

# FROM GENOA to the HAGUE

By J. T. WALTON NEWBOLD

ON the 29th of December last, the great Italian financial house, at whose head was Senator Marconi, the *Banca Italiana di Sconto*, went bankrupt. On the 6th of January ensuing, Mr. Lloyd George, speaking in the meeting of the Supreme Council at Cannes,

"moved that a Five Power Conference should be summoned to go into the whole question (of the economic reconstruction of Europe).

The Conference adopted the suggestion, and on the invitation of Italy it was decided that the Conference should be held at Genoa in March, Russia, as well as Germany, being invited to attend." (*Daily Telegraph*, 7/1/22).

## "Marconi"

On the 29th of December had failed what we may, justly, call the Marconi Bank. On the 6th of January, Mr. Lloyd George (friend of Godfrey Isaacs, managing director of the Marconi Wireless Company) proposed the holding of the Conference which has now ended (like the Marconi Bank) in proposals for a new incorporation.

The Banca di Sconto failed because it had invested enormous funds in the greatest metallurgical and shipbuilding concern in Italy—Gio Ansaldo & Co., of Genoa. This mushroom of the war and the armistice period came upon evil days, and the Bank, finding its assets "frozen" (like those of the City Equitable Insurance Company and certain British shipbuilding syndicates whose crash is impending) came to grief.

Genoa was the scene of the catastrophe.

Genoa was chosen as the scene of the Conference. The British Premier, anxious to prevent the fate that had overtaken the industrialists of Genoa swallowing up his own friends and patrons, pocketed his pride and with it the pride of his patrons. In their interest and at their behest he consented to grasp "murder" by the hand.

## Poincare

The French Premier, M. Briand, having acquiesced in that which he saw no immediate way to prevent, returned to Paris and there fell a victim to the equally intelligible and intelligent policy of the French industrialists.

Millerand (sometime attorney to the *Comité des Forges*), President of the Republic, thereupon called on Poincare (sometime attorney to the *Comité des Forges*, the *Comité des Houillères* [Coal Owners' Council] and the Association of Chemical Industries) to form an alternative Ministry.

Poincare, the willing tool of the Schneider Bank, the instrument of the *Banque de l'Union Parisienne* and the *Banque de Paris*, became Premier of France.

Poincare did not approve of the manner of the holding of the Conference, much less of some of the participants. He did not himself attend. He did not permit to his delegates a free hand. The spokesman of France, like the spokesman of Russia, had to refer matters to those from whom they had their mandate.

## Capitalism v. Communism

The one party had to consult the agent of the Banks. The other had to have resort to the agent of the toiling masses.

**It was not merely Barthou v. Tchitcherine nor even Poincare v. Lenin. It was Capitalism v. Communism.**

Whenever there was a possibility of an understanding between Britain and Italy on one hand and Russia and Germany upon the other, Poincare (over the wire from Paris) made some difficulty. If he rested from his labours in the service of plutocracy, his colleague, Thèunis, Premier of Belgium, put in a spoke. Between them—these creatures of the allied banking houses of Paris and Brussels, the political office boys of the *Banque de l'Union Parisienne* and its participating partner, the *Société Générale de Belgique*, found a way, upon every available occasion, to prevent Russia and Britain coming to an economic and political accord.

## Alfred, Thy Servant

All the time that the Conference was in session there was being waged in this country the battle of the newspapers. On the one hand were the organs of British capitalism, the organs of "newspaper millionaires," as the *Daily Mail* called them. On the other were the organs of a man who, with his brother, is the only great owner (or controller) of newspapers who has no capitalist connections outside the production of newspapers. All power in the direction of his organs is invested in Lord Northcliffe. No one can see behind him.

All other great syndicates of newspapers have passed from the control of individual journalists to that of industrial and financial magnates. The Northcliffe and Rothermere syndicates constitute the one great and memorable exception. In one other thing are they unique. They, alone, voice the aspirations of foreign interests. They, alone, have for their ideals not those of the British Banks and industrialists, but of the *French Banks and industrialists*.

They, alone, speak in the language of republican idealism, enunciating the principles of the two great bourgeois republics, the United States and France. They, alone, stand four-square in defence of the "Rights of Man," beginning and ending (for them) with the right to possess property and, through it, to exploit the toiling masses who have no property.

## What's the Game?

Nothing is more remarkable, to-day, than this isolation of the Northcliffe press. It stands, like a beacon, throwing far and wide the identical signal which, curiously enough, is flashed, also, from the newspaper offices in Paris whose inspiration comes directly from the great French Banks.

"The Entente is dead," say some. "The Entente is in imminent peril because of the policy of France," say the others. "Stand by France and Belgium," says the Northcliffe press.

