PORTLAND, OREGON, SUNDAY MORNING, DECEMBER 17, 1922.

FINISHING OF VERSAILLES TREATY WAS ACTUAL RACE WITH ANARCHY

Appearance of Enemy Delegates Before Conference Made Under Dramatic Circumstances.

Brockdorff Rantzau Displays Amazing Lack of Tact and Clemenceau Speaks Abruptly.

CHAPTER L The Sunday Jogrand herewith presents the tieth installment of Ray Stanmard Baker's are. "The Peace." which is an authoritative grative of how the peace of Paris was seeinded. Woodrow Wilson gave Mr. Baker nees to all his personal, unpublished papers, dich are the only reliable and inconvertible reports of the facts, and which restofore have never been made public. The orbital festure will be published in The urnal serially throughout the year. Depright, 1822, by Doubleday, Page & Co., Published by Special Arrangement with the McClure Newspaper Syndicate.)

By Ray Stannard Baker treaty was finished at last. Six hs had elapsed since the close of four of these



of the terms to be imposed upon uered Germany, but out of deep ed and bitter disagrees allies themselves. ocus of this conflict had been between President Wilson demanding a settle ment upon broad principles—which wery one had indeed accepted!—and other allied powers demanding arious immediate material reparaions and territorial and other ad-

But here, at length, through many vicissitudes, much darkened counsel, had emerged a bulky white book, of over 200 pages, bearing upon its cover, n two languages, the concise informan that these were the "Conditions This momentous book, cked and crammed with meaning er the whole of humanity, the prons of which were still nost part secret, was now to be laid with ceremony, before the vanshed enemy. Here were the names f representatives of 27 allied nations ad at the head of them all was The President of the United States America, by:

"The Honorable Woodrow Wilson, ident of the United States, acting his own name and by his own propauthority." And following the names of

nerican delegation were the British "His Majesty the King of the United Singdom of Great Britain and Ire-and and of the British Dominions bend the Seas, Emperor of India, by "The Right Honorable David Lloyd orge, M. P., First Lord of His Treasry and Prime Minister.'

And after the Anglo-Saxon world, so presented, came France and the ther allied nations, great and small, ealth, but

Count Brockdorff-Rantzau, Minister Foreign Affairs of the Empire." SIGN THERE"

After the names of this distinguished reaty itself, 440 articles, and then the ages for the signature of 70 allied aders, to which would later be atched the great seals and the colored onical fragility, the new harmonies of immediate interest-with world was soon to point with a etermined, and yet somehow curiously finger, and say to Ger-

"Done at Versailles, in a single copy hich will remain deposited in the rchives of the French republic, and of which authenticated copies will be ransmitted to each of the signatory

Such was the treaty of Versailles, presented to the Germans on May able of thinking beyond the exaggerin the old Trianon palace. It was ated passions of the moment: who eculiarly and completely the work of from the early days of the conference e allied powers, for Germany, as al- had kept in clear sucht these more perady pointed out, was excluded raming the terms of the peace. There was the chief of these. He was asking ad been a complete unanimity of at every turn: Is this just? Will the pinion in the allied world that by her ourse in the war, by the intent she early revealed in the peace of Brestitovsk, that she was entitled to have othing whatever to say about the the settlement. It was clearunderstood that she would be given of his important actions at Paris is choice but to accept associated open to sharp criticism, kept a steady

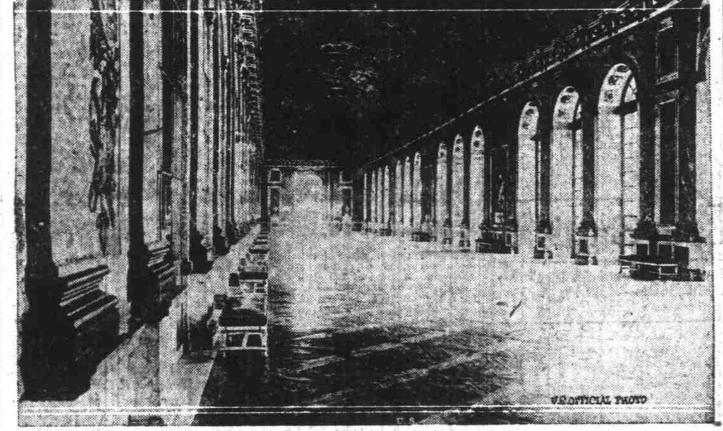
possibility of any other method; fact is that this is the way the

he term, the peace was thus to be an ruining the whole work of peace if the sposed peace, drawn up with no con- conference should produce a treaty eration of what Germany thought against which the mass of German It is futile to speculate on opinion would at once revolt. For there In thus accepting the complete re-

