

War and the Land Question

By Anders Vedel

Nothing is so obvious as the way in which large fortunes are gained by private individuals through the control of natural resources and through tariffs levied to protect industry. The income so derived is not in proportion to the efforts of those who receive it, but depends far more on the growth of the community and the readiness of the people to subserve special interests.

This scramble after natural resources knows no geographical boundary, nor is any limit set to the profit it seeks to make. As great fortunes have their origin in the main in values created by community, so they are maintained and increased by their power of absorbing, as it were, more and more values of the same kind. Just as the Governments of to-day give monopolies legal standing at home, so they are prepared, with all their forces, to support and defend the enterprises that set out to secure privileges abroad.

Where raw materials are gathered by Nature at one place, there it is easier to exploit them and the competition to get possession is keenest. A notable example is the land value attaching to coal and iron deposits, because these resources are so essential to all manufacture and production. Writing in *Friedenswarthe* (July, 1917), the Swiss Professor, F. Staudinger, drew a picture of the riches given to the present generation in its capacity to take advantage of coal and iron. "The many uses of coal present undreamed-of possibilities to us." The countries that possess this raw material have neither the need nor the right to wage war for "a place in the sun." The possession of coal is in itself "a place in the sun." So it should be, but the very opposite seems to be the case.

To possess is to be tempted to possess more. Coal and iron are among the things most requisite for acquiring, if necessary by appeal to arms, more and more territory where such raw materials are to be found. The appetite grows by what it feeds on. The Great Powers are the countries which, already possessing enough coal and iron, command both the economic and the military means to secure control over the sources of wealth abroad. They certainly can keep the smaller powers at arm's length, but it is more difficult to exclude the other Great Powers, yet that is just what each of them tries to do, or are compelled to do by their powerful banking concerns and foreign investment companies. Each one aims to have sole dominion in the territory so acquired or controlled by the Government or the financial concerns at home; all strive to secure the monopoly in their own sphere of interest, and all are annoyed when others do the same in their spheres of interest. Yet each declares with emphasis that his neighbour should adopt the just policy of "the open door."

This attitude is precisely the same as that of an industry which demands high tariff protection in its own country and proclaims with all zeal that other countries will do best for themselves if they allow the products of that industry to be imported as freely as possible. And just as Customs protection leads to tariff wars that can cause serious international trouble, so all the endeavours of the Great Powers and investment companies to control natural resources bring about the most violent and prolonged breaches of the peace that modern history knows. Indeed, all the great conflicts in recent times have their origin there.

The cause of the war between Russia and Japan was a dispute about what was each country's sphere of influence in the Far East. The Japanese claimed both Northern Korea and Southern Manchuria as their sphere of influence. The Russians had promised to withdraw from Southern Manchuria, but took no real steps to do so, although, as we learn from General Kuropatkin's reminiscences, all the Czar's Ministers strongly urged that withdrawal should take place, and that no further advance should be made along the Yalu River or in Korea. But the advice of the Ministers did not prevail, because (and again we call Kuropatkin to witness) the Grand Dukes willed otherwise. The latter, as a fact, had large financial interests in the great forest areas along the Yalu River, and it has been said that the financial