

SECOND DAY

*Opening Remarks*, by Francisco Dalupan.  
*Taxation as an Incentive to Production*, by Andres Soriano.  
*Government Corporations and Private Business*, by Herenegildo B. Reyes, Vice-President, Manila Electric Company.  
*Our Economic Progress*, by Miguel Cuaderno, Governor, Central Bank.

*Labor as a Factor of Production*, by Conrado Benitez.

(Afternoon session)

*Opening Remarks*, by Fermin Francisco.  
*The Manila Railroad in our National Life*, by Prospero Sandinad, President, Manila Railroad.  
(At Mansion House)  
*New Day for Businessmen*, by Elpidio Quirino, President, Republic of the Philippines.

THIRD DAY

*Opening Remarks*, by Eduardo C. Romualdez.  
*Greater Filipino Participation in Domestic Trade*, by Gil J. Puyat, Vice-President, Gonzalo Puyat & Sons.  
*New Bearings for Philippine Foreign Trade*, by Cornelio Balmaceda, Secretary of Commerce and Industry.  
*Our Commercial Foreign Relations*, by Felino Neri, Under-Secretary of Foreign Affairs.

FOURTH DAY

*Opening Remarks*, by Amado N. Bautista.  
*Agricultural and Industrial Development*, by Fernando Lopez, Vice-President, Republic of the Philippines.  
*Closing Remarks*, by C. S. Gonzales, Chairman, Executive Committee, and Dr. O. L. Villacorta, Vice-President, Chamber of Commerce of the Philippines.

We thought of starring the more important of the addresses, but refrained after coming to the conclusion that we would have to star them all.

The reader can not but be impressed by the grasp of these speakers on the fundamentals of economic and social progress. And being they key-men they are in industry, business, and government administration, one must conclude that despite the errors and shortcomings of the past and present, we may face the situation with some equanimity and even confidence.

In the June issue of the *Journal* we published an article, "Highlights of the Landed Estates Committee Report", by C. M. Hoskins,

Chairman of the Committee, which was composed of members of the Manila Realty Board, an association of realtors, and in this issue we

publish an article on a report on urban land and housing distribution, by F. Calero, who was the Chairman of another committee composed of members of the same public-spirited organization.

Both reports were prepared upon the invitation of Dr. Salvador Araneta, Administrator of Economic Coordination, and while the first report dealt with the problem of large landed estates and their purchase by the Government for resale to the tenants, the second report deals with what is chiefly a city problem, that of providing adequate housing for families of low income.

The two reports furnish an outstanding example of cooperation between a government executive agency and an organization of businessmen.

Both reports have received considerable public notice and Mr. Calero has informed us that the recommendations of his Committee with respect to the simplification of the building ordinances of Manila and to the drafting of a new building code, applicable throughout the Philippines, have received the endorsement of the Philippine Association of Civil Engineers and of the Philippine Institute of Architects. Its recommendation with respect to housing priorities for veterans was approved in a resolution adopted recently by the Philippine Veterans Legion.

We believe that it will be generally conceded that the power of America, actual and potential, was never so great as today and is, in truth, the greatest of any nation in history.

**American Power and American Prestige**  
We believe that it must also be conceded that in view of this power, and despite the moderation with which it has been exercised, and despite, furthermore, the American beneficence extended throughout the world, America's international prestige, though admittedly great, falls far short of what it should be.

The reason for this, or the blame, may be found in or laid to American leadership, but in our opinion it is an error to refer this exclusively to individuals such as the President, the Secretary of State, or other national leaders and national representatives.

The cause, we believe, is to be found in the democratic system rather than in the faults or errors of individual leaders. Democracy has many virtues and we prize it above all other forms of government, but we should recognize that leadership in a democracy takes the form of a certain commonness, kindness, and universal sympathy (as the political scientist C. E. Merriam has pointed out), which qualities, together with the attitude of compromise and conciliation, are not impressive internationally and receive but scant respect, tending, in fact, in many places in the world, to elicit only contempt.