Scene of Great Treaty's Birth

ALARIE DES GLACES, or gallery of mirrors, in the palace of Versailles, where was signed the treaty which ended the World war. Above, seated, are David Lloyd George and M. Briand at the conference. First came the names of the United States and England, the two Anglo-Saxon nations, then France and those of the other allies, and finally the signature of the enemy nation, which was given no choice except to "sign here."





nstability of conditions within Germany. The old government has been swept away and the new republic was not yet fairly upon its legs. Economic chaos, even starvation, threatened the very life of the people; and behind that lurked the red spectre of Bol-Would there be any Gershevism. many to sign when the treaty was complete?

A certain element in the conference, notably the French, would have continued to disregard this situation; would have proceeded to draw up such terms as were judged fitting and present the treaty finally on the points of some millions of bayonets. But the more liberal and far-seeing elements at Paris, as already recounted in vaat last, not the empire, nor yet rious connections, insisted upon the necessity of keeping Germany from anarchy until the peace was signed and the league instituted. This was done, though only after bitter struggles, by arranging to feed the Germans, and even to do so in a manner contributing to the prestige of the new national covernment.

These modifications in the attitude of the conference toward Germany, to symbolize, with a kind of however, had to do only with questions vast document was aimed to Germany going while the treaty of oring about. And finally, near the peace was being prepared. There was nd of it all, was the place at which no modification of the fundamental principle that Germany should have no say in determining what that greaty should contain. So the burden of meeting the three

great problems of the treaty rested still wholly upon the allies. tests were: Was the treaty Would it be accepted by the Germans. and, if accepted and signed, would it be practically workable?

There were a few men at Paris capat manent tests of the treaty as factors participation in of the peace. The president, of course, Germans sign it? Will it work? But he was not the only one. General Bliss, among the Americans, never lost his sense of perspective, and General Smuts among the British, though one

These thoughtful leaders clearly that there was grave danger of might easily ensue a refusal to sign, or a collapse of organized government, or a submission accompanied by a determination to overturn the settlement

acceptance and observance could never | fear, ambition, with such compromise be anything but a curse to the world THE FASCINATING PUZZLE Even after the Germans were invited

on April 14 to come to Versailles, the fascinating puzzle, "Will they sign? Won't they sign?" still occupied much time in the council of four and indeed mong all the delegates. There was to e no rest from it henceforward until he end of June. Every day or so one of the Big Three would bring in reports from his observers on the state of opinion among the Germans, the attitude and prospects of continuance in power of the existing government. This in reasing concern and consideration for he effect of the council's work on Germany led to a continuous run of uggestions for making the treaty more acceptable.

As the terms of the treaty began to eak out there were more and more avidences of the reality of the problent. On April 24, Wilson reported a conversation of an American officer foreign affairs, in which the latter pronounced the terms of peace, so far "to amount to slavery for Germany," and declared that the gov ernment "could not agree to such

President Wilson interpreted this telegram to mean that Brockdorff-Rantzau typified the extreme point of view. In the background he believed there was a more submissive body of pinion. His informant had suggested that the German people ought to know hat a certain amount of discussion would be permitted. He himself was inclined to agree in the proposal that the discussion should take place in writing.

This was a decided advance upon the eriginal ideal of imposing the treaty without any discussion at all. It was finally agreed that the German delegation after receiving the treaty on May 7 should be given 15 days within which to make observations and put questions, and that the allied and associated powers would make written these before obliging the Germans to make their final decision. Lloyd George opposed publication of treaty on the ground that this would make changes more difficult. Clemenceau was strongly for the pub The immediate test of the treaty, therefore—the whole treaty, both the terms and the league-would be its racticability: Would it work out? If of the terms there still remained what great instrument of practicability, the League of Nations. If this were genuinely and whole-heartedly accepted by of the war and recovered its senses, modify unjust provisions and make the whole settlement more acceptable to the Germans. Everything, therefore.

the treaty was at length completed. There had been delays; the German delegation had been sitting impatiently at Versailles, knowing only by rumo what was in this document and awaiting the moment of the presentation.

