

Economic Causes of War

By PETER T. LECKIE.

*Reprinted from the
"Western Clarion," March-November, 1920.*

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PREFACE.

THE matter contained herein is written to substantiate the oft repeated phrases made by Socialists that War is a result of the conflict of economic interests of the countries involved. While it is the easiest thing in the world to take the position of defending any of the belligerents in the great war as to the justness of their cause from the national viewpoint, with all the superficial phraseology and sentimental humbug and idealism, we have arrived at that point of human development resulting from the development of the machinery of wealth production, that the workers should realize, no matter what side wins the wars of the future they stand to lose.

The antagonism between Germany and Britain did not arise until Germany became a great trade rival.

I have endeavored to show that financial trail which dominated the actions of the diplomats, previous to the war, manœuvring from time to time as the economic interests of their respective countries dictated. France was the enemy until 1904, and I have pointed out why the hostility of Britain and France ceased.

Since writing the material in the following articles, I have just read a book, "For Efficiency," by Arnold White, written in 1902, and as he has advocated a policy which has been followed and confirmed by the facts contained in the following chapters it is necessary that I should quote him in this introduction.

He says, p. 52-53: "Fortune has favored Britain in war, . . . she has been unkind to France.

"England beat France out of India, drove her from Canada, destroyed her power on the seas, manœuvred her out of Egypt, captured the Suez Canal which De Lesseps had created, remained unharmed by the Panama disaster, and issued victorious from the Fashoda incident. Is there any wonder that Frenchmen are not enamoured with England?. . . . Nevertheless, there is no insurmountable barrier between the two peoples."

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"There are no insuperable obstacles to a solid understanding on the *sure foundation of material interests*. France does *not compete with England* in the markets of the world. Every week Englishmen buy a million pounds worth of things to eat, drink and wear. French pleasure resorts attract all classes of Britain. Everything points to the desirability of complete mutual understanding."

"If the British Foreign Office really represented not merely the brain but the heart of England, it would do all in its power to enable France to recover her self esteem, so long as *British interests* were completely safe-guarded."

P. 54: "We require much from France for which it would be worth while to pay a good price. The question of the French shore off Newfoundland has been a thorn in our side ever since the Treaty of Utrecht in 1713."

"In Egypt, France still possesses *financial rights* in respect of the Caisse de la Dette, which like the Newfoundland shore question are useless to Frenchmen and are inconvenient and objectionable to us."

"In the Far East, wherever Russia comes into conflict with England, French influence and the weight of the French military and naval forces are thrown in the scale hostile to England."

"What is it that England can do, *without sacrificing any material interest*, that would give to France settled repose and international dignity? The answer is Morocco."

"In the course of a few years Morocco will be inevitably decided."

"France, Spain, Germany and Russia would like to have a finger in the pie. A protectorate over Morocco is the chief object of French ambition. Shall we drift, or act?"

"I have reason to know if England would withdraw her opposition to a French protectorate over Morocco, France would relinquish her rights in Newfoundland and in Egypt and would further make a settlement on every subject outstanding between the two nations."

"For the protection of Gibraltar and the integrity of our route to the Far East it would be necessary that Tangier should be delimited and neutralized with a hinterland of reasonable dimensions."

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When White deals with the results that would follow, he says: (1) that it would remove the frictions with France; (2) open an understanding with France's partner, Russia; (3) the isolation of Germany.

White points out, like all the others, that Germany had become a commercial country, and he draws an analogy in her hunger for territory for her surplus population and products like a hungry man endeavoring to get food, not for himself but for his bairns.

He says, p. 56: "This longing for German territory fit for settlement by German people is not inspired by hatred to Britain. It is a natural consequence of a *desire for bread and butter*. *All wars in the future will be made on the stomach.*"

P. 57: "The expansion of Germany and the growth of the navy is no whim of the Kaiser, nor is it a mere jingo instinct of the people. It is due to the first law of nature, *the instinct of self-preservation.*"

P. 61: "The key to the solution of our problem abroad is an arrangement with France based on the cordial recognition of a French Protectorate over Morocco."

When dealing with Russia, White says, p. 61: "If the English numbered 130,000,000 souls and were locked up every winter by the steel band of frozen seas, how long would it be before Englishmen would have broken through to a warm water port? Not two hundred years. The tendency of Russia to seek the sea is manifest."

The policy advocated by Arnold White in 1902 has been followed almost to the letter, which a perusal of the following pages will show, and if the reader has found food for thought and the workers are enlightened thereby, I will feel amply repaid for the arduous task of a wage-slave to educate the class to which I belong, because, if we ever expect to be emancipated from the wage slavery of capitalism, that can only be accomplished by the working class being educated to their class position in society.

And so the words of Karl Marx will be fulfilled:

"Workers of the world unite. You have nothing to lose but your chains. You have a world to gain."

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ECONOMIC CAUSES OF WAR

I.

COMMERCIALISM AND IMPERIALISM

SOCIALISTS have always maintained that war was an effect of economic forces. As this is a general statement made by Socialists, I think the present time is ripe to substantiate it. This I will endeavor to do from a study of numerous books, written on the war from the capitalist's viewpoint, also other books on colonization.

Dr. Harris's book, "Intervention and Colonization of Africa," tells us (1914): "The rise of capitalist industry in the last 30 or 40 years has destroyed and rebuilt the old worn out towns of the old world, and awakened democracy, while on the other hand, largely as a result of these economic forces, European society has spread throughout the world. This expansion has come about by the way of enterprise of adventurous traders pushing their wares and gathering in the rich natural treasures of savage lands. This transformation is mainly responsible for those policies of imperial expansion, of com-

mercial and colonial rivalries which underlie the past war."

The partition of Africa and Asia furnish us data for a survey of the economic and political forces of today. European states at first directed their efforts towards the acquisition of territory and the founding of colonial empires, in order to secure commercial power and the control of trade routes and centres. Their viewpoint has changed and has become economic and commercial instead of territorial. This was due to the development of machinery in production and improved transportation facilities enabling in 20 years' time that 600 men could do the work formerly done by 2,145 men. This industrial revolution brought what is called over-production, a production that exceeded the purchasing power of the workers. (The historian says exceeded the needs of the people). The facilities and improved means of transportation brought foreign markets which hitherto had been unapproachable.

In 1800 the trade of Europe reached 300 million people; by 1900 over 1,000 million were reached. The home population increased enormously, then we had in the eighties emigration of the workers of Europe to America and the various colonies of European countries. The home governments were anxious to keep this moving population under their own flag and control and became anxious for colonial ex-

pansion. They began to ask themselves how this expansion could be accomplished, and found it was by means of the sword. Lord Roberts tells us in his "Message to the Nation," when speaking of German ambitions: "Britain obtained her's, sword in hand." Read also Homer Lea's "The Day of the Saxon," p. 12, and to those Henry Dubbs who are carried away with the League of Nations movement, I commend "The Day of the Saxon," p. 23, where Lea says: "There can be no retention of the British sovereignty without the repression of the territorial expansion of other nations, a condition that **must culminate in a war—one war if the empire is destroyed,—a series if it is victorious.**"

Russia undertook a remarkable colonial expansion in Central Asia to secure trade and trade centres. Japan fought a great war to fulfil her economic destiny in Korea and on the Chinese mainland. When Japan whipped China in 1895 she proceeded to annex Chinese territory for Japanese capitalists until German, French and Russian capitalists said "hands off." Britain stood apart in splendid isolation and gave the Jap to understand that she was her friend: the result was the Jap-Anglo Alliance. The British capitalists secured a commanding position in the East. The Germans meanwhile seized Kiao Chau after they discovered the district was **rich in minerals**. This is the part the Japs have captured during the past war. The dark continent of Africa is the

part in which we find colonial expansion and where the various commercial interests of Europe clash. In 1870, European possession of Africa was confined to seaport towns and adjacent territory, which were used as ports of call and trading centres. The European interest in the Dark Continent as a field of commercial and industrial activity was aroused as never before. The number of explorers of the time had outlined at least the location of the great lakes and waterways, and the possibilities of the various sections as sources of wealth and trade for Europeans were ascertained with a fair degree of accuracy.

The founding of the Belgian Congo by King Leopold II., of Belgium forming the "International Exploration and Civilization of Central Africa," was a start. It was soon noted that this region was rich in ivory and rubber, and various sections were parcelled out to trading companies. France became ambitious over this territory, but Belgium received the support of the other European powers to own it. We all know about the atrocities in this part of Africa, and it is time well spent to read E. D. Morel's two books: "King Leopold II. and the Congo," and "Britain in Congo."

The reason we saw so little fighting over the dividing up of Africa was because the powers partitioned it off from time to time with their coalitions, one time Germany and Britain opposing France,

other times France and Germany opposing Britain, also France and Britain against Germany, according to the economic interests of the parties concerned.

Previous to 1870 Britain did not intend any more expansion, but the discovery of gold, 1869 and 1871, in South Africa, gave her a change of heart. The discovery of gold and diamonds brought in white settlers and Britain obtained possession of the chief diamond mines, the ownership of which was disputed by the Transvaal authorities. Then we have a beginning of the economic rivalries of European nations over colonial expansion, in an endeavor to obtain territory for emigration, also a monopoly market for the disposal of the surplus wealth of home labor, and also the exploitation of native labor and natural resources of the controlled territory.

Roland G. Usher, in "Pan-Germanism," 1913, says "The population of Germany has increased so rapidly and increase in industry has grown at a stupendous rate and is enormously in excess of the needs of the population; her prosperity will mean bankruptcy unless some outlet is found for her surplus production and an extensive market found for this surplus production. Germany to use the channel, forces her to expose her commerce to the assaults of the English fleet so long as the latter control the Channel. Even if she acquires colonies and a great market she cannot really possess them until she acquires a highway safe from the attacks of her

enemies. Short of conquering France and England, she can never free her commerce from actual danger without a great fleet in the North Sea. To secure a world trade in some fashion which will not expose her to attacks from the English fleet an overland route to the East must be found. Pan-Germanism is therefore, in the first place a defensive movement for self-preservation. In the second place an offensive movement, directed against France and Britain its object is to capture English possessions in the Mediterranean and Asia. She expects thus to obtain an outlet for her surplus population and manufactures." (Pan-Germanism. R. G. Usher, 1913).—The Copp Clark Co., Ltd., Toronto.

The "Daily Chronicle War Book" deals with this surplus manufacture and population and the scramble of European powers for opportunities of exploiting undeveloped estates, also the need of raw material and foodstuff for home market, and says: "Statesmen have had brought home to them the supreme urgency of the economic necessities to the modern state. The modern statesman has to think in terms of commerce, about raw material for his country's products, and markets for the manufactured goods. The security of overseas trade depends on a strong navy. Hence the appetite of colonies and trade goes hand in hand with naval ambitions. Britain with her colonies and naval traditions was able with ease to adjust herself to the

new world policy. Germany on the other hand with a bad geographical position and the absence of coaling stations, was in a highly disadvantageous position. Therein is to be sought one of the root causes of the recurring antagonisms that have marked Anglo-German relations in the past 15 years."

Dr. Rose, "Origin of War," p. 75, says: "Germany coming last in the field of world policy could not acquire a coaling station without alarming everybody."

"Daily Chronicle War Book," p. 10: "Germany had been left out in the cold, at a time when the new pressure of economic conditions, over sea possessions is more valuable than ever to a nation."

"Pan-Germanism," p. 49: "Belgium, Holland, whose existence Germany's rivals regard as necessary to their own safety," and the "Times," London, 8th March, 1917, says: "There are still, it seems, some Englishmen who greatly err as to the reasons that have forced England to draw the sword. They do not reflect our honor, and our interest compelled us to join France and Russia even although Germany had scrupulously respected the rights of small nations. We felt in honor bound to keep the word we had given, in keeping it self-interest had gone hand in hand with honor. They were not reasons of sentiment, they were self regarding and even selfish reasons." A. G. Gardiner in the "Daily News": "The riches of the Lorraine iron mines are

the real heart of the war controversy."

So widely do the economic interests ramify, so completely are all the sections of the globe influenced by them, that the Boer War, Morocco, the strangling of Persia, the war in Tripoli, the Balkan crisis, were only incidents in the gigantic struggle in which the very pawns are kingdoms and the control of the globe the stake of the Imperialists. England gained her economic position because of her geographical position and her coal and iron resources. Being an island she was not torn asunder during the Continental wars, and was able to continue her industrial expansion with peace at home. The utilization by her rivals of all modern inventions has robbed her of this unique economic position she held in 1815.

Turkey, in the 70's, was a tool England used not so much to obey England's behests as to frustrate Russia's expansion. The Turkish-Russian war proves that. This aspiration of Russia for a trade route to the Mediterranean made the German and Austrian alliance, who desired this expansion for their trade in the East. When Germany attempted to colonize in Venezuela she was ousted by U. S. A. and England. Germany could not obtain access to such a colony in the Mexican Gulf while England and U. S. A. controlled the Atlantic Ocean, without their permission.

In "Pan-Germanism," p. 139-140, R. G. Usher

tells us about an agreement to frustrate German expansion by U. S. A., Britain and France, and on p. 146, says: "At all costs, U. S. A. and Germany must be kept apart. Britain and France withdrew their opposition to U. S. A. ambitions in the Gulf of Mexico and the building of the Panama Canal, because it would be impossible to keep a sizeable fleet in the Gulf of Mexico and also concentrate their fleet in the English Channel. Usher in his chapter on the position of U. S. A. gives us the economic reasons why U. S. A. took Cuba, also the Philippines from Spain, to extend the coalition of France, England and U. S. A. in the Far East, and prevent the acquisition by Germany of colonies whose location or development would interfere with the control of Eastern commerce of these three countries. Usher also tells us if Germany should move on Holland this coalition will take possession of the Dutch colonies the Celebes, and will then hold a position controlling the trade routes from India to China, Japan and to Europe in general, which would be nearly impregnable as anything of the kind in the world.

When the question arose of the Allies taking over the Dutch ships early in 1918, the Wall Street Journal did not put up any sentiment about it and said: "It may sound cold blooded, but there is sound reason for believing that if Holland does not like the use to which the Allies put her ships and concludes

therefor to enter the war, the Allies would much prefer she enter on the side of Germany. . . . and there are reasons why Great Britain would be content to see Holland jump out of the frying pan into the fire. The entry of Holland would make Great Britain a present of Java, the whole Island of Borneo, and among other conquests, Britain would add to the greater part of her African possessions, and also those in the Far East. Holland may as well surrender her ships and hold on desperately to her neutrality, painful though it may be. Whichever side she takes, she stands to lose."

Java, besides being a great coffee producer, is the fourth oil region in the world.

I think I have shewn the trail of commercialism all through this article, and the Imperialistic aims of the various capitalist governments.

II.

GERMAN EXPANSION

THE Great Powers of Europe have allied themselves into different camps according to their economic interests. When Russia made an effort to get Constantinople, during the Russo-Turkish war, 1877-78, she was checked by Great Britain. When Germany took a hand in the Treaty of Berlin, Russia threatened her with war, and this brought about the Austro-German Alliance of 1879.

Britain, to keep France quiet, told her to step in and take Tunis at the first opportune moment. When France did so, Italy was disappointed, because Italians being the colonizers of Tunis, she thought it should be her sphere of exploitation. For this reason she joined the alliance of Austria and Germany in 1882. In the years 1887, 1891 and 1902, Italy renewed her alliance, Britain urging her to do so as the Italian fleet would be a help to her to combat French ambitions in the Mediterranean. Thus we find nations playing a double game whenever it suits their economic interests. The Russo-French alliance of 1891, arose because of Britain's intervention in Egypt. Notwithstanding all this manoeuvring of the Great European Powers, they all tolerated the independence of the small Balkan

States not because they respected the rights of the small nations, but because each of them did not want the others to obtain a foothold there. The geographical position of the Balkan States, the route to the vast natural resources of the Orient, has made them pawns in the great gamble of diplomacy. Similarly, Belgium and Holland are independent states only because England, France and Germany could not permit each other to control them.

Russia was the bogey-man held up to the people of Britain during the decades of 1860-70-80 in the Eastern situation, but Germany, who was yearly becoming more dangerous commercially, replaced Russia as the great menace to British financial interests. Take the steel industry for example. The Oxford pamphlets No. 16, 1914-15, state: "Great Britain was producing in round numbers about 8,000,000 tons of pig iron and 2,000,000 tons of steel per annum. The quantities produced by the United States and Germany were relatively small. Today, in round numbers, substantially accurate and readily remembered, Great Britain is producing 7,000,000 tons, Germany 14,000,000 tons, and America 28,000,000 tons per annum."

Bernhardi, in his "Germany and the Next War," pp. 82-83, said: "We are absolutely dependent on foreign countries for the import of raw materials, and to a considerable extent also for the sale of our manufactures. . . . We are already suffering sev-

erely from want of colonies to meet our requirements and supply raw materials and food stuffs." On page 103 he said: "We are compelled to obtain space for our increasing populations and markets for our growing industries." Again on page 23, "The native population cannot consume all the products of our industries—work and employment are secured so long as they find markets which gladly accept their products."

