

CHAPTER II

IMPERIALISM

While economic internationalism has been breaking down natural boundaries, individual interests have been erecting obstacles to these new forces. The world is seeking freedom. Privilege is seeking monopoly. These forces are in conflict. They embroil nations, breed suspicions, entangle diplomacy. The world has become interdependent; financiers, privileged interests, certain groups of manufacturers, have sought to divide the world into exclusive possessions. Imperialism is at war with internationalism. It is at war with democracy as well.

Imperialism had its birth in surplus wealth seeking investment. It appeared in the greater Powers in the sixties and seventies. This surplus wealth sprang from rents, royalties, and trade profits. It could only be invested at home at low rates of interest. It began to venture overseas. It penetrated into Asia and India,

into north and central Africa, into the Americas. It went as loans to weak and dependent countries, to build railroads, to acquire iron ore, copper, oil. It penetrated into Africa for rubber, cocoa, ivory, gold, and diamonds. It opened up plantations in the Indies. And wherever it went it carried the Czar, the Kaiser, the Foreign Office with it. Absentee capitalism gave birth to imperialism, and imperialism is at war with the forces of trade, commerce, and the interdependence of the world.

The forces of privilege, that seek protective tariffs and monopolies at home, that demand the same privileges overseas, and arouse antagonisms that make for war, include:

One. The struggle for territories, possessions, and spheres of influence from which other and competing nations can be excluded.

Two. The conflict of high finance, of bankers, investors, and concession seekers of all kinds, a conflict that has been going on all over the world during the last forty years.

Three. The competition of the industrial classes, the iron and the steel manufacturers, the great munition firms, the cotton and woollen makers, the machine-tool and other industrial

aggregations that have been merged into monopolies, syndicates, and trusts in all of the industrial countries.

Four. The shipping interests of the various countries, especially of England and Germany.

Five. The struggle for the control of the seas and land routes of trade, and especially the Mediterranean and Bagdad Railway, and strategic places like Gibraltar, the Dardanelles, the Suez and Kiel Canals, the Persian Gulf, Walfisch Bay, and other waterways which constitute the great routes of trade.

Six. Economic penetration into weak and defenseless countries for the purpose of controlling their financial and industrial life by means of loans, preferential trading privileges, tariffs, and concessions for raw materials. This penetration is not confined to Africa, Asia, Mexico, and Central America. Economic power has been sought in Russia, Italy, Greece, the Balkan states, South America, Turkey, and Asia Minor. It is promoted by the great banking establishments which radiate out from London, Paris, and Berlin. They not only promote the trade of their own country, they undermine the credit institutions of less de-

veloped countries. They are in conflict with the banking and exploiting institutions of other countries as well.

Seven. Closely related to all of these interests and merged with them are the munition-makers which promote armament. They have been responsible for war scares; they are closely related to their respective governments and the ruling classes of their countries.

Eight. Imperialism is a result of these economic activities. The greater Powers have been warring for lands and possessions. Certain territories have strategic value by reason of their control of the trade routes of the world, while Africa, the East Indies, and Mexico are sources of raw materials, of iron ore, copper, oil, rubber, lumber, cocoa, sugar, and other products essential to the industrial life of the greater Powers.

The desire for distant lands for the most part tropical is not dynastic. It is economic. And just as the great industries have perfected their monopolies at home, so they have utilized diplomacy and political and military power for the creation and perfection of economic monopoly all over the world.

These activities of high finance and industry are in conflict with the new internationalism described in the previous chapter. From 1880 until the outbreak of the war almost every unprotected part of the globe had fallen under the dominion of England, France, Germany, and Russia. Even the United States has not been free from imperialistic expansion. From 1870 to 1900 the lust for overseas possessions added no less than 4,750,000 square miles and 88,000,000 people to the possessions and spheres of influence of Great Britain. During these years France has added to her domains over 3,500,000 square miles of territory, almost all tropical, with a population of 37,000,000, while Germany has brought under her sway at least 1,000,000 square miles of territory with an estimated population of 14,000,000 people. Africa has been divided among the greater Powers. A great part of Asia has been partitioned into spheres of influence. Even the ancient empire of China is under the quasi-protection of the greater Powers, as are the islands of the Pacific, the West Indies, and certain states in Central America. Over a billion people and the major portion

of the earth's surface is in complete or partial subjection to the five great Powers of the world.