FACE TO FACE WITH GERMANY On May 7 the great meeting took place. For the first time in five years the representatives of the allied nations and Germany met face to face. Everything had been done by the French, who, beyond any other people, possess the genius for staging such an vent, to make the occasion truly notable. It was a day of great beauty: May at Versailles! One looked from windows of the old palace where

the ceremony was going on into gar-dens of surpassing leveliness. The comnany in attendance had been scaled down to the lowest possible number, for the room was small. Beyond the actual delegates and the necessary interpreters and secretaries there were no spectators except a small group of journalists. It was altogether the most impressive and, indeed, important and critical meeting of the entire peace conference: far more impressive than the crowded and overstaged later cere-Mirrors. The outcome of the latter occasion was known; only the formalities of the actual signing were to be observed; but here at the Trianon Pal- ment of German indemnities are settled was known. It was the first tremulous uncertain contact of bitter enemies. What would the Germans say?

would they do? It was such a moment as occurs rarely in history when the representatives of 27 nations filed in to take their places around the great table. Here were the heads of the four most powerful nations in the world, a president and three prime ministers, and the leading men of many others. When all these had been seated the door swung open and with the words, "Les Plenipotentiares aliemands," the Germans entered solemnly, the entire assembly ising to its feet and standing in siles while they took their places. The lead-Count Brockdorff-Rantzau, tall. black-clad, aristocratic appearing, seemed to every one who saw him un der great strain. His face was pale, his bow to the head of the table where stood Clemenceau, was awkward President Wilson sat at Cleme

right, Lloyd George at his left. The oors were closed, but sunshine flooded the room. For a moment the delega 10 men, sat facing in silence the array of the allied chiefs about them. Then short, powerful, impres words were sharp; came like builets "It is neither the time nor the place for superfluous words."

DUE TO ACT

Edward A. Filene Urges Economic Conference Under Auspices of President Harding.

Points Out Several Grave Factors That Retard Peace and Prosperity in Hemispheres.

In the accompanying article Edward A. Filene of Boston, merchant and economist, offers his analysis of European problems and

By Edward A. Filene There will be no surety of steady work, no surety of steady profits, no surety of steady good business in America until France is given guarantees against possible attack by Germany. This is the conclusion which intensive study of the European situation has forced upon me. I have chosen the theme on which I speak today because it gives me an opportunity to marshal facts which I believe will show both the necessity and possibility of obtaining these guarantees and that through our country we can, without oledging ourselves to send a single soldier overseas, secure the necessary

pledges of help to France in case of at-

tack, which will, in turn, open the only mediately practical road to proserity and peace for the world. For a time after the armistice, the supplying of the imperative needs of our own people and of Europe kept our factories busy and made a market or our farm products. Just now, the irresistible demand for more houses nd for the long-delayed repairs of buildings, railroads and public works, the replenishing of stocks by our merchants and the export of some of our food products and essential raw materials, that cannot be bought elsewhere, are again speeding up production in mines and factories. But the productive power of our mines, farms, and factories greatly exceeds home consumption. Just as the weakness of the disordered European market resulted in 1920 in an inevitable slump in exports that threw millions of men out of employment and brought keen distress to every farmer, so it will con-

CONDITIONS WORSE

Conditions in Europe have, for several years, been steadily going from bad to worse until they have become extremely dangerous. The situation has been closely approximated that was foretold by Ambassador Page in letter to President Wilson in March. 1917, when he predicted that "The world will be divided into two hemispheres, one of them, our own, will have the gold and the commodities; the other, Great Britain and Europe, will need these commodities, but will have no money with which to pay for them. myself, ventured to predict such a situation more than two years ago when I said, "Unless Europe can regain its feet and resume production n a normal basis, her entire economistructure is threatened. An unstable Europe cannot absorb American exports and the results of this continued instability will be felt in the United States in unemployment, social un-

BUSINESS ENDANGERED

Any improvement in American business, under present conditions, can be only temporary. Inability to export our about 20 per cent of the products of farm, mine and factory, will keep the prices of our products close to or even selow the cost of production and lead to super-competition among manufacturers and merchants that will reduce profits to the vanishing point, compel the lowering of wages to a degree that careful employers would not otherwise attempt, and lead to strikes and lock outs, with their inevitable brood of ocial and political troubles.