As all the desirable land for colonies was in the hands of other nations, Germany endeavored to penetrate in the peaceful methods. She, therefore, after a thorough study of the situation, was convinced that French influence in Morocco, English influence in Egypt, English and Russian influence in Persia, and the influence of the United States in Central America, were due chiefly to the peaceful penetration method of advancing loans and controlling the administration of those countries. Germany then succeeded in placing loans, buying some mines, and in initiating a number of business enterprises in Venezuela, South America, and following the customary mode of procedure anchored a warship in one of the Venezuelan harbors, and made a demand for some share in the control of the administration. But the United States gave Germany to understand that she would not permit any interference in the government of Venezuela, and the outcome of this squabble was that Britain and France withdrew

their opposition to the United States building the Panama Canal.

Germany then tried her hand in Africa, but obtaining only territory that was of little account, she next turned her attention to a scheme of constructing an overland route to the Persian Gulf, only to be again checked by Russia and Britain. As Germany began building the Bagdad Railway, adding mile after mile in the mountains of the Caucasus, the sentiment in favor of Persian independence grew more and more outspoken, and Britain and Russia sent a joint commission to study the situation. This commission reported with grave irony, that Persians were incapable of self-government and suggested that Britain and Russia should intervene to prevent the continuance of the existing state of anarchy. Russia controlling the North, Britain the South, with a neutral belt between; thus was Persia partitioned. Persia was allowed to administer the affairs of this neutral zone subject to the supervision of Britain and Russia combined. So again German schemes for expansion were checked.

When France annexed Morocco, Germany was willing to uphold its independence, because France's occupation meant that the French-imposed customs against her trade would be prohibitive, but as France was strongly supported by England, Germany was once more sat on. To seduce Italy in her alliance with Germany and Austria, her opposition

to France acquiring Morocco was bought by France agreeing to Italy annexing Tripoli on the first suitable occasion, which she did, creating a war with Turkey and ushering in the Balkan wars.

Roland Usher, in "Pan-Germanism," says, page 209: "The Balkan States who received intimations of the desirability of war from Berlin and Vienna were astounded to receive almost simultaneously, suggestions of the desirability of war with Turkey, from London, Paris and St. Petersburg. The Triple Entente had made up its mind that the moment was opportune for an attempt to erect a barrier in the way of Pan-Germanism The **strategic position of the Balkans** controlling all the roads between Europe and Asia Minor, controlling the Aegean Sea and the Adriatic, was so necessary to Pan-Germanism, that no more deadly blow could be possibly dealt that scheme than the creation of a Balkan confederacy under the aegis of the Triple Entente." The greater this confederacy, the greater the safety of France and Britain against any treachery of Russia, but the loss of Tripoli to Turkey, and the growing German interests in Turkey, caused France and Britain to withdraw their objections to Russia having Constantinople, preferring to have it controlled by Russia than by Germany. Germany had built a zig-zag railway in Turkey, receiving certain concessions and the customs receipts for security. This is why Germany was helpless when one of her allies,

Italy, believed to have been aided by France and England, fought Turkey over Tripoli. Germany was afraid of driving Italy out of the alliance if she supported Turkey, and on the other hand if she supported Italy gone was her plunder-ground in Turkey. No sooner was the Italian-Turkish war ended than the Slav Confederation of the Balkans, financed via Russia with French money, tried to finish off Turkey altogether, and after some terrible working class massacres and with Turkey almost beaten, Germany saved the situation by inducing the Balkan States to fight amongst themselves. This stroke set Turkey free and frustrated the Russian government tools whose ambition was to possess Constantinople. Serbia captured some Turkish ports in the Adriatic Sea but had to give them up, being compelled to do so by Austria who was assisted by Britain at the peace of the Treaty of London, 1912-13. Serbia, on retiring from the Adriatic, was an inland State without a seaport and had to depend on Austria for a market for her agricultural products and the supply of almost all of her industrial wants. Austria exploited Serbia and kept her poor by imposing high tariffs. All the outlets for Serbian trade with the outside world were through Austrian ports. Herein lies the Serbian trouble which was one of the many economic factors which brought on the Great War. For instance, Serbia had lots of pigs to sell; Turkey refused to buy pigs, Bulgaria

had enough of her own, and Austria had a high tariff on pigs. We have just to look at the peace treaty to find out what superficial humbug was dished up for "Henry Dubbs" to swallow. The British correspondent of the *Iron Trade Review* says, "German losses in the iron and steel industry, as a result of the peace treaty will be 74 per cent. in her iron ore output, 32 per cent. in her coal industry By losing Upper Silesia and Alsace-Lorraine she loses 32.7 per cent. of the coal output of 1912, 72.4 per cent. of her iron-ore output of 1912, 74.7 per cent. of her zinc output of 1912, and 37.8 per cent. of her blast furnaces. France will be able to increase her capacity in steel production from the territory acquired, from 5,000,000 to 11,000,000 tons per annum."

Even Sir Edward Carson said: "The one object of this war is to smash Prussianism and to smash German interference with our trade throughout the Empire." Again, Sir Edward Carson, speaking at a Savoy Hotel luncheon of the British Empire Producers' Association, Admiral Lord Beresford in the chair, Thursday, May 24th, 1917, says (he is addressing £700,000,000 of industrial capital), "Millions of men were told day by day to go over the parapet and face the German guns, they were the men preserving for them and for him such property as they had. (Cheers)."

About this time A. J. Balfour was in the United

States and the condition of British capital in Mexico, particularly the British capitalized railways, was causing much anxiety. Balfour summoned Mr. Thurston, the British Consul-General in Mexico, to Washington, and the principal subject believed to have been discussed was how to regain control of the British capitalized railways in Mexico. This difficulty was brought about because the Mexican Government's new constitution decreed that no foreign trust or syndicate was to be allowed to own the work concessions unless they made a special covenant to regard themselves as Mexican citizens insofar as the said property was concerned, and not to invoke the protection of their own governments for the protection of this property, under the penalty of forfeiting the said property to the Mexican nation. This statute, however, has since been modified through outside pressure.

The Liberal papers of 1911 and 1912, like "The Nation," "Daily Chronicle," and some of the Conservative reviews, attacked Sir Edward Grey's foreign policy, and in fact said it would lead to a great European war. "The Round Table," a quarterly review of the politics of the British Empire, of September, 1912, in an article "Australia on Anglo-German Relations," says: "The attitude of England towards Germany in such a position is not altogether creditable; England has treated herself well in the matter of territory, yet if it is announced

that Germany has acquired territory in the South Pacific or in South Africa or the West Coast of Africa, a howl arises from the jingo party that Germany is acquiring a strategic point which will command a British colony or trade route. It is idle for such arguments to be used against the progress of an expanding nation. The real reason, of course, is that the British colonies are practically undefended, her trade routes unprotected, and to save herself the responsibility of their protection she seems to be striving to hem Germany up in the North Sea. . . . But to try and avoid these problems of defence by bottling Germany up in the North sea is folly. It is like putting a dam against a rising tide. . . . The German danger is from a Germany concentrated in Europe, Germany dispersed throughout the world is not a dangerous foe. . . . The very alliance which Britain joins for her own protection is an alliance which Germany for her own protection must smash. There is an irreconcilable conflict here which must go on piling armament on armament till the crash comes." This note was written in 1912, and yet Lord Rosebery said it would be fifty years after the war before we would know its causes. In "The English Review," November, 1917, page 462, Major Stephens says, "My carefully calculated anticipation proved true to a day, as did, three years before this monstrous war, my prophecy that the first shot in the

Armageddon would sound on August Bank Holiday, 1914." The Major declares he made this prophecy in the London "Evening Times," November 11th, 1911. Poor "Henry Dubbs" was told this war was sprung on us unexpectedly, and yet Britain declared war on Germany and Lord Haldane, speaking in London, March, 1915, reported "Glasgow Herald" the 22nd, said: "The enemy was dealing in the first place with a British army, the commander of which, to my personal intimate knowledge, had been studying the possibilities of a campaign like this **for five years or more.**" Frederick Banbury, M. P., city of London, finance representative in the "Weekly Dispatch," said July 16th, 1916, "So seriously did I regard the prospects of war that months before it broke out I considered it prudent to sell some German securities that I held in my possession." It seems he must have been "in the know" before the Sarajevo murder.

III.

ITALIAN EXPANSION

WHY did Italy go into the great war? Because the Allies promised her a great territorial expansion. It was not to safeguard herself against the Balkan States, but for purely Imperialistic aims, that she annexed Carniola so that she might obtain possession of the mercury mines of Idria, the caverns and grottos of Postojna (the world's greatest subterranean marvels), and her great forest areas. She annexes the Thousand Isles of Dalmatia, and Dalmatia itself for the famous fisheries. Italy will make the Adriatic Sea an Italian lake. Her own coast is sandy with shallow waters, while the opposite coast is high and rocky, easy to fortify, and has deep waters for dreadnoughts and liners. Dalmatia, with a population four per cent. Italian, does not look much like self-determination of peoples, but Italy was promised all this in the Treaty of London, so that the others could pursue their imperialistic lust in Syria, Persia and Mesopotamia.

The Albanians are the oldest people of the Balkans. They were granted their independence after the Balkan war of 1913, and guaranteed the neutrality of their country. By her geographical and

strategical position on the Eastern coast of the Adriatic, opposite Italy, Albania has long been coveted by Serbia, Montenegro, Greece and Italy, ever since these nations decided on a policy of expansion. Albania interested Italy and Austria before the war, but as both powers decided to get the whole of the coveted territory, and as neither of them could be satisfied with a part, they were forced to conclude an agreement as early as 1900 by which they agreed to refrain from interference and to guarantee the independence and integrity of Albania in the event of a disruption of the Turkish Empire. This secret understanding explains why no action was taken by Italy and Austria when the Albanians won autonomy at the point of the bayonet, from the Turks in the summer of 1912, a time when a little assistance from them would have guaranteed independence. However, when the Turkish Empire in Europe was disrupted in the fall of 1912 by the Allied Balkan States, Austria and Italy hastened to intervene to prevent the partition of Albania among the several Balkan Powers. This was when Serbia won her way to the Adriatic, but she was forced to retire at the instigation of Austria, who was assisted by Britain at the Treaty of London.

So, again, we see that the independence of small nations is only possible when the Great Powers cannot agree as to who shall annex them. When the war broke out in August, 1914, the Albanians be-

lieved that the powers would be so busy fighting among themselves that they (the Albanians) would be able to manage their own affairs with peace. Their hopes were soon shattered, however, as Greece in November, 1914, occupied Southern Albania at the request of the Entente Powers, with the consent of Italy and against the wishes of the Albanians. The Italians later on in the game, landed at Valona. The ink was barely dry on the agreement which gave independence to Albania, by the powers who shouted about Belgium, when they secretly cut up Albania to Serbia, Greece and Italy in the secret Treaty of London, 1915, which bribed Italy into entering the war. The Albanians believing in the righteousness of the cause of the Allies, volunteered in both the French and Italian armies, and their faith in the uprightness of Britain was particularly strong. Valona, Albania's only good port, has been given to Italy. The Tyrol territory, given Italy in 1915, had a population of 537,374. Of these 504,458 were Germans, 19,578 Ladins, and 8,438 Italians. This is another striking illustration of the self-determination of peoples based upon nationality, and Austria now being helpless, Italy has practically no opposition to realizing her desires in Albania.

Italy was an ally of Germany and Austria because it was to her economic interest. It was about the '70's that she claimed Egypt, Tripoli, Tunis and Algeria as her natural colonies, because they were

opposite her along the Northern coast of Africa, but France, also bordering on the Mediterranean, had cast her eyes on those countries. Italy was the natural enemy of France because she checked the National Movement of Italy. In 1870, not content with conquering Rome, many Italians had the idea of occupying Tunis, but Britain to placate France at the Peace of Berlin, after the Russo-Turkish war 1877-78, hinted to France that she had no objection to her taking possession of Tunis should an opportune moment present itself. Britain did this because France would be tolerant to British occupation of the island of Cyprus.

As many Italians were colonizers in Tunis, the French occupation of Tunis, 1881, drove Italy into the German-Austrian alliance in 1882. This bitterness of Italy against France remained until the middle of the '90's. The reapproachment between Italy and France was brought about more by circumstances than through any feeling of goodwill. Tardieu, in his book "France and the Alliances," says: "On 28th September, 1896, Italy gave us a first pledge—by accepting a revision of the Tunisian treaties, which implied an official recognition of our situation in the Regency. On the 1st October a Franco-Italian treaty of navigation was substituted for the one which expired in 1886. Last of all, on the 21st November, 1898, was signed the Treaty of Commerce which had long been desired at Rome.

The Italian commercial balance sheet at once showed an increase of 100 million imports and 200 million exports. Our French banks in Paris intervening just when the German economic crisis of 1900 put an end to the financial aid that had previously been obtained in Berlin, saved the Roman market from veritable disaster. But for the 100 millions of Public Debt purchased in 1901 by the Paris market Italy would in that year have been unable to obtain her economic equilibrium. At this juncture Italy was induced to draw nearer to France **by the tightness of her economic situation.**"

Tardieu then quotes an Italian writer in his book "The Financial Reasons for the Franco-Italian Friendship," thus: "The **German economic crisis rendered it necessary that Italy should seek a political reapproachment with France.** Italy would have been (in any case) forced to inaugurate a policy altogether friendly to France. If, through a political blunder, such as the visit of the Prince of Wales to Metz, the patriotic sentiments of the French had been wounded, and the Paris market had again begun to sell the Italian Consols, Italy would have been obliged sooner or later to reimburse the French money invested in them. The exchange would again have advanced to its highest rate, Consols would have declined to their lowest ebb, and Italy would have found herself in an economic crisis like the one she had such a terrible ex-

perience of in 1893. The powerlessness shown by the German money market to act as Italy's banker, the need of the latter young country's continuing her economic development, and having the aid of other nations richer than herself, together with the fact that the Paris money market has once more assumed the role of banker to Italy, imposed on the government a policy which shall be in perfect accord with that of France."

So it is quite clear that the **financial and commercial interests** of Italy determined her friendships with France, and Delcasse said in the French Chamber when Italy renewed her alliance with Germany and Austria in 1902: "Neither directly or indirectly was Italy's policy aimed against France by reasons of her alliances." Then France gave Italy to understand that she could step in and take Tripoli if she did not oppose French designs in Morocco, which also drove another wedge between Italy and her Allies. French writers did not count on any defence against Italy in case of war, and Bernhardt says in "Germany and the Next War," that Italy may be left out of consideration as an ally. The Turko-Italian war over Tripoli, is believed to have been instigated by France and Britain in 1912 for the purpose of driving the wedge between Italy and her Allies further, yet it would make a horse laugh to know that Britain encouraged Italy to renew this treaty of 1882 when it ex-

pired in 1887, 1891 and 1902 because the Italian fleet might be necessary to check France in the Mediterranean should the need arise. The truth must inevitably force itself to the surface, and E. D. Morel, in his paper "Foreign Affairs," December, 1919, quotes an Italian paper thus: "The fundamental character of the European war has been misconceived. It has been a war between two imperialisms for the conquests of the seas and of raw material, in other words, for the hegemony of the world. One of the parties was credited with idealism and the other with cupidity, the fact being that both were fighting for their interests. In fact, France was no less militaristic than Germany, nor was England less grasping. This universal lust could have been defeated only if neither party had been strong enough to annihilate the other, but had found in what power remained to its adversary a check upon its own cupidity; self-interest would then have compelled the belligerents to listen to words of moderation and to agree to a peace of compromise, which compared to the present peace would have been an ideal peace."

A few days after this statement appeared Viviani repeated once more that "This war was a collision between the forces of Autocracy and Liberty, between the dark powers of Evil and Violence and the powers of Right and Law."

Of course, fellow workers, might being right, the Allies are right, no matter what the Albanians or the Dalmatians may think of Italian expansion on the Adriatic Sea and self-determination.

IV.

RUSSIAN EXPANSION

WHY did Russia go into the Great War? For the purpose of an extension to the Mediterranean and the acquisition of Constantinople. In May, 1914, a Russian, Dr. Mitrofaroff, said: "The extension southward is for Russia a historical, political and economic necessity, and the foreign power which stands in the way is an enemy power. . . . I say briefly and precisely, everywhere and at every spot throughout the Levant Russia has been and is still meeting, in trying to solve her most vital problems in the Eastern question, the resistance of Germany, acting either alone or as the ally of Austria. Hence, it has become quite clear to the Russians that if everything remains as it is the **road to Constantinople will have to be carried through Berlin.**"

On June 3rd, 1914, in the London "Times" we find this: "There are signs that Russia has done

with defensive strategy. The increased guns in the Russian Army Corps, the growing efficiency of the army, and the improvements made or planned in strategic railways are, again, matters which cannot be left out of account. **These things are well calculated to make the Germans anxious.**" All previous British policy in the East was opposed to the Russian possession of Constantinople. The Crimean war was fought to prevent this Russian expansion. The "Daily Chronicle" war book says: "It was in British interests at that time to resist the natural ambition of Russia for an outlet to the Mediterranean." Russian ports all being frozen up during the winter months Constantinople would have been an all year port for the shipment of their agricultural products. Russia fought Turkey on behalf of the massacred Christians in 1878-79, and at that time we had a duel of platitudes between the political parties of England. The following extract from McCarthy's "History Of Our Own Times," illustrates the situation:

Gladstone: "Be just and fear not."

