

propositions and not detailed statements. The guiding principle was that the Treaty should be just and permanent, and he was of opinion that it was not intended that the Allies should confine themselves strictly to the Fourteen Points summary if they could not thereby get a Treaty which was both just and permanent. He thought that it was essential to ensure permanence by a proper regard to questions of nationality and strategic and economic frontiers.

He did not like the provisions relating to the Saar Valley. It was a question of reparation for coal losses, but the provisions of the Treaty went beyond that when they gave control over the territory for fifteen years. The French would have abundant opportunities of creating trouble. He thought the German proposition entitled to consideration as a fair one, if by it the coal which was required could be assured for French reparation.

On the question of the Eastern Boundaries, Germany's case was well put, and the proposal of plebiscites for East Silesia should meet the case.

As to reparations and the Economic terms—it was impossible to undertake to carry out a system of administration by a foreign Power in a country containing 60,000,000 inhabitants for a long period of years. No people would stand it. The very men who now were pressing their leaders to demand the whole costs of the war and occupation till it was obtained would be the men who in six or twelve months would denounce the Governments because they had not carried out reparation in a practical way. It was impossible for an individual to get credit if his liabilities were indefinite. The case of a nation was the same, especially when the determination of the liability rested on the will of a foreign Commission.

He would make the sum as moderate as possible, in view of Germany's capacity to pay, with the idea of getting the Peace signed. If the Peace were not signed at once, the Allies would find themselves in a sea of difficulties.

If the Allies really believed all that the Germans said, the Allies would agree that the documents showed a genuine desire to sign an Agreement which they wanted to carry out. The Allies would have to consider how long they were going to allow their war prejudices to influence them in disbelieving all that the Germans said. He thought that the Allies should try to meet them—if possible, take a smaller sum and get the Treaty signed. He, like all present, hated the Germans, but it was necessary to meet practical questions in a practical way. It was impossible to get anything adequate from the Germans unless they were given a chance to get raw materials and re-establish their industries.

He had never heard a good reason given for the exclusion of Germany from the League of Nations. If Germany were admitted to the League of Nations, the solution of many of these problems would be greatly assisted.