market can prevent continued and growing distress of American farmers and American workingmen. This reconstruction cannot come about until European currencies are stabilized and European budgets are balanced. It is now apparent, even to the uninitiated. that neither of these can be done withony of the signing in the Palace of out foreign loans, the most of which American investors and bankers must supply. These loans cannot be made on this perfect May day, nothing and the danger of new wars removed. After three years of European experimenting with secondary causes, all men who have access to the facts of the situation, no matter how conservative they may be, at last are seeing and declaring that neither indemnities nor threatened wars can be dealt with effectively unless France is given guarantles against attack-guarantles that will convince the French people attention from military safeguards against Germany, reduce their army and military budgets, give their undivided attention to economic reconstruction and allow Germany and the rest of Europe to do the same.

WHAT FRANCE NEEDS As I came through Paris at the end

of September, the editor of the daily L'Oeuvre asked me for a statement of the European situation, as I saw it, and, in response, I gave him an ineditorial support, and the statement that, according to their official commission of finance, the French budge ficit of 18,000,000,000 francs. The mair part of the interview was a categorical statement as follows: 1. France must obtain a large loan.

Germany must obtain a large loan 3. France will not get a loan unless France can obtain money only im bankers and private subscriber

Pleaded Cause of France

EORGES CLEMENCEAU, whose recent mission to America was to acquaint her people with current conditions in France and immediate needs of the French people.



repay the loan.

6. Germany cannot provide these reparations unless she produces effec-

7. Germany cannot produce effecively unless her money is stabilized. 8. German money cannot be stabilzed unless Germany obtains a foreign

oan unless Germany obtains one at the same time. Neither France nor Germany will btain the necessary loans unless political dangers—that is to say, the dangers of war during the period covered by the loan are averted. Investors will not invest their money in countries which are likely soon to go to war, or in countries which are likely to have their ability to pay interest and loan essened or destroyed by the application of economic sanctions. 11. The danger can be averted only if Only reconstruction of the European

France receives guaranties of help in case of being attacked by Germany, guaranties which must satisfy the French people and make impossible an appeal by the political opposition to the fears of German attack which dominate so many French voters.

12. If France obtained these guar antees, she could save 3,000,000,000 francs a year on her military budget, and by reducing expenses connected with it, balance her budget and avoid oo heavy taxation.

13. France, then saved financially, would be able to follow the advice of her bankers, who in agreement with the principal foreign bankers, and in to establish the basis of a loan. would be obliged to solve the question of reparations, which can be solved by agreeing upon an indemnity from Germany as large as is practically possible but not beyond

The danger of financial collapse

and the necessity for unbearabale taxation being thus averted, France could then produce freely, and, her money being stabilized, she could compete ercially in the world markets. The question of France's was debts to America would no longer be considered as a question of financial life or death for France; it could then ganda could be openly undertaken in is a part of the expenses of a common war, and that it should, therefore, be borne in common and not by France

carry out this program of reconstruc-tion unless France receives guarantees curity

on to my advantage, even though the resulting discomfort were great, while I sought for allies

arations sufficient to enable her to tax was unbearable. I should see that, already handicapped because of which has been challenged at times as the thousands of her factories wantonly destroyed in war, such a tax would result in a still greater handicap on ndustry that would prevent France tive polls of the two major parties and from competing in the markets of the world on an equality with countries seriously challenge the polling power of where taxation was lighter, would re- the established Conservative party with duce wages in France, make profits its years of parliamentary leadership small, and bring widespread unemploy-

SIGNIFICANCE TO AMERICA

revolutions.

It is a feeling of grave concern ove the future of the world and of our own land, and of personal responsibility therefor, that is causing Americans wh know the facts to sound the tocsin of It is such a feeling of concern and responsibility, I coubt not, that in-duced the Grand Old Man of France to leave his quiet retreat by the se heart talk with America.

Without attempting to criticise own country for not having taken its proper share of responsibility for sta ilizing Europe and controlling the Near East, a consideration of the forces me to the conclusion that if the United States had made it possible for France to get the necessary guaranties, the Turk would not today be forcing his demands on a distracted Europe. Treaty readjustme have been agreed upon, trade would be it. We have for British labor every esuming its normal proportions, and good wish. onditions at home would not present he grave outlook that they now bear tion, two potent facts to be faced in etermining what America can and day's duty.

not probable that the United States been and is the right course, will immediately agree, in advance, to . The report of the non-p ingencies.