Beaconsfield: "No sentiment."

"The public conscience," said one, "the interests of Britain," said the other. "The Crimes of Turkey"—one cry: "The ambitions of Russia"—the other cry.

The position of Turkey was precarious, and when Russia headed for Constantinople Britain sent a

fleet up the Dardanelles and checked her. Miliukoff, the Russian Foreign Secretary of March, 1916, who had declared himself against the neutralization of the Dardanelles said: "The timely realization of the peril of the Berlin-Baghdad movement helped Russian diplomacy to attain agreement among the Allies last April (1915) regarding the disposal of the Straits."

Russia purchased Austria's neutrality in the Russo-Turkish war by recognizing Austria's right to an indefinite occupation of Bosnia and Herzegovina which territory Serbia desired. Previous to 1908 Russia had only used Serbia as a pawn to keep Austria quiet. In 1908 Austria annexed Bosnia and Herzegovina, this move being approved of by Russia in exchange for a promise of Austria's diplomatic support when the question of the Straits was raised, with a view to the abrogation of sundry European treaties prohibiting the access of Russian warships to the Black Sea. Owing to Austria failing to keep this promise Russia turned and used Serbia as a tool against her. Russia having her designs frustrated after the Crimean and Russo-Turkish wars started to expand Eastward to the Pacific Ocean. She became active in Korea and Manchuria, and between 1901-4, American commerce suffered considerably from Russian competition. Russia occupied New-chang in 1901, during the Boxer uprising, and established a measure of military control over Man-

churia. In the same year the Chinese Eastern Railway was opened under Russian control. Russia pursued her policy by discrimination of railway rates, diverting trade through the port of Dalny and subsidizing fourteen steamers, and by advancing large sums to Chinese merchants (to purchase Russian goods) through the Russo-Chinese Bank. The same bank established a commercial bank to sell Russian oils and sugar. At this time, when foreigners were excluded from the interior, Russian subjects were to be met everywhere, building flour mills, developing mines and selling Russian goods. Because of Russian oil being imported free from tax American sales of kerosene at Newchang fell from 3,172,000 gallons in 1901 to 603,180 gallons in 1902, and American flour was almost driven from the Chinese market. Russia obtained Port Arthur when Russia, France and Germany stepped in after the Japanese -Chinese war and told Japan to keep her hands off the spoils.

Then, again, Russian economic interests lay also in the vast timber limits of Korea. In 1903 the Royal Timber Company, in which the Tsar was well represented, scooped up millions of profits in the Yalu River valley. This led to the Russo-Japanese war, when the pagan Japanese were financed by good Christian Americans to slay their Russian Christian brethren. After the Japs had defeated Russia, Japan retained control of the railway I have

mentioned, the financial system of Manchuria, with a certain amount of control over the currency, and established a strong banking system. After the restoration of peace American trade in Manchuria seemed to have a clear field. The subsidized Russian lines to Port Arthur and Dalny had disappeared and the disorganized condition of the country had caused the Russian flour mills to close so that American flour became in greater demand than ever before. American kerosene was in full control of the Eastern market. Since 1908 and 1909, however, the American trade has again fallen off because Japan controls the railway and to a certain extent the financial system and diverts trade by discriminating rates just as Russia had done. (I will give the reader more details when dealing with Japan). This curtailment of Russian policy in the East brought her back again to expansion southwards, towards Persia and the Mediterranean Sea.

The policy toward Persia brought about its division with Britain in 1907 against the wishes of the Persians. The "Daily News," January 11th, 1912, said: "On the 31st August, 1907, Sir Ed. Grey made a solemn covenant in which this country and Russia mutually engaged to respect the integrity and independence of Persia. What has Sir Ed. Grey done to keep the pledge he made in our name? He has defended Russia's action in seizing North Persia; he has insisted in Persia putting her finances under

the charge of the bitterest enemy in that country of British enterprise. What does he intend to do? Two things—to seize Southern Persia and so complete the annihilation of Persia's integrity and independence and to help build a railway across Persia which will connect Russia with India. Sir Ed. Grey's record in Persia is to have undone the work of more than a century of British statesmanship."

..... "Why has Sir Ed. Grey chosen this disastrous course? Nobody dares to suggest that he or anybody in England believes that the annihilation of Persia or the dismemberment of China are good in themselves. They are universally confessed to be disastrous; but it is suggested by Sir Edward's scant following that they are part of a greater good. What is that greater good? **The key to Sir Ed. Grey's policy is the fatal antagonism to Germany.**

..... The time has come to state with a clearness which cannot be mistaken that Sir Ed. Grey as Foreign Secretary is impossible."

The secret treaty with Russia during the war gave her full power in Northern Persia and Constantinople. Britain was to acquire the neutral zone of Persia. (I hope to deal in more detail with Persia in another article). All the Liberal papers of any standing in England were opposed to Grey's policy and even hinted he was bringing on an European Armageddon. If we read the British "White Papers" of the Great War, we find in No. 17 a

report from Buchanan, Ambassador at St. Petersburg: "Russia could not allow Austria to crush Serbia and become a **dominant power** in the Balkans, and if she feels sure of the help of France she will face all risks of a war." The powder was ready for the match, and that Russia's attitude was the match is the conclusion I have arrived at through a study of the British White Papers. Again, Sir Auckland Geddes, speaking on the Man Power Bill, January 15, 1918, in the British Commons, said: "It is right that the country should realize what the events in Russia mean to those nations which came into the war as a result of Russia's action in 1914." (Poor Belgium). And in the report of an interview with Baron Rosen, late Russian Ambassador to the United States of America, the "Manchester Guardian," February 27th, 1918, says: "As one who saw the inside of the Tsar diplomacy, I knew the war was coming as far back as 1912. Behind the curtain of Russian secret diplomacy I saw that war was being made inevitable **by the rising tide of revolution from below**. A clique of Ministers round the Tsar's court knew that their only hope to **stave off the revolution** was by setting the armies marching."

A war to "defend small nations"; and yet, "John Bull's" poster in July, 1914, had written in large letters: "To Hell with Serbia," and Sir Ed. Grey replied to Buchanan, the British Ambassador at St. Petersburg, July 25th, British White Paper 24: "I

entirely approve of what you said in your telegram of yesterday." Referring to British Paper No. 6, July 24th: "**Direct British interests in Serbia were nil**, and a war on behalf of that country could never be sanctioned by the British public."

V.

FRANCO-BRITISH RE-APPROACHMENT

FRANCE entered the war for no other purpose than to recover Alsace-Lorraine, because of its valuable natural resources in coal, iron and other minerals. She was convinced that Britain would come to her aid, not only on account of the obligation arrived at in 1912 quoted in the British "White Papers," but also because of the conference between Sir Edward Grey and the French ministers, held in Paris in **April, 1914**.

Why had the antagonism between Britain and France then subsided when they had been commercial rivals for centuries? Even as late as the Boer War of 1899-1903, the British press wanted to roll France in the blood and mud in which her press wallowed, and take her colonies and give them to **Germany** and Italy. Tardieu in his book "France and her Alliances," tells us as late as 1903, quoting the

“Temps” of December 24th, 1903, that “England has never been, and can never be, an ally for France.” Why this change? Tardieu answers, page 67: “The fear of Germany was responsible for the **Entente Cordiale** . . . the King Edward visit to Paris, the English fleet’s visit to Brest, the French fleet at Portsmouth, the Paris Municipal Council’s stay in London, last of all, Mons. Falliere’s visit to London. . . the strengthening of the Entente is not due to those; all such fetes have been effects, not causes. **The cause must be sought in Germany.**” Page 46: “Neither in England nor in France is the principle of understanding to be sought. **Rather was it the fear of Germany.**” Page 57: “In London therefore, the Franco-English reapproachment appeared to be the best means of coping **for the joint good of trade** and the empire. On the French side economic **interests** counselled this reapproachment and political interests were not opposed to it.” On page 59, Tardieu tells us that on the 14th September, 1901, the Associated Chambers of British Commerce passed a resolution advocating a Franco-British treaty basing their vote on the immense advantages to the commercial relations between the two countries. In 1903, during a visit of French M.P.’s to London, Sir Edward Sasson said: “Our aim should be to arrive at an Entente which is really stable, that based **on material interests.**”

The whole history of the past century is a contin-

ual conflict of French and British commercial interests. The Syrian question in 1839-40 brought French and British policy in direct conflict. In Africa they were at loggerheads on many occasions, compromising by neutralizing the Congo Free State (of rubber fame) to promote their own imperialistic policies of exploitation; Britain endeavoring to obtain territory for her Cape to Cairo railroad. France utilized the Congo Free State railway and steamers to transport Marchand and his troops, munitions and stores, in his attempt to contest British supremacy on the Upper Nile. The result of these conflicting interests in that region was the Fashoda incident of 1898, where France backed down because her ally, Russia, failed her. In negotiating the Anglo-French African Convention, of June, 1898, Lord Salisbury stipulated that no **differential treatment of British trade** should be enforced in the French dependencies of the Ivory Coast and Dahomey for a period of thirty years. France and England's commercial interests conflicted in India, Canada and Africa, on numerous occasions. The monopolistic economic policy of France in Tunis, Madagascar, French Congo, and the French Somali coast has been a fruitful theme of recrimination between the French and British governments, Egypt is in itself sufficient to recall half a dozen acute crises between these two nations. In fact, it led to the Franco-Russian Alliance of 1891. The French loans to Russia strength-

ened the alliance, the first loan of 500,000,000 francs being made in December, 1888, and others as under:

700,000,000 francs and 1,200,000,000 francs in 1889.

300,000,000 francs and 41,000,000 francs in 1890.

320,000,000 francs and 500,000,000 francs in 1891.

178,000,000 francs in 1893.

454,000,000 francs and 166,000,000 and 400,000,000 francs in 1894.

400,000,000 francs in 1896.

424,000,000 francs in 1901.

800,000,000 francs in 1904.

1,200,000,000 francs in 1906.

I think this explains why France has been the greatest antagonist of the Bolsheviki.

All friction in Africa was over the great natural resources of raw material for the requirements of modern industrialism, such as timber, infinite in variety, oil palms for manufacturing oleomargarine, rubber vines, precious gums, resins, and oil-bearing plants and fibres. The method pursued was issuing charters to merchants forming companies who made treaties with the native chiefs, assisted by explorers and missionaries. Sometimes the local competition of zealous officials pulled up the flagstaffs which rivals of some other countries had erected in the towns and villages, and these differences were often aggravated with disastrous consequences for the natives, by the sectarian animosities of the competing religious sects. Uganda ran red with native

blood owing to the quarrels between the French party, composed of French Catholic Fathers and the British party composed of Protestant missionaries. Those were the days when Lord Salisbury sarcastically referred to the Gallic cock scratching the sands of the Sahara, when Chamberlain raspingly advised France to mend her manners, and when the "Daily Mail" wanted to roll her in blood and mud. The treatment of the natives, although anything but ideal in the German colonies, has never yet reached the stage of the atrocities practised in the French or Belgian Congos.

Friction between France and Britain was occasioned by the fiscal policy of France over any territory she acquired, because she created a special economic preserve by means of tariffs for the exclusive benefit of French trade. This differentiation cannot be charged against Germany in her colonies, as every British merchant knows who has traded with them. The great estrangement between France and England arose over their conflicting interests in Morocco, which I hope to deal with in more detail later. Britain began to court France and they entered into an agreement over Morocco in 1904. Tardieu says in the book I have mentioned, page 194: "England, who if France had been willing, would have made war in 1905." Morel, in his "Diplomacy in Morocco," says that Lloyd George issued an ultimatum to Germany when addressing

the Bankers' Association in 1911, but Germany backed down because her bankers refused. France was in a quandary during the Russo-Japanese war when the Russian fleet fired on the British fishermen in the North Sea; she was afraid it might draw her into a war with Britain, as Japan was Britain's ally. Tardieu says: "Britain and Russia remained at peace. For one thing, there was to be considered the **importance of the Anglo-Russian trade.** . . . The English sales in the empire of the Czar were from eight to fourteen million sterling, and their purchases from fifteen to twenty-five millions. Their consuls pointed out that Russia was an admirable field opened to their commercial progress, which everywhere else was hampered with Germany. Moreover, although Japan's ally, England had no intention of handing the Far East over to her ally. Russia might be a useful counterweight against a friend that was too strong, while also offering an outlet for English industry."

The policy in colonizing is to alienate the people from the land making the natives depend on selling their labor power. France in Tunis abolished the Tunisian constitution and passed the lands, which had been previously owned collectively according to Mohammedan custom, into the hands of the government. Then she sold the land at ridiculous prices to French colonists, thrusting the Tunisians into the ranks of the proletariat. The great abundance of

manual labor has reduced wages to a very low level, with the truck system prevailing and an organized system of fines still further reducing wages. The Tunisian laborer is in absolute serfdom.

Thus we find Africa a great continent for the exploitation of native labor and natural resources, with France and Britain dominating 9,000,000 square miles out of a total of 11,000,000 square miles; France $4\frac{3}{4}$ millions and Britain $4\frac{1}{4}$ millions. It is quite clear that the flag follows trade, exploiters and missionaries. Read this, an advertisement in the "Record of the Home and Foreign Mission-work of the United Free Church of Scotland," December, 1919, page 267: "The purpose of the missions is not to develop trade, but trade is inevitably developed by missions. They steadily increase material needs; soaps, oils, cloths, sewing machines, books, tools, follow hard on mission enterprise. Missions teach thrift, industry and honesty in commercial dealings. **It is worth while for business men to support missions if from no other motive than that they create new, larger and better markets for their goods.**"

VI.

A "WAR TO END WAR"

WE have been told that Germany had been preparing for forty years to supplant England in world supremacy, but a study of history proves the fallacy of such a statement. France was England's enemy until 1904, and Germany was all that was good, with the exception of a little fuss over the Kaiser sending congratulations to Kruger during the time of the Jamieson Raid in South Africa; but then similar congratulations had been sent from the United States.

I have shown in previous articles regarding the history of the various alliances lined up in the Great War, that it was the economic forces that determined their course. Bismarck, as late as 1880-81-82, was utterly opposed to colonization. Dr. Rose says in his "Origin of the War," that **overproduction and** the cry for markets by the Colonial party forced Bismarck to adopt colonization as a platform in his election campaign of 1884, to make sure of being returned in the general election of that year. Morel, in "Africa and the Peace of Europe," says: "German explorers had figured conspicuously in the geographical 'opening up' of Africa. A Colonial party arose in Germany. Its aim Bis-

mark contemptuously and growlingly opposed. Events, however, proved too strong for the Chancellor." Germany had become an industrial nation with a population increasing fifty per cent. in a generation, had become a colonizing nation, and, as Dr. Rose says, must have a great overseas commerce. From 1878 to 1887 emigration from Germany amounted to 1,171,000 people. Tardieu in "France and her Alliances," shows that between 1890 and 1895, 711 joint stock companies were founded in Germany, and 1,551 between 1895 and 1900.

The Germans, developing waterways and canals, were able to undersell their competitors in the world's markets. The capacity of British canal barges ranges from 30 to 100 tons, that of the German barges from 200 to 400 tons, and on the larger waterways from 1,000 to 1,200 tons, which reduced the cost of freight per ton to about a quarter of that of the small British barges. Although Germany's industrial centres are at an average distance of 200 miles from their seaports, while Britain's industrial towns are only from 10 to 50 miles, she has had the advantage of Britain, who had to use her railways for transportation to the seaports, which means a higher freight. Her great industrial activity and increasing population sent Germany a hunting for markets and colonies.

Then we had the great antagonisms between the

European Powers over the continent of Africa. The British intervention in Egypt, 1882, against Arabi Pasha, angered Turkey, and Germany made friends with the Turks. Dr. Rose, "Origin of the War," page 13, tells of a German merchant named Luderitz who bought from a native chief a tract of land 200 miles wide north of the Orange River, and asked the German government for protection. Bismarck asked Britain if she would protect Luderitz, but "we" were indifferent about his protection. Bismarck was annoyed at Britain's attitude, but finally a settlement was reached. Dr. Rose adds: "We needed to buy off German opposition to our occupation of Egypt by giving up Augra Peguena and nearly all of the coast up to the Portuguese territory. Thus the foundations of German Southwest Africa." On page 19: "Gladstone and Chamberlain said we have no right to prevent a foreign power from colonizing."

