

their time to the Government to pay the interest on previous debts, and the old people and feeble people supported in the poorhouses. The intelligent Germans see that coming. They have been carrying on with paper money. At the beginning of the War they telegraphed me from Washington, "We hear there is a great financial crisis coming in Germany." And I telegraphed in reply, "Not as long as there is a printing press in the country." When they talk about the German financial situation, you must remember that there is not anything in the country at all. Other countries have debts and have made debts in the War, and will make debts, but they have got their foreign trade, they have got their raw materials, their business, and their national wealth—and Germany is skinned. Those aggressive German merchants who used to travel about the world with their goods have lost the opportunity of making money for over three years, and, more than that, they know that that trade is permanently gone, that it is either being captured by other countries, or other countries are learning how to make things they used to buy from Germany. And it is with this only that they have to pay the excess cost of the War. Hollweg stated with regard to the financial programme that the expenses of the War would be paid from the huge indemnities from other countries by whom the leaden weight would be borne, but even the stupidest German merchant is now beginning to feel that some of the leaden weight of German finances is to be attached to his own foot.

Just as the morale of the soldiers in the trenches is being broken—and it is gradually being broken, because they have told me, "We know we cannot win." They have made a great effort, but they feel they will be beaten. A friend of General von Falkenhayn told me, "We mean to lose 500,000 men, and pass through the French line." They made the attempt at Verdun, but did not pass through. But this discouragement is bearing down on the Germans far more than revolution or starvation. They are in a bad way for food. When I left Germany the War Ration was a slice of bread a day and three or four pounds of potatoes a week, sometimes turnips were substituted for potatoes, and you know

there is not much nourishment in a turnip. They get a piece of meat about three inches square in a week, including bone and gristle. They get in a week as much butter as was on my table plate today at lunch, and some margarine or fat. No one over six years of age gets any milk, and they get one egg in two weeks, practically no sugar, no tea, no coffee, and nothing else except the things I have told you. The men in the front rank are the best fed, the men in the second rank behind the line and in the third line don't get as good food. The rich have always managed to make out, because for a long time chickens, ducks, geese, etc., were not on the card system, so the rich man, by paying \$15 or \$20 for a goose, was able to get food to eat; and the people in the country have managed to get more food than the ones in the city, because, although their houses are searched sometimes twice a week by the police, you cannot send a policeman to watch every hen.

That is their food situation, and in spite of that they will manage, I think, to last through, because they take the food from the fields of Northern France and the food from the fields of Roumania and Poland and that part of Russia they occupy. They took the girls and women of Northern France as slaves; I saw them myself, tilling the fields—not for themselves, because the original inhabitants of that part of France and Belgium are supported by Mr. Hoover's Food Commission, which comes from the United States. And so I think from the food point of view Germany will manage to last, and what we have to do is to beat them on the field; to have no illusions, to put off no great measures whatever they are, because we think Germany is going to break down from starvation or revolution. Go at it with all the energy we have, and I think the Anglo-Saxon race has plenty of it left on both sides of the line.

It has been a great pleasure to come here today, a luxury I allowed myself from the tour of speaking in the United States. It would have been the greatest calamity of all the War if in this fearful vortex of war in which we are now engaged, you to the North and we to the South of this imaginary line had not been standing shoulder to shoulder for the right.