This new imperialism is economic; it is financial. The greater Powers have laid their hands upon the helpless peoples of the earth for the purpose of exploitation. Surplus wealth at home, that could only be invested at low rates of interest, has been seeking speculative returns all over the earth. High finance searching for railroads, lands, iron ore, copper, oil, gold, and silver, for the making of loans to weak states, began this new imperialism. It has been confined almost exclusively to the great industrial nations—to England, France, Germany, and to some extent Italy and the United States. During these years industry has expanded to colossal proportions. In almost all of the greater states it has been monopolized in a few hands. The foreign trade of the world amounted to \$35,000,000,000 before the war. Monopolized industry resents competition at home; it is equally resentful of competition by foreign Powers abroad. And monopolized industry has been seeking exclusive markets which it could only secure through the closed door, preferential tariffs, and spheres of in-

fluence. Surplus capital has also gone out seeking investment in subject states for the benefit of the privileged classes at home. Banking, too, has become international. It, too, is under the control of a small class closely related to the government. All of these great economic forces are closely merged with the Foreign Office and diplomatic service. For diplomacy remains the agency of the ruling classes much as it was in mediæval times. And in recent years diplomacy has become a trade agency of the classes which rule.

Formerly territory was sought for military power or the satisfaction of dynastic ambitions. But the new imperialism is not interested in more soldiers or contiguous territory—it is economic. When peaceful penetration fails, the mailed fist is applied; for under the rules of international law the investments of the subjects of a great Power carry the sovereignty of the nation; and if property rights are in danger, diplomacy, battleships, and an army are placed at the service of the investing classes to bring weaker nations into subjection. This is the philosophy of financial imperialism. It is the philosophy of dollar diplomacy. It is

the twentieth-century expression of the earlier idea that smaller states and weaker peoples have no rights which society is bound to respect. This new imperialism in finance and trade has been ruthless—more ruthless than we know. The darkest pages of the fifty years which preceded the war are written in the blood and suffering of the oppressed peoples of the earth.

We know but little of the wrongs committed all over the world by the greater Powers. We are familiar with the atrocities of Armenia because they were committed by the "unspeakable Turk." But what of the atrocities of all Africa, north as well as south? Only a suggestion of the crimes against the black folks of Africa has ever been permitted to be known. In the Congo a system of forced labor was introduced; men were worked in slave gangs; they were robbed of all their possessions to make them work. Yet the Congo was not an exception. In a speech from the throne in 1888 the German Reichstag was informed that it was the solemn duty of the empire to "win the dark continent for civilization." In this winning of Africa to Christianity the

Hereros in southwest Africa were slaughtered. Laborers were obtained in German East Africa under circumstances that could not be distinguished from slavery. Doctor Rohrbach, one of the most distinguished publicists of Germany and imperial commissioner for southwest Africa, stated: "The Hereros have lost their land. The whole of the live stock of the Hereros has been destroyed. There are hardly any cattle left." Another German colonial expert, speaking of these people, said: "The Hereros must be compelled to work, and to work without compensation and in return for their food only. Forced labor for years is only a just punishment."

But such methods were not employed in South Africa alone. The conquest of Egypt, of Morocco, of Tunis, of the Transvaal; the exploitation of Persia, and even Mexico has been pursued with very little regard for the rights of these peoples who have been reduced to political and industrial servitude. The people of Mexico lost their mines, their oilwells, their richest lands; and almost the entire population was reduced to poverty and peonage in the struggle of the concessionaires of the

greater Powers to exploit the resources of our neighbor republic. When they would not work at the wages offered their lands were taken from them; and the only alternative left was starvation or starvation wages in the mines or on the plantations of foreign owners. It is only within the last few years that a protest has been raised in this country against the aggressions of American financiers, mine and plantation owners in Mexico. And we have no means of knowing how extensively similar exploitation is being carried on in Porto Rico, the Philippines, Cuba, Hawaii, and Central America.¹

¹“Whatever may be thought about individual and isolated instances, it is evident that commercial ambitions, and the consequent demand for annexation of territory, have for long enough in all the nations concerned been leading up to a crisis of deadly conflict; and the connection of this with class domination is well illustrated by the fact that Russia, with the change in her constitution, has immediately repudiated the desire for annexation, while the Socialists of Germany and the other countries repudiate it also.”—Edward Carpenter, *Towards Industrial Freedom*, p. 8.

To the same effect Mr. Georg Brandes, the distinguished Danish critic, says: “In olden days when nations lived by agriculture they went to war to gain territory, to wrest land away from their neighbors. Now that the nations have become industrial states and are in reality ruled by financial oligarchies even if they nominally appear to have emperors, kings or presidents, the purpose of war is no longer to conquer land or peoples but *markets*. Each nation wants a wider outlet for its products, greater investment for its capital.”—*The World at War*, p. 139.