The Victory Year

That is the great hope, for, "Every gift of noble origin

"Is breathed upon by Hope's perpetual breath."
Home and native land, life and liberty, are great
gifts bestowed for high and noble purposes. To defend them must be just and righteous and justify the
conviction that they are dowered by "Hope's per-

petual breath."

Napoleon is credited with saying: "Providence is always on the side of the last reserve." In this war the reserves are manifold. Forty years' preparation by Germany meant much to overcome. At the Marne, near to the desired objective, the tide turned and Germany has been on the defensive ever since, on the Western front, the front believed to be the sphere of victory.

The peace overtures may be interpreted differently, but in the main they are signs of weakness. As records of humaneness, the Belgian atrocities put them out of court. Pressure from within Germany, economical more than political, grows apace, The conviction of many leading financial observers is that the pyramid of paper piled up by the various banks is such as to cause peace to be as much dreaded as war. German wars have been fed by indemnities. None are in sight to-day. Behind all is the deep sense across a world that Germany has outraged the highest and best interests of humanity and confidence in her integrity and honour have gone. Germany's place in the Sun to-day is under an over-shadowing eclipse. To change the figure, a great people have taken the wrong road and disaster is at the end. With the really dependent Allies growing strength comes with the days. To review the excellent position to-day, so palpably manifest to all careful observers is not needful. This noble saying sums up the certainty of victory: "The valour that is founded on Krupps can never triumph over the valour that springs from the unconquerable It has been asked, what will posterity think of us and the great struggle? This answer has been given:

We, who know, hope that what will strike a happy and unknowing posterity is not the glory of the coming victory, but the faithfulness unto death which is creating it, and the awful responsibility of those who bring upon the world such things as are happening to-day."

The last lap of any great effort loads the word gaithful with a depth of meaning that only a high inspiration can fulfil. Dangers are ahead. The Duke of Wellington said that there is nothing so terrible as a battle lost except a battle won. To hail the well won victory with the spirit and purpose of triumph altine becomes a wise and understanding people. For a great principle and its defence, the sword was unsheathed; that principle in its moral dignity should not suffer eclipse to mar the righteous victory.

Militarism, demonstrated to be the bane and curse of Europe, may or may not be a danger to this continent. The hope is that, as at the close of the American Civil War, so it will be at the close of this: "The nation waved her hand, and her army of more than a million sank back instantly into peaceful civil life as the soldiers of Roderick Dhu sank back into the heather."

With our many class interests the war, as in the United States on the close of the Civil War, may add another. There can be little doubt that both here and in Great Britain, the disbanding of the citizen army will mean a union for distinctive and special interests. Matthew Arnold's favorite dictum, "Sweet reasonableness," it is hoped may prevail.

Government of the people, by the people and for the people, the true ideal of Democracy, is still in evolution and many expect, as an outcome of the war, a higher, a fuller development, that the comradeship of the trenches will, beneath the smiles of peace, be still more fruitful, that with worthy aspirations will be broadening vision and a desire to "see things whole, and to see them as they are."

As we enter another year in good heart with steadfast purpose, to be and do the best, we cannot forget others:

To-day how many thousands will not hear.

There in their changeless timeless world of light.

The sad year's solemn passing in the night.

The silent coming of a hamler year.

For this new year, though full of woe and fear,
Shall prove that Right has triumphed over Might,
Shall see an end of war's accursed blight,
And Peace among the Nations drawing near.

We cannot hear their voices, clasp their hands;
The faces that we loved no more we see;
But they whose names are bright on Honour's
roll

In some far world shall know we reached their goal.

That nobler for their deed our Empire stands

Crowned with the Will that set all Europe free."

"Clause 4.—Likewise, in accordance with the declarations of statesmen of the Quadruple Alliance, the protection of the rights of minorities constitutes an essential component part of the constitutional rights of people to self determination. The Allied (Teutonic) Governments also grant validity to this principle everywhere, insofar as it is practically reasonable.

"Clause 5.—The Allied (Teutonie) Powers have frequently emphasized the possibility that both sides might renounce not only indemnification for war costs, but also indemnification for war damages. In these circumstances every belligerent power would have only to make indemnification for expenditures for its nationals who have become prisoners of war, as well as for damage done in its own territory by illegal acts of force committed against civilian nationals belonging to the enemy. The Russian Government's proposal for the creation of a special fund for this purpose could be taken into consideration only if the other belligerent powers were to join in the peace negotiations within a suitable period.

"Clause 6—Of the four Allied Powers, Germany alone possesses colonies. On the part of the German delegation, in full accord with the Russian proposals regarding that, the following is declared:

"The return of colonial territories forcibly seized during the war constitutes an essential part of German demands, which Germany cannot renounce under any circumstances. Likewise, the Russian demand for immediate evacuation of territories occupied by an adversary conforms to German intentions. Having in view the nature of the colonial territories of Germany, the realization of the right of self-determination, beside the above outlined considerations, in the form proposed by the Russian delegation, is at present practically impossible.

