

Poincare's Moratorium

PREMIER Poincare has pointed the difference existing between Britain and France, and if there has been no rupture it would require the eye of spiritual discernment to discover an Entente in an agreement which disagrees with its basic principle. However, economic reality will out, and if the European prospect is neither peaceful nor fraught with the portents of peace, it is, at least, hopeful with the virility of necessity.

A moratorium, commonly understood, is an agreement to defer payments until a more convenient season. It is, in effect, post-dating matured claims. But in French policy it means confiscation. For in return for the moratorium, France wants "guarantees"—control of German finance and customs frontier on the Rhine; special levy on Rhine coad; 25% share (Allied) in German industries and control of state mines and forests. Those "pledges" would seem to be a dodge to retain the upper hand in Europe; as such they bring France in direct conflict with British interest.

By the Versailles Treaty, Belgium has first claim, and France the largest share in German reparations. That is why France and Belgium always act in concert. Since France, acting on treaty rights, incidentally supports Belgium interest. But the same treaty calls for Allied action in German affairs. That is why the treaty in exactitude becomes a treaty in delapidation—Allied action is never harmonious because Allied interest is never mutual. An Imperialist treaty naturally means Imperialist power. And Imperialist power is destroying every democratic element in Europe. It marches the proletariat in a dance of death, through the confusions and antagonisms of its own productive forces.

The London Conference could hardly be expected to award such sweeping "guarantees" since in effect they would 'guarantee' Germany as a French dependency; and secure France in her aim of European hegemony. If the control of German finance and customs is to be effective, it must be controlled in the interest of France, if it is to be profitable, by a France supreme—at least in Europe. But a France supreme in Europe is a France in conflict with Britain and a French control of German resource is a French barrier to British commerce. If there is to be a quarter share in German industry—with the lion's share probably going to France—there will be trouble in that arrangement for France, but it will mean more than trouble for Britain, while the levies on coal and the Rhenish customs, according to Belgium, interfere with Belgian trade, and turn its flow from Antwerp to Rotterdam. Hence the policy of "watchful waiting" is a policy of watching disaster, and may be brought to an abrupt termination by a fateful upheaval.

It is this inherent conflict of interest which causes the awesome see-saw of European events and drives the two remaining European Great Powers in their desperate straits of rivalry. An industrial Britain could view with equanimity, the delimitation of an industrial Germany; but a commercial Britain cannot remain passive when that delimitation rudely blots out the whole of the European market. A Britain whose national traditions could curb the aspirations of an aggressive competitor was forced to relinquish its victim by a Britain whose Imperialism stretched to the ends of the earth. France, faced with the ruin of war and stagnation of peace, strives for redemption in the very terms which brought about her ruin, seeing only in the general decay of Capital the particular destruction of French finance.

In Britain the expediency of the Entente may be

specific and alluring; but the expediency of commerce is more instant and commanding. The hostages of war may be very willing; but the spirit of profit is all compelling. In France the fear of isolation may be great, but the fear of bankruptcy is still greater. If the Entente is regarded with favor, it is inspired with greed of gain; and if the gain fails to materialize its materialisation will assuredly be attempted by other means. If France, for the salvage of her bonds, could make overtures to Soviet Russia, the same France, for its very existence, can make advances to its quondam foe. True wartime acts and protestations, deportations, confiscation, black troops, military insolence, national hate,—perhaps even Soviet Russia—may be all against it. But public memory is short, and dire need is cosmopolitan. And the expression of big interests is moving the idealist coteries.

The salvation of France does not lie in reaction to Britain. Britain may extend that hope, but it is the sprat to catch the mackerel. It is for salvaging of British Imperialism, an Imperialism which cannot fail to check, to vitiate, to nullify every interest of France. Acting alone against Germany, France would reap a bitter harvest of disillusionment; in concert with Britain, as bitter disappointment. But in a Franco-German collusion France might, by the same stroke, achieve temporary success and hamper her final enemy—Soviet Russia, while Germany might partially recover her commercial life, and political unity, and save her democracy from the rude hands of the "Red East." The coal of the Rhine and the iron of Briey were in concord during the war; why not to preserve the peace of profit? If the industry of Silesia and the wealth of the German state is to be exploited, what else should it do than revivify the leashed life of Austria and strengthen the new "democracies" of middle Europe? And though Britain proved the German export duty a vain and costly thing, it does not follow that in the French rendering it should prove similar. Indeed with German technique and French policy, the situation (or the solution) is quite different—and need not involve, either customs or duties. In point of fact, with the dissolution of the London Conference, Europe has taken a decisive step forward and has entered the second phase of the Revolution.