In 1890 Germany signed a commercial treaty with Morocco, ratified by Great Britain, and in the same year Britain gave her Heligoland and recognized her colonies in East and South-west Africa. In return British possession of Nyassaland and Somaliland was recognized by Germany. In 1892 Germany supported the British Mission to Morocco headed by Sir C. Ewan Smith. It was customary for Germany to give British commerce the same considerations that she gave to her own, while France

monopolized her colonies with tariffs. Dr. Rose says: page 99, 'Origin of the War'; "Britain had strained relations with France 1882-1904," and on page 68: "When trouble shifted to Morocco, France looked upon us as her wirst competitor in commerce." On page 69: "France pushed ahead, time of the South African war, with the expectation of Russian help, although it failed during Fashoda." (1898). I am drawing the attention of the workers to these facts of history to show the fallacy of the mouth-filling phrases which were dished out during the war. "The French press was bitter against us during the Boer War," we find in the Annual Register of 1906 (and General Botha during the Great War expressed the view) that Russia and France asked Germany to join them in interfering in the Boer War, but the Kaiser refused. Surely that was a great opportunity if Germany had been preparing for years to smash England. When we come to the Morocco incident of 1904, we find that Britain opposed France and Spain, until France settled her centuries-old disputes about some fishery affairs on the banks of Newfoundland, and later disputes in Egypt and other places. This was the turning point, France, Russia and Britain became friends, and the hate which these nations had had for each other was now directed at their commercial rival, Germany. Count Von Buelow said in the Reichstag,

April 12th, 1904, "Our interests in Morocco are first and foremost commercial We owe it to ourselves to protect our commercial interests in Morocco, and we shall protect them." On other occasions during 1904 he said: "I consider it the duty of the German government to see that, in future, our economic interests in this country are not injured. But if any attempt should be made to modify the international situation of Morocco, or to establish **any check on the open door in the country's economic development**, we must see more than ever our **economic interests are not endangered.**" Tardieu, in "France and her Alliances," tells us the population of Germany, which was 41,000,000 in 1870, increased to 63,000,000 by 1907; that German commerce, importation and exportation, amounted to six billion marks in 1878 and fifteen billions in 1906. So it was owing to the economic pressure of Germany's industrial expansion, her increased population, handicapped by the lack of colonies, and by her rivals endeavoring to bottle her up in the North Sea, that she was compelled to fight. Von Buelow said that the chief care of the development and expansion of German colonies could only be carried out by a large and powerful navy. Brailford's "The War of Steel and Gold," 1914, says: "It is the economic motive which underlies the struggle for a balance of power." Great Britain, jealous of the econ-

omic expansion of Germany and eager to put a stop to it, passed a law that German goods must have "Made in Germany" marked on them. This had a reverse effect to that intended, as, instead of hurting German trade it advertised it, and Britain, fearful of her future trade, took advantage of the ambitions of France and Russia and united with them in a formidable alliance.

The Great War has been recognized by many people as being fundamentally economic. An Italian writer, Catellani, in 1916, realized that English jealousy of all commerce throughout the world, and her own maritime supremacy, rendered a clash between herself and Germany inevitable. Another Italian, Garofalo, Naples, 1916, said that the conflict was an acute and violent phase of the previous protracted economic rivalry between England and Germany, which began when the latter, with her industries and her colonies, commenced to threaten the former in the commercial empire of the world. Irwin Fisher, in the United States, discovered the causes of the war in the economic condition, "Journal of Political Economy," July, 1916. In Switzerland M. Millioud, and in France M. Herriott, regard the war as a result of German overproduction seeking new outlets. Even Pope Pius X. a few days before his death stated that: "The sole cause of the war was to be sought in the measureless desire for wealth.

and the anti-social passions of the controlling classes." The "London Economist," November 20th, 1915, said that the desire to find a lucrative employment for capital in new countries was the real underlying causes of the horrible conflagration."

The increased English tonnage through the Suez Canal from the first year of the war was exactly equal to the total loss in German tonnage. When we examine the military and naval expenditures in preparation for the war, we find that Russia and France spent more than Germany and Austria for the ten years previous to 1914. Then we are told about the unpreparedness of the Entente.

This was a "War to End War," as President Wilson said, and still the military and naval expenditures are increasing in nearly every country. To believe in an absolute abolition of war while the present economic conditions obtain, would be utterly vain and illusory.

VII.

SECRET AGREEMENTS

WE are told that Great Britain entered the war because of her treaty to uphold the neutrality of Belgium, that the treaties of 1831 and 1839 entailed an obligation on England to fight; but the text of the treaties contains no word of this obligation. Gladstone said in 1870 that the treaty of 1839 was without force. Lord Palmerston, the man who signed the treaty of 1839, answering Disraeli said: "Hansard," June 8, 1855, page 1748: "It had been agreed by treaty that Belgium and Switzerland be made neutral, but **I am not disposed to attach very much importance to such engagements**, for the history of the world shows when a quarrel arises, and a nation makes war, and thinks it advantageous to traverse with its army such neutral territory, the declarations of neutrality are not apt to be very religiously respected." Major Murray, in "The Future Peace of the Anglo-Saxon," p. 26, says: "As for treaties, there is no reliance to be placed on them. They are only considered binding as long as the mutual interests of the binding parties remain the same, and as long as there is power to enforce it. A prudent ruler ought not to keep faith when by so doing it would be against his interests." Could

Bernhardi have beaten that quotation, fellow-workers? The real cause of the quarrel with Germany was no more an honorable one than that of a dread of a too powerful commercial rivalry which, if England had stood aside, might have culminated in a commercial alliance between Germany and France against her in the markets of the world. Germany was not so desirous of empire as she was of the preservation of the independence of Morocco, Persia and other states, as fruitful fields for German commercial expansion on the basis of the open door; in fact, free markets more than empire was her views of economic imperialism. France, on the other hand, wanted empire, not to secure free markets, but to monopolise undeveloped markets. Britain's traditional stand for free markets should have inclined British policy towards Germany, rather than towards her traditional enemies France and Russia. But that traditional attitude had been undermined and weakened by the fear and jealousy of powerful commercial, financial and social influences; it was crystalized in the Chamberlain Tariff Reform League, and aggravated by the extraordinary adaptability and success of Germany's economic progress in the undeveloped markets of the world. Britain's abandonment of her policy of the integrity and independence of Turkey, Morocco, Persia and Tripoli, developed an antagonism with Germany, because it

eliminated the equal opportunity for commercial intercourse with these countries. This change of policy was detrimental to the German trade .

We were told that the war was to secure the future peace of the world, but when the Bolsheviki made public the secret treaties entered into during the war, they uncovered the beautiful platitudes that were used as lovely shop window dressings, and the complete defeat of Germany was seen in its reality to be necessary before the Allies could divide up the spoils agreed upon during the war. Russia was to acquire Constantinople, the Straits, and a large section of Asiatic Turkey. France was to acquire a large section of Asiatic Turkey and part of the German colonies. Italy was to acquire in addition to portions of Austria-Hungary, a section of Asiatic Turkey, an extension of her existing possessions in Africa, the right to conduct the foreign affairs of Albania, and a share in the war indemnity specified in the Treaty of London, 1915. The Anglo-Franco-Russian agreement as to the division of Asiatic Turkey was in the spring of 1916. Roumania was to acquire Hungary, south and east of the River Theiss. Britain was to acquire the "neutral zone" of Persia, part of the German colonies and Southern Mesopotamia, with Bagdad and two ports in Syria. From December, 1916, to March, 1918, there were nine peace openings from the Cen-

tral Powers, which were turned down just because it was impossible to divide up the spoils secretly agreed to amongst the Allies, unless Germany was completely defeated and unable to oppose their greed.

Some people would have us believe that Protectionist countries are the creators of war, but Free Trade England is compelled to take part in a shuffle for spheres of influence and other monopolistic partitions of undeveloped countries, not merely by her capitalists crying for higher and more secure investments, but by the interests of her industry and commerce being threatened by her commercial competitors. Of course, we all know John Bull is an honest policeman. Did not John free Europe from Napoleon? He did his best to rescue Europe and France (who declined the favor) from the French Revolution. Whenever Britain succeeded in her liberating mission, it was to reinstate the Bourbon in Spain and Naples, and in 1815 to resettle the emigres, the priests, the Austrians, and an appalling reactionary regime all over the continent. Britain's historical mission is to fight for every scrap of paper without seeking any advantages of her own; merely accepting a few accidental gifts that may come her way. So the Henry Dubbs are taught; but if that is so, how is it that Britain did not fight Russia for violating the independence of Persia in 1911, also France

for violating the guaranteed independence of Morocco? Why! Britain came to an arrangement about Persia's sacrifice; she also secretly sacrificed the independence of Morocco before she signed the public agreement by which Morocco's independence should be respected. Of course, this is not the first instance of a policeman being in league with thieves.

Japan broke Chinese neutrality in her endeavor to drive out the Germans from China. Russia did likewise in Persia to attack Turkey, and Italy followed suit in Albania all through the Great War which was fought to uphold small nations. Is it possible for hypocrisy to be more naked and unashamed? A fight for the freedom of peoples, and yet the Allies were oppressing many more millions of men than the Central Powers. George Brandes, the Danish author, says: "Apart from the Russia of Czardom, the Allies held despotic sway over some 550 millions of human beings—from Irishmen to Indians, Egyptians to Arabs, Moors to Koreans. With this ballast they set out to liberate 30 millions governed against their wishes by the Central Powers.

The war was the outcome of the great industrial and economic development of the Great Powers, and instead of wars today being necessarily like the wars of primitive man, who was forced to expand over a larger surface of the globe in search of food during famine and scarcity, they result today

from an over-production of the people's needs, and show again, signs of the instability of capitalism. The war was not sprung upon any unprepared nation. The conference of Paris of April, 1914, at which Sir Edward Grey was present, has been shown by the Soviet Government to have been a preparing of the plans, by the Allies, to encircle the Central Powers. Russia began her trials of mobilization in February, 1914, and continued them until the outbreak of the war. Lord Haldane at Bedford College, November 29th, 1918, said: "At the outbreak of war the fleet was in such a state of efficiency as never before, and we were two to one even then against the whole German fleet. We mobilized at eleven o'clock Monday, August 3rd, 36 hours before we declared war. Within a few hours, with the aid of the navy, the expeditionary force was across the Channel before anybody knew it." Belgian neutrality was the excuse, the moral tone, to give to the public. German troops did not enter Belgium until the night of the 3rd and 4th of August, 1914, while Grey on the 2nd of August, after a session of the cabinet and after receiving a letter from Bonar Law saying the Opposition was with him in whatever action was necessary, according to the British "White Paper" No. 148, said this: "I am authorized to give an assurance that, if the German fleet comes into the Channel or into the North Sea to

undertake hostile operations against the French coasts and shipping, the British fleet will give all the protection in its power." Grey to Bertie, in Paris, August 2nd, "White Paper" No. 119 "The preservation of the neutrality of Belgium **might be**, I would not say a decisive, but an important factor in determining our attitude."

Now, fellow-workers, do you wonder why the Kaiser has never been tried? The very people who are bluffing are the last ones who would desire its accomplishment, because of their own entanglements. Lloyd George said that Britain did not covet any territory, but wanted an honorable peace. The gods of fate have thrown the Bull Dog just a few morsels for being a good dog. For instance, listen to this from a lecture on "A New East," by Rev. J. T. Parfitt, twenty years Canon of Jerusalem, before the Greenock (Scotland) Philosophical Society, November 22nd, 1918: "The present opportunity was the best we ever had to achieve mighty things in this remarkable part of the world. Palestine did not offer commercial advantages, only strategic, but Mesopotamia was rich in prospects. Why, the oilfields which we had just taken over a few days before we signed the armistice were worth ten thousand million pounds, and were the finest in the world. . . . We had not sought territorial expansion in the East, and were prepared to take up

the white man's burden." That is one of the few morsels that Britain did not want; it just came to her because of her goodness of heart and her love of protecting inferior people like the Irish, Egyptians and the people of India, who, we are told, are unable to govern themselves.

VIII.

JAPANESE IMPERIALISM

JAPAN, it is commonly stated, was allied to Britain because of Britain's friendliness during the intervention of Russia, France and Germany, when Japan was annexing Chinese territory after the Jap-Chinese War. Japan however, entered the war for purely commercial and imperialistic reasons. She was determined to obtain the German colony in China. She violated the independence and integrity of China by her troops passing through China to attack the Germans in Kiao-Chou; this was before China entered the war. We also witnessed Japan make the famous twenty-one demands on China while the European Powers were busy killing one another in France. In general these demands were that no part of the China coast and no island off the coast be ceded or leased to any foreign power. The follow-

ing are some of the demands made:—

Eastern Mongolia.—Japan shall have exclusive mining rights. No railways shall be constructed without the consent of Japan. The Japanese shall be granted the right to settle, trade, farm, and purchase land.

Southern Manchuria.—The lease of Port Arthur and leased territory, shall be extended to 99 years. The Antung Mukden and Kirin Changchun Railway agreements be extended 99 years. Japanese shall be granted the right to trade, settle, and purchase land.

Shantung.—China shall transfer to Japan all mining and railway privileges hitherto enjoyed by the Germans, and shall agree to the construction of the railway from Chefoo or Lungkow to Weihsieu as Japanese.

Yangtze Valley.—Japan shall jointly control with China the Hanyan Iron Works (this is the biggest industrial business in China) in which Japan has a large financial interest, the Tayeh Iron Mines, and the Chingsiang Collieries, and China shall not undertake to grant to other nations mining rights calculated to impair these undertakings.

China to consult Japan first if China decides to employ advisers, military, political, or for financial purposes.

I have given sufficient information of the Japanese demands to show the trail of imperialism and

capitalism. What did Britain, the great upholder of integrity and independence, say regarding the Japanese demands on China? The London "Times" frankly declared: "In view of our relations with Japan, **it would be ungracious for Britain to put obstacles in the way of Japan's reasonable enough ambitions.**" Let me remind my readers that the preamble of the treaty between Japan and Britain of 1905 states that the object is the preservation of the common interest of all powers in China, by ensuring the independence and integrity of the Chinese Empire, and the principle of equal opportunities for the commerce and industries of all nations in China. The question of Japan's demands was brought up in the British House of Commons. Sir Edward Grey was asked if negotiations were going on between Japan and China for the obtaining of exclusive rights in mines, railways, etc. The reply was that such negotiations were going on but that particulars could not be given the House. The question was opened up later during the third reading of the Consolidated Fund Bill. In his reply for the Government, Mr. Primrose gave an assurance that British commercial interests would not be neglected. He declined to give details of the Japanese demands and made the following statement: "His Majesty's government have no objection to the expansion of Japanese interests in China, provided **that the expan-**

sion in no way inflicts injury upon British interests." We did not hear any protest from the press, platform, or pulpit about this "Scrap of Paper." I mean the treaty between Japan and Britain in 1905 to uphold the independence and integrity of China. In a leading article on the Japanese demands the Paris "Temps" says: "These are not in conflict with the French interests, and M. Sazonoff, the Russian Foreign Minister, does not consider them contrary to Russian interests. They may perhaps clash with the British interests at certain points, but Great Britain is allied to Japan and co-operated with her in the taking of Kiao-Chau, and there exist between London and Tokio too many points of contact, and links of friendship and of interests, for a basis of agreement not to be found. Moreover, the Japanese government will have need of both the London and Paris markets in order to profit by the advantages which it will obtain. Bases of agreement will, therefore, not be lacking. The principle of the integrity of China is not at stake. **It is only a matter of economic competition.**" The closing sentences are beautiful. Why did the Germans not think of it to explain the invasion of Belgium?

M. Sazonoff stated in the Russian Duma that the demands of Japan addressed to China contained nothing contrary to Russian interests. The silence of the United States and its press on this situation

which arose between Japan and China, was a result of the J. P. Morgan Company about this time acquiring the position of acting as general fiscal agents for the Allies. The American press became more anti-German on receipt of this news and the placing of a loan in New York of one hundred million dollars.

Although Japan entered the war in 1914, it was not until March, 1917, that a secret agreement was contracted, by which the British, French, Russian and Italian Governments consented to allow Japan to have the German rights in Shantung. This was obtained by Japan pressing her allies in the darkest hour of the war, and by virtually threatening to treat with Germany. When China entered the war it was naturally thought that the German property in China would be returned to China. The German Shantung Treaty specified that Germany could not lease any of this territory to any other power, and the German lease was for 99 years. We witnessed the findings of great intellectuals of the Allies at the peace conference, transferring all German rights at Kia-Chou and in the Shantung Province without reserve to Japan. Both houses of the Chinese Parliament passed a resolution, protesting through the foreign office to the delegates of the Great Powers at Paris, against this transfer, and that the province and other interests be returned to China. This was

ignored at Paris, and China refused to sign the Peace Treaty.

