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## The Journal of Commerce

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By ERNEST H. GODFREY, F.S.S.

The United States as a World Power  
By W. W. SWANSON.

The Lessons of the Liberty Loan Campaign  
By H. M. P. Eckardt.

Conditions in the West  
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## Three Penetrating Questions

THE prudence which has marked most of President Wilson's war utterances was seen once more in his note to Prince Maximilian of Baden. To reply to a question by asking another is sometimes said to be an Irish way of answering. President Wilson sees the philosophy of the Irish way. Faced with a question by the German Chancellor, designed to embarrass him and, if possible, create a division between the United States and her Allies, the President replied by asking three questions which he regarded as necessary to a clear understanding of the situation. In the desperate position in which Germany finds herself, she desired either an expression of willingness of the Allies to grant an immediate armistice and to enter upon peace negotiations, or such a rejection of the proposal as would enable the Kaiser and his Government to declare that they were ready to make a reasonable peace, and that Britain and her Allies would assent to nothing short of the annihilation of the German nation. It would be a hard task for the Kaiser now to satisfy the German people by any declarations, but if they could be made to believe that their ruler was moved by honorable purposes, and that the Entente Allies were bent on the destruction of Germany, the rising storm might be quelled for a time. Hence the note of Prince Maximilian, full of pious expressions of Germany's willingness to enter upon negotiations along the line that had been laid down by President Wilson in his messages and speeches. This piece of smart diplomacy was effectually checkmated by the President's answer. A general and vague acceptance of the President's principles did not deceive him. He therefore, while not rejecting the German proposals, called on the German Chancellor to be more specific.

Did Prince Maximilian mean that he was prepared to distinctly agree to the principles laid down by the President as a basis of settlement, leaving only details to be arranged, or did he merely regard the President's words as affording a means of opening up a general discussion of the whole war situation? If Prince Maximilian could answer the first part of the question affirmatively and unequivocally a long step towards peace might be taken. The President's second question was no less important. He had repeatedly declared that there could be no thought of peace while the Germany armies occupied the soil they have invaded. He therefore asked if the German Chancellor was prepared to agree that, as a first step in the right direction, the Germans should withdraw their armies from every part of the invaded territory.

There was a third question which, in the case of almost any other nation than Germany,

would be deemed an extraordinary one. For whom, the President asked, did Prince Maximilian speak? If the Premier of Great Britain, or the Premier of France, or the President of the United States, or the Premier of Canada were to make a statement in an important public matter, it would be absurd to ask, "for whom do you speak?" In Great Britain, in France, in the United States, in Canada, in all democratic countries, nobody could question the right of the recognized leader to speak for the Government, Parliament and people of his country, for in each case the speaker would be the chosen representative of the people, fully entitled to speak in their name. It is not so in the case of the German Chancellor. He is not a representative of the German people. He is not responsible to any German Parliament. He is the personal representative of the Kaiser, chosen by him and answerable only to him. The President well understands that negotiations of any kind with the present Kaiser-ridden Government of Germany would be hopeless. He has expressed his views on this point in one of the speeches which Prince Maximilian pretends to accept as a basis of negotiation. The President said:

"We have dealt with them already and have seen them deal with other governments that were parties to this struggle, at Brest-Litovsk and Bucharest. They have convinced us that they are without honor and do not intend justice. They observe no covenants, accept no principle but force and their own interests. We cannot 'come to terms' with them. They have made it impossible. The German people must by this time be fully aware that we cannot accept the word of those who forced this war upon us. We do not think the same thoughts or speak the same language of agreement."

## The Solf Note

THE German Government, in replying to President Wilson's three questions, went far—probably much farther than they had expected to be required to go. Clear-cut and unmistakable utterances in diplomatic affairs are not characteristic of Germany. But the President's questions could not be evaded. If there was any hope of a German peace it must be sought at Washington, rather than at any of the European capitals. So the German Government, speaking this time by the mouth of Secretary Solf, gave fairly straight answers to the President's preliminary questions. The Germans were prepared to take the President's principles as a basis of settlement, and not merely as a peg to hang a discussion on. They were ready to evacuate the invaded territories, and they suggested a "mixed commission" to