In other words, America's very humanity and goodness is a handicap in the management of its international relations, which is so dependent on the maintenance of dignity and prestige for the exertion of an influence commensurate with its power.

In the ancient world, not only the proconsuls and legates of Rome, but Roman citizens were everywhere feared and their persons held sacrosanct, and the same thing was true, though perhaps to a lesser degree, of the officials and citizens of later empires. All these powers not only maintained the "externalia of prestige" but never hesitated to give swift force to its substance. Where they ruled, they were obeyed, and in the spheres of their influence, their guidance was accepted, their advice was heeded, and their remonstrances, if matters went as far as that, could not conceivably be disregarded.

We must, of course, not lose sight of the fact that there was injustice and oppression, that there were rebellions and wars, but, broadly speaking, there was law, and there was order. And under the *Pax Romana* and under the *Pax Britannica* more recently, world civilization was greatly advanced.

We only point out the facts; we would not even by implication speak for a return of the imperialism of the past. Such a return would indeed be impossible, with the wakening of men everywhere to their human capacities and rights.

But for the advanced nations to tolerate the continuing menaces of barbarism, for the strong to entertain the preposterous dictates of the weak and to allow fanatic parochial nonentities by their irresponsible actions to endanger the interests and the welfare of the whole world, is as monstrous as it is ridiculous.

Whether under the imperialistic system or under a more democratic order, the leading nations must lead, and this necessitates the maintenance of their prestige as much as their command, for the one suffers with the other. It is a matter of recent history that the Japanese face-slapping of British citizens in China led to ever bolder encroachments and ended in an insane adventure of large-scale aggression.

The maintenance of prestige demands the exercise, everywhere and at all times, of one quality in particular, and that is courage, a courage which sometimes and in detail will have to border on audacity.

Fortunately, this quality, too, is the mark of true leadership even in a democracy. The following is what Merriam wrote about the quality in politicians, and although he was thinking principally of the political party leader, what he said applies with equal force to leadership among the nations, politically and militarily:

"The group leader ordinarily possesses an unusually high degree of courage. This is contrary to the common conception that politicians are timid and even cowardly in conduct. It is often their *raison d'être* to be conciliatory and compromising, since the knots they seek to unravel are not so easy to loose. But a closer view of the lives of leaders shows that from time to time they must throw down the gage of battle and risk their all in uncertain combat. Just as a financier does not become rich by loaning money on perfect security at a low rate of interest, so the political leader can never enjoy security and quiet, except at the price of inferior position, compensation, and authority. Within and without the party and within and without the state, there are hostile groups seeking to destroy him; and, while conciliation and patience may avail on many occasions, there are times when these fail, and the appeal to arms, politically speaking, is the only alternative. In fact, the reputation for willingness to do battle may itself save many a struggle."

A great power such as the United States need not and should not wait until it has its army divisions ready before, if it becomes necessary, flatly asserting itself. Likewise, the ambassador of a great power does not need naked force to back him up. Authority is finally based on the power to coerce, but that power need not always be immediately and physically present.

Even from a purely military point of view, no nation, least of all a democratic nation, could be rated as "ready" for war, no matter after how much preparation. Going to war is a matter of circumstance rather than readiness. In fact, beyond a certain point, the "readier" a nation is today, the more it is handicapped because of the rapid rate of obsolescence of modern war-equipment.

It is the potential strength and the psychological readiness of the nation, the national spirit and courage,—and also the spirit, dignity, and courage of the national leaders and the nation's representatives abroad which count.

We do not argue for war, now or ever. We do say that war is made only the more inescapable if the national prestige is allowed to suffer through too great an emphasis on an abhorrence of war and through over-conciliatory policies.

In small, the truth of the foregoing is demonstrated by every person in a position of authority,—foremen and bosses, policemen, teachers, judges, army officers; generally they carry only tokens of their power. They represent institutional power, as a government represents the power of the nation.