China is now in the financial grip of England, America, France and Japan, who have inaugurated an international consortium to finance China. The Tokio "Nichi-Nichi" is quoted in the "Literary Digest" as saying: "This plan, ostensibly in the interest of the open door, is in reality to close China's doors for the benefit of England, America, France and Japan, who are the only nations to be admitted to the consortium, for an indefinite period of time . . . The plan is essentially American. From the American standpoint it is a great diplomatic stroke. Its purpose is to break up the spheres of influence and thus to enable America to promote her interests where she has hitherto been unable to enter." Another Japanese paper says: "Not to put too fine a point upon it, one of the objects of the consortium is to prevent Japan from swallowing up China altogether."

In the Canadian press, May 7th, 1920, the public were informed from Washington that Japan had withdrawn all objections to the Chinese consortium, and the despatch continues: "the state department was informed to-day by the American Embassy at Tokio. The consortium will become effective as soon as the signatures of the officials have been affixed. The acceptance of the consortium by the Japanese provides for financing of China by repre-

sentative groups of bankers in each of the four great countries. Japan has contended that Manchuria and Mongolia should be excluded from the operation of the consortium, claiming that it had predominant right in that territory because of proximity. The terms of the consortium are general and each negotiation will be taken up separately. Japan will have the right to object to loans for any work she feels will jeopardize her national life or vitally affect her sovereignty. Under this head it is said, may be included the construction of railroads in certain parts of China, particularly Manchuria. Under the terms of the consortium all loans made by banking groups, which in the United States includes 37 banks in all sections of the country, must be approved by the State department. The bankers will submit terms and contracts and all documents bearing on it, and if these are approved the loans may then be made with the official sanction of the government behind it. The same procedure will be followed in all countries."

The council of three, Clemenceau, Lloyd George and Wilson agreed, as reported in the press, that Japan was to be the mandatory of the German Islands North of the equator. Japan based her claim upon three grounds:

1st—"On the right of possession, as they captured these islands from Germany early in the war,

and have held them ever since.”

2nd—“That they were awarded Japan under a secret Anglo-Japanese Treaty of 1916, by which it was agreed that Japan should retain the former German colonies in the Pacific north of the equator, and Britain or her dependencies, those south of the equator.”

3rd—“That the islands are of no strategic value to any other power than Germany, while of great value to Japan as a small **useful source of raw material.**”

The “Literary Digest,” of March 8th, 1919, says: Japan has no tropical possession yielding copra, and the islands are rich in this product which Japan needs. Moreover, the Marshall Islands have valuable potash deposits, and as Japan’s soil is naturally poor, she requires large quantities of potash for use as fertilizer, especially in growing rice, the staple food of her people. Hitherto Japan, as was the case with the United States, had been at the mercy of the German potash trust, we read, which controlled practically the whole world’s output of this commodity, with the aid of their Stassfurt and Alsatian potash deposits. The advantage of Japan having at its command more easily accessible potash deposits of the Marshall Islands is obvious.”

The scramble for China is also because of her vast mineral resources, with coal and iron so near the

surface making daylight mining possible. Then there is a docile proletariat who work 12 and 14 hours a day in the textile and other industries for a few cents a day. In the city of Shanghai are 18 cotton mills, the largest controlled by Jardine-Matheson Company, the largest British firm in China in 1913. One child between 8 and 9 years employed to every ten adults, and 88 hours a week. No laws or restrictions in the foreign settlements, which are controlled by the great banks where these good capitalists deposit their money. The International Spinning Company, in which American capital is prominently invested squeeze $57\frac{1}{2}$ per cent profit on invested capital. The American Shoe Manufacturing Company, controlling through its patents 96 per cent. American business and 98 per cent. of the British, has a modern factory in China which turned out in 1913, shoes at the factory door at One Dollar per pair. The British American Tobacco Trust has also a firm hold in China. In the Province of Shansi there is enough coal of the best grade to keep the world supplied at the rate of the 1913 consumption for a thousand years. At Tayeh in the Province of Hupeh, it is estimated that there are over 500,000,000 tons of iron ore exposed above the surface of the ground only waiting to be blasted. The oil fields of Shansi and Syerhwan have been estimated by the Austrian Consul, who resided there in 1913, to be

greater in extent and productiveness than any other in the world. This lying at the door of Japan, who has entered the field of Imperialism and put down the Koreans, who claimed independence, with atrocities far worse than those in Europe, is another proof that the war was not fought for honor or independence of nationalities. Japanese labor conditions are similar to those in China, with women and child labor and very long hours, and with Labor Movements kept down.

What a glorious ally for democracy, and yet, Socialists are looked upon as materialists, because they point out the economic forces which underlie the superficial platitudes portrayed before the people, when a war breaks out as a result of these economic forces.

IX.

UNITED STATES INTERESTS

THE United States entered the war to save the world for democracy. President Wilson was re-elected because he had kept his country out of the war, and when he did allow the United States to fight, it must have been for a very worthy and righteous cause.

America had never entered world politics to the same extent as the European Powers, because she has room for expansion within her own boundaries. She had, however, taken a part in opening up world markets as far back as 1858. In Thorpe's "History of Japan," pages 173 and 193, I find this: "In July, 1858, not only American but Russian men-of-war arrived at Yokohama, to be speedily followed by the English and French, all intent on forcing the proud Japanese to concede **treaties of commerce**; and if these treaties could not be obtained peaceably, they should be extorted by force of arms." . . . "Not satisfied with their work of destruction, the envoys of the four belligerent nations demanded of the puzzled and distressed Japanese an indemnity of three million dollars, of which amount America took seven hundred and eighty-five thousand, although the cost of their

war demonstration was only twenty-five thousand dollars."

The United States made a great display of neutrality when the war was in its first stages. It was to her economic interests to do so. She was supplying a vast trade to both sides of the fight, and mostly to the Allies after the Central Powers were blockaded. When trade with the Allies was endangered by the German submarine campaign and the Atlantic ports were stocked full with commodities as a consequence, then the United States discovered that it was a war for the freedom of small nations and for democracy. As a matter of fact, it was a spiritual interpretation to the economic factor, that if the commercial interests could not deliver the goods because of the submarine warfare, the easiest way to dispose of the surplus was to enter the war themselves on the side of the Allies.

Roland G. Usher, in his "Pan Germanism," 1913, page 139, says: "An understanding was reached that in case of a war begun by Germany or Austria for the purpose of executing Pan-Germanism, the United States would promptly declare in favor of England and France, and would do her utmost to assist them. The mere fact that no open acknowledgment of this agreement was then made need not lessen its importance and significance.

The alliance, for it was nothing less, was based upon infinitely firmer ground than written words and sheets of parchment. . . . it found its efficient cause as well as its efficient reason for its continuance in the situation, geographical, **economic** and political, of the contracting nations with such an agreement mutually advantageous to them all." On page 144, after giving a detail of conflicting interests of the Powers in Europe, he says: "In all this the United States has unquestionably no part. Not her strategic position, not her military strength, but her **economic position** makes her an ally particularly indispensable to England and France." Page 145: "Allied with her (U. S. A.) they could not be starved into submission nor bankrupted by lack of materials to keep their looms running." Page 147: "Fortunately for England and France the United States, whose **economic assistance is positively imperative for them**, finds their assistance equally imperative. In the first place the United States depends upon the English merchant marine to carry her huge volume of exports, and should she not be able to use it would suffer seriously. . . . Again, a market as certain and as large as that of England and France for raw material and foodstuffs is absolutely essential to her, and the outbreak of the war which might close those markets to her, would precipitate unques-

tionably a financial crisis. . . . Furthermore, she needs a market in England and France for her own manufactured goods. . . . She cannot afford to take any chances of losing her markets in those two countries, nor has she ceased to hope for privileges of some sort in English and French dependencies which other nations do not have and which, if worse should come to the worst, she could undoubtedly obtain from them as the price of her continued assistance."

When Usher deals with the States taking Cuba, he points out that that island possessed not only a commercial but a strategic importance. The Philipines, owned by a weak nation like Spain, were ideally suitable for a German base of operations in the Far East, and the Allies could not allow such places to fall into the hands of Germany. The general European situation and the position of Spain in the Mediterranean made it impossible for England or France to undertake a war with Spain, and Usher says: "The colonial aspirations of the United States, her anxiety to share in the opening of China to European enterprise, her traditional hope of securing Cuba, all pointed to her as the natural guardian of the interests of the coalition in the Gulf of Mexico and the Far East." All this manoeuvring and concentration resulted in the withdrawal by France and England of their objection

to the States building the Panama Canal. The United States built a naval base in the Phillipines of sufficient size and importance to permit the maintenance of a fleet large enough to be a factor in the Pacific. England and France could not spare the ships, and Japan would not tolerate a Russian fleet in those waters, so the United States was the only power which could represent the coalition there consistent with her own safety.

The United States strengthened her position by annexing the islands between her shores and Asia for coaling stations. The war with Spain over Cuba was placarded as of a liberating nature, but Frederick Emory, chief of the U. S. Bureau of Foreign Commerce, says in "World's Work," January, 1902: "Cuba was in fact a stumbling block, a constant menace to the **southern movement of our trade**. To free her from the Spanish incubus was therefore a commercial necessity to us, and as we became more clearly alive to the importance of extending our commerce, the impatience of our business interests at such obstruction was waxing so strong, that even had there been no justifying cause of an emotional kind, such as the alleged enormities of the Spanish rule or the destruction of the Maine, we would doubtless have taken steps in the end to abate with a strong hand what was seen to be an economic nuisance."

When the Senate discussed the Philippines question, some said they could not admit semi-civilized people into citizenship, and that permanent military rule would be violating the spirit of the American Republic and also a serious danger of getting into war with European powers over questions arising about the islands. But the majority held that the Philippines would be safer if they became a part of the United States, "as the war (Spanish-American War) has made us a world power, and our trade interests in China and the Far East demand that we should own the whole Phillipine group."

The Japs are blaming the Americans for the anti-Japanese agitations in Korea and China, and their newspapers say the object is to offset their rivals in trade and get control of Chinese markets and construct the Hai Lan railway. America is also largely interested in the exploitation of Outer Mongolia.

President Wilson's fourteen points were not well received in Paris. He said the day of secret covenants was past, yet he accepted quite a few of them. He said: "Victory would force a peace that would leave a sting," also "that equal right of freedom and security and self-government and to the participation upon fair terms in the economic opportunities of the world, the German people of course

included if they will accept equality and not seek domination." These quotations are from a reply to the Pope, August 27th, 1917. This is the same Wilson who, while making such public utterances, was secretly negotiating the transfer of the Danish West Indies behind the backs of the people of Denmark and the United States, and also without giving the people of the Danish colonies the opportunity to express whether they desired to be brought under a new sovereignty. He was snowed under in Paris by adepts in the game of diplomacy who kept company with Winston Churchill, who, a speaker in Glasgow said, was the most persistent, insistent and consistent liar in the British Cabinet. I suggest that President Wilson read that part of his election address of 1912 wherein he says: "The masters of the government of the United States are the combined capitalists and manufacturers of the United States. It is written over every intimate page of the records of Congress; it is written all through the history of the conferences at the White House."

THE OPEN DOOR IN CHINA.

CHINA, before she entered the war, supplied some two hundred thousand laborers for France, but the time of her actual entry into the war was determined by the economic interests of the Allies. Senator Morris, in the United States Senate, produced what he declared to be copies of diplomatic correspondence embodying the promises of France and Britain. Great Britain's interest in the matter, he charged, was secured by Japan's support of British claims to Pacific Islands south of the equator, while France's aid was purchased by a promise of the Tokio Government to help to draw China into the war, so that the German ships in Chinese harbors would be available for carrying troops and supplies to France. While these powers were scheming to draw China into the war for national integrity and independence, they were secretly plotting amongst themselves as to the carving up of their new ally, and as a result of their manipulations, between forty and fifty millions of Chinese, and the Shantung Province are handed over to Japanese control. This is the self-determination of the Allies at the Peace Conference. To none of

these agreements was China a party, nor was she informed of them when invited to join in the war. Under her treaty with Germany, if Germany ever relinquished the lease of Shantung, the territorial property would revert to its original owner, China. Those holy men at Paris made Germany break an agreement with China, to China's advantage when she is an ally of the victorious nations.

What is the reason of the imperialistic expansion towards China? A Japanese official publication, quoted by a Mr. Coleman in his "Far East Unveiled," says: "It is on the Yangtse Basin on account of its immense wealth and variety of products, that for the present and future will be centred the commercial interests of the world." . . . "Of all the various things in which this wonderful river is astonishingly rich, mines of coal and iron stand out predominantly." Ocean going vessels can proceed a thousand miles up the river, and the Chinese workers, according to Japanese managers, are "excellent quiet, dependable and efficient. The Chinese waste no time in talk, but plod on, anxious to make money, and will work long hours and hard for it."

China's geographical position saved her from the greed of the European commercial classes until capitalism had developed to that stage of perfection in its transportation facilities, with large liners and the opening of the Suez Canal enabling them to over-

come the difficulty of reaching China, which, because of its distance, had been hitherto unattainable commercially. China is bounded with high mountains on the Indian side which hindered the expansion of the British empire from that direction. Although she has a long coast line, the sea is too shallow for miles out for great ocean liners. Some of her natural harbors have no connection with the interior because of high mountain ranges. The two best harbors are owned by foreign powers, Britain, and formerly Germany, but now Japan. The Yangtse river is practically the only one by which ocean-going vessels can connect the interior of China with the outside world. Vessels drawing sixteen to eighteen feet can proceed 680 miles up from the ocean. River steamers can proceed 370 miles further, and small junks can go 1,750 miles from the ocean. In the dry season, ocean-going vessels are prevented from going up the Yangtse, nothing over six feet draught being able to make the trip. The American Academy of Political and Social Science, in "China, Social and Economic Conditions," tells us, January, 1912, page 136: "that the revolutionary movement had its origin in the Yangtse Valley, and gained its strongest support because of the influences of the outside world," again proving the Marxian materialistic conception of history to be true, that the economic conditions conflicting with

the ideas of old conditions bring about a social revolution. The Scottish Provident Institution "Year Book" for 1915, page 207, says: "Britain has obtained two concessions for railways, one from Shasi on the Yangtse, southward through Hunan and Kiao-chau, the other for an extension of the Shanghai-Nanking railway southward through Nanchaung, a place of 25,000 inhabitants with large porcelain manufactories, and also for the linking up with other lines already constructed. She has intimated to China that she expects **her interests** in the Yangtse Valley **to be considered predominant**. At one time Japanese competition was threatened, but this has been formally withdrawn." And again on the same page: "The Standard Oil Company of New York, concluded an agreement with the Chinese government in February, 1915, for the exploitation of the oilfields in Chili and Shen-si. A peculiar feature of this transaction was that instead of the loan of £3,000,000 asked for by China in return, she was to receive without payment $37\frac{1}{2}$ per cent. of the stock raised to carry on the work, with the option of purchasing $7\frac{1}{2}$ per cent. more within two years. As there seems to be nothing restraining her from selling these shares later on to the highest bidder this may lead to future complications, as **several large nationalities have interests in North China.**"

On June 4th, 1917, President Wilson addressed a note to China pointing out that her participation in the war was of a secondary importance and her main care was to maintain internal order. America asked Britain and Japan to back her request to the Chinese Government. Japan replied by challenging America's right to interfere with China's internal affairs, adding, they should have come to an agreement with those powers first. Britain between two allies was extremely delicate. It was then that Japan sent a commission to the United States headed by Viscount Ishi, formerly minister of Foreign Affairs. This was given publicity as a desire to cooperate in the common struggle of the war, but the notes exchanged, November 21st, 1917, showed the visit was of a more important nature. America recognized Japan's special interest in China, but explicitly upheld China's sovereignty. Japan, on the other hand, adhered to the open door in China, which offers commercial and industrial opportunities to all nations. In a sense, America recognized a Japanese Munro Doctrine in China, and Japan agreed not to hamper American trade in China.

The Scottish Provident Institution "Year Book," 1915, page 340, says: "Acting on the assurances of Japan that the integrity of China would be preserved, that Kiao-chau would be restored to China, and that Japan would consult the United States

before operating beyond the boundaries of Kiaochau, the United States agreed to neutrality."

In 1907, the population of China rose against the concession of the Shanghai-Han Chau-Ninpo Line to foreign capitalists. Two provinces held public meetings and raised money to protest against it. A committee went to Peking accompanied by a large procession of fanatically excited citizens, and when their petition was denied and the concession to the English confirmed, the members of the Cabinet were mobbed. American plutocrats afraid of their plunder in China, decided to work with Japan. The "Wall Street Journal" condemned the revolution with practical arguments: "The uprising upsets the railway concessions, interrupts trade, a trade which amounts to \$55,000,000 a year, which with cheaper rates through the Panama Canal, will double. In this world of hard facts it is not difficult to discern in what interest our national sympathy will finally gravitate." After all the promises of China's independence and the returning of the German colony, Japan is still hanging on to the spoil, with the consent of all those other nations who have made the world safe for democracy. Kiaochau's chief products are silk, nuts, bean oil, straw, coal and fruit, with a good harbor and naval base.

Is it to be wondered at that Japan should hang on to the spoil? Japan believes in self-determination to own this plunder, eliminating another of President Wilson's fourteen points.

