

The Rise and Fall of the Entente

By J. T. WALTON NEWBOLD

III.

Sassoon and Ralli

WHILST the French bourgeoisie was pre-occupied with the problem of securing possession of those basic materials of capitalist production (wherewith nature had not endowed the soil of France) and, thereby, rendering itself self-supporting alike in peaceful industry and warlike enterprise, the British bourgeoisie was concerned rather with the safeguarding and continued development of the territories already beneath its flag or within its spheres of influence.

The British Empire rests to this day upon the basis of Sea Power.

It was no mere poetic rhodomontade which prompted Tennyson to say that the Fleet was "her all in all." "Whosoever," said Sir Walter Raleigh, in the romantic youth of England's imperial brigandage, "commands the sea, commands the trade of the world and therefore, the world itself."

That was, emphatically the case during the greater part of the bourgeois period and has only been modified as a result of the extension everywhere of railway and motor transport.

The Crown Colonies, Commonwealths, Dominions and Protectorates which, together with the Homeland, constitute the British Empire were, to begin with, mere hinterlands at the rear of trading posts and garrison points scattered here and there about the coasts of the seven seas of the world. The British Empire is linked by ocean trade routes, patrolled by an ever restless system of cruiser squadrons, backed by the mighty battle fleets.

That is the actual mandate by which the British bourgeoisie holds and holds together the British Empire.

The German Challenge

To this mandate (unquestioned for nearly a century) the German Navy presented itself as a challenge. The British bourgeoisie knew this and the British bourgeoisie began at once to spin the threads and make the net wherein to entangle this interloper.

But—more than that. The German and Austrian bourgeoisie was reaching out across the Balkans and the Asiatic provinces of the Ottoman Empire towards India. The Central European Powers, equipped with a greater capital and an immeasurably higher technique of commodity production and military might, were seeking to traverse the territories which, in the last years of the nineteenth century, became quite obviously the pivot upon which the British Empire must be poised.

After the preliminary conquests which gave them their foothold in Canada, India and Cape Colony, the British bourgeois were able, without interference from other bourgeois, whose capitalism was yet in its infancy, to extend their rule over and to impregnate with their capital those great stretches of North America, Africa, South-East Asia and Australasia which form the major part of the Empire. Without much difficulty they added to these new areas and knit them together more closely into an economic and administrative unity.

The Road to India

But there remained and grew more urgent two problems, one political and the other economic, each clamouring insistently for solution.

First, there was the problem of making safe not only the old but also the new (or Mediterranean and Red Sea) route to India and of preventing approach to that keystone of the whole imperial fabric by any other of the European Powers.

Turkey was going rapidly into decline as a state and was deep in debt to the cosmopolitan bourgeoisie of France, Belgium, Holland, Switzerland, Germany and Austria and not merely to that of Britain. Her absorption by Germany or her partition amongst others whose nationals had claims upon her was only a matter of

years. Whoever gained control of Asiatic Turkey would stand on the very edge of the ever expanding domain of what we may call greater India.

Cotton—Always Cotton

Second, there was the problem, vital to the Liberal bourgeoisie of Lancashire and Paisley, of finding or developing new sources of raw cotton to meet not only the increasing demand of the world market but to make up for the greater volume of fibre absorbed by the rapidly expanding industries of the United States and Japan.

At the same time, the industrial population of the several capitalist countries—especially the U.S.A.—was making big calls on the wheat supplies of the world.

Now, there are obviously, three great branches of trade wherein fabulous fortunes must and to my knowledge have been piled up throughout a whole century of capitalist production.

These are the supply of corn to the proletariat of Western Europe, the supply of raw cotton, as also of raw jute, to the textile industries of these same countries and export of cotton piece-goods to India and the East.

The merchants who have had, during the whole of this time, the lion's share of these three branches of commerce must, of necessity, have accumulated surplus values which they had to invest again as capital in new enterprises, such as railways, irrigation works, tramways, steamships, mines, oil-wells and banks. They must and have been participating in the development of new territories where they, or their competitors, might obtain new sources of supply of their staple commodities. They could not and cannot as individual capitalists, whatever they may avoid in their capacity as firms, have kept out of credit operations, investment trusts and the like. Their profits have been so stupendous that their economic power—these mighty corn and cotton traders is, to-day, staggering in India, Persia, Irak, Egypt, Greece, Argentina, Canada, Uganda, East Africa, and everywhere where raw cotton and corn are grown and piece goods are made and sold.

These mighty merchants are the two firms of Sassoon and the world's greatest firm of traders, the Anglo-Greek house of Ralli.

The Sassoons of Bagdad

The Sassoons had the cotton piece goods trade of Bagdad with Persia. Then they developed an enormously profitable opium business between India and China. They built up great cotton manufactures in Bombay and went heavily into banking in India, China, East Africa, Uganda, and Persia. They were big men in the "sixties." They are infinitely bigger men sixty years later. Why, one of them, the head of the clan, has been private secretary to the Commander-in-Chief in France and Parliamentary private secretary to the Premier himself.

The Rallis of Ionia

The Rallis, who commenced business in the corn trade at Marseilles and London about the same time that the Sassoons slid down from Bagdad to Bombay, were closely connected with the latter, as with the great French banks, in the "sixties." To-day, when they are infinitely more influential, they never show up on the surface of investment. They have, however, enormous credits to extend and do so through those forms of investment bankers and trust companies that nowadays enable the really big capitalists to remain hidden from sight. They do an immense business in India, Egypt, the Levant, Argentina, and everywhere that corn is bought and sold. The *Economist* described them in 1911 as "the largest shippers of Manchester goods to India." They are the biggest jute pressers in Bengal and do a huge trade with Dundee.

"One fact," said the *Hellenic Herald* (March 1908) "will suffice to show how immense is the trade done by this firm. From one Indian port alone, Karachi, Ralli Bros., export in one year more than 1,500,000 tons

of cereals—a quantity which far exceeds the total exports of cereals from all the Russian Black Sea ports together." It also described them as "the pivot of all the present Greek colonies in England."

Should Mesopotamia, under irrigation, become again a great wheat growing area, should Ionia—the Rallis came originally from Chios, near Smyrna—again become "the granary of the old world"; should the whole of Asia Minor revert to the Greeks, under the ægis, of course, of Britain, what sources of corn, what markets for piece-goods, what openings for credits will be spread before "our Anglo-Greeks, passionately devoted to the great and glorious Fatherland"—to quote the panegyric upon them written by the Greek Envoy to St. James, J. Gennadius, in his "Hellenism in England."

The Sassoons and the Rallis and all those lesser but more noisy fry—the Inchcapes, Greenways, and their kind—are the real owners of India, the real masters of the East, the real powers behind the throne of His Most Gracious Majesty and the Cabinet chair of the other George.

The End of Empires and Ententes

Because of them and their ambitions and their interests, Turk and Greek are locked in mortal combat; the peasantry of Irak are in revolt against the British intruders; Egypt and India are on the verge of open outbreak; Britain has alienated Italy and is at variance with France.

Those who joined forces to snap the backbone of German Imperialism as it crept across the East, are now joining issue as to which of them shall possess the lands from which the Germans have been driven.

In the Near East, the bourgeoisie is digging a grave, British for French and French for British. May they dig it big and deep enough to hold them both!

Communist Party of Great Britain

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