Bottomley has fallen. Once upon a time, he was as ardent in the cause of France as is Northcliffe. Just before his fall, he began to remonstrate with France. To-day, the newspaper which he used to edit exclaims "Watch Northcliffe!"

There is something in it. "Watch Northcliffe!"

However, the British Premier has had other difficulties to encounter besides this pro-Poincare press. He has had to remember that the balance of power within the Coalition has inclined definitely towards the Coalition Unionists.

## Classes and Parties

He can no longer rely upon the effective support of the war-profiteering industrialists who provided the economic basis of Coalition Liberalism. They can no longer put at his disposal the unlimited funds necessary to swamp the electorate with the press publicity and platform propaganda which, between December, 1916, and December, 1918, enabled them to break the Liberalism of the traders and to put in power the Liberalism of the industrialists (the beneficiaries of the Munitions Ministry), to overthrow Asquith and to enthrone "Marconi" George.

The Conservatives, concerned with the interests of reactionaries of an older period, guarding the property of the landed proprietors and the credit manipulators—expressing the viewpoint of the Court and the Services—are now the strongest section of the capitalist class.

The old Liberals, like Asquith and Grey, are, with minor reservations, influenced by the same considerations as the more responsible Conservatives. One and all they are devoted to a speedy reduction of national expenditure as a means to reducing taxation of incomes and averting the menace of a raid upon capital.

They are all determined to prevent any such departure from the principles of "sound finance" and of "individual initiative" as is threatened alike by Russian Communism, German "Statism" and Lloyd Georgian Social Reform.

## The Sorrows of David

The British Premier's troubles are exceedingly complex. It is nonsense to speak and to write as if they were of his own creation. He is the leader of a coalition of parties, representing the divergent viewpoints of different sections of the capitalist class in an empire which is no longer possessed of the economic and armed might which has been traditionally theirs and by means of which alone their prestige and power can be maintained.

Within British capitalism goes on an intense struggle: creditors who have come to the assistance of industrialists endeavouring to expand the productive capacity of their undertakings, mortgage-burdened industrialists striving to dodge foreclosure and surrender.

Simultaneously goes on an equally intense struggle between the creditors of the British Treasury and the British Government, in which the latter is endeavouring to keep intact the resources of its masters (the British Imperialists) and the former are endeavouring to exploit the opportunity to blackmail the Empire—for concessions, and for an abandonment of its habit of putting up all over the planet

that most characteristic emblem of England—"Trespassers will be Prosecuted."

## British Capital v. U.S.A. Bondholders

The industrialists are, naturally, committed to a policy of British self-assertion. They must have markets. They must have adequate reserves of raw material. They cannot afford to become dependent on the goodwill of the United States.

The merchants and the investing classes would prefer, no doubt, to possess unlimited political power. It is not, however—so highly impersonal is the organisation of credit facilities and investment services—absolutely indispensable. They have acquired the habit of drawing their income from transactions in the innumerable commodities of all the lands subject to capitalist exploitation. For fifty years they have received their dividends from the United States, even as, for twenty years, they and their French and Belgian counterparts have derived profits from mining, railway and ranching properties in South and Central Africa.

Between the British autocracy and "the Upper Four Hundred" of New York "Society" there exists a very intimate relationship—of consanguinity, culture and property. This should never be forgotten.

## Material Basis of Pro-French Politics

The English middle-class on the other hand—whose members have adequate incomes but do not operate businesses on the grand scale—find in the French type of company opportunities to invest their savings here, there and everywhere, in profitable ventures imposing neither responsibilities nor personal association with the property. Hence there are, in the shareholding classes of this country, tendencies pre-disposing them to sympathy with the ideas which the *Daily Mail* enunciates.

These elements having brought the Conference at Genoa to nought are now labouring hard to make impossible the proposed re-assembly at the Hague.

## Oil!

We have heard a great deal about oil in connection with Genoa. The *Morning Post* went so far in its practical application of Marxian theory as to make allusion to "Oil Driven Politics." Wickham Steed, of the *Times*, had, also, nasty remarks to make about the odour of petrol which pervaded the assemblage.

Rumours came thick and fast of negotiations in hand or of agreements arrived at between the "Royal-Dutch-Shell" and the Soviet Government. Whence they emanated no one seems to be willing to disclose. Both the "Royal Dutch" and the Soviet delegates were emphatic in their denial that an agreement had been arrived at. The American Ambassador at Rome, the American Government and the whole entourage of the *Standard Oil Company* and the *Standard Franco-American* present in Europe were loud in their denunciation of any such concession as was alleged.

Swelling the chorus of protest rose, also, the strident voices of the Belgian oil interests.

What was all the noise about, and what is the significance of the attempt to adjourn to the Hague?