XI.

SELF-DETERMINATION IN EGYPT

EGYPT, which, next to India, is the greatest possession in the British Empire, was taken by force and is held by force. Since the Suez Canal was built in the sixties, Egypt has been the gateway to the trade of the East, and as such it became a tempting bait to England and France. Ismail I., the ruler of that time, becoming entangled in extravagant schemes of development and dissipation, in which he was encouraged by European money lenders, ran up the National Debt to about \$45,000,000. The financial conquest of the country soon led to its military conquest. Ismail, to meet his embarrassments, sold a huge quantity of his shares in the Suez Canal to the British Government, and then at the instigation of British and French usurers, the governments of France and Britain compelled him to accept their financial controllers who took over the management of all Egyptian finances. As a result the Egyptians became discontented with the inter-

ference of foreign powers and with the increased taxation. A national movement arose to break the power of the Ruler and to get the power of the government in the hands of the people themselves. We are told this national movement was a mere mutiny of the discontented, just as we have been told about Lenin and Trotsky in Russia, but the historical fact remains that the Arabi Revolution was a complete popular success. The Khedive was deprived of his power and the Government passed to the National Assembly which the Khedive was compelled to summon. So successful was this practically bloodless revolution, that the European money lenders, terror stricken lest the Egyptian Parliament repudiate the debts of their autocratic ruler or fail to weather the financial storm, moved heaven and earth to stir the British and French Governments to stamp out the National Movement by force of arms. The French Government declined to have anything to do with so ghastly a proceeding. The British Government, on the other hand, tempted by the bait of the gateway to India, and lashed by the bondholders' whips from behind, bombarded Alexandria (without declaring war), then landed an army which crushed Egyptian nationalism with blood and iron. This dastardly act alarmed the conscience of the world and aroused the jealousies of all the European Powers, to allay which the British Government an-

nounced that the occupation of Egypt would only be temporary, and would cease when the finances were put in order and a stable government established. This was in 1882, since which time the finances have been put in order, and every effort of the Egyptians to govern themselves has been suppressed.

On December 17th, 1914, Great Britain declared that Turkey had forfeited its rights in Egypt, over which Britain extended a protectorate. The Egyptian people showed their dissatisfaction, and England then declared the protectorate to be only temporary, and that it would cease with the war. Trusting in this promise the Egyptians came to the Allies' aid; Egypt became a base of operations in the East. The Egyptian army served at Sinai in Arabi, at the Suez Canal, in the defeat of the Turkish armies in Syria and Mesopotamia, and warded off the danger of an uprising in the Soudan. After fighting, and numbers dying for the cause of liberty, right, and self-determination, the Egyptians, like those who expect much, were greatly disappointed. When the armistice was signed they asked Britain to keep her word, but (oh, those scraps of paper) she failed to do so. The Prime Minister asked to be allowed to depart for London, but his request was refused. The people then delegated prominent men of all classes and political shades to go to the peace con-

ference. Voting papers for this purpose were circulated, but were confiscated after having received more than 2,000,000 signatures. These papers contained the names of members of Parliament, and provincial and municipal councillors. The necessary passports being refused the delegates, the population rebelled and protested, in answer to which the English authorities arrested the members of the delegation and deported them to Malta, and the country was put under martial law. These repressive measures resulted in strikes, riots, and the destruction of railroad, telegraph lines, etc., but the people, having been previously disarmed, were eventually crushed through force of arms. Then, Britain, having obtained secretly the recognition of a British protectorate over Egypt from President Wilson, permitted the deported Egyptians at Malta to proceed to Paris. The delegates endeavored to get an interview with this great man Wilson, but he informed them through his secretary he had not had an opportunity to see them. President Wilson left Paris without hearing the case of the Egyptians, nor did the Peace Conference permit them to state their case. This is the treatment delegates of Egypt, representing a population of 16,000,000, received from the exponent of international right and justice,— this great democrat whose platitudinal phrases of justice, liberty, and the saving of the

world for democracy, were repeated in poll-parrot fashion all over the Allied countries, and who will be portrayed in the future as the greatest humbug the world ever saw. All the sentimental slush is of no avail when it conflicts with the financial and economic interests arising from the division of the spoils.

France, of all the European Powers, offered the greatest opposition to British occupation of Egypt, because she had considerable interests there herself, but she is acquiescent now, since this opposition was bought off by Britain supporting her in Morocco.

The stranded Egyptian delegates published a "White Book" of British rule in Egypt telling of the pillaging of villages, the lashing and flogging of men, and the killing of men who defended their wives, but as the reading of this book is not good for humble Britishers, the "Thought Controllers" decided that the book should be kept in the Index Expurgatorius; it is seditious, because it is propaganda for the workers.

This short history of Egypt, where the National Assembly was overthrown, Alexandria bombarded without a declaration of war, with the grand finale at the Peace Conference secretly allowing a British Protectorate over Egypt, shows how much respect Britain has for self-determination, or even for scraps of paper if they clash with her economic interests.

XII.

MOROCCO.

MOROCCO, on the African coast, opposite Gibraltar, is one country above all others that brought about the cessation of the hostile attitude of England towards France, which had existed for centuries. The first International Convention over the affairs of Morocco was held in 1880, on the question of trade being extended to all nations, largely owing to German influence. In 1890 Germany signed a commercial treaty with Morocco for five years, and informed the signatory powers of the Convention of 1880 that she would not ratify the treaty if they objected. Britain supported Germany at this time. It was at this period that the Emperor visited England, once in August, 1889, and again in July, 1891, where he became exceedingly popular. Heligoland was transferred at this time, and there were other transactions with Germany in 1890, to withdraw her opposition to British enterprise in Egypt. Yet we are told that Germany prepared for forty years to make war on Britain.

In 1891 Lord Salisbury dispatched a commission to Morocco, defining British policy as having as its aim the independence and integrity of Morocco. This commission was supported by Germany, but was a

complete failure because of the intrigues of France. The Moorish Minister prevented the Sultan from concluding a British treaty, having received \$10,000 from the French agent at Fez, the capital of Morocco. The French cause during the nineties advanced slowly, but in 1901 when Britain was busy with the Boer war, France pushed ahead with a burning wish to avenge her collapse in Fashoda, where she had challenged Britain's position in Egypt, but had to withdraw owing to the failure of her ally, Russia, to come to her aid.

France annexed the Tuat oasis together with two other places she had threatened in 1891. A French subject was murdered at the psychological moment, and the French Minister in Morocco demanded the dispatch of a couple of men-of-war. The Sultan, seized with panic, made an agreement with France. This was the time the British press said: "If the French cannot cease their insults their colonies will be taken from them and given to Germany and Italy." This was but fourteen years before the Great War. The "Daily Mail," November 9th, 1899, said: "The French have succeeded in thoroughly convincing John Bull that they are his inveterate enemies, and that all attempts at conciliation are useless. There will be no more such attempts. England has long hesitated between France and Germany, but she has always respected the German

character whereas she has gradually come to feel a contempt for France. . . . Nothing like an entente cordiale can subsist between England and her nearest neighbor. Enough of France; she has neither courage, foresight, nor sense of honor."

In 1902 France approaches Spain secretly to divide up Morocco. The British lion hears of it, and although France promises diplomatic support, the Spanish Prime Minister takes cold feet and resigns. The opposition returns to power at the general election. The new Prime Minister, who favored the treaty in the opposition, refuses to ratify it, and then France begins to make overtures to John Bull.

The young Sultan of Morocco, who had become Europeanized and extravagant, was unpopular. In 1903 he borrowed \$4,800,000 from French, Spanish and British syndicates. In the summer of 1904 these loans were paid off, but only at the price of contracting a much heavier liability towards France alone, amounting to \$12,500,000 bearing interest at five per cent. This loan was confined to French banking establishments and was practically forced upon the Sultan by M. Delcasse. M. Jaures in the French Chamber, pointed out that by clever manoeuvring on the part of the French bankers in Morocco, that Morocco actually obtained \$9,500,000 the banks made a profit of \$2,500,000, Morocco paying interest on the full amount of the loan. To

secure the interest on this loan, the Sultan consented to set aside 60 per cent. of the customs receipts, which virtually gave France control over the customs to that extent. Further small loans were contracted in 1905 and 1906. A portion of these loans was spent in purchasing guns and ammunition from the French war industry, Le Creusot. This firm, I may say in passing, refused to supply Britain with war material during the Boer war.

In 1904, Spain, France and Britain signed treaties regarding Morocco. They published that part of them which dealt with the upholding of the integrity and independence of Morocco, but they secretly agreed to divide her up when the opportunity arose. This secret arrangement became public when the crisis of 1911 arose, when Germany wanted to maintain the independence of Morocco. In April, 1904, when the secret treaties were unknown, Prince Buelow, answering a question in the Reichstag, declared he had no reason to believe they were directed against Germany. Britain's opposition to France in Morocco was bought off by France withdrawing her opposition in Egypt, but Britain stipulated that Spain would control Morocco opposite Gibraltar and build no fortifications or lease this to any other Power.

Article 10 of the secret treaty provides that all schemes for public works, railways, etc., mineral

development and economic undertakings in general in the French and Spanish spheres respectively, shall be executed by French and Spanish enterprise. Germany being alarmed, managed to get the Sultan to call a general conference in 1906 of all the Powers to discuss the status of Morocco. German trade with Morocco amounted to over 14,900,000 marks. M. Deschanel, President of the French Parliamentary Committee on Foreign Affairs, admitted they could not ignore the German efforts in Morocco for half a century; the travels of her explorers, the activity of her colonists, her agricultural and mineral enterprises, her steamship lines and post offices. She participated in the tobacco monopoly, and Krupp and other firms held a preponderant position in the mining interests, extracting iron. Her enterprise developed harbor works and public drainage, a bank, a newspaper printed in German, and a tobacco factory. The Germans held more land paid for in cash in Morocco than all other nations combined, and without massacre or pillage they established industries by the peaceful penetration method.

At the opening of the Conference of Algericas, an act was drawn up in the name of "God Almighty," based upon the sovereignty and independence of the Sultan, and upon economic liberty without any inequality. All existing treaties were

to remain, but in case of any conflict the Algerias Act shall prevail. Britain, France and Spain signed this Act with the firm intention of never observing it. The French ignored the Act in 1911, applauded by the British press, and with the open approval of the British Foreign Office the French marched on Fez because it was reported to be blocked by insurgents, and that Europeans were in danger. Spain, despite French protests, proceeded to occupy territory which was promised her in the secret arrangement of 1904. This was the position when Germany made the display at Agadir with the warship "Panther." Lloyd George compared Germany to Dick Turpin, and practically uttered an ultimatum when addressing a meeting of bankers in London, July 21st, 1911. The Sultan of Morocco believed Germany to be his friend because she insisted on the independence of Morocco, but it was discovered that she was willing to let France control the country in return for compensation elsewhere. The crisis was ended by France ceding that part of the Congo known as the Cameroons to Germany, who recognized France in Morocco. So near was war that Jowett, M.P. for Bradford, told us that Britain had her torpedo nets laid, but the differences in the British Cabinet and the unpreparedness of the German bankers enabled the inevitable clash to be postponed.

This was another example of the methods of the upholders of integrity and independence, and a lesson on how to divide Morocco. Germany upheld that independence, not because she is any better morally than the others, but because of her economic interests.

Tardieu, in his "French Alliances," page 190, quotes Prince Buelow as saying in October, 1905, "In Morocco we have important economic interests; we intend to safeguard them." And on another occasion: "I consider the duty of the German Government to see that in the future our economic interests are not injured. . . . If any attempt is made to modify the international situation in Morocco or to check the open door in its economic development, we must see more than ever that our economic interests are not endangered." And again: "Our interests are first and foremost commercial. . . . We owe it to ourselves to protect our commercial interests in Morocco, and we shall protect them." Germany did not raise her objections to the French attitude in Morocco until Russia, France's ally, had been defeated in the war with Japan, yet Tardieu says on page 194: "In spite of the disorganization (of the Russian army) inevitably caused by an unsuccessful war, England, who, had France been willing, would have made war in 1905."

Although it was 1911 before France carried out her designs on Morocco, she bombarded Casablanca in 1907 because some European workmen, who were building a railway for a French syndicate, had been killed. This road was being built through a Moorish cemetery, the desecration of which created an opposition by the natives that developed into a riot. The French permanently occupied Casablanca as the first step in the greater grab of Morocco. France also used the incident of a Frenchman being killed to enter the interior, and she never withdrew, although Germany protested as she had a right to do under the Algericas Act. This Act also stipulated that tenders for erecting public works or furnishing supplies should not contain any condition of a nature to violate the principle of free competition, or to place the competitors of one nationality at a disadvantage against the competitors of another.

In the British and French agreement regarding Morocco the governments declared themselves "equally attached to the principle of commercial liberty," also that they would not "countenance any inequality either in the imposition of custom duties or other taxes or railway charges . . . that the trade of both nations should enjoy the same treatment in transit through the French and British possessions in Africa."

For information in greater detail on Morocco I would suggest the reading of Ed. Morel's "Ten Years of Secret Diplomacy," or his "Secret Diplomacy in Morocco." A study of history has inevitably led me to the conclusion that British antagonism to Germany did not arise until 1904, and then as a result of German commercial rivalry.

XIII.

PERSIA.

THE geographical position of Persia, with its valuable natural resources, has made it a bone of contention amongst the European Powers. In the past she has contributed much to the world in philosophy, science and poetry, but for many years the people have suffered beneath an Oriental despotism. Until 1906 the Shah of Persia was an absolute monarch. Some thirty years ago there arose a band of reformers whose aim was to check the extravagances of the Shah and to lead the country along the path of democracy. In 1891 an uprising occurred against the concession of a tobacco monopoly to a British company. As a result of this agitation the concession was cancelled, but the sum of \$2,500,000 was demanded by the company

in compensation, which sum had to be borrowed from the Bank of Persia, a British owned concern, at 6 per cent. interest.

The extravagance of the Shah continued, and in 1900, when Britain was busy with the Boer War, Russia stepped in. Russia was, at this time, borrowing money from France, and was thus able to lend the Shah \$12,000,000, at 5 per cent., on the condition, however, that the previous debt to the Bank of Persia should be paid off. Thus Russia substituted her influence in Persia for that of Britain, and she strengthened her position two years later by another loan of \$5,000,000 at 4 per cent. In 1905, the Shah visited Russia and entered into a secret agreement to crush the reform movement and re-establish his autocracy. This movement, however, was too strong for him, and Russia, weakened by the war with Japan, could not give him much assistance. The people, through strikes and other methods, compelled him to grant a constitution. Russia also had internal troubles at this time. The Persian Parliament assembled in August, 1906, and commenced to free Persia from the tentacles of foreign finance and to regain her independence. In June, 1908, the Shah dissolved Parliament and the Parliament House was bombarded. After a year's fighting, the Nationalists compelled the Shah to reconfirm the constitution of 1906, but it was unfor-

fortunate for their plans that between 1906 and 1908 Britain and Russia had arrived at a decision on how to divide up Persia. Like all other treaties, this one begins by both parties pledging to uphold the integrity and independence of Persia. Russia, thwarted in her Asiatic expansion by the Japanese War, began to concentrate on Persia, and British gold flowed into the depleted Russian treasury, thus helping to quell the Russian revolution of 1905.

On August 21st, 1907, Britain and Russia agreed to respect the integrity and independence of Persia, but they both proceeded to partition the country into spheres of influence for **commercial** purposes. Gilbert Murray, in his book, "The Foreign Policy of Sir Edward Grey," in speaking of this agreement, says: (1) "North of a certain line Great Britain gave an understanding to seek no political or commercial concessions and refrain from opposing Russia the acquisition of such concessions by Russia." (2) "South of a certain line Russia gave a similar undertaking to Britain." (3) "Between these lines, which was a neutral zone, either countries could obtain concessions." (4) "Existing concessions to be respected." (5) "Should Persia fail to pay her debts to either Power each power reserved the right to pay itself out of the revenue of its own sphere of influence." In addition to the treaty Russia published a letter recognizing the

special interests of Great Britain in the Persian Gulf, previously a place likely to cause a quarrel. Persia was not a party to this convention. Her people became alarmed, and to allay their fears, Sir Cecil Spring-Rice, the British Minister at Teheran, in a dispatch to the Persian Government, September 4th, 1907, said: "The object of the two Powers in making this agreement is in no way to attack, but rather to **assure forever the independence** of Persia, not only do they not wish to have an excuse for intervention, but their object in these friendly negotiations was not to allow one another to intervene on the pretext of safe-guarding their interests. The two Powers hope that in future Persia will be **forever delivered from the fear of foreign intervention** and be thus perfectly free to manage her own affairs in her own way." Sir Edward Grey, in the British House of Commons, February 14th, 1908, stated: "That their spheres were not to be regarded as political partitions . . . They were only British and Russian spheres in a sense which is in no way derogatory to the independence and sovereignty of Persia."

