The one deals with truth in frank and manly fashion with men in like method. It is constructive, it hates a lie and would not take false or unfair advantage for the sake of reward or gain. It is an open, candid, frank, and helpful thing. God forbid that there should