"The circumstance that in the German colonies the natives, notwithstanding the greatest difficulties and the improbability of victory in a struggle against an adversary many times stronger, and who had the advantage of unlimited import by sea, remained in the gravest circumstances faithful to their German friends, may serve as proof of their attachment and their resolve by all means to preserve allegiance to Germany, proof which by its significance and weight is far superior to any expression of popular will.

"The principles of economic relations proposed by the Russian delegation in connection with the above six clauses are approved wholly by the delegations of the Allied Powers (Teutonic) who always have denied any economic restrictions, and who see in the re-establishment of regulated economic relations, which are in accord with the interests of all peoples concerned, one of the most important conditions for bringing about friendly relations between the powers now engaged in war."

Chairman Ioffe, of the Russian delegation, pointed out that the self-definition of peoples within the limits granted by constitutions, as stated by the German reply, was not complete.

"Renouncing the application of the right of the stronger nation with regard to territories occupied during the war," he said, "the powers of the Quadruple Alliance at the same time give all their opponents an immediate peace-ground. They affirm that the right of the stronger, after unprecedented bloodshed, shall be preserved with all its integrity within each of the countries, with no regard for little and oppressed nationalities.

"The war cannot end without the violated rights of those nationalities being re-established. The Russian delegation insists that those nationalities must in the very next peace treaty, establishing a general peace among all nationalities, receive, on the basis of international agreement, guarantees that their lawful rights will be protected. The lapse of time in no case legalizes the violation of one people by another."

Regarding compensation for the maintenance of prisoners of war, the Russian chairman said it might be construed as an indemnity. He insisted that an international fund be used to pay damages against private persons. He had no objection to Germany's request that her colonies be evacuated by Entente troops.

Russia's delegation, he stated in conclusion, notwithstanding differences of opinion, thought that the German declaration that Germany has no aggressive plans, offered the possibility of the immediate beginning of negotiations for a general peace among all belligerents. He proposed a ten-day recess until January 4th, "so that the peoples whose Governments have not yet joined in the negotiations for a general peace may have an opportunity of such a peace as now is being established."

"At the expiration of the indicated time," he declared, "the negotiations must be resumed, disregarding whether or not other belligerents have joined in the negotiations or how many."

Terms of Peace

Central powers are ready to forego compulsory annexations and contributions

The Central Powers, through Count Czernin, the Austro-Hungarian Foreign Minister, stated their readiness to make an immediate general peace without compulsory annexations and without contributions, on Christmas Day at Brest-Litovsk. This is their answer to the Russian proposals, which they are ready to accept in most particulars as the basis of negotiations. They insist, however, that the Central Powers cannot bind themselves one-sidedly to such conditions without a guarantee that the allies of Russia will recognize and fulfil these conditions.

The Russian delegates asked for a ten-day recess in the negotiations in order to put the proposal before Russia's allies.

Count Czernin explained the position of the Central Powers in a statement which he read at the second session of the peace conference at ten o'clock Tuesday evening. His statement follows:

"The delegations of the allied (Teutonic) Powers, acting upon the clearly expressed will of their governments of the (Teutonic) Allies unswervingly have sible a general peace. The delegations in complete accord with the repeacedly expressed view-point of their governments, think that the basic principles of the Russian delegation can be made the basis of much a peace.

"The delegations of the Quadruple Alliance are agreed immediately to conclude a general peace withoutforcible annexations and indemnities. They share the view of the Russian delegation, which condemns the continuation of the war purely for aims of conquest.

"The statesmen of the Allied (Teutonic) Governments in programmes and statements have emphasized time and again that for the sake of conquest

they will not prolong the war a single day. The Governments of the (Teutonic) Allies unswervinfly have followed this view all the time. They solemnly declare their resolve immediately to sign terms of peace which will stop this war on the above terms, equally just to all belligerents without exception.

"It is necessary, however, to indicate most clearly that the proposals of the Russian delegation could be realized only in case all the powers participating in the war obligate themselves scrupulously to adhere to the terms in common with all peoples.

"The powers of the Quadruple Alliance, now negotiating with Russia cannot, of course, one-sidedly bind themselves to such terms, not having the guarantee that Russia's allies will recognize and carry out these terms honestly without reservation with regard to the Quadruple Alliance. Starting upon these principles, and regarding the six clauses proposed by the Russian delegation as a basis of negotiations, the following must be stated:

"Clause 1.—Forcible annexations of territories seized during the war does not enter into the intentions of the Allied (Teutonic) Powers. About troops now occupying seized territories, it must be stipulated in the peace treaty, if there is no agreement before, regarding the evacuation of these places.

"Clause 2.—It is not the intention of the (Teutonic) Allies to deprive the political independence of those nations which lost it during the war.

"Clause 3.—The question of subjection to that or the other country of those nationalities who have not political independence cannot, in the opinion of the powers of the Quadruple Alliance, be solved internationally. In this case it must pe solved by each Government together with its peoples in a manner established by the constitution *