

Anglo-American Imperialist Co-operation

WITHOUT a concrete and correct analysis of the world situation, the Communist International, the world Party of the proletariat, cannot conduct a successful policy. In his article in the February number of the "Communist International," Comrade Radek attempts an analysis of the main forces in the present world situation. He arrives at the conclusion that **to-day and for some time to come the deciding factor is the co-operation between American and British imperialisms.** On this foundation he builds up the structure of his analysis of world policy. In Comrade Radek's analysis this tendency seems to be stronger than cement and stone; even the dynamite of the world-wide competition between England and America will be unable to destroy this foundation for some time to come.

The conclusion drawn by Comrade Radek is false. The truth, in fact, is just the contrary in spite of temporary and local co-operation between British and American Imperialism, **the conflicts between Great Britain and the United States are becoming ever more acute**; material for dispute is steadily accumulating between the two mightiest imperialist plunderers, and the picture of the future conflicts between Wall Street and the City is being defined with increasing clarity. It is, of course, not merely a matter of taste or is it a question of temperament, as to which feature of the relations between Great Britain and the United States are emphasised; **temporary co-operation on certain questions of world policy or fundamental opposition.** It is a matter of essential importance whether one considers this co-operation as so strong and permanent as to regard the conflicts and competition between the two great powers in all continents and every market of the world as likely to be secondary matter for some time to come, and allow it to fall into the background, or whether one asserts that the contradictions will become steadily more acute, and that even the very "competition" will inevitably be productive of fresh conflicts.

Comrade Radek rightly declares that the question of Anglo-American co-operation and our estimation of its importance is **the central question** of contemporary world policy. He is also right when he states that our estimate of the prospects of the proletarian revolution are partly dependent upon our estimate of Anglo-American co-operation. Comrade Radek says :

“ But it would be sheer short-sightedness and a manifestation of the spirit of liquidationism not to count on the probability of a new wave of proletarian mass struggles during the next few years. There can be no doubt that this struggle will begin as a **struggle for the immediate economic needs of the proletariat**. But whether it will be confined to that will depend upon a number of factors. Firstly, on the general world situation of capitalism, *i.e.*, upon the acuteness of its own internal antagonisms, its conflicts with its colonists and semi-colonists and with the Union of Soviet Republics, and secondly, on the successes we achieve in the fights against the Social-Democrats and on the organisational and political position of the Communist Parties.”

Radek here quite correctly states that apart from other factors, the internal antagonisms and conflicts of capitalism will determine whether the struggles of the proletariat will remain merely struggles for the immediate economic interests of the working class or whether they will develop into great political and, finally, revolutionary struggles.

That is Radek's first thesis. His second runs as follows :

“**The motive force of the undoubted movement in world politics was the creation of a temporary alliance between British and American capitalism.**”

Radek is accordingly asserting that the backbone of world politics is the creation of a temporary alliance between British and American finance-capital.

Comrade Radek then attempts to define this temporary alliance still more exactly. He writes as follows :

“**The dominating problem of the bourgeoisie at the present moment is the stabilisation of capitalism**, which is impossible without the stabilisation of **currencies**, the consolidation of international **credit** and the **opening up of new**

markets. Until these problems are solved, British and American capital cannot make the centre of their policy the fight for hegemony in the re-establishment of the capitalist world."

One further quotation :

"Before the struggle can break out between Britain and America for hegemony in Central Europe, Central Europe must be snatched from the claws of revolution which has arisen from the depths of economic chaos. That is the aim of Anglo-American co-operation as expressed in the Experts' Report."

Comrade Radek's attitude is quite clear. What he says is as follows :

1. Upon the internal antagonisms and conflicts of capitalism depends partly whether the working class during the next few years will engage in purely economic struggles or whether these economic struggle will be transformed into political and eventually, revolutionary struggles.

2. The chief factor in world politics is the alliance between British and American capitalism.

3. The main problem of the bourgeoisie at present is to stabilise capitalism, and accordingly British and American capital, in spite of Anglo-American competition throughout the whole world, cannot make the fight for hegemony the central point of their policies.

4. The struggle between America and Britain for hegemony in Central Europe cannot break out until Central Europe is saved from the menace of revolution and economic chaos.

