

so doing. On the other hand, friendship demands that he does not wantonly let the neutral starve for want of the necessities of industrial life.

The line between the two obligations can only be determined by a study of the statistics of supply and trade, by friendly negotiation, and by due consideration of the vital interests of all parties.

This policy, as it appears to the writer, our government is honestly trying to pursue.

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ECONOMIC WARFARE

President Wilson, in his reply of August 27th to the peace proposals of His Holiness the Pope, placed himself squarely on record against "the establishment of selfish and exclusive economic leagues," together with punitive damages and the dismemberment of empires, as being "inexpedient, and in the end worse than futile, no proper basis for a peace of any kind, last of all for an enduring peace. That must be based upon justice and fairness and the common rights of mankind."

This utterance is not to be understood as implied censure of the Economic Conference of the Allied Powers at Paris in June, 1916, when measures were devised for the avowed purpose of defense against the plans of the Teutonic Powers for "a struggle in the economic domain which will not only survive the reestablishment of peace but, at that very moment, will assume all its amplitude and all its intensity."¹ It has been pointed out through the press that the President was opposed to any peace permitting the realization of Teutonic plans for economic and military domination, and that for this very reason it was impossible to allow the war to end in a stalemate which would require great military and economic leagues in continued opposition to each other. Peace, to be enduring, must be based on sound principles.

Whatever may be the correct diplomatic interpretation of the President's pronouncement against economic warfare, it is desirable to emphasize its deep significance from the point of view of international law. The economic bases of international relations have not been sufficiently considered. A valuable contribution to the subject has been made by

¹ The recommendations of the Economic Conference were published in the Supplement of Official Documents of this JOURNAL, volume 10, 1916, page 227, and were commented on at length in an editorial of October, 1916, page 845.

Walter Weyl in *American World Policies*, where he effectively pleads for the "economic integration of the world." The subject, however, has received but scanty consideration by international publicists and statesmen.

The true object of law — as Karl Gareis has effectively shown in *Science of Law* — is the protection of interests, whether of the individual, of artificial persons, such as corporations, of society as a whole, or of the great family of nations. Where interests are mutual; where men are bound together by common sympathies and objects, it is not difficult to formulate the law to protect such interests. Where interests are antagonistic, however; where men or nations are pursuing avowedly hostile ends, it is well-nigh impossible to agree on any system of law to regulate their peaceful relations.

It is possible to stress unduly the influence of the economic factor in history, while ignoring the enormous influence of other factors such as nationalism and an idealism which often impel men to act against their material interests. In the field of international politics, however, the economic motive has undoubtedly been extremely powerful. The struggle for colonial empires between the European nations has been responsible for many fearful wars. This ambition has but little weight with a country superbly endowed with natural resources and possessing great home markets such as the United States. It is a matter of vital importance, however, to a country as dependent on other nations as Italy, for example. The acquisition and development of vast territories rich in agricultural and mineral resources, inhabited by backward peoples, and offering splendid markets for industrial products is in some instances a real necessity. The importance of this factor looms very large in the consideration of the Teutonic Powers, as has been most forcibly presented by Friederich Naumann in *Mitteleuropa*.

The working out of this factor in international relations has involved centuries of bitter rivalry for colonial empire, the waging of a constant warfare for exclusive markets, the erection of tariff barriers, state aid to industries in the form of subsidies, rebates, and special facilities of various kinds. Under such conditions, one nation is bound to protect its own industries against the dumping of the products of cheaper labor, of greater efficiency, or of industries directly or indirectly aided by their own governments. Democracy finds that it must not merely protect its industries from threatened annihilation. It is bound also to safeguard its human standards of living.

Under such a situation it is not strange that distrust, antagonisms, hatred, and open warfare should arise between nations. The ambition to be economically independent or predominant is essentially inimical to the peaceable regulation of their relations. It is an entirely false basis on which to build any system of law.

The basis of law — it must be reiterated — is a recognition of mutual interests entitled to common protection. Heretofore, international law has been strangely indifferent to the interests of nationalities, to their right to exist — a right which is the very basic principle of the law of nations. It has sought to perpetuate an iniquitous *status quo* in certain instances, the Balkans, for example. It has not sought to base itself scientifically on the vital interests of nations. The present war has been needed to demonstrate the futility of a system of law laid on such uncertain foundations as “balance of power,” the suppression of nationalities, and the denial of self-government. And now we are beginning to see the necessity of a recognition of the economic interests of nations as a substantial part of the foundations of international law.

It should be clear to the student of international affairs that no one nation, though blessed with marvelous resources, can afford to attempt to go it alone. Whether it be in respect to economic needs, or intellectual, social, and spiritual cravings, the nations of the world are obviously interdependent. As was said in the editorial above referred to on this subject:

There is a society of nations in which each member is necessary to the well-being of the other and each Power now at war was a party to the solemn recognition by the First and Second Hague Conferences of the “solidarity uniting the members of the society of civilized nations.” The things of the spirit have their place in the world, and the coöperation of the nations toward a common goal is more to be desired than the prosperity of any country or of any group of countries. . . . We must live together whether we will or not, and wise statesmanship suggests that the barriers that keep nations apart should be leveled, and that obstacles should not be interposed to their free and untrammelled commerce. We must think of the things we have in common; we must regard our civilization as indivisible.

It is hardly necessary, except with a perverse nation like Prussia, to argue the interdependence of nations, to plead for the abandonment of economic warfare, and for the freedom of international intercourse. The disastrous futility of economic warfare is all too painfully evident.

But we must not fail to realize the logical implications of freedom of international intercourse. If tariff wars, commercial rivalries, struggles for colonies, and exclusive markets are entirely opposed to the establishment of peace, order, and law itself, will freedom of international intercourse conduce to this end? Obviously not, unless nations are able clearly to define their mutual interests throughout the world; to provide the products they require from each other, to acknowledge the services they mutually may render, and the common ends they must serve. This must include the formulation of measures to guard against the flooding of markets by cheaper goods; possibly against unwise immigrations of labor itself. This means, in final analysis, an understanding among nations concerning the basic questions of production and distribution — a task well calculated to stagger the statesmen and economists of the world. There cannot be permitted among nations, any more than within the state itself, an unregulated freedom of intercourse. It must be brought about through comprehensive and detailed agreements providing for proper regulations and restrictions.

Let those who fulminate against war in the abstract and fluently demand the maintenance of peace turn their energies to concrete problems of this character. Let them determine, if they can, with precision, the basic interests of nations. Let them endeavor to draft and secure international legislation for the protection of these interests. These are the practical problems that must first be solved before the world may enjoy the blessings of enduring peace. This is the scientific work remaining to be done to prepare the foundations for a system of law whose function shall be the peaceable regulation of the interests of nations.

The United States has entered the Great War for the cause of international freedom, the right of men to determine their own national destinies. It is earnestly to be hoped that in our concern for the political rights of democracy we do not lose sight of the economic needs of democracy. We would do well to heed the warning of President Wilson against "the establishment of selfish and exclusive economic leagues."

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