

The Latest Developments of the Ruhr and Reparations Crisis

By Arthur Rosenberg (Berlin)

In the Reparations question we must be more careful than ever today to differentiate between appearance and reality. On the one hand, we cannot fail to observe the apparent endeavor being made by the Entente Governments to obtain the reparation payments in cash. The place where this comedy is played is the Reparations Commission. On the other hand, we find the actual reality when we turn to the Ruhr, and see it annexed by French capitalism. The Reparations Commission here signifies General Degoutte and Comite des Forges.

It is true enough that France, in view of her shaken financial situation, is desperately in need of German payments on account. And it is equally true that the confidence of the French middle class in the state papers and in the franc is chiefly maintained by means of the formula: "The German will pay." And when it becomes perfectly clear that the German cannot pay, then there will be a rough awakening indeed. The fact that Poincare's Ruhr policy still meets with the support of broad strata of the French middle class is only explicable by their hope that Poincare's policy of the mailed fist in the Ruhr will compel the German to pay. Then the deficit in the French Budget would vanish, the franc would rise in value, and the annuitants need not fear that the French state will melt into nothing in their hands, like the war loans of the German Empire.

We can, however, certainly assume that M. Poincare himself, as also the mighty ones of the Comite des Forges, possess sufficient insight to see through the comedy of German solvency. Any bank clerk could teach the politicians of Europe that if one country is going to give another real payments, this can only be done in the form of goods. Should Germany really pay the reparation sums demanded, then woe to her creditors! Then the German reparation goods would flood the markets of the world, and many millions of families in the victorious countries would suffer from unemployment, which would show them very effectually what it means if Germany really pays. It is very characteristic that up to now every Franco-German agreement relating to deliveries in kind has been shipwrecked on the sabotage of French industrialists! How great the sensation aroused at the time by the Wiesbaden agreement between Rathenau and Loucheur, and again by the contract between Stinnes and Lubet- sac! But both agreements have proved worthless scraps of paper. The French big industrialists, who want to monopolize all the profits to be got out of the restoration of the devastated areas, have prevented the Germans from making payments in kind, to any extent worthy of mention, to the devastated provinces of northern France. This is the best proof that France cannot obtain German reparation payments, and in point of fact does not want them. The supplies of Ruhr coke to France are another matter. The bond which France holds against Germany, in the form of the reparation clauses of the Versailles Treaty, is merely the pretext for the subjugation of the West German colliery and iron ore areas by French heavy industry.

Those to whom all this is clear will be able to look on without much emotion at the latest endeavors of the Reparations Commission. The Passive Resistance in the Ruhr area having been abandoned, the Entente Governments have to keep up the appearance of seeking seriously for a solution of the Reparations problem. For this purpose they are harking back to the well-known Belgian plan worked out last June. The English, French, and Italian Governments have declared themselves agreed that the Reparations Commission should base its next efforts on the Belgian plan. The Belgian plan contains all manner of combinations in connection with

payments by Germany. It provides for the formation of certain international monopolies in Germany for the sale of sugar, salt, tobacco, wine, spirits, matches, etc. The exercise of the rights of monopoly is to fall to international syndicates, in which not only foreign capitalists are to be represented, but German capitalist circles as well. The German Railways are to be dealt with in a similar manner. The proceeds of all these undertakings are to flow into the Reparations exchequer. It is obvious that such a combination would enormously increase the cost of living for the working masses of Germany, and would at the same time provide very agreeable payments, in the way of commission and expenses of various descriptions, to the international capitalists participating in the administration of the monopolies. But of what assistance would all this be in the matter of reparation payments? The proceeds of all these monopolist administrations would naturally consist of paper marks, or of other German currency valid at the moment. But what are the Entente States to do with such quantities of German money? The possession of German money signifies the possibility of buying goods from Germany. We are therefore confronted by the old difficulty, that Germany is only able to pay the Reparation in goods. Beside this, German currency would have to be stabilized before such amounts of German marks would be of any use at all to the reparation creditors. But in spite of the rentenmark, the stabilization of the German currency remains a castle in the air.