We see that, according to the theory of Comrade Radek, the temporary alliance between Britain and America is likely to last for a very long time and to become a permanent alliance between British and American imperialism for a lengthy period. If Radek's analysis is correct, this alliance cannot be broken, at least, until order in the capitalist world which was destroyed by war and revolution, is restored. And within the capitalist world, Central Europe must first be saved from the claws of revolution and economic chaos before Great Britain and the United States can enter upon the struggle for hegemony.

Comrade Radek's analysis offers a rather pessimistic outlook for the development of the political, and still more of the revolutionary struggles of the proletariat. Radek's theory of the present durable co-operation between Great Britain and America in the immediate future implies a certain political security of capitalism against the revolutionary movement of the proletariat. Nevertheless, this unshakeable Anglo-American alliance will at the same time be rendered very critical and by the attitude of the Anglo-American bloc towards the U.S.S.R. and the colonies.

"The Anglo-American alliance, which England is trying to supplement by a bloc with France in the Near East, is the chief element in the stabilisation of capitalism in Europe and the decrease, at least of the external, antagonisms within the European capitalist camp. But it is at the same time rendering the relations of the Anglo-American bloc towards the U.S.S.R. and the colonial countries still more acute."

This antagonism will even lead to an open conflict between Anglo-American capitalism, on the one hand, and the U.S.S.R. and the Eastern colonies on the other :

"Summarising the review of the foreign political developments of the past year, which was supposed to mark an era of democracy and pacifism, we have to record that this era was born of the successes achieved to some extent by Anglo-American capitalism in stabilising the capitalist economic system of Europe. But these successes, far from being complete, are bound up with the problem of markets, which Anglo-American capitalism is only just confronting, and has by no means solved as yet. The attempt to solve the problem is bound to lead to an acute conflict between the capitalist world and the U.S.S.R. and the countries of the East, a conflict which may completely wreck the policy of capitalist stabilisation. Failure in this conflict, even in its diplomatic and economic phases, will threaten the collapse of the Anglo-American bloc, since failure, more than anything else, will reveal the conflict of interests between the capitalists of England and America, and between the Anglo-American bloc and the capitalist countries subordinate to it."

Such is substantially Comrade Radek's theory. He has also certain subsidiary theories concerning an Anglo-French alliance, etc., but the main idea is the Anglo-American alliance. It must be admitted that he makes many remarks which rather weaken the unshakeableness and durability of

that alliance. He enumerates the antagonisms between American and British capitalism. He also says that at the last moment, when the Great War between Anglo-American imperialism and the U.S.S.R. and the colonies becomes threatening, the Anglo-American bloc will be menaced by the danger of collapse. But these enfeebling factors remain subsidiary considerations. **The axis around which the ideas of Comrade Radek revolve is from beginning to end the irrefutable fact of the Anglo-American alliance as the determining factor of the world situation and of the future of the proletarian revolution for a definite period to come.**

Let us examine how far Radek's theory corresponds with the true tendencies of imperialist development.

Errors in Method.

The whole method of Radek's argument is false. He records the Anglo-American alliance statically and not dynamically. He assumes Great Britain and the United States to be fixed and unchanging magnitudes which will remain unaltered for the whole of a definite period. He therein neglects the following essential factors:

1. The internal class situation of Great Britain is by no means stable. The relation of forces between the proletariat and the bourgeoisie is even liable to rapid changes and may strongly influence the foreign policy of Great Britain.

2. Relations within the various sections of the British Empire are by no means stable; in the colonies and dominions they are liable to change and may fundamentally influence the foreign policy of Great Britain.

3. The same is true of the United States. Finance-capital has in recent times made successful advances towards an aggressive foreign policy, but there are active and powerful class forces and counter tendencies which are liable to deflect the foreign policy of the United States in a definite direction.

4. It is not enough to enumerate the various conflicting interests of British and American imperialism; they must be analysed with the purpose of determining whether they are tending to become acute and to what extent they may develop into conflicts; in a word, they must be presented not statically but dynamically and dialectically.

5. It would, of course, be childish to deny the existence of co-operation between Britain and United States, especially in Germany where it has adopted a most obvious form in the shape of the Dawes' Plan. But it would be vague, and, therefore, incorrect to regard this co-operation statically and not dynamically and fail to see that out of this co-operation fresh frictions, fresh contradictions of interests and fresh conflicts may arise.