## Why The Hague?

"The Royal Dutch Company for the Exploitation of Petroleum Wells in the Netherlands Indies"—to give the "Royal Dutch" its full title in an intelligible rendering—has its head office at 30 Carel van Bylandtlaan, The Hague, Holland.

It has an enormous capital and interests all over the world. It has been persistently alleged and as continually denied that the Dutch Company and its British associates and subsidiaries, the "Shell" Transport and Trading Co., Ltd., and the Asiatic Petroleum Company, are under the control of the British Foreign Office. The "Shell" has had for a decade, and has recently renewed for five years, an agreement whereunder it markets the production of the Anglo-Persian Oil Company, a concern which is, definitely, under the control of the British Admiralty.

These two groups are, therefore, in close alliance. The one has its headquarters in Holland, the other in London.

Dutch Jews rule the Royal Dutch Company. Samuels and Rothschilds reign in the "Shell." With them are the Lazards—who made their fortunes in the Californian gold fields—and the Pearsons—who took pay for Mexican railways in Mexican oil wells.

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Into the services of the Pearsons went the late Lord Murray of Elibank (after the Marconi scandal) and, also, a son of Mr. Lloyd George.

The Royal-Dutch-Shell combination has, aided by British diplomacy, in the Lloyd George period, penetrated deeply into California, and other states of the Middle West. It has, also, been very active in Egypt whilst its little brother has been digging into Mesopotamia. In 1919, it established two subsidiaries to refine and market oil in France and did enormous business with French speculators. In fact, it almost succeeded in securing a monopoly in France. In the autumn of 1920, after the San Remo Conference—mainly about oil as Spa was mainly about coal—Sir Basil Zaharoff and the Anglo-Persian Oil Company set up another petroleum marketing agency in France and its Colonies.

## Standard Oil Hits Back

Earlier in the same year, however, a fly got into the ointment (or into the oil). The Standard Oil Company pushed into France and formed the *Standard Franco-American*, "whose capital was provided in the proportion of 49 per cent by 'Standard Oil'" and 51 per cent by the *Banque de Paris et des Pays Bas*.

The president of the new concern was the ex-Ambassador Jules Cambon.

It is this alliance of the *Banque de Paris* and *Standard Oil* which has been making trouble for Britain (just as will the Schneider Banks and the firm of J. P. Morgan & Co.).

Until Harding became President the Royal Dutch, "Shell" was pressing Standard somewhat hard. In the last year or so, Standard has been driving the Royal Dutch "Shell" back.

The Dutch used to be big creditors of United States capitalism. They sold their holdings to the war-rich Americans and invested the proceeds in low-priced German properties—and in marks. In their greed for big profits, the Dutch investors have suffered enormous loss, and there have been some narrow escapes for even the largest trading banks in Rotterdam and Amsterdam. Those banks, whose moneyed men (Van den Berghs and Jurgens) have one foot in Holland and the other in London or Hull, have been having an uncomfortable time.

The bottom has dropped clean out of the palm kernel and vegetable oil markets and the rubber planters are shrieking despair.

These were the colonial products in which Rotterdam (and the produce market of Mincing Lane) so largely traded. That catastrophe weakened least the *Rotterdamsche Bank*. The collapse of the German exchange has pained the directors of the *Amsterdamsche Bank*.

The other Dutch Bank is the *Banque de Paris et des Pays Bas*, i.e., the Bank of Paris and the Low countries, and it is, pre-eminently, a French Bank.

## How they Line Up

The Americans stand behind Jules Cambon and Eugene Schneider (i.e., behind the masters of Monsieur Poincare).

The Americans, led by Secretary of State Hughes, the nominee of the Trusts, stand behind the Belgians.

The American "Equitable Life Insurance Co." and the "Guaranty Trust Company" reverse the traditional rôle and close in upon their one-time creditors of the Hague and Haarlem, of Amsterdam and Rotterdam.

The massed might of American money moves on—steadily encircling Threadneedle Street.

The British Premier and his masters know, that whilst Genoa was an important outpost, the Hague is a very citadel whose fall into hostile hands means their capitulation at no distant date to the inexorably ruthless will of America and France.

## The Alternatives

These facts, known to the Marxist scholars of the Kremlin, will determine *their* attitude and influence *their* diplomacy. We must prepare for one of two eventualities—either of which means Revolution before many years go by.

The first is war with France and America, a war which will place arms in the hands of the wage-slaves of every capitalist country, and which by its violence and expenditure will bring the whole top-heavy system of credit crashing speedily to the ground.

The second is the merciless grinding down of the workers of this country to a standard of life as low as that of Vienna; the cutting off once and for all of the tribute of the dependencies with which to feed the hungry mouths of the home proletariat; the establishment of a system of repression and cruelty such as has been already employed as a preliminary canter in Colorado and West Virginia.

And either of these will bring the workers face to face with the dilemma—**Revolution or Annihilation.**