If we throw aside the probability of war between France and Britain for the destiny of Europe, then we have a Britain whose prosperity requires a Germany restored on the normal comity of trade, a France seeing her national decline in such restoration; and a Germany—and with Germany, Europe, commercially and socially mangled in the callous rivalry for control. Such a situation can hardly be of long duration. It is not a moment of morality; it is a question of power. Self centred in the continent of Europe: with wide political influence: with an efficient military regime: with necessitous Europe for a market and necessitous Germany for a bargain counter; with a dangerous Communism in the East and a dangerous Imperialism in the West, there is plenty of indication of a "union of convenience" between the commercial Republic of Germany and the financial oligarchs of France. Between Britain and France there is variance on all points: on industrial reconstruction; on commercial restoration; on German Reparations, on Soviet trade; on Eastern oil; on debt repayment, even on the mandates and treaties of the war. But the situation is so complex and contradictory, it is next to impossible to foresee the issue or what political conjunctions may transpire.

Be that as it may, these are implications in the movements of rivalry, vital enough for us. It has been stated that French confiscation of German resource is a vital blow at property right, and shakes capital to its foundations. It may be a "blow" to the private rights of the conquered, but it in no

wise affects the principle of capitalist property, and as such threatens Capital as little as a lightning stroke threatens the Rocky mountains. Capital rests on confiscation. It is the tap-root of its life. And although the transference of ownership carries with it the transference of economic power it does not involve its title of political privilege. Indeed the transference may strengthen the title. There is no hope of Communism by that route. Confiscation involves capitalist rights only in so far as it means concentration, and therefore the undermining of capital itself; and it threatens its existence only as it threatens the functioning of social activities. In this particular case it might be the "open sesame" to the partial functioning of those activities. And if the torn thread of European life may be knitted—even temporarily—in this manner, the relations of capital may dwindlingly extend over an indefinite time.

Moreover, the same upheaval that tumbled the kings of Europe, severed the bonds of serfdom. The vicissitudes of war, and the necessities of the land hungry, cut deep into the great agricultural estates of Europe; dispossessed the barons and made the small peasants proprietors. The instincts of self preservation and the economic of small production makes and keeps Europe hungry. In all Europe, Hungary alone has an exportable surplus of grain—and that negligible. Russia—that formerly gave the world a quarter of its wheat,—in spite of its good crops is yet to be threatened with another famine. In all countries the menace of hunger is substantial, and the devilry of war and riot renders it more imminent. In all countries the peasant who produces looks darkly on the "red agitator" of the town which consumes. And in all countries, the spirit of small possession and the need of small and self production accentuates both the feeling and the process. And the industrial town has but small economic power. That is, although the more or less self sufficing peasant requires some tools and implements of his craft, he can contrive, in a pinch, to get along with primitive means. But the non-producing town can eat only beyond itself, by right of purchase. If it cannot purchase? The gay city, with its paved streets; its glittering lights; its strained joys; its barbaric splendor and endless tides of traffic appeals with all the passion of life to the social instincts and imagination of man; but nevertheless it has life and being only in the labor of the wide spaces, the fruitful fields and fertile valleys of the still country. And if the bias of self interest multiply in the silent fields, it will not be long till the spider of ruin spins her web in the dust of the apocryphal city. Hungary and Austria are an example. And the measure of their need may be compared in an exchange which registers 350,000 in industrial Vienna, while across the river, in Budapest, it is 6,000 (Par, in both cases 4 to £1). The peasant militated against the social Revolution in Russia (i.e. as a communist movement). The peasant will militate against the same revolution throughout Europe. The owner peasant, and remaining landlords of Hungary and France, sidetracked on the main issues of Imperialism may force Europe to a deeper exhaustion than it has yet experienced. "Bread" is the one voice in Austria, and it falls on deaf ears. It will be the one cry in Germany. And if America refuses to lend to Europe—as she has refused Russia—if Britain can find no profitable exchange; and no agreement with reactionary France, then it would seem that the starving town would be driven against the holding country, or that France and Germany should unite in a common effort to save their privilege from Bolshevism.

It is true there is both the example and spirit of Communism in Europe. But the example apparently awakens but little response in the proletarian world; and Russia itself either awaits an

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