

The Economic Consequences of German Defeat

By W. W. SWANSON.

It is difficult to visualize in concrete terms what the winning of the war would mean either for the Central Powers or the Allies. The making of democracy triumphant, the overthrowing of autocracy, the destruction of militarism and so forth, are after all mere phrases that express nothing concrete or definite. And yet the ends for which we are fighting are of such fundamental importance that it is essential to get before us, in as clear cut fashion as may be, what the signing of peace is likely to give either side.

As the Entente entered upon the struggle to realize no such predatory programme as was conceived by the Central Powers, it is more difficult, notwithstanding the publication of the secret treaties by the Bolsheviks, to set forth in a definite manner that for which the democratic nations are fighting, since the objects in sight are so largely non-material in nature. There need be, however, no confusion of mind as to what the Teutonic nations seek to accomplish. A brief analysis of their designs will also throw into relief the results that the free nations may reasonably expect to secure as an outcome of the struggle. This is all the more true, since the Allies do not seek, unlike Germany and her satellites, to impose their will upon the world; but on the contrary, to prevent Prussianism from brutally subjecting the free nations to economic and political slavery.

What then are Germany's main designs? Contrary to accepted opinion, after forty years and more experience in Alsace-Lorraine, Germany has little intention of forcibly bringing recalcitrant nations within the scope, directly, of her political control. Prussia has well learnt the lesson that the cost is worth more than the results secured in bringing non-assimilable people within the political confines of the Empire. The Poles of Posen, the Danes of Schleswig-Holstein, and the Alsatians and French in the provinces wrested from France have proved a liability rather than an asset. No—Germany's policy is to conquer economically the surrounding border States, and to hold them in political subjection by the strength of military pressure. The programme followed in Roumania, as expressed in the terms of the treaty of Bucharest indicates clearly that Germany and her allies seek economic advantages and political aggrandizement through the exercise of military might. Von Kuehlmann, von Hertling, von Hintze and the rest, have been indefinite, from design, in every allusion made to the future political status of Belgium and Northern France. It is certain that even the military caste has now given over the intention of incorporating 6,000,000 Belgians, and a like number of Frenchmen in Northern France—encompassed in that territory defined by a line drawn from Belfort to the mouth of the Somme, into the German Empire. These territories, according to open German avowals, are pawns in the great military game to be used by diplomacy to secure the return of the Fatherland's overseas possessions, and the enlargement of the German colonial domain. German manufacturers of the black Rhine country, it is true, have formulated demands looking to the seizure of the natural resources of the overrun territories; but even they have not forgotten that the industries of Lorraine made serious inroads into manufacturing profits upon the absorption of the conquered provinces by the German Empire in 1871.

The fabric of world domination that the Central Powers hope to build up through military success in this war is well enough known in all essentials. It was planned to carry Prussian territory forward to the Gulf of Finland by absorbing the Baltic provinces of Russia, as well as Russian Poland. This could be done without threat to the stability of German industry, inasmuch as the Baltic provinces and Russian Poland are still largely given over to agriculture, manufacturing being still in the primitive stage. In addition, the friendship of Sweden was to be sedulously cultivated, as it has been carefully cultivated during the course of the present war; while Finland and Lapland were either to be handed over to the Swedes or constituted autonomous States with a Teutonic prince upon the throne. We now know that the latter scheme is in process of being carried forward Finland's king to be found in a prince of the House of Mecklenburg-Schwering. On the other hand, it was planned to give Austria the better part of Serbia, Montenegro and Albania; to Bulgaria the

Dobrudja; and to Roumania, as a sop for the loss of the Transylvanian mountain passes and copper and iron mines, Russian Bessarabia. A year or two since the Wilhelmstrasse made lavish promises to Turkey with respect to the restoration of Egypt; but now the young Turks are coolly informed that they will be lucky if they can keep their heads out of the noose.

Were it possible to carry out this far-reaching and ambitious political programme, it is clear as day-light that Germany, from the military and economic points of view, would be in an impregnable position, having command over a vastly increased territory both within and without the confines of the Empire, and the nationalities living therein. In Russian Poland and the Baltic provinces there is a population of 15,000,000; in Sweden and Finland, 9,000,000; and in Bulgaria, 8,000,000. From the Arctic Ocean to the Persian Gulf the most warlike nations of Europe—the Swedes, Poles, Magyars, Bulgars, Turks and Prussians—would be united in a grand military alliance cemented by Russian spoils. It is not at all beyond the bounds of possibility that Friedrich Naumann's projected Middle Europe, both in an economic and military sense, would thereby become a reality. The blows that Foch is showering upon Hindenburg's armies on the Western front alone prevent this menace to democracy and human freedom becoming a terrible reality.