6. Theoretically, the possibility of Anglo-American co-operation for a certain period is, of course, not to be excluded. It is equally possible for the two imperialist plunderers to unite against the U.S.S.R., and the colonial peoples of the East. But it would be mere prophecy, and not a justified analysis, to represent the Anglo-American alliance and the Anglo-American war against the U.S.S.R. and the colonies **as the only possible development**, and to eliminate completely all counter tendencies.

Are Britain and America New Siamese Twins?

Comrade Radek consistently speaks of "Anglo-American" capitalism, and he carries his alliance theory to such an extent that British imperialism and Yankee imperialism appear to be inseparable Siamese twins whose circulation and actions are bound for life and death. The facts go to show that this does not correspond with reality.

There is no such thing as "Anglo-American" capitalism. There are actually **two** imperialist robbers who are opposed to each other on almost every question of world politics, and who not merely on the question of the seizure of new markets and the penetration of old markets, but also on the possibility of export of capital and the acquisition of the raw material areas of the world are in a constant and bitter conflict, which is frequently sanguinary, and which is everywhere becoming more acute and increasingly influencing the foreign policy of both sides. The struggle between the British and American imperialist robbers is the **fundamental**, the essential and primary fact. The struggle is world wide, while the co-operation is merely temporary and local. This assertion cannot be overlooked even though Comrade Radek uses as his principal argument the fact that the stabilisation of capitalism is at present the main problem of the bourgeoisie. But that problem *i.e.*, the problem of the maintenance and stabilisation of capitalism is not only new, but always has been the main problem of capitalism. The maintenance and stabilisation of capitalism is the fundamental and historically,

the main interests of capitalism. This fact, however, has never hindered the capitalist robbers from pursuing their own individual interests. Such a general argument cannot, therefore, solve the problem. It must be examined concretely and in all its ramifications.

We shall attempt to enumerate at least the chief conflicts of interests between British and American imperialism. We shall attempt to prove that :

1. The conflicts of interests are increasing;
2. They are being ever more consciously felt by both empires; and
3. The conflict of interests will increasingly involve the employment of the State power of the two imperialist empires.

The Fight for Priority.

The United States is the chief opponent of British imperialism. American finance-capital was able to make use of the world war in order to dethrone British finance-capital. America is to-day the creditor of the world, and not Great Britain. In 1923, Great Britain exported capital to the extent of 650 million dollars, whereas United States exported 390 millions. In 1924 Great Britain exported 592 million dollars of capital, whereas the United States exported the tremendous sum of 1,280 million dollars. Great Britain is still fighting for priority of place; but she is compelled "peacefully" to retire step by step before a more powerful opponent. Before the war, Great Britain proudly maintained the principle that the British fleet must be as strong as the naval forces of the two next strongest powers. But to-day Great Britain was compelled in the Washington Treaty to recognise the American principle that no fleet in the world may be stronger than that of the United States. The laying down of the proportion of 5 : 5 : 3 : for the fleets of the United States, Great Britain and Japan is a great humiliation for British naval domination, which, in deed, is now a thing of the past.

America Menaces the Continuance of the British World-Empire.

No country in the world presents so strong, direct and acute danger to the existence of the British world empire as American imperialism. Uncle Sam is about to tear the finest diamonds from the British crown, namely, Canada and

Australia. The danger to the British world empire contained in the force of attraction exerted by America on the dominions is not a danger of the distant future or of the immediate future, but one of to-day. The last few months have seen the acceleration of the process of fusion of Canada and Australia with America. The Lausanne Treaty, the Geneva Protocol, the problem of imperial protective tariffs, the Canadian agricultural crisis, the high increase of Canadian immigration into United States, the increasing penetration of Canada by American capital, the Japanese menace to Australia, against which America seems to be a better protection than Britain—these are but a few of the factors which are acting as crowbars on the structure of the British Empire. Both sides, Great Britain as well as the United States, are fully cognisant of these tendencies.

We shall quote certain facts, not in order to demonstrate the influence of tendencies which are known to all, but to illustrate the rapidity and the acuteness of their development, especially in recent times.

The American "Commerce Reports," of November 3rd, 1924, (published by the official Bureau of Foreign and Domestic Commerce) contains the statement :

"Economically and socially Canada may be considered as a **northern extension of the United States** and our trade with Canada is in many respects more **like domestic trade than our foreign trade** with other countries."