Needless to say, Russia did not keep this promise. The Shah, assisted by the Russian Colonel Liakhoff, bombarded the Parliament and regained his autocratic rule with the full approval of the Czar. After a year's fighting the Nationalists won, and the

Shah abdicated. Russia promised to prohibit the Shah taking part in any agitation against Persia, but this promise was not kept. Russian troops were poured into Persia on the pretext of protecting foreign lives, although no foreign lives had been lost. Russia fomented internal rebellions and used them as a pretext to send more troops. She forced the Persian Foreign Minister to resign, because he would not do their bidding, and combined with Britain, prevented Persia from raising a loan excepting a joint Anglo-Russian loan involving terms inconsistent with her independence. They prevented Persia from raising a loan through the London firm Seligmann, and from raising money on the crown jewels.

In 1911, Mr. Shuster, an American, was appointed to the office of Treasurer-General, recommended by President Taft. He arrived with a staff of American financial experts and began to place Persian finances on a sound basis. This was the last thing that Russia wanted and she began a movement which succeeded in expelling Shuster. Sir Edward Grey did not object. He wrote in November 16th, 1911: "If they (the Russian Government) thought that no satisfactory settlement could be reached without the dismissal of Mr. Shuster, I could urge no objections." Russia delivered an ultimatum to be complied with in 48 hours. It included the dismissal of Shuster, the paying of the expense of

the Russian military expenditure in Persia, and gave to M. Leocoffre the power to veto all appointments of foreigners made in Persia. Four days later, on Persia appealing to Great Britain, Sir Edward Grey, whose heart beat then for Persia, as it did later for Belgium, honored the Persian "scrap of paper" by declaring: "That if the ultimatum were complied with at once, details might be arranged favorably afterwards."

Shuster went, and the Russians poured into Northern Persia, and the "Manchester Guardian" said of Grey's declaration: "It is a standing invitation to Russia to do as she pleases, and she has availed herself of it." The Russians executed every Constitutional leader they could lay their hands on. They hanged boys of twelve years of age, closed the schools, suppressed the newspapers, laid the town of Tabriz in ashes.

Russia and Britain forced Persia to conform to the policy of the Anglo-Russian convention of 1907, and to accept a joint loan at a high rate of interest. It is impossible to excel the Russian atrocities in Persia in 1912. R. G. Usher, in "Pan-Germanism," tells us that the British-Russian convention was to prevent Germany from expanding in this direction, and on pages 167-8, says, when speaking of Shuster's dismissal: "Certainly, for the moment at any rate, the Baghdad Railway was outflanked and the

possible extension of the German commercial route to the rich markets of the East was rendered for the time being improbable."

Just before the war Russia began to introduce her administrative methods in Persia, bought up large areas of land and directed swarms of Russian immigrants into the country. Britain was to obtain the neutral zone of Persia and to have a free hand in Northern Persia. The object of adding the neutral zone was because of its valuable oil-fields. The property of the Anglo-Russian oil Company lies in the neutral zone, and the company holds a concession which gives it the monopoly of all the oil-fields in Persia except those in the extreme north. The wells where the company has been obtaining its oil are capable of producing 5,000,000 tons a year, so the chairman of the company said at the annual meeting in August, 1918. He also stated: "After allowing for depreciation, the trading profit was £1,516,994 3s. 9d." In 1914, the British Government, through Churchill, purchased £2,200,000 worth of shares in this company.

Persia was asked by the Allies to remain neutral, but she suffered severely from the fighting between the Turks and Russians on Persian soil. With the Russian revolution the hopes of Persia were renewed. The Bolsheviki repudiated the Anglo-Russian convention of 1907, and announced their intention

of withdrawing Russia troops from Persia. Lord Curzon, January 21st, 1918, said that: "The great change by recent events in Russia has given to His Majesty's Government a welcomed opportunity of testifying their sincerity in repudiating any hostile designs on the integrity or political independence of the Persian kingdom . . . We have informed the Persian Government that we regard the agreement as being henceforth in suspense." The Persians, filled with hope, sent a mission to Paris to get the Great Four to abolish "All treaties, conventions, etc., aimed at destroying Persian independence and integrity," but only to find that the doors of the Peace Conference were barred. Three times it is said, they appealed for a hearing and could not get an audience with the Rulers of the World, and whilst they waited at Paris, behind their backs the champions of small nations concluded an agreement which makes Persia a second Egypt, and Persian independence a sham. The new agreement, which got some stinging criticism from the French press, as being done behind the backs of Britain's allies, and as being against the principle of the League of Nations, allows Britain to furnish expert advisers who shall be endowed with adequate power. Britain also supplies officers, equipment, and ammunition for the army. She grants a loan of £2,000,000 at 7 per cent., receives the security of the

Persian customs and other revenue, and co-operates (lovely word) "for the encouragement of Anglo-Persian enterprise, both by means of railway and construction and other forms of transport."

A correspondent writing from Paris, August 21st, 1919, declared that: "There were more grounds for friction between Britain and France in the Near East than there were at any time in the Fashoda incident." All the grandiloquent phrases of the war which made such excellent camouflage begin to fade when we apply the analysis of the Materialistic Conception of History. Arthur Ponsonby, M. P., and secretary of the late Campbell-Bannerman, pointed out in "Common Sense" that: "Egypt was no longer under Turkish Suzerainty but part of the British Empire, 350,000 square miles; Cyprus, 3,584 square miles; German South-west Africa, 322,450 square miles; German East Africa, 384,180 square miles; half of Togoland and the Cameroons, 112,415 square miles; Samoa, 1,050 square miles; German New Guinea and South Sea Islands, 90,000 square miles; Syria and Palestine, 11,000 square miles; Mesopotamia, 143,250 square miles; grand total, 1,417,929 square miles." Yet Asquith said in October, 1914: "We have no desire to add to our imperial burdens either in area or responsibility," and Lloyd George said on one occasion: "As the Lord liveth we do not want an inch of territory."

I suppose being God's chosen to preach the gospel, Providence is merely kind.

XIV.

INDIA.

THE history of India begins with the sacred writings of the Aryans. A thousand years B.C., the guide to conduct was "Speak the Truth, Practice Virtue." About 1200 A.D., the invasions for plunder began from the Northwest by Afghan and Turkoman adventurers. Despite the geographical isolation of India there has always been a considerable trade between her and Europe in jewels, precious metals, embroidered stuffs and essences of all kinds. In early times these were transported by coasting vessels to the head of the Persian Gulf and carried overland to Constantinople. The capture of Constantinople by the Turks resulted in the discovery of a sea route to India. Trade with India became immensely lucrative. A single ship in 1606 made a profit of 236 per cent., and goods costing £356,000 in India sold in England for £1,914,000. This profitable trade began the French and English rivalry which practically did not end until the Morocco affair of 1904. King Louis, in 1672, was counselled that the best method of obtain-

ing control of this Eastern trade was to seize Egypt.

By 1763 the British had succeeded in controlling large possessions, and when the French East India Company went bankrupt in 1770, Britain was left alone in India. The "Round Table" for September, 1912, speaking of India, says, page 622: "The two principles which have governed our policy in the past will still govern it in the years that lie ahead. On the one side are the interests of the Empire. The commerce of Great Britain with India today is worth more than £80,000,000 a year. On this trade depends not only the profit of the merchants but the employment of many thousands of work-people. On it also depends that national revenue and custom duties, income tax and so on."

India has had a movement for self-government for years, but it has also been ignored at Paris. Robert Williams, Robert Smillie and George Lansbury made an appeal in the "Daily Herald," London, to protest against the methods used to put down the nationalists of India. In that appeal it read: "Indians ask the same right as Poland, Siberia and other small European nations, yet the bureaucrats of India replied with a Coercion Act which robs them of freedom of speech, freedom of the press and public meeting. Indians are unarmed, yet they are bombed from aeroplanes and shot down with machine guns." The appeal asks for self-government for a country of 315 millions of human beings. In some districts

the people were forced to dismount and salute British officers, if riding on horseback or in wheeled conveyances. Orders signed by C. G. Hodgson, Lt.-Col., say that persons carrying opened and raised umbrellas shall lower them. The Indian revenue is mostly spent on the army and railways, which are built in part for strategic purposes.

Keir Hardie in his book on India points out that British investments in public works and railways in India were \$500,000,000 at 5 per cent., which means £25,000,000 a year in profit. Civil and military pensions amount to £30,000,000 a year. The natives are shut out of the high salaried positions. Eight thousand Anglo-Indian officials draw £13,930,544 a year, while 130,000 natives draw £3,286,163 a year.

In 1858, Queen Victoria promised the Indian people partial admittance to offices of the service, yet after a lapse of fifty years King Edward, in 1908, issued a proclamation containing the same promise. The Indian peasant used to pay one-fifth in kind, land rent, whether the harvest was good or bad. The Government charge land rent on what is called a 12 anna crop average. 16 anna is looked on as a bumper crop, but for ten years three crops only struck the established average, while the remainder were under, although the peasant had to pay up just the same. The pasture land, which formerly was common, is now enclosed and sometimes the peasant has to go a long distance for pasturage for

which he pays rent. If his pigs wander into the unfenced forest they are impounded and he is fined. Wild animals may root up his crop but he is not allowed to carry a gun. He is generally up to the neck in debt to the money lender, who takes a lien on his crops, and also to the railway companies. This is a splendid example of capitalist methods of creating a proletariat.

Shapurji Saklatvala, of the Workers' Welfare League of India, no later than January 20th, 1920, stated in England that: "Thousands of children 10 to 14 years of age are employed in coal and ore mining districts at 2 annas a day of six hours." He states that fines and confiscations are deducted from these wages which before the war were the equivalent of 4 cents. S. Satyamurti, delegate of the Indian National Congress, says in "Foreign Affairs" for October, 1919: "Last year out of an income of 81 million pounds, 41 million was allotted to the army, 18 millions for railways, only 4 millions for education, and 26 million pounds of India's money was spent in England, thanks to the political relationship between India and England." He also states: "Within the last three months no fewer than 30 newspapers have been prohibited. . . . Deportation without trial are favorite weapons with the Indian bureaucracy. . . . In conclusion . . . so long as India remains in her present position as the happy hunting ground of the foreign exploiters and ad-

venturers, the earth hungry nations will find in her a potent cause of war."

The high prices in India have affected the laborer to such an extent that a professor of Indore College made the statement that the Indian laborer spending the whole of his wages on food could only purchase 81 per cent. of the diets officially prescribed in the gaols. This is one of the great economic factors that is creating discontent in India. V. H. Rutherford, M.P. for Brentford, 1906 1910, says in his book "Commonwealth or Empire," page 69: "I must utter a warning to the friends of Nationalism in Britain and India. In 1916 Mr. Asquith rejected the insidious invitation of certain interested parties at home and in India to insert the thin edge of the wedge of protectionism for the cotton industry of Bombay, which policy was reversed in 1917 by Lloyd George's government ostensibly as a war measure. Financial exigencies suggested a loan of £100,000,000 from India requiring £6,000,000 a year interest, to help to meet which the cotton duties were raised from 3½ to 7½ per cent. without any corresponding rise in the excise duty. The Secretary of State, Mr. Chamberlain, in defending this definite breach in our free trade policy, described the loan as a free and generous gift of the Indian people, a description altogether dishonest, for the people of India have no real part in the government of their country and were never consulted. Instead

of a 'gift' it is a loan forced upon the poorest country in the world by the richest. Every penny and more is needed for education, irrigation and sanitation, so that this imperial imposition is another impediment to her sanitary and agricultural development, to make the agricultural laborer and the mill worker pay more for his cotton goods to benefit the cotton millowners who pay the workers thirty thilings a month, is not economic emancipation but economic damnation."

To endeavor to placate the Moslems of India, Egypt, Morocco and Tripoli, the French, Italian and British rulers are to allow the Turk to remain in Constantinople, but while they may be the outward appearance the suspicion is strong that British and French investors are holders of hundreds of millions of Turkish bonds, and are keenly interested financially.

What has been the result of the Great War? The liberal paper of Amsterdam answers this question in an article thus: "For whatever reason the British public may be dissatisfied with the Coalition Government, it is certainly not because they have neglected England's imperial position. The French who have always had a weakness for Hither Asia are openly dissatisfied. Could they ever have expected anything else? In imperial policy the English are past masters, and against their world policy, carried on with such farsightedness and with so much energy

and cunning, all the others who went to have a try at world policy are mere bunglers. With what a master hand has the British Empire been built up in the course of the century, with a master hand has its further expansion been worked out now."

"Persia is an illustration of this policy. Germany, Turkey and Russia have collapsed, so that England's partner in the protection of Persia has gone as have all other possible claimants or rivals to that position. Only France is left, as America disclaims any interest in West Asia, and what can France do against England? The result then is that England is the real victor in the world war. England will shape a new powerful colonial empire and has been able to find a solution to the various problems whereby her dominating position is assured. From the Cape to Egypt and from there over Palestine, Mesopotamia, Persia, Baluchistan, perhaps also Afghanistan and India, stretches an unbroken territory where the British flag waves or where British influence rules. What the proudest British imperialist scarcely dared to dream of has now been realized, or is near realization. Must not such dazzling success awaken the jealousy of others? But what will the League of Nations say or do? The League in which a place has been left for Persia too; what can the League do against the power of facts? In imperialism, too, the rule holds of the survival of the fittest."

Measured by results Britain won the war, but the

enjoyment of its fruits is a different question as far as the workers are concerned.

Since the above was written Lloyd George has shot some more holes in the League of Nations.

XV.

IMPERIALISM AND SOCIALISM.

THE two great schools of thought which confront the people of the civilized world today are Imperialism and Socialism. Although they are diametrically opposed to each other, they have some things in common. Both schools agree that Nationalism is dead or dying. Before going any further, it may be well to arrive at the meaning of the word Imperialism. The Oxford Dictionary gives the best definition of Imperialism of all the dictionaries I have examined. It says: "Imperialism is the extension of the British Empire where trade needs the protection of the flag." It has been stated by many speakers that trade follows the flag, but my close study of history has convinced me that the trade advances ahead of the flag, hence I agree with the definition of the Oxford Dictionary.

Mr. J. S. Ewart, K.C., of Ottawa, one of the best historians in Canada, says in his "Kingdom Papers,"

No. 2, page 32, "British Imperialism in its relation to the British North American Colonies has always been based upon the ideas of profit, I now proceed to prove." Mr. Ewart divides up Canadian history into three periods, namely:

1st.—"From the beginning to the advent of Free Trade or say to the eighteen forties, British Imperialism was based upon the profit derived from trade."

2nd.—"From the eighteen forties to the eighteen eighties there was very little British Imperialism, because there was very little profit."

3rd.—"Since the eighteen forties, British Imperialism has become enthusiastic and exigent, because of the military as well as the commercial profit that appeared to be in it." "The European nations did not as a mere pastime fight for colonial possessions. They wanted profit."

In the first period the mother country prohibited the colonists from engaging in manufacture, using them to promote home trade. Mr. Ewart says that Free Trade removed the monopoly in the second period and British Imperialism waned because the colonies ceased to be profitable. He does not mince matters, for on page 43 he says: "Nations must be governed by self-interest." And on page 46: "The reason for the extraordinary change in British Imperialism since 1897 is easily explained. In 1897 the Canadian Parliament gave to British manufac-

turers, preferential treatment, with respect to custom duties, all the other colonies followed the lead. British Imperialism quickly and enthusiastically responded." . . . "Added to the trade-profit came the new desire for the more important war profit." . . . "Since 1897 British Imperialism had found plenty of nourishment and its growth has been phenomenal. The sentiment that is in it is **founded upon substantial profit.**" Mr. Ewart, replying to criticism says, page 89: "I know that, until very recently, the United Kingdom had no love for us. I know that Canada was treated as a dependency as long as she was of commercial value; that she was told to 'break bonds and go' when her commercial value ended, and that only since she has appeared to be willing to furnish trade profits and able to supply military assistance, has effusive affection been lavished upon her." On page 90: "The sight of trade profits and war profits has worked an extraordinary change in the last twenty-five years. Half-breed colonials are now 'Overseas British guests and kinsfo'k.' It is the turn of the Canadians to smile." That is the view of one of Canada's outstanding K.C.'s on international law, and probably one of the best historians in the Dominion.

One of the principal causes of the economic friction among nations and behind war is the fear of countries without access to convenient ports in their own country, a condition which might hamper

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their trade, not only in transit, but also by tariff walls. This is one thing that made Germany uneasy, because she did not possess the mouth of the river Rhine, and as I pointed out in an earlier article, a much similar situation obtained in Serbia's desire for a port on the Adriatic Sea, and also in Russia not owning Constantinople for an all-year port. Modern Imperialism aims at the political control of all backward countries by the great capitalist governments of today, for the purpose of securing for their respective capitalists the security of industrial enterprises which they may establish in those backward countries. Also to insure raw material for the home industries and a monopolistic market for the finished product of the home exploitation, and the exploitation of native labor in the newly acquired territory. J. S. Ewart, as I have pointed out, says that Imperialism waned with Free Trade.