A recent German writer, Dr. Paul von Lensch, in a work which is bound to attract wide attention and careful consideration—"Three Years of World Revolution"—makes clear, what all well-informed Germans have long since realized, that military power rests upon economic power. If it were possible for Germany to win, therefore, the Teutonic alliance would give itself over energetically to the development of trade and industry in Eastern and South-eastern Europe. We do not know as yet what was included in the terms of the recent convention entered into by the Austrian Emperor and the German Kaiser; but everything goes to show that it had an economic as well as a military basis, and probably made provision for a Mid-European customs union. From Sweden would be secured rich iron ores for the rolling of rails and the construction of bridge materials for the economic development of the Balkan States. The wool and hides of Serbia and Turkey would be used for Austro-German industry; Balkan agriculture would be intensively developed; and a great new trade route under German control opened up to the Black Sea. This explains why German armies have seized Odessa, Sebastopol and other Russian ports. Grain from the Ukraine secured by way of Odessa would largely solve the food problem, in any future war, for the Central Powers and Sweden. The handicraft manufactures of Finland and Sweden would be readily absorbed by the markets of Germany and Austria; while, under the driving power and economic organization of German traders and manufacturers, Anatolia once more would become the garden of the world.

The truth is, if Brest-Livovsk and Bucharest stand, Germany can lose the war on the Western front and still dominate the world. Let it not be forgotten that the German Empire, since 1871, has risen from a position of almost complete economic inferiority to become the second richest nation in Europe. The Thirty Years War left Germany largely a geographical expression, and a stricken waste. By ceaseless toil, by careful planning, by the wiles of diplomacy

and the power of the sword, the German Empire became the greatest military force, and one of the most powerful economic nations in the world. German industry has performed prodigies since 1871; and there is not the slightest shadow of a doubt what German application to the arts of war and peace will accomplish from the Murman Coast to the Caspian Sea if the Kaiser's will to victory is not broken.

We have the assurance of Premier Lloyd George, however, that Germany shall not get an ell of French or Belgian soil, nor a rood of Russian, as the result of the war. In a speech recently delivered in London to the Canadian editors, this wonderful little Welshman, of so indomitable spirit, announced that the United Kingdom was in this war to a finish. We are well aware that the London Nation, the Daily News, the Manchester Guardian and other journals of like persuasion, cannot forgive Lloyd George his former declaration that the fight must go on to a "knock-out." Holy hands of horror are raised that the fighting Welshman should adopt the parlance of the ring. Whether it is boudoir talk or not, suitable for the pink tea atmosphere in which Philip Snowden and others of like ilk love to congregate, it is the deadly truth. Prussia carried off booty from the war of 1864, the war of 1866, and the war of 1871. As Premier Lloyd George so well said, the Prussian god of war must be consumed in the fires of his own making, and German militarism reduced to ashes. If sentimentalists have their way, too rigorous terms will not be imposed upon a defeated enemy. But there are no terms too onerous to exact from the Central Powers, so long as those terms do not likewise injure ourselves.

What, then, do the United Kingdom, the United States and France, as well as the other Allies expect to secure as a result of this terrible struggle? One thing is clear—they confidently hope to frustrate the aggressive designs and chauvinistic purposes of Germany on her Eastern frontier. They expect to make German and Austrian militarists come out of the war chastened and humbled. They are determined that the Crown Prince and the army which plunged Europe into a nightmare of horror and of blood, shall get away with no loot. The great American Republic and the great Commonwealth proposed to demonstrate once for all that war does not pay. These are substantial and concrete, if negative, gains. Aside from that we submit that the Allies desire nothing more than that free nations may live according to their own will, under equal opportunities and equal rights, in a free world.

We confidently expect to impose our will upon the enemy on the Western front. The power of the United States should decide the issue there in the campaign of 1919. But what of Russia?

From what has been said it is evident that it is imperatively important to rescue Russia from the grip of Prussianism. We cannot win the war unless we win in Russia as well as elsewhere. To do so the Allies have decided to come to the support of Russian patriots by force of arms. The Bolshevik protest that this is an invasion of Russia's sovereign rights; but the Soviets have no status as a government de facto or de jure, whether within or without Russia. Lvov and Kerensky headed administrations enjoying genuine power through the process of devolution; but Lenine and the thugs who support him can base their claims to sovereign power on nothing other than terrorism. Brest-Litovsk was a convention negotiated by two autocracies, neither representing the will of the people. We believe that the United States, Japan, France and the United Kingdom have a moral obligation, as well as a legal right, to come to the support of those elements in Russia that are determined to expel the Teuton invaders from the soil of their Fatherland. Let us have done with quibbles, and deal with realities—for realities only will serve to save Russian or any other type of democracy.

NOTHING COMES OUT OF NOTHING.

It takes something to produce something. The facts you use—the cleverness you show—the arguments you thump home, all had to be up there in your mind before you could draw them.

Go after bigger business—larger policies!

You are writing your own ticket every day.

That ticket says how fast and how far you go.

Nobody else can set the pace or choose the route. Nobody can help you do what you are not ready to do.

Your own Fitness—your own mind full of facts—will do the work. And to-day, you should be storing up some new argument, some bit of useful knowledge, that you will need to-morrow or next week or next month.—Lincoln Life Bulletin.

WHY SOME SALESMEN ARE ALMOST IRRESISTIBLE.

I love to see enthusiasm. A man should be enthusiastic about that in which he is interested. I would not give two cents for a man who works for money alone. The man who doesn't get some comfort and some enthusiasm out of his daily work is in a bad way.

Some men are almost irresistible—you know that. It is because enthusiasm radiates from their expression, beams from their eyes, and is evident in their actions. Enthusiasm makes a man boil over for his business, for his family, or for anything he has an interest in, for anything his heart is in.

So I say, enthusiasm is one of the greatest things a man can have.—Hugh Chalmers.