The United States is responsible for over two-thirds of Canadian imports and acquires 40 per cent. of her exports. Canada occupies the first place on the import list of the United States, and the second place in American exports.

The "Commerce Reports" summarise the situation as follows :

"The United States now takes a **larger proportion** of both Canada's exports and imports **than it did prior to the war**, while the United Kingdom has lost ground in both directions."

According to the figures of the Canadian Statistical Bureau, 31 per cent. of Canadian factory industry is in American hands, 58 per cent. in Canadian hands, and only 10 per cent. is owned by British. Before the war American manufactures owned 200 industries in Canada, whereas to-

day the number of American-owned industries in Canada is estimated at from 1,000 to 1,200.

England no less than America is aware of how the latter is attracting Canada. The English "Economist" of January 24th, 1925, states :

" . . . The material influences are undoubtedly tending to make **Canada an American nation.**"

The "Round Table" of June, 1924 confesses :

"In certain quarters there have been secret forebodings that in **Western Canada a psychological condition was maturing** which might be the prelude to a movement for absorption in the United States."

For public opinion of Canada the question as to whom dominions shall belong is a central question. The following three alternatives occupy the centre of political discussion : Should Canada remain a section of the British Empire, should it adhere to the United States, or should it declare itself an independent nation? The "Economist" of January 24th, 1925, gloomily states the matter as follows :

"But the fact that **the question is so much and so freely discussed in Canada, and that it is a real, not an imaginary issue**, means that Great Britain must give the most serious thought to working out internal relations, and in particular, to removing any suspicion that in foreign policy Canada can be committed by Downing Street to undertakings of which she is ignorant or would not approve. Under present circumstances, this may mean that the British Foreign Office must voluntarily restrict its own freedom of action in such a matter, for example, as the Geneva Protocol ; for it would be very unfortunate, if the British Government took a line on this important issue which would not be followed by the British Dominions. If these difficulties are to be solved, **the British Government must recognise that in the Dominion of Canada the British Empire contains an integral part of the North American continent ; this member to a large extent shares in the economic and social development of the great American nation, reflects its thoughts, and inevitably takes similar political views towards the rest of the world.**"

And what is true for Canada applies also to Australia. American capital is playing an increasingly important part in Australia politically, the fear of Japan is driving Australia into the arms of American imperialism. The great naval

manœuvres which America has planned for the summer of 1925 in the Pacific Ocean are intended not only as a demonstration against Japan, as is generally recognised in Europe, but also as an act of courtship of Australia, as it is generally recognised in America. **The forthcoming visit of the American fleet to Australia is a political event of first class importance.** Penetrating English politicians clearly recognise the danger of this situation for the British World Empire.

Sir Auckland Geddes, the former British Ambassador to America, in a speech delivered in London on November 11th, 1924, declared :

“Our dominions regard England as a mother—their motherland with its parliaments. . . In this feeling is a tribute to old age, **if not senility.** But the United States is regarded as of the same generation.

“Our colonies often find an instinctive understanding at Washington while they face a laborious struggle to be understood in London. **When the dominions look to London for understanding and we do not see their viewpoint, they gaze at the United States, and America looks back with inviting eyes.**

“**When the gallery is not watching, Canada and America play together without the slightest thought of difference of nationality. The same is true of Australia and America.**”

A remarkable co-operation indeed, when one of the co-operators threatens the other with annihilation. Nevertheless one can call it co-operation (but a very peculiar form of co-operation) when America stands like the mighty magnetic mountain of the fable and attracts the important dominions of the British World Empire towards itself with irresistible power. And it must not be thought that the question of Canada and Australia is of secondary importance to England. The existence of the Empire is for England the question of life and death, and it would be naive to believe that England would “co-operate” with America in the annihilation of the British Empire.

The Struggle for New Markets and Sources of Raw Material.