2. On account of the extraordinary rope for markets they will quite cer-tainly be ready to give the military guaranties France seeks if we help to provide a reasonable basis on which they can proceed. England at this time has 1,200,000 unemployed whom she cannot find work on account of the collapse in Eropean markets Italy is on the verge of ruin for the Slovakia, in spite of good curren are experiencing a stagnation in busi-ness. Conditions in the Scandinavian cable plan for remedying co which have resulted in distress to their people and which, unrelieved, threate continued and deepening distress. TWO SUGGESTIONS

Gompers Gives Hot Reply to Criticism of American Policies by Foreign Labor Leader.

U. S. Plan of Routing Reactionaries Termed Better Than **British Political Party Method**

Labor in both America and Britain greatistic increased its political strength in the recent elections. The British workers through their support of the Labor party succeeded in electing such a strong group in the house of commons that the party has become his majesty acceptability.

Press, Ramsay MacDonald, leader of the Ret-ish Labor party, says American labor cambet become a real power in politics until it forms a definite political party. Replying, Samuel Gompers, president of the American Federation of Labor, asserts by following its policy of backing its friends, whether they be Repub-licans or Democrata, labor in this country "has eaptured control of congress in the cause of

By Lyle C. Wilson, United Press Staff Correspondent (Copyright, 1922, by United Press

London, Dec. 16 .- Organized labor must change its tactics before it can ever expect a real power in American politics, Ramsay MacDonald, leader of the powerful Labor party in the British parliament, told the United Press in an exclusive interview.

"Parliamentary authority, comparable to that in the hands of British labor today, can only be gained by breaking way from the present policites of the American Federation of Labor. MacDonald said.

The system so long followed by labor in the United States by which the influence of labor was thrown to this or that candidate, depending upon the concessions that could be obtained, is not MacDonald's idea of getting re-

"Knit closely into the political fabric of the labor party, the industrials on one hand and the intellectuals on the other, go out after political power by putting avowed labor candidates in the

advice to American labor. MacDonald is a firm believer in the destiny of labor. Despite a natural caution in the matter of political prophesies he gives the present govrument less than the average life of a British parliament. As to its successor he points out that labor is now he official opposition to his majesty's

Capital levy is a permanent plank of the British Labor party. MacDonald was emphatic on that point. It is capital levy that has put labor in the position of becoming the offi-cial opposition, he says. In this policy, communistic, MacDonald sees relief for many of the ills of the present day

government, as represented by Premie

economic system. MacDonald points to the comparadraws a broad Scotch conclusion. If he reasons, labor has been able to to bolster its prestige, then labor by vigorous seizure of its opportunity to ment and labor troubles that would gain prestige as the official opposilead to social unrest and possibly to tion, will soon turn the scale.

VETERAN AMERICAN LEADER By Samuel Gompers,

of the American Federation of Labor (Written for the United Press) (Copyright, 1922, by United Py Washington, Dec. 16 .- I dare say tha American labor today is exactly as effective politically as British labor, but whether or not that is the case, th material thing is that the latter must, and does, suit its conduct to the cond tions which surround British labor and to the psychology of British labor tion to conditions with which they are surrounded and to what they find is the dominant psychology among Amerfcan workers.

We are not advising British because we are convinced that British labor is much more competent to shape its own course than any adviser un familiar with conditions surrounding

When it comes to shaping the cours and determining the policies of Ameri fessional, all we can say to Mr. Mac England, but so far as our affairs are concerned, we trust he will confine his 1. In view of our traditional policy advice to England. We are convinced of isolation and nomintervention, it is that the course of American labor has

The report of the non-partisan po-American Federation of Labor on the recent political' campaign shows an omparison. The policies of American fectiveness beyond question. Working in accord with the farmers of our country, labor has broken down the reacary control of our political life and captured the control of congress in the cause of progress, Every outstanding reactionary leader has been retired with perhaps one senatorial exception know of no political achievement t. any country that surpasses the accomplishment of American labor in the

Knowing Mr. MacDonald as I do. reciprocal piece of advice to him may not be amiss. He has a big job of his own, and it would be better for him to