The Reparations Commission will weigh every possible consideration of this description, and perhaps the whole inquiry into German solvency will be renewed. Such considerations and inquiries require time, and time is what Poincare is particularly anxious to gain. He is anxious to divert the current of British energies into the work of the Reparations Commission. Mr. Baldwin may rack his brains as to whether Germany's total debt should be assessed at 40 or 50 milliard gold marks, as to what percentage of interest is to be paid on the German Reparations debt, as to who is to have priority when Germany begins to pay, and similar speculations respecting the chickens which are not yet hatched. Meanwhile Poincare takes action in the Ruhr.

The tendency of French Rhine and Ruhr policy is perfectly clear: The fate of the Rhine and Ruhr areas is not to be discussed any further with the Berlin Government. Poincare finds ever fresh pretexts for avoiding any such discussion. At the present time he formally demands, very cleverly, that the conditions obtaining before the Ruhr occupation shall be restored with regard to the delivery of coal. But the German collieries only want to supply coal to France on the condition that the German government pays them. And this is beyond the powers of German finance. The country is therefore incapable of fulfilling its obligations with regard to the delivery of coal and coke, and M. Poincare need not negotiate with Stressemann.

An exceedingly simple series of conclusions. And what is the further logical conclusion? France will come to independent agreements with the separate concerns of Ruhr industry, after the manner of the Wolff agreement and the negotiations with Stinnes. Under some circumstances France may even advance cash to Ruhr industry in order to facilitate the sending of supplies. This will place Ruhr industry completely in the hands of France, the Comite des Forges will arrange all further details with Stinnes, Klockner, and Wolff, and the economic affiliation of the Rhine and Ruhr country to France will become an actual fact. The French railway regime in the Rhine and Ruhr areas will be made a permanency along the same lines, German industrialists partici-

pating in it, as suggested by Stinnes in his well known propositions to the German government. It need not be said that the French troops will meantime remain in the Ruhr valley, in order to cover all these manipulations. The exact political form which will be found for this actual separation of the Rhine and Ruhr area from Germany has not yet been settled, and is besides a matter of indifference. After the economic affiliation of the Ruhr and Rhineland to France has been accomplished, then Poincare will condescend to negotiate with Stressemann again.

It will be seen at once that certain of the fundamental ideas of the Belgian Reparations plan coincide with Poincare's practical Ruhr policy. The running of the railways and of the collieries of the Ruhr and Rhineland, by groups of mixed French and German capitalists, fits excellently into the Belgian plan. The sole difference is that this rearrangement of the economy of the Ruhr area will be for the benefit of the private capitalists participating, and that the Reparations account will receive no benefit. However, after Poincare has got the Ruhr area to this point, he will doubtless find the international formula enabling him to show the perfect harmony between his robberies and the Reparations paragraphs of the Versailles Treaty. And then the German Government will be forced to set its signature to the whole thing—if the German proletariat has not already cancelled the account.

NEW SONGS FOR OLD.

ALICE PARK.

DISARMING the nursery of military toys which teach young children their first lessons in war and therefore make the deepest and most lasting impression upon their minds, has been widely recommended by international peace organizations and by teachers of young children as well as by parents.

There are other nursery influences as dangerous as toy guns. It is high time to disarm the nursery and school of military songs. The influence of such songs is as deep and as lasting as that of military toys.

First impressions are hard to uproot. But the songs about army and navy forever and bombs bursting in air so familiar to all, that many people fail to recognize their true character as lessons in wholesale murder and delight in warfare.

The earliest song the writer remembers is "Jeanette and Jeannot," with its chorus:

Let those who make the quarrels be the only ones to fight—

Yes, let those who make the quarrels be the only ones to fight.

When anyone wishes to arrange a program for peace exercises for schools, it is extremely difficult to find appropriate songs in the ordinary books. The demand has been for war songs and therefore the books fit the demand. A new demand for peace songs will result in their creation and eventually in familiarity with them.

As admiration for war and for those who fight has been deliberately and systematically cultivated, so new peace education may be intelligently and profitably cultivated.

Music has always been recognized as stimulating to the emotions and so to action. It has been used in all countries to allure and to stir soldiers, and even to prepare the future generation to be soldiers.

Songs can be used and should be used to teach all children a belief in peace, the benefits of peace, the human happiness of peace, as well as an enthusiasm for peace and individual pledge to live for peace.