British and American imperialism are to-day the chief protagonists in the world struggle for fresh markets and

sources of raw material. This fact, of course, is known to Comrade Radek. He himself enumerates a number of countries where English and American interests conflict. It is noteworthy, however, that he draws no conclusion from this conflict of interests. It is noteworthy also that he has such an unshakeable faith in the temporary firmness of the co-operation between Great Britain and America that in his opinion even the most acute conflict of interests and the most bitter and merciless struggle for the maintenance of old markets and the conquest of new, and the struggle for the possession of sources of raw material, cannot effect British-American co-operation. This conception is, of course, absurd, and cannot stand the test of reality. **The struggle between British and American capitalism for markets and sources of raw material is not merely a struggle between individual capitalists or capitalist groups or trusts, but openly or covertly is a direct and immediate struggle of the two great powers.**

Wherever we glance, we find this struggle in full swing in all parts of the world. The collision of British imperialism with **Egypt and Sudan** was at the same time a collision with the United States. Great Britain is anxious to grow cotton in her own dominions in order to make herself independent of the cotton produced by the United States which is sovereign in the determination of world prices. The British Minister, Neville Chamberlain, in a speech delivered on February 3rd, 1925, said :

“Since we cannot grow cotton, would it not be better for us to obtain our cotton from **British possessions in Africa and elsewhere instead of competing for the diminishing surplus of the American production**, the purchase of which only exalted the dollar at the expense of the pound sterling?”

The offensive of the British army was also indirectly an offensive against the cotton interests of American capital.

The revolutions and counter revolutions in **Mexico** do not merely represent the class struggle of the Mexican people, but also the armed struggle of American and British capital against each other. In this struggle, America has so far been successful. American capital in Mexico has invested twice as much in oil and five times as much in mining as British capital. The Calles Government is not only the government of the Mexican petty bourgeoisie, but also the government of American finance-capital. The recognition

of this government by the United States is merely a diplomatic expression of the fact that it recognises the domination of American finance-capital. If the British Government refuses to recognise the new Mexican government, it is merely a protest expressed in diplomatic language against the financial domination of the United States in Mexico.

During the last decade the industrial and commercial investments of the United States in **Latin America** have increased threefold. There exists no country in Latin America where Great Britain and the United States are not engaged in the most bitter struggle for outlets for their goods and for opportunities for the investment of capital. Wall Street is driving the City step by step out of the Argentine. In Brazil the competition between British and American imperialism has assumed the form of a "chronic revolution." Great Britain sends her financial investigation commission to Brazil while the United States sends her marine commission. The United States supports the national government, while Great Britain supports the insurrectionary local governments and the mutinous troops and sailors. The bloody struggle in San Paulo, where Brazilians murdered Brazilians was indirectly a struggle between America and Great Britain for hegemony in Brazil.

The struggle between British and American imperialism in Latin America is daily assuming more acute forms. The Coolidge government is the government of aggressive imperialism while the American "Foreign Affairs" rightly speaks of the Baldwin government as follows :

"We may look for a rapid expansion of British interests along this line in various parts of Latin America as one phase of the new Baldwin Government's programme."

American economists have also pointed out that the adoption of the Dawes Plan and the stabilisation of Central Europe signifies a further aggravation of the world struggle between America and Great Britain, since they necessitate larger supplies of raw material for European industries and therefore, a more intense struggle for the exploitation of this great reservoir of raw material of the imperialist world.

The more America becomes a country of large industry, the more concerned will the American government be for the security of her sources of raw material. In his last report, Hoover, the State Secretary for Commerce, says :

"There are a number of **necessary raw materials** for the supply of which we are predominantly dependent on imports from foreign countries. Possibly as a result of the war, but more particularly during the past eighteen months there has been a growing tendency for producers of these commodities to combine in control of prices as against the American market.

It is particularly worthy of note, as Hoover points out, that during the last eighteen months there has been a **growing tendency** for the non-American, and especially for British capitalism to seek ways and means for controlling the essential raw materials necessary to American industry, as well as their prices.

