

# France In Crisis

By FRANK H. SIMONDS  
Copyright, 1924 by Mcture Newspaper Syndicate

Paris, April 5—Never in the various times I have come to Paris during and since the war has the political situation seemed more obscure and less easy to grasp. Actually France is in the presence of three acute crises any one of which would of itself be sufficient to concentrate national interest and effort. These three crises are, quite obviously, that of the exchange, which is financial, that of domestic politics, which is due to the approach of a general election, and, finally, that of international affairs, which must come even more strongly into the light when the Dawes Commission reports.

In some ways the exchange difficulties are the most serious for people in their direct consequences. The tremendous fluctuations of the franc in the first and second weeks of March brought a sense of insecurity and of apprehension which recalled some of the worst days of the war. Literally no one knew whether he stood, whether it was the smallest purchaser of the necessary food supplies or the largest exporter or importer. Moreover, had as was the fall of the franc, it was in a sense less serious than the remarkable rises and falls which kept everything in uncertainty.

There was nothing which one could quite call a panic but there were many evidences, many signs that go with actual panics. Thus all of a sudden the dealers in precious stones found a business hitherto undreamed of. People of every sort began suddenly to invest all they could collect in diamonds and pearls. This of course is a wholly familiar phenomenon, which was noted both in Russia and in Germany when the crashes in currency came.

Other curious and less simple circumstances were noted, practically all the reserve wine supply in France was suddenly bought up by the Germans, who paid largely in cash but partly in paper. Obviously these Germans had no thought of removing the wine from France. No, they were simply planning to sell it back presently at an enormous profit. In dry goods stores such odd areas of speculation as silk stockings were noted. Some of the most famous brands of silk stockings on the market suddenly disappeared, the whole output of the factories having been bought up by foreigners.

**France Blames Germany**  
The mass of the Frenchmen believed that the whole exchange episode was no more and no less than a carefully and deliberately organized plan of the Germans to weaken France economically in the presence of the approaching election and thus insure the defeat of M. Poincare. Of course this theory found far less support in informed circles, although there was common agreement that much of the speculation was traceable to Holland, Germany and Switzerland, with the suspicion that much charged to the two smaller nations was really German in disguise.

Taught by the press and the leaders that the whole exchange matter was in reality a new attack upon France, a new Verdun, as the press daily announced, the mass of the French people stood firm. There was little to suggest popular excitement, although at all the luncheons, dinners and reunions of men and women in public life the debate was animated and keen. Once more there was thus disclosed the marvelously patient strength of the bulk of the people of this country, their capacity to endure and to endure without complaint.

In a previous dispatch I said that, despite all its financial troubles, France is prosperous. This is true, I think, speaking as a whole, but as I stay here longer and meet more people I am learning with increasing regularity of the actual suffering which exists. The old inevitable weakening of the liberal classes is taking place. The teachers, the professors, the so-called intellectuals of all sorts, everyone who lives on a fixed salary and the people who had before the war lived respectably and even with a degree of dignity upon small income from investments are actually brought to the edge of starvation. This is what happened in Germany, in Russia and made and continues to make comment in the world, but it also is happening in France and seems to make little comment.

Vast sums are being made by speculators, by profiteers, the fall of the franc is bringing hordes of foreigners, including an incredible number of Americans. Paris, the hotels, the shops, the streets are thronged, animated. The restaurants give the impression of great prosperity, although fewer and fewer Frenchmen can afford to eat in them. But under the surface of a boom that seems a little feverish, there is a growing sense of uneasiness, of malaise. People are suffering in larger numbers and growing more and more anxious.

**Lack of Confidence Real Reason**  
So much for the exchange crisis, to be charged, after all not to any foreign manipulation mainly, but rather to the fact that as a result of treasury difficulties and domestic political combats a considerable element in the French population suddenly was seized with a fear that French money might go like German and rushed to invest in foreign monies or solid wealth. Confidence was shaken and with the loss of confidence the flight from the franc began.

Yet you must see that there was, at the moment, little real resemblance between the French situation on one hand and that of Germany

and Russia on the other. France was not engaged in a huge inflation operation. On the contrary it has printed next to no money in a long period of time. The development of its export trade had been phenomenal in the last year and while there was still a slight excess of imports, it was far more than counterbalanced by the relatively huge sums spent by the tourists in France. Only the French budget remained unbalanced but even here in the very first days of the exchange trouble the French Government had undertaken drastic measures to bring in revenue and finally arrive at an equilibrium between expenditures and revenue.