British capitalism became pacific after the development under the factory system as the ideas of the Manchester school of Free Trade became dominant. When the change came to renew Imperialism, it was not because as Mr. Ewart says the renewal of profits, but as Boudin says in his "Socialism and War," capitalism had entered its Iron Stage. Mr. Ewart dates this change from 1897. In 1895 Joseph Chamberlain entered the Cabinet representing Birmingham. Birmingham is the headquarters of

the iron and steel industry, therefore iron and steel became represented in the powers of government. If you want to know how business is faring, if you want to feel the pulse of capitalism, look up the market reports of the iron and steel industries. Boudin tells us that: "The world at large was surprised at Chamberlain selecting the Colonial Office as his particular field for activity; before that this office was considered a minor one in the Cabinet, instead of taking the Chancellor of the Exchequer which J. Chamberlain would have done if he had followed tradition." This was the entry of British capitalism into modern Imperialism. This change raised the Colonial Secretaryship from its former minor position to a place of first importance in the British Cabinet. The Boer War was a result of this change of policy. Although Chamberlain failed to carry his protection programme, England has proved by the results of the Great War that she is foremost in the Imperialistic procession.

Modern Imperialism is an expression of the economic fact that iron and steel have taken the place of textiles as the leading industry under capitalism. Textiles, being pacific, mean peace, but iron and steel mean war because the interests of this trade conflict in foreign markets, as I will point out further on. The basis of capitalistic industrial development is the fact that the workers not only produce more than they themselves can consume

but more than society as a whole can consume. This permits an accumulation of wealth that must find a foreign market, and that market is generally in a country of a lower degree of capitalistic development. A market in a country equally as highly developed has no effect in disposing of the surplus wealth as it generally pays by exchanging other goods. The foreign market, therefore, must be an absorbent market, which results in the highly developed capitalist countries competing in the backward countries of the globe. Of course this cannot go on forever, as more countries reaching the stage of producing a surplus the number of absorbent markets becomes less and the competition for control of them becomes intensified. The capitalist world is to create new markets by means of obtaining concessions to build railways and canals and other public works. This gives an impetus to the iron and steel industry, and incidentally it creates a market for textiles. The highly developed capitalist countries produce the machines and means of production and less of the means of consumption. Consequently, they have to import raw material and foodstuffs, and this is particularly applicable to the European countries. A country in the early development of capitalism generally produces consumable products with machinery produced abroad, and when it becomes a competitor instead of a consumer it does not compete in all the fields of production. It contin-

ues as a customer mostly in machinery and begins to produce textile goods and other consumable commodities. This is why, in highly developed capitalist countries, the leading industries are iron and steel, as they put their accumulated wealth into means of production. Where there is a rapid accumulation of wealth the iron and steel industries have become more prominent and have taken the lead over the textile industries. This is the real cause of the change of character of capitalism from the pacific mood of the Free Traders like Bright and Cobden to the warlike and imperialistic mood of Joseph Chamberlain. Capitalism has entered the era of Imperialism, and the reason for it is very simple. Iron and steel cannot be sold like textiles. For instance, clothes, hats and wearing apparel can be sold almost anywhere, where a missionary has been sent; you only need to send a good salesman and you need not worry under what flag the native is ruled. The situation is greatly changed if you want to sell locomotives or rails, as a salesman cannot take a cargo of them and sell them to the natives. The only way this can be done is to build the railway yourself. While a German could sell textiles in any British colony he would find some difficulty in building a railway through any of those colonies. Hence, it will be seen how free trade in textiles does not apply to iron and steel. Not only do the capitalist countries that are highly develop-

ed reserve the right to build their own railways, but they have all been very jealous of each other in the matter of building railways in the backward countries such as Turkey, Persia, China and Africa.

Marx tells us: "The capitalist process of production consists essentially in the production of surplus value. It is not to administer certain wants but to produce profits. He does not advance capital merely for reproducing it, but with the view of producing a surplus in excess of the capital advanced." As no one can build railways in backward countries to produce dividends soon enough, pressure is brought to bear on the ruling power of that country for concessions, such as a subsidy of money from the Government, a monopoly market for themselves, or vast tracts of mineral lands. Sometimes a reluctance on the part of a backward country to grant concessions is altered by force, either threatened or actual. The trade of capitalist nations has ceased to be that of individuals but it has become a matter of armed force used by large groups called nations. Owing to this intensified industrialism, statesmen must think in terms of commerce, about markets for manufactured goods and supplies of raw material for their country's industries.

I might here draw your attention to the granting of concessions and the building of railways which are interwoven in every article I have written. You

have the Cape to Cairo railway and various other railways in South Africa, a part of the globe I have not touched on. You have the railway incident in Morocco. The struggle for ownership of the railway in China when it changed hands to Japan after the Russo-Japanese war. You have all the railways and concessions Germany forced from China given to Japan. The British, French, and the Standard Oil Company, with their railways in China. British and Germans both owned railways in Asia. Lord Rathmore presiding at the half-yearly meeting of the British company owning the Ottoman railway from Smyrna to Aden, in 1917, said: "Our railway still remains in the possession of the Turkish Government by which it was lawlessly seized in November, 1914, and from that time we have not received any dividend from it." When he referred to the start of the company he said they had a struggling existence, but were becoming prosperous, with the intention of extending to Baghdad and the Persian Gulf, when the German enterprise penetrated into that territory and thereafter with forced diplomacy and systematic bribery of Turkish officials received advantages over the British company. The company lodged with the Foreign Claims Office a statement of their claims in respect to their losses which might amount to five million dollars. Lord Rathmore had written to the Foreign Office and had said: "The frequent intrigue of the Ger-

man companies against all similar enterprises, and the wholesale corruption of the Turkish officials, must make their continuing influence a constant menace to the peaceful and prosperous workings of other railways in Asia Minor." . . . "If the control of the Anatolian and the Baghdad railways be taken out of German hands my council would most respectfully suggest that our company be entrusted with their management." The Foreign Office had acknowledged the letter assuring the company that their claims and contentions would be most carefully borne in mind. This German railway was controlled by Herr A. Von Gwinner, of the Deutsche Bank. They operated 641 miles of railroad, the net profit of which in 1912 was 4½ million francs. They began operations in 1888 and induced the Turkish government to guarantee them an annual revenue of from £658 to £885 per mile. There is also a French concession railway in Turkish territory, the Smyre Cassaba et Prolongement.

H. N. Brailsford in his "War of Steel and Gold," tells us that foreign contractors paid by the mile, built railways zig-zag across the plains of Turkey, and when the railways could not pay dividends seized the customs receipts of the country for security. Germany used Austria for the purpose of expanding to the East with railways. Turkey was so heavily indebted to foreign capitalists that her revenue was

placed many years ago under the supervision of an international commission representing the great European powers. The duties Turkey imposes on imports are prescribed for her by the same powers, and she could not increase her revenue by increasing her custom duties without their consent. As an increase of duties was practically the only source by which Turkey could pay a subsidy to the Baghdad Railway, the financing of that railway became a matter of international politics. England being one of the great exporters to Turkey, the duty on her goods would be really paying the profits which would be reaped by the Germans owning the railway. England vetoed the plan of paying the subsidy out of the increased import duties and therefore endangered the enterprise. Russia's objections were mostly of military and strategic nature. Britain had other objections besides the purely financial one mentioned. She was at first rather favorable to the project, and even helped the German concessionaries in the initial stages with her influence. This was the time that England was pacifist and making Germany gifts of Heligo'and, etc. But by the time the project began to be realized Britain herself was in the era of modern Imperialism, and assumed a hostile attitude, which led to the "Kowiet Incident." The Baghdad Railway was not to stop at Baghdad but to extend to the

Persian Gulf, the only logical terminus for such a railway. For it to end at the Persian Gulf was the chief British objection, and Britain therefore resolved to stop it, and she did so when it became apparent that Germany was reaping great diplomatic victories at Stamboul and that the Sultan was irrevocably committed to German plans. Britain discovered that Turkey's sovereignty of Kowiet was of a doubtful nature, and her interests demanded that she take an interest in the quarrels of some native chieftains with a view to eliminating the Sultan from the situation. One fine morning a British man-of-war appeared in Kowiet harbor and Kowiet was declared an independent principality, care being taken that the independent ruler looked upon the Baghdad railway scheme from the British point of view. Although the work continued on various sections of the railway, the original idea was defeated and Germany gave up the idea of reaching the Persian Gulf, being thwarted by France and Britain coming together. This made the railway futile and robbed it of its importance in an ocean to ocean Empire scheme.

This steel and iron age of capitalism is not confined to railways; it is also very much interested in armaments. French and German ambassadors at Constantinople engaged in incessant conflict over the right to serve Turkey with armaments, from the forges of Creusot in France or

Essen in Germany. The banks take their share in this competition and the procedure is to offer a loan, on the condition that the proceeds be expended to purchase guns from either side as the case may be. A British firm built the forts at Dardanelles in 1914. Austria has been known to make it a condition of a tariff treaty with Serbia, that she should buy her guns from the Austrian works at Skoda. Britain's treaty in defence of Spanish interests in Morocco resulted in the rebuilding of the Spanish navy by British firms. When a loan and railway concession in 1909 went to Germany, the British Ambassador objected and China was going to the dogs, but when Lever and Company combined to found a vast soap factory in China it was good business.

It was the great steel interests of the United States that dictated her entrance into the Great War. The exports of the States, which in 1913 were 2,466 billions, increased to 5,481 billions in 1916, the largest share of which went to the war industries. Out of the sudden falling off of their exports through the submarine warfare arose the demand for the freedom of the seas, or in other words a market for their products.

So we find that government today is in reality the executive committee of the trusts and affiliated banks who use diplomacy and armaments if not actually to annex semi-civilized countries, at least

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to secure markets, excluding competition from the building of railways and the exploiting of mines in their self-allotted spheres of interests. The Great War has ended with the Imperialist strengthened in the saddle of governments. The recent merging of the Canadian steel, iron and coal industries in the British Empire Steel Corporation is an inevitable outcome of the intensive development of the iron stage of capitalism. Imperialism aims at the autocratic control of all the small nations to exploit them for its own benefit. Production of profits merely considers wants that can be paid for, and the worker only gets a small share or slave's portion of the wealth he produces. The Socialist wants to socialize the means of production and produce for use, eliminating the exploitation of one by another.

While the contradictions in the capitalist system have become greater, such as production, which is a social act, yet the appropriation of the wealth is undertaken by the capitalist class because of their ownership of the means of production. Capitalism has severed the worker from the tools and made him a wage slave. There exists, as Engels points out, a: "Contradiction between socialized organization in the individual factory and social anarchy as a whole." Through the perfecting of machinery being made compulsory for each manufacturer by com-

petition there arises the great industrial reserve army, the great contradiction of want in the midst of plenty. Excess of the means of subsistence on the one hand and on the other, excess of workers without the means of subsistence. As soon as a capitalist country is over-stocked with wealth, poverty stalks abroad. The most remarkable contradiction under capitalism is the fact that while the exploitation of the worker becomes greater the rate of profit has a tendency to sink. As Marx points out, profit is mystified surplus value because profit is the percentage calculated on the total capital invested. We are told to save for the dull times, but if all the people of Canada were to save a dollar a head per week they would hasten the industrial crisis by leaving between seven and eight million dollars worth of products on the market. Some say invest that money, but how can that be done when the demand for commodities has been cut down already? Capitalists recognize the social character of production which forced on them the joint stock companies and later the trusts with their concentration of wealth, making the capitalist class superfluous as all their social functions are being performed by salaried employees.

It is this overproduction that brings on a struggle for foreign markets. Listen to a capitalist view. Hon. Leslie M. Shaw, while secretary of the United

States Treasury under President Roosevelt, delivered a lecture to the students and faculty of Chicago University, March 1st, 1907, just previous to the financial panic of that year. He was speaking to a critical audience and knew his speech would be given a wide circulation. He said: "The time is coming when the manufactories will outgrow the country, and men by the hundred of thousands will be turned out of the factory. The factories are multiplying faster than our trade, and we will shortly have a surplus, with no one abroad to buy and no one at home to absorb it because the laborer **has not been paid enough to buy back what he has created.** The last century was the worst in the world's history for wars. I look to see this century bring out the greatest conflict ever waged in the world. It will be a **war for markets** and all the nations of the world will be in the fight as they are all after the same markets to dispose of the surplus of their factories." Why this surplus? It is, as Mr. Shaw says, because the laborer has not been paid enough to buy back what he has produced. Then the workers are used as pawns in the fight and die for their country to obtain a market to dispose of the surplus wealth they themselves produced and that Shaw tells us we cannot buy back because we are not paid enough. The worker is recompensed for his services in the war with miserable pensions, street organs, and kicks.

Socialism is nothing but a reflex in thought of the conflicts in fact which exist under capitalism. The fact exists outside of us, independent of the will or actions of even the capitalists who have brought it on. These conflicts are the contradictions I have mentioned and are the cause of the antagonisms between what are called Capital and Labor. Some people would have us believe that war is an economic necessity. In its origin when primitive tribes spread over the earth in search of pastures new, because of famine or inadequate fertility of the soil, war may be termed an economic necessity, but today, while it may be an economic necessity for the capitalist class, to the Socialist it results from the instability of capitalism. The breakdown of the capitalist system, leading to the social revolution, is being brought about by the inherent contradictions of the capitalist system of production itself.

Meanwhile the discontent of the workers is growing, and the sense of the injustice of the present social system has developed a new code of ethics. Having no property of their own, and the means of wealth production being owned by companies and corporations, having no body to be kicked or soul to be damned, the workers fail to see the need of private property in production and shout for government ownership and control. But we must point

out to the worker that that is not the remedy. Andrew Carnegie advocated Government ownership of railways, and if the capitalists sell out to the government and hold bonds, their unearned wealth would flow smoother than today because the government would use the military to squash labor with a still firmer hand.

Then again, a new phase has arisen which E. D. Morel in a speech in England has pointed out, and which we as workers cannot ignore, as a result of the Great War; that is that black troops are being used by France in the occupied territory of Germany. These troops, converted into machines of slaughter to save the world for democracy and for the glory of God, have brought about terrible conditions amongst the womenfolk of the occupied territory. France is militarizing her African colonies to such an extent that by 1922 she will have 200,000 African, mostly negroes, without counting the conscripts of French North Africa—Algeria, Tunis and Morocco. Two of the three years of their training is to be spent in France. There is no use in disguising the fact, these troops will be used in France, and Jean Longuet realizes that in a letter he wrote E. D. Morel. This policy of France will be forced upon Great Britain if she hopes to possess her share of Africa, which has only a force of 2,000 police to keep internal order with and which is next door to the French territory that is being militarized. If

the policy of using these black troops in France to keep the workers down is carried out, don't forget they will be used elsewhere.

To talk of peace through such a medium as the League of Nations, or any other method under capitalism, is preposterous. We, as Socialists, must carry on the class war by educating the worker to the fallacy of the Imperialists' policy of pitting the workers of one country against those of another. The class war is not against the individual, but against the social system and the social position of the economically dominant class; not a fight to supplant the capitalist class but to abolish them. It is not a fight against an inferior class, because when the class struggle is understood a historic mission is ascribed to every class. The historic mission of the capitalist class has been accomplished and the class itself has outlived its usefulness, becoming parasitical consumers of the wealth produced. As the capitalist class represented a higher plane of civilization than the Feudal lords it does not mean that the Feudal system was of less importance in the general development of human progress. Engels is very clear on this development in his "Landmarks of Scientific Socialism," in which he says: "We must not forget that our entire economic, political and intellectual development has its foundation in a state of society in which slavery was regarded universally as necessary. In this sense we may say

that without ancient slavery there would have been no modern socialism. It is very easy to make preachments about slavery and to express our moral indignation at such a scandalous institution. Unfortunately the whole significance of this is, that it merely says that those old institutions do not correspond with our present conditions and sentiments engendered by these conditions. . . . And when we enter this matter we are obliged to say in spite of all contradictions and accusations of heresy, that the introduction of slavery under the conditions of that time was a great step forward."

All previous class struggles have been waged in the interest of a minority class with the help of the workers. Today the class which represents social progress are the workers, which embraces all that is essential in the industrial process, and which, being in the overwhelming majority, has not to depend on another class like all previous classes. It is the duty of the Socialist to make the facts of history known to his fellow workers. This I have endeavored to do in these articles. Let us point out to our fellow workers that in capitalist society living labor is but the means to increase accumulated labor, or capital, for the owners. Socialism means accumulated labor is but a means to widen, enrich and promote the existence of the laborer. The mechanical development of the productive forces of today requires production on a large scale, and if we

are to eliminate wars, waged to obtain markets for the surplus wealth the workers produce, we must realize that our position in society is to transform the private ownership of the means of production and distribution (which is used co-operatively by the workers today producing socially the means of subsistence for the profit of a few) into social ownership, producing for use instead of for profit. The function of the Socialist Party of Canada is to educate the workers to this end.