The most important struggle, however, in which British and American imperialism are opposed on an extensive front, in fact, a world front in the true sense of the word, **is the struggle for oil**. The world struggle for oil obviously centres around two groups of trusts: the American Standard Oil and the British Royal Dutch Shell. In the fight for oil, Great Britain has assumed the offensive and is conducting a regular **oil blockade** against the United States. In the gigantic fight for oil, armistices are frequently concluded between British and American imperialism, but these acts of "co-operation" do not alter the fundamental fact of the existence of a brutal competitive struggle. Who can count how many revolutions and counter revolutions have been provoked in Mexico, Albania, Mosul, Persia, etc.; and these are only isolated engagements in the great oil campaign. In Mexico the Americans supported Madero against Diaz, Huerta against Madero, Carranza against Huerta, and Villa against Carranza. The Monroe doctrine serves the Americans as a protection against the penetration of British imperialism into the oil regions of Central and South Africa. The concessions of the British "Controlled Oil Fields" are to be found everywhere along the coast and are spread, as Pierre l'Espagnol de la Tramerie in his book "The World Struggle for Oil" (New York, 1924), rightly says:

"The concessions of the **British controlled oil fields** are nearly always on the sea coast—or rather in close proximity to the sea—which is a considerable advantage. It has expressly chosen them, on both the Atlantic and the Pacific, as a precaution in case war should break out between Britain and the United States; for, even with the help of the Japanese fleet, the British Navy might not be able to seize the Panama Canal. And its units must be in a position to

replenish their stores of fuel without being obliged to make a long detour round the Magellan Straits."

The government of British imperialism is conducting a systematic and increasingly tighter oil blockade against the United States. **In fact the British oil blockade is the greatest hindrance to American imperialism.** The report of the American Federal Trade Commission (February 12th, 1923) presents a clear picture of the restrictions made by the British Government on all British territories against the rights to oil possession by American citizens. The American report enumerates the following countries where the British Government prevents American citizens from acquiring or exploiting oil fields :

The United Kingdom, British India, the Federated Malay States, Australia, Northern and Western Australia, government activity in Papua, Queensland, Mandate of New Guinea, New Zealand, British Borneo, British North Borneo, Brunei, Sarawak; restrictions in Africa, Nigeria, Gold Coast Colony, Union of South Africa, British East Africa, Uganda, and Somaliland, Egypt, Mesopotamia and Palestine, British Honduras, British Guinea, and Jamaica, Canada and Newfoundland, Trinidad, Barbadoes.

This British world blockade against America is supplemented by the Franco-British Treaty of San Remo of 1920, regarding the still unexploited oil fields of Mesopotamia and the British and French colonies.

The struggle for oil is not a matter of secondary importance but a struggle for life and death between British and American imperialism. And not only are the oil trusts of both countries involved, but also, and to a greater extent, the **governments** and the **state forces** of both imperialist plunderers. The *New York Times* of March 23rd, 1924, in the matter of fact tone customary to that leading journal of American finance-capital, stated :

" Secretary Hughes is not the only member of the present Cabinet who is concerned about the situation. Secretary Hoover has told the oil men, at a conference in his Washington office, that they should increase their holdings abroad. If this government, which has always been squeamish about backing up its nationals in foreign commitments, takes such a stand, it is to be expected that the British government which has always been ready to put its diplomatic and military support behind the overseas in-

vestments of its business men, should take the further step of holding fast to its own foreign oil investments."

It is simply a repetition and resumé of American political platitudes when De La Tramerye writes :

"Who attacks the Standard attacks the Washington government directly. The struggle for oil is no longer a rivalry between great trusts; it is a struggle between nations."

The former American State Secretary for the Interior, Franklin K. Lane, asks whether Great Britain should have the right to monopolise such important markets to the detriment of the rest of the world.

The Teapot Dome scandal in America clearly demonstrates how close the United States was to a war for oil. The recent bloody events in Persia and the insurrection in Albania show that British and American imperialism are already conducting their struggle for oil with the aid of armed forces, even though Albanians and Persians serve as their troops for the present. But the more the Washington Government concerns itself with the interests of the American oil trusts, and the more the London Government identifies itself with the interests of the British oil trusts—and the whole tendency of international development is for this identification to become more close—the more must the world struggle for oil lead to a direct conflict between British and American imperialism. It is a remarkable form of co-operation, indeed, which is portrayed by this most brutal and wholesale competition of the capitalist world—the struggle between Great Britain and America for markets and sources of raw material. It is a "co-operative" which gives expression to "common interests" in the seizure of new markets, in mutual blockade, in violent expropriation, in extraordinary legislation, in armed uprisings, and in the annihilation and creation of new States.

British and American Co-operation in Germany.