There was then no single outstanding fact which could explain the whole exchange situation, that is no economical or financial fact. French production and exports were above the prewar figures. Unemployment did not exist. Hundreds of millions of dollars were flowing in annually as a result of the touring trade, there had been a very good crop in the preceding autumn. And yet of a sudden, there arrived a situation which lacked little—just a little—of developing into a panic.

Now if one undertakes to explain this, that is save in terms of an economic expert, it seems to me one must analyze the facts which also explain the second of the crises which I have noted, namely the political. In May a new Chamber of Deputies will be elected and this election will decide not alone the name of the next cabinet but the character of the next Chamber. Will it be conservative or radical? Nationalist or pacifist?

**Domestic Policy Unpopular**  
Oddly enough you have the odd and to the foreigner confusing fact that it is not Poincare's foreign policy which has brought him to the edge of defeat, nothing of the sort. The reason he has just managed to survive up to the present moment I am writing lies in the fact that on the whole the country is not ready to risk the effect upon foreign relations of getting rid of a man whose domestic politics and methods are desperately unpopular and would in any ordinary state of affairs insure his overthrow instantly.

Poincare's foreign policy then, still holds the support of the French people, but again there is a point of confusion in this. That policy which the French people ascribe to Poincare is not at all the policy which is charged to him either in London or in Washington, at least among unfriendly critics. If the mass of Frenchmen still endorse the occupation of the Ruhr it is not—perhaps it never was—with any idea of permanent occupation, much less of wrecking Germany.

If Poincare cannot ultimately sell the occupation of the Ruhr, that is if he cannot finally demonstrate that the occupation was a necessary step in the long series to bring Germany to terms, his foreign policy will be rejected; for nothing seems to me more certain today than that in their present temper, there is nothing in the smallest degree militaristic or imperialistic about the French people. Frenchmen still believe that if the Ruhr had not been occupied Germany would have paid nothing, but they look upon that occupation as a seizure of goods to be released when payment is made.

In point of fact, and I state the thing for what it is worth, I have heard here a surprising amount of talk about the need of a Franco-German co-operation and none about the need of keeping Germany weak or of preventing a new war by elaborate and conceivably war provoking measures. France does not desire more trouble, she is dog tired of all debates, discussions and conferences, disillusioned, bitterly disillusioned both in the matter of money and security, about as little in the temper of imperialism, as a miner is in the condition for a fight after twelve hours underground at work.

**Where Poincare's Strength Lies**  
Now the Frenchman thinks of Poincare as a lawyer and not a new or near Napoleon. He still thinks that in the handling of the French case Poincare has proved the best counsel so far, despite many grave mistakes, but always conceding this, he is quite anxious to have M. Poincare produce results and will not continue his confidence indefinitely. If Poincare lasts until the election, if he lasts after the election, it will be because there is a feeling that it would be unwise to change horses at the river; that is that with the expert commission about to report and a programme of settlement to be presented, France would be badly handicapped if she indulged in a domestic political revolution.

But Poincare must have a solution, that is the price of power for him. He cannot, even if he would, wage war upon the report of the Dawes Commission; he must rather adopt it and claim that its achievement is his own since he was responsible for its appointment. He must, moreover, get for it the unanimous endorsement of the reparations commission. His play, his obvious play, must be, moreover, to manage things so that the report of the Dawes commission is in the hands of the Reparations Commission at the moment of election. Then he can ask a new mandate to finish what has already been brought far toward success, namely a settlement.

Beyond lies the vista of a real international conference preceded by a personal meeting between MacDonald and Poincare. But again it must be appreciated that we are

no longer in the period when Poincare could flout Lloyd George, Bonar Law or Stanley Baldwin. France is in no mood for a great game of isolationist politics. She is really, in my judgment, in no state of mind favorable to playing a great role in the world at the expense of her home peace. France, as I see her at the moment, is desperately sick of the responsibilities of the great power game and not in the least willing to keep that form of show up beyond the minimum of necessity.

