

3. A fellowship shall for the first year be granted to a student to pursue courses only at an institution other than that at which he had been studying for the year preceding.

4. A fellowship may be continued for a second year in the same institution, but no person shall hold a fellowship for more than three years.

It was also recommended that not to exceed five fellowships in each class be awarded for 1917-18.

As the American Society of International Law decided it inadvisable to undertake the administration of these fellowships, the Division of International Law of the Carnegie Endowment for International Peace undertook the carrying out of the recommendations of the Committee.

In April from the candidates applying selections were made to the number of ten and these students are already engaged in their special studies. Owing to the war, changes of plan have been from time to time necessary and a fair estimate of its results cannot under present conditions be made.

Applications for these fellowships for 1918-1919 should be made as early as possible, and, according to the opinion of the Committee, on or before March first in order that awards may be determined in ample season. Such applications as well as inquiries in regard to the fellowships should be addressed to Division of International Law, Carnegie Endowment, 2 Jackson Place, Washington, D.C.

GEORGE G. WILSON.

THE RATIONING SYSTEM

When a state, previously neutral, becomes a belligerent, its interests and its rights are completely altered.

As a neutral, since 1914 the United States has desired the largest possible freedom of trade with all the Powers at war, as well as with their neutral neighbors. But owing to the peculiar position of the Central Powers, and particularly of Germany, with three neutral states bordering upon her and two more separated only by narrow seas, an absolutely unprecedented trade condition arose.

For, obviously, the ports of a neutral cannot be blockaded and goods intended for Germany could make their way through Dutch or Scandinavian channels with little hindrance, the British blockade to the contrary.

Having determined upon a policy of depriving Germany of all commodities which might be of service to her in the prosecution of war, Great Britain carried this policy out by a series of measures. One was the very wide extension of the previously accepted list of contraband, shifting to the occasional category articles not before deemed contraband, and calling fully contraband articles listed previously as occasional. A blockade was declared, laid far from Germany's coasts and covering her Baltic ports, which could not and did not affect Swedish shipping. This was supplemented by the enforced touching of all neutral ships at some British port to have cargo and destination inquired into, a novel requirement. To both blockade and contraband requirements, this served as a supplement. And then to stop traffic still legal, a new usage was set up by which goods for the neutral not contraband were passed only upon the assurance that they should not be exported to Germany.

Against much or all of this our government argued and protested. The continuous voyage doctrine enlarged and the right of blockade extended, seriously interfered with that trade between two neutrals which no belligerent has a right to interrupt whatever his military necessities may dictate. Some of the new British restrictions we accepted, some were not fully pressed, some were under discussion when our own entry into the war, not as an ally of England and France but as having a common enemy, completely changed the face of things. For trading with the enemy was now forbidden to our people; our belligerent rights had replaced our rights and interests as a neutral.

Meanwhile three years of war have lowered the world supply of many commodities to the danger point. This affects neutral and belligerent alike, and is even reflected in the countries where these commodities originate, by a serious enhancement of price. As belligerents we are now concerned in conserving our own supply of such articles, in keeping their cost down, also in saving them for those other belligerents with whom we make common cause. Secondly, we desire to keep them out of German hands. The instrument which our government employs for this purpose is a license system which permits the export of a wide range of staples produced in this country, only upon the sanction of a specially constituted board. This is coupled with price fixing and commandeering, avowedly war measures extraordinary, just as the license system is. But we are not unmindful of the necessities of our friends, the neutrals, and propose to look out for these by ration-

ing, that is, by permitting them to import from us such quantities of desired goods as we and our fellow-belligerents can spare, such quantities as will barely meet the domestic needs of these neutrals. For we do not feel called upon to put them in position to export their own to Germany and fill the void from our sources.

This is all, I think, quite clear and just and legal, provided we do not violate a treaty or unreasonably limit a trade which the friendship of years has established and sanctioned.

As to the first of these conditions, our treaties with Denmark and with the Netherlands contain no provisions which a limitation of exports would seem to violate. They are elderly treaties with no special war stipulations, but calling for equality of treatment with favored nations, interchange of consuls, extradition and such commonplaces of state intercourse.

The second condition, the unreasonable limitation of an established trade, is perhaps arguable. A decent and considerate belligerent must recognize the difficulty of the position of the Netherlands, for instance. She lies amongst powerful states; she has to import coal, foodstuffs, and various staples. Germany, a contiguous state, refuses coal, unless fats and dairy products are sent in exchange; the Entente Powers in their turn try to put on the screws if dairy products are not furnished themselves in larger quantity than to Germany. We now come in and stop Dutch importation of our wheat unless it be in great part for Belgian relief. Poor Holland is between the upper and the nether millstones.

It is apparent, I think, that the questions thus involved are not questions of law, but of policy and economics. Assuredly a state may embargo its food supply when that is required by its own necessities. The requirements of other belligerents engaged in a common cause may be preferred to the demands of the neutrals, because self-interest, self-preservation perhaps, dictate such a policy. To ration the neutral so straitly as to guarantee that importation plus home products shall leave no margin for an enemy's use does not seem to the writer an unfriendly limitation of established trade considered in the light of military policy. War is a very serious business, not justifying a violation of neutral rights, but certainly justifying the belligerent in preferring his own to neutral interests. He is betraying a trust when he starves his own cause to enrich the neutral and fatten his enemy. There must be very positive treaty obligation or legal requirement to warrant

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.

T. S. WOOLSEY.

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.