Comrade Radek sees Anglo-American co-operation all over the whole world, but particularly so in Germany. In fact, co-operation ceases in Germany before she is saved from revolution and economic chaos. The miraculous instrument of co-operation is the Dawes Plan. Now nobody would be so foolish as to deny that America and Great Britain are actually co-operating in Germany and that the bastard

offspring of that co-operation is the Dawes Plan. But it is a very mechanical conception of the Dawes Plan to see stabilisation only, and to overlook the contradictions which exist in the Dawes Plan **to see the co-operation and forget to analyse the conflict which is inevitably brought about by the co-operation itself.**

What interest has **America** in the Dawes Plan? America wants to export capital to Germany and has already invested hundreds of millions of dollars in Germany. Where? In German industry. America is, therefore, very closely concerned in the welfare and prosperity and export capacity of German industry. And what is **England's** interest in the Dawes Plan? England's main interest in the Dawes Plan is to better Germany with annual payments and with increased taxation, so that German industry shall not be able to compete with British industry by means of low cost of production and by cutting prices. Great Britain is vitally interested in fettering German heavy industry with every possible handicap upon its export capacity. One may **note a simple relation** between German and British industry. When Germany is exporting and has few unemployed, British exports decrease and the number of unemployed in Great Britain increases, and on the contrary, increased British exports is accompanied by depression and increased unemployment in Germany.

Great Britain and America are actually, therefore, co-operating in Germany in the Dawes Plan. But, as we see, American and British imperialism have opposed interests in the carrying out of the Dawes Plan. And the more American finance capital penetrates German industry, and the more hopeless the situation of British industry becomes, the more intense will the conflict of interests between America and Great Britain become in Germany and Central Europe.

We do not intend here to go into a detailed analysis of the inter-Allied debts; but such an analysis would clearly demonstrate the peculiarity of Anglo-American "co-operation." America is "co-operating" with England in such a way that the latter must pay 160 million dollars to America annually. Great Britain is "co-operating" in such a remarkable manner that she is exerting every effort to prevent France from paying her debts to America.

America is "co-operating" with England in the singular fashion, that Wall Street, by complicated financial man-

œuvres, is seeking to force the City to resume a gold currency supposedly in the interests of the London money market but actually in order to increase the competitive capacity of American industry as a result of the increase of the price of British products which would follow from gold parity. It is, of course, true that the British as well as the American bourgeoisie share the general *historical* interest of the bourgeoisie in preventing a German revolution. But it is also true that, apart from this *historical* interest, there are complicated **direct** individual interests. It is a purely mechanical abstraction, a distortion of actual facts, to assume that the bourgeoisie are always and consistently governed by their historical interests and completely ignore their conflicting direct individual interests.

Military Competition.

British and American imperialism are not only competing by economic means for markets, sources of raw materials and spheres of influence whether to export capital, they are not only competing by means of diplomatic intrigue and blockade, but also as government against government and State power against State power. Not only do they hire whole peoples to conduct their struggles; the State powers of British and American imperialism are making **direct preparations** for an armed conflict. Comrade Radek says that America does not already make the fight against England the central point of her policy because it would lead to such an **intensification of armaments**, that war would become inevitable before it was desirable to the United States. We do not intend to assert that a war between England and America is already imminent. We will also not risk the prophecy that war is likely to break out in the next few years. Nevertheless, concrete facts go to show that **America is feverishly arming, and that its preparations for war are becoming more intensive and more extensive.** Facts show that America is not avoiding preparations for war because she is afraid of war, but on the contrary, that she is arming because she fears war. Never have there been such preparations for war—material and ideological—in America as now.

We will not here go into all the details concerning the active army, the organised reserve and the National Guard. Figures, however, show that America has **never** had such large forces under arms in peace time as she has now. In the last few years, the American army has been increased

from 212,000 to 371,000. The number of American citizens under military training increased from 342,000 to 504,000.

Entirely new military institutions have been introduced in America during the last few years. I will only mention the military training camps for civilians, the reserve training corps for officers and the officer reserve corps. The report of the Adjutant-General of the American Army reveals that during 1924 not less than 275,000 men underwent military training, including 22,000 officers. The National Defence Act of June 4th, 1920, provides **for the first time in the history of the United States** for a huge united army, consisting of the standing army, the National Guard, the organised reserve and the Officers Reserve Corps. According to General William Lassiter, Assistant-Chief of the General Staff of the American Army, this ambitious plan is to provide for an armed force of 3,000,000 men and furnish the country for the first time with a complete plan for developing all the forces of national defence.