**MacDonald and France**  
MacDonald, coming into power in Britain has not only exercised a profound influence upon British opinion, but he has similarly affected French. The French do not want trouble with Britain, they look with incredulity upon the British apprehension growing out of French air craft. The desire for peace in France is at least as impressive as it is in England. And M. Poincare will be expected to get on with MacDonald because MacDonald has succeeded in getting French confidence at the precise moment when the desire for a real understanding with Great Britain is perhaps the dominant impulse in the French mind.

I do not think any decisive number of Frenchmen really believe an understanding with Germany is possible, but most Frenchmen feel sure that if there is an understanding with Britain, Germany will pay—will behave, that now at last there is a chance of settlement—of peace. Criticism, recrimination, bitterness with respect to Britain I do not encounter. Quite frankly I must say I heard France far more severely censured in London than I have heard Britain criticised in Paris. In a word it is not a moment of inflated nationalism, or of international rivalries, it is a period of intense weariness, almost pathetic longing for any settlement that might even promise a period of calm.

Thus, when a new international conference comes, as it must come in the summer or early autumn at the latest—all Europe accepts this and asks eagerly if America will be there. France will not be found seeking to establish Rhineland republics, nor insisting upon economic control of the Ruhr. The outside of what she may demand with respect to the Ruhr is the provisional maintenance of a few troops in barracks, as the Germans occupied the eastern cities of France after the war of 1870 as a guarantee of French payment of the war indemnities.

You may believe as many do that France set out for the Ruhr with the intention of ruining Germany, of seizing this wealthy area and of upsetting first the economic and then the political unity of Germany. Personally I do not believe this, but in any event the fact is that the chance of such a policy's commanding or retaining French support has disappeared. Whether M. Poincare did or did not wink at the separatist movements in the Rhineland France, the country and the people, no longer take any such things seriously. There will be no trouble raised in the next conference because of French endorsement of such projects, just as there will be no objection to the restoration of the Ruhr to the German economic system as a result of the recommendations of the Dawes Commission.

**France Is War Weary**  
One's personal opinion after all counts for relatively little, but in recent weeks I have seen a very great number of Frenchmen of every class and condition and not only has the desire for settlement, for peace, for international good understanding been strikingly present in their comments, but taken in the aggregate they suggest, at least to me, that the post-war mentality of France, like that of Great Britain, has been enormously modified in recent months, perhaps in the time which has followed the occupation of the Ruhr.

If there were any conceivable method under the sun by which the single enduring difficulty of the French, the matter of security, could be dealt with, even for an appreciable time, the solution of the rest of the disputed matters would be of little real difficulty. There and there alone the French mind, as I see it, remains unchanged. It does not matter who is Prime Minister, what stripe of party politics he wears, he must in the nature of things insist upon some form of guarantee of French security.

France will insist upon a demilitarized Rhine frontier, she will seek some international guarantee of it. Whether in the end she will accept the pet dream of the new British Prime Minister, a guarantee through the League of Nations remains open to question, although some such scheme might awaken less contemptuous resistance in France today than five years ago. But the real pacification of Europe, after all, must depend upon the success of Mr. MacDonald in meeting not the extreme but the minimum requirements on the head of security, and for France security means some form of understanding with Great Britain.

As far as Germany is concerned, the French expect nothing which is not the result of Allied unity and common coercion, coercion which may not have to go beyond words, if unity is preserved. They hope and believe that the fact that the Dawes report will show Germany has great capacity for payment will serve as a vindication of France before the world for her contention and action in the past. They hope and believe that the Dawes Commission report will give an economic justification for French claims which hitherto have had moral and legal warrant.

**France Awaits Vindication**  
Above all the French people hope that when an international commission has found that Germany can

pay largely, suspicion of French purpose in demanding payment will disappear and the world will accept the French statement that France seeks only reparations due her for her devastated areas and, once these reparations are forthcoming will abandon all military interference with Germany.

In sum, what I am trying to make clear is that the present French temper is one of rather striking restraint and reasonableness. You feel after having talked with Mr. McDonald and his associates in London and with M. Poincare's associates here—I have not yet seen M. Poincare personally, although he has promised to receive me presently—that on both sides of the Channel the moods are such that at the very least the prospects of agreement in some later conference are better than they have been at any moment since the Armistice. High placed officials in both countries have said this to me in almost identical words. The impression of a universal desire for a real settlement is just as unmistakable along the Seine as on the banks of the Thames. If there is not a new mentality now, there is at least a new temper.

