

The War and America

By LOUIS C. FRAINA

The entry of American Capitalism into the war is the culmination of a process interesting in itself, and still more interesting as a token of what is to come.

When the war burst upon the world, America—and I shall use the word as meaning American Capitalism, and its intellectual minions—reacted to the war with an overwhelming sense of fear and horror. Its own interests not being involved, the fear of an unprecedented catastrophe dominant, America's traditional democracy flared up in a flame of protest. Austria was damned for its brutal onslaught on Serbia, Germany for its rape of Belgium; the horrors of war, and this war in particular, were emphasized and the general feeling was that the war might end and end speedily.

These reactions were not wholly insincere. Compounded of fear and prejudice, of a belief that a real menace was loose in the world, this feeling of horror—impulsive and crude, in a measure hypocritical—was still very real and very strong. The idealism of Capitalism, and this idealism is a messy mixture of Capitalism at its best and its worst, cried out against the war and for peace. There was a strong propaganda for international arbitration, disarmament and other schemes to end war.

This feeling lasted about six months. Originally largely impulsive, it gradually turned into an expression of economic needs and economic facts. American Capitalism was hit hard by the war, its industry clogged up and its over-seas trade tremendously reduced. War was seen as a wasteful process, as a menace to industry and trade. The era of fabulous profits was still a thing of the future. Few capitalists, in spite of their vaunted far-sightedness, saw the huge profits ahead. There was a threat of economic disaster. Wall Street experienced a "Black Christmas." Everybody felt heart sore and pocket sore, and yearned for peace. When the Devil is sick, the Devil a monk would be.

As a matter of record, it is pertinent to mention that the talk at this time of the Allied "fight for democracy" was perfunctory and unconvincing. President Wilson, about the time Belgium was invaded, urged our people to be neutral "in thought and deed." The talk about democracy became stronger and stronger, it is true, but no action was urged. It was all simply a pious aspiration. The speedy coming of peace was the dominant thought during 1914.

The year 1915 marked a complete change in the spirit of America. The talk of peace drooped, and a smug, complacent yawping about "the war for democracy and civilization" took its place. The cry of "war to the finish" and "no premature peace" swelled into a mighty chorus. Why?

Largely and essentially because the era of fabulous profits had set in. The war had become Midas. The Allies settled down for a hard war and a long one; the mobilization of every available man and industry for purposes of war and the insatiable thirst of Mars for more guns and more munitions, compelled the Allies to turn to America for food, for money and for munitions. President Wilson, who at the beginning of the war suggested in a proclamation the advisability of not making loans to the belligerents, calmly and complacently forgot all about it when Wall Street floated huge loans in this country for the Allies at usurious interest. It had become a war of workshop against workshop; and the American workshop was kept increasingly busy.

The Christmas of 1915 in Wall Street was different from the preceding one. Bonuses were distributed by men who had made thousands out of the carnage, and generously gave away a penny. The country was feverish; it basked in the shower of Gold, and bent all its resources and all its cunning to wring the last penny out of the Allies—whom the newspapers very generously and very magnificently praised for their heroic struggle against the Hun and the Vandal. But, as the Allies were spending money at an astonishing rate, why not spend a little more so that the high-minded captains of industry in this country might make