For the first time in its history the United States has a general plan for mobilising not only the man power, but also the industrial power of the country. September 12th, 1924, "Defence Day," was the first actual general military and industrial trial mobilisation on a national scale.

The United States is making desperate endeavours to create an air fleet. In his recent budget address to Congress, President Coolidge said that the development of the aeroplane industry meant the development of valiant defence.

The standing army of the United States already equals the British Army in strength; the strength of the American air fleet already exceeds that of the British. Great Britain to-day possesses 600 aeroplanes, while the United States has 750; in the near future Great Britain will have 1,000 aeroplanes, and the United States 1,200. The American fleet is already equal to the British. Great Britain possesses twenty large battleships totalling 558,000 tons, while the United States possesses eighteen battleships totalling 525,000 tons. The Officer Corps of the American fleet is already larger than that of the British fleet.

It is, of course, true that the United States is arming against Japan, and in order to "influence" the Middle and South American countries; but it is nevertheless true that she is also arming against Great Britain, her strongest and

most dangerous competitor. We could cite numerous facts to prove that the American and British bourgeoisie are "conscious" of the danger they represent to each other. We shall only recall the recent sharp discussion over the rearmament of the American battleships which called forth a stormy protest in Great Britain and a note from the British government, which was responded to by a still more violent counter protest in America. A remarkable "co-operation" indeed, when the assumption of the recent manœuvres of the British fleet was war with the United States. A remarkable co-operation, indeed, when the recent manœuvres of the American fleet in the Caribbean Sea was assumed to be the defence of the Panama Canal against an attack by Great Britain. A remarkable "co-operation" indeed, when the forthcoming manœuvres of the American fleet in the Pacific Ocean is not only to be directed against Japan, but is also intended to charm Australia.

Conclusions.

I.

The facts speak for themselves. They show that Anglo-American co-operation is not the **only** "backbone" of the world situation. The facts are on the whole remarkable, and indicate that the anatomy of the world situation is not so very simple in its construction, and that there are several "backbones" to the world situation. Anglo-American co-operation exists, but Anglo-American opposition also exists, and is much more powerful and fundamental. It would, of course, be wrong to deny the **possibility** that Anglo-American imperialist alliance may assume an armed struggle against the U.S.S.R. and the Colonial peoples. But it would be not only false methodologically, but also contrary to the obvious facts to ignore **the other possibility**, namely, the possibility of conflict, and even worse, between British and American imperialism.

II.

British and American imperialism are, in fact, compelled to fight for **new markets**. But it is simply to ignore the fact, to assume that this struggle for new markets can only lead to a **common** attack on the part of British and American imperialism against the U.S.S.R. and the colonies, and entirely to ignore **the other possibility**, namely, that the competition for new markets may just as easily lead to **collision** (in Mexico or in South America or in Persia) between British

and American imperialism. It is absolutely one-sided to see only the Anglo-American financial blockade against the U.S.S.R. and not to observe the British oil blockade against the United States. Of course, we must remain alive to the **growing possibility** of an imperialist war against the U.S.S.R., but one must not be blind to the **growing possibility** of a break, perhaps a conflict, or even a war, between American imperialism and British imperialism.

III.

American imperialism, as well as British imperialism, are indeed fighting for the stabilisation of capitalism, but—and that is the crux of the matter!—both these imperialist Empires are **at the same time** fighting for their own hegemony in the capitalist world. Therein lies the main root of Comrade Radek's false conception. Comrade Radek *mechanically* separates these two tendencies and is, therefore, unable to analyse the world situation as a whole. He only observes the tendency on the part of the capitalist powers to fight for the maintenance of the bourgeois world, but fails to observe the imperialist methods which are inseparable from the existence and activities of the imperialist powers. It is a fundamental error to assume that Great Britain, or America, or any other imperialist country, can carry on a **general** struggle for the stabilisation of the capitalist world **without simultaneously and inseparably** from this struggle carrying on a struggle for their own hegemony. One cannot understand the world situation if one treats capitalism **abstractly and generally**, and does not at the same time treat the imperialist powers concretely as **imperialist** powers.

JOHN PEPPER.