What might happen if the moment were lost, as other good moments have been lost in the past, no one can forecast, although not a few have said to me that it would mean the ruin of Europe. It is well to remember that up to the present moment nothing has been settled. All the real obstacles remain. Solution in the sense of a final, permanent adjustment is, beyond much doubt, an iridescent dream. We are very far from the mood of five years ago when Mr. Wilson came to Paris and the world talked about a new era. There is not, let us concede quite frankly, any re-echo of that idealism which was abroad everywhere at the moment when the Paris Peace Conference opened.

But, by contrast there is intense weariness, a real and I think a universal hunger for peace, outside of Germany, perhaps there, I cannot say. Even victory has lost most of its force as its passing impetus to age long aspirations and ambitions. Today in the little of Europe in which I have lingered you have far more the sense that most if not all of the inhabitants of these countries are thinking in terms of their own narrow but vital and difficult problems rather than in terms of great periods in national history or brilliant futures painted by imaginative patriots.

**Victory Was Late**  
The war died that way even before it came to victory. The great young gallant moments of 1914 and 1915 for France and of 1916 for the British presently dipped down into grinding hopeless agonies of 1917 and the first half of 1918, to revive a little with the coming of victory. So, in a sense the larger moments of peace, which were much briefer than those of war, disappeared and what remains are millions of men and women who are weary, disillusioned, caught in the narrow grinding routine of life made almost intolerable by physical circumstances. Peace in peace has become as insistent a demand now as peace, even in war, was becoming when at last victory came to our cause.

I have strayed away from a discussion of definite crises in France, because, after all, it is not in politics, it is not really in finance that the situation in Paris today is most impressive. What strikes you is that in the present state of mind statesmen or politicians could not lead the masses very far, by blowing up the dying coals of the war time flames. France may not be too tired to fight, I do not believe any nation is quite ever that, but France is so deathly tired of fighting and the talk of fighting, that her statesmen must preserve utmost caution in their international dealing to survive national feelings.

France still believes Poincare is the best man to bring a settlement. But that is the sole reason he has lasted so long and may last a little longer before he faces the final test of success or failure in settlement. But if France believed he was militarist, expansionist, annexionist, I do not think he would survive an hour, for France is none of these things at this hour, whatever she has been in the past.

Only the German, misreading this mood, seeking to achieve a final victory, resuming his effort to evade reparations altogether and at the same time menace France security, might and may destroy the present prospects, which, to sum up, are the most favorable for a settlement I have yet seen on my several journeys to Europe since the close of the war itself.

**CALL 698**  
For anything you want to eat.  
Rye Flour, 3 lb. bags, Gluten Flour, 3 lb. Bags, Sanitarium Diabetic Bran (Ready to Serve).

**R. L. GARRETT**

**MINTS**  
We have just received another shipment of nice fresh mints which are very desirable for parties, church socials, etc. We sell them in one pound and six pound cans as well as in bulk.

**M. P. GALLOP CO.**  
Phones 3 and 57

## ARE YOU USING OUR REPAIR DEPT.?

IF NOT, YOU ARE NOT AVAILING YOURSELF OF A REAL SERVICE.

### H. C. Bright Co.

Statement Narragansett Mutual Fire Insurance Company, Providence, R. I. Condition December 31, 1923, as Shown by Statement filed.

Amount of Ledger Assets Dec. 31st of previous year	\$ 256,267.52
Income—From Policyholders, \$229,476; Miscellaneous, \$17,999.88; Total	247,475.88
Disbursements—To Policyholders, \$9,111.23; Miscellaneous, \$175,052.94; Total	184,164.17
Fire Risks—Written or renewed during year, \$31,995,140; In force	38,556,867.00

**Assets**

Value of Bonds and Stocks	\$254,441.06
Deposited in Trust Companies and Banks on interest	48,479.55
Agents' balances, representing business written subsequent to October 1, 1923	16,584.37
Agents' balances, representing business written prior to October 1, 1923	74.25
Interest and Rents due and accrued	3,005.84
All other Assets, as detailed in statement	7,646.94
Total	\$330,232.01
Less Assets not admitted	74.25
Total admitted Assets	\$330,157.76

**Liabilities**

Net amount of unpaid losses and claims	\$ 1,372.00
Unearned premiums	173,086.98
Salaries, rents, expenses, bills, accounts, fees, etc., due or accrued	71.12
Estimated amount payable for Federal, State, county and municipal taxes due or accrued	2,294.70
Total amount of all Liabilities except Capital	\$176,824.80
Surplus as regards Policyholders	153,332.96
Total Liabilities	\$330,157.76

**Business in North Carolina During 1923**

Fire Risks written, \$989,741.00; Premiums received, \$2,035.59.	
Losses incurred—Fire, \$19.00; Paid, \$19.00.	

