

anything but a fair, sound, and friendly warning to the people and the Government, in their own best interest... These things require serious thought. Something is obviously wrong with a policy of inviting sorely-needed development capital with one hand and repelling it with the other."

It is a far cry from Abyssinia to the Philippines, and we would not wish to argue that what may be good for the Abyssinians would necessarily be good for us here, yet a Reuters' dispatch we recently read gives one to think.

Abyssinia, faced with growing economic and financial difficulties since the close of the war, may, according to the report, shortly accept an offer by a private group of American financiers to invest around \$100,000,000 in developing the industries and agriculture of the country. The offer was made in June of this year by the so-called Stettinius Financial Group, a body sponsored by Mr. Edward Stettinius, former U.S. Secretary of State, after a mission of experts had toured the country for nearly two months. The mission was invited to Addis Ababa by the Abyssinian Vice-Minister of Finance when he visited the United States last year in the hope of obtaining an American government loan.

Details of the report have not been made public, but, says Reuters', are understood to include the following points:

"(1) The Stettinius group is ready to invest about \$100,000,000 to develop the country's agriculture, industries, animal husbandry, mining prospecting, etc;

"(2) The group will recruit its technical and administrative personnel, estimated to number 2,500, from the United States;

"(3) The group is to have complete control over its program;

"(4) The group is to be exempt from the provisions of the Abyssinian law prohibiting the acquisition of any landed property by foreign nations;

"(5) The group is to receive adequate facilities and protection for its investments, these facilities to include:

"(a) Its own armed protection so that its work, especially in the interior of the country, is not hampered by the activities of native tribes; and

"(b) Management and complete control, with American personnel, of the Abyssinian customs and revenue."

"It is not known whether the plan has a time limit, but the fact that the Mission is reported to have turned down a proposal by the Abyssinian Government to allow it landed property on the basis of a 99-year lease instead of buying it, indicates that it is a long-term plan.

"For the past few months, the Government has been studying the report and considering the offer. At the same time, the Stettinius Group in New York is known to be considering certain Abyssinian counter-proposals."

These requirements, if they are correctly given, are pretty stringent, but \$100,000,000 is a lot of some

people's money. The members of the group probably think that the inherent risks are already so high as not to warrant the taking on of political risks in addition,—at least, such political risks as may perhaps be avoided.

One may deduce that the money must be pretty badly needed, and one may conclude, also, that a great deal of good might come to Abyssinia as a result of its investment even on such terms. Both the group and the Abyssinian Government would or should be interested not only in expending and in receiving the money, but in securing its expert, honest, and mutually profitable investment, and the offer may outline the only feasible way to insure this.

But that such terms can still be proposed in certain parts of the world shows, too, what we in the Philippines are up against in "attracting" necessary capital. It is something that can not just be done with a genial smile.

It seems that America is through, for some time to come, with easy investment bank loans, with bonds insouciantly shifted to a gullible public which, in the end, bears the heavy losses of money recklessly or crookedly passed out. Investors want to make sure that their capital is *invested*,—not misused, wasted, or stolen.

As we and all the people of the world tensely watch the great drama unfolding in Europe,—centered for a time in Berlin and now in Paris, it is very necessary for us to understand and to hold ever in mind that the conflict is not basically between any of the following:

- The World Issue**
- (1) Democratic and communist ideologies;
 - (2) The capitalist and communist economic systems;
 - (3) Russia and its satellites and the United States and its Allies;
 - (4) American and Russian imperialism.

The conflict is neither basically philosophical nor materialistic; neither geographic nor strategic; neither national nor imperialistic.

Such aspects present themselves, but the conflict is basically *political*,—political in a practical and real sense, very close to all of us; closer, perhaps, than the next elections.

It is a conflict between human freedom, its spirit and institutions, and despotism and all its iron machinery; between two systems, the one representing democratic liberty and the other totalitarian tyranny.

As such it is a world conflict, — in which the security and happiness of all mankind is at stake.

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"The coldest of all cold monsters. And coldly it lieth; and this lie creepeth out of its mouth: 'I, the State, am the people.'"

Nietzsche

"The willing surrender to the State of prerogatives of a free citizenry constitutes one of the most serious threats to human progress and achievement since the Industrial Revolution."

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