The biggest and strongest oaf, if it is suspected he won't fight, becomes the butt of the whole school, and his ears are tweaked and his shirt is pulled out by every small boy who feels in the humor.

Surely we have reached a stage of deterioration in world order, as we have reached a point in world diplomacy, where America should cease its harpings on its inveterate good intentions, its ineradicable Utopian hopes, its ineluctable love of peace, its insuperable hatred of war. America should also, and especially, end the folly of advertising to the world its alleged unreadiness for war, a folly of which not only our civilian but our military leaders are guilty. And these men should stop telling our own people how terrible a war would be for us and how much we would suffer. The Romans spoke differently. They cried, *Vae victis!* Woe to the vanquished! And they never conceived of themselves as such.

Perhaps America would be wiser if it stopped trying to be so good and instead cultivated an air of dangerousness, of poised readiness for swift and extreme action,—as is, in fact, the case. Certainly America can be incomparably the most intimidating foe in the history of the world.

The coiled rattle-snake, with the motto "Don't tread on me", was the warning device of one of America's colonial flags.

The American emblem is that outstandingly regal symbol, the eagle,—not a dove, and while, as in the Great Seal, it holds an olive-branch in one of its talons, it grasps a bundle of arrows in the other. In its beak is a scroll inscribed with the motto, *E pluribus unum*.—One composed of many. Over the head of the eagle is a "glory" of clouds and stars. On the reverse side of the seal are the words, *Novus ordo seclorum*.—a new civil order, and *Annuit Coeptis*.—He (God) has smiled on our undertaking, a phrase taken from the *Aeneid* of Virgil, poet of the Augustan era.

That is the seal which, in outline, was designed by a committee of the Continental Congress composed of Benjamin Franklin, John Adams, and Thomas Jefferson, and it gives us a very clear idea of the founding fathers' conception of America (population then under 3,000,000) of the greatness and power and dignity they aimed at for the nation.

They did not expatiate on America's "weakness" and "unreadiness for war," for all the world, to hear,—our friends with alarm, our enemies in gloating.

A Catholic priest who, still young, has already won some renown as a musician and composer, is directed by his ecclesiastical superiors to take charge of a foundling home for girls. Perhaps he is not ambitious in a worldly sense and is indifferent to honors and fame; yet will he not think that he should have been sent to some place where he could make better use of his God-given talents? Why was he not assigned to some great Cathedral, where he could have served as organist or choir master, and composed, as was his hope, most beautiful music to the glory of God?

Will he not say to himself, Here I shall be cut off from all that has meant so much to me. I bow my head and obey. It must be God's will that I assume this lowly charge. God helping me, I shall do what I can to bring these fatherless and motherless children up as good Christians; perhaps I shall be able to make their lives a little happier than they have been. But, oh, what of my music, the true language of my soul, in which I fain would have adored God with all my spirit!

Did the young priest speak thus in his heart? Did he thus grieve and despairingly lay aside his talents, sadly leaving his hymns and songs unsung? Did he in the end pass away, a frustrated, possibly an embittered, old cleric who should have been an artist, and whom the world never heard of?

We do not know what the young priest said in his heart when he first entered the dismal portal of that orphanage, but we do know that he did not bury his talents there and that he did not become a frustrated, embittered old man whom the world never heard of.

Instead, while remaining a man of God, he became the foremost violinist and composer of his time, and the orchestra and choral group of the orphanage, under his direction, became famous throughout Europe, visited by and referred to admiringly in the memoirs of many travelers of that day. For this was in the sixteenth century; the foundling home was the *Ospedale della Pietà*, in Venice; and the young priest was named Vivaldi.

Mr. Kendall E. Robinson, a member of our Chamber, told us one day, over a morning cup of coffee, about Vivaldi's life, and it made a deep impression on us.

There must have been many of such charity institutions in the Italy of those times, even as today, probably