President, Frederick W. Moses; Secretary, Walter K. Pullen; Treasurer, Frederick W. Moses.

Home Office: 10 Weylissett St., Providence, R. I.  
Attorney for service: STACEY W. WADE, Insurance Commissioner, Raleigh, N. C.

**STATE OF NORTH CAROLINA, INSURANCE DEPARTMENT, Raleigh, Feb. 26, 1924.**

I, STACEY W. WADE, Insurance Commissioner, do hereby certify that the above is a true and correct abstract of the statement of the Narragansett Mutual Fire Insurance Company, of Providence, R. I., filed with this Department, showing the condition of said Company, on the 31st day of December, 1923.

Witness my hand and official seal, the day and year above written.  
STACEY W. WADE, Insurance Commissioner.

Statement Minnesota Implement (Mutual) Fire Insurance Company, Owatonna, Minnesota. Condition December 31, 1923, as shown by Statement filed.

Amount of Ledger Assets December 31st of previous year	\$ 1,650,799.59
Income—From Policyholders, \$2,103,758.44; Miscellaneous, \$76,192.00; Total	2,179,950.44
Disbursements—To Policyholders, \$694,214.01; Miscellaneous, \$1,245,484.70; Total	1,939,698.71
Fire Risks—Written or renewed during year, \$187,761,818; In force	132,348,373.00
All Other Risks—Written or renewed during year, \$16,607,946; In force	21,693,445.00

**Assets**

Value of Real Estate	\$ 266,935.89
Mortgage Loans on Real Estate	604,225.53
Value of Bonds and Stocks	453,352.05
Cash in Company's Office	50.00
Deposited in Trust Companies and Banks not on interest	76,161.33
Deposited in Trust Companies and Banks on interest	72,585.16
Agents' balances, representing business written subsequent to October 1, 1923	314,601.87
Agents' balances, representing business written prior to October 1, 1923	738.81
Bills receivable, taken for fire risks	5,360.67
Interest and Rents due and accrued	34,914.38
All other Assets, as detailed in statement	109,437.56
Total	\$1,933,363.65
Less Assets not admitted	788.81
Total admitted Assets	\$1,932,574.84

**Liabilities**

Net amount of unpaid losses and claims	\$ 105,059.00
Unearned premiums	1,270,538.67
Salaries, rents, expenses, bills, accounts, fees, etc., due or accrued	725.89
Estimated amount payable for Federal, State, county and municipal taxes due or accrued	24,600.00
All other liabilities, as detailed in statement	59,975.32
Total amount of all Liabilities except Capital	\$1,461,896.88
Surplus over all liabilities	\$470,677.96
Total Liabilities	\$1,932,574.84

**Business in North Carolina During 1923**

Fire Risks written, \$561,144; Premiums received, \$10,772.77.	
Losses incurred—Fire, \$898,250; Paid, \$8,982.50.	

President, F. J. Lohr; Secretary, C. I. Buxton; Treasurer, E. Folsom.  
Home Office, 129 East Broadway, Owatonna, Minn.  
Attorney for service: STACEY W. WADE, Insurance Commissioner, Raleigh, N. C.

**STATE OF NORTH CAROLINA, INSURANCE DEPARTMENT, Raleigh, March 5, 1924.**

I, STACEY W. WADE, Insurance Commissioner, do hereby certify that the above is a true and correct abstract of the statement of the Minnesota Mutual Fire Insurance Company of Owatonna, Minn., filed with this Department, showing the condition of said Company, on the 31st day of December, 1923.

Witness my hand and official seal, the day and year above written.  
STACEY W. WADE, Insurance Commissioner.

**Try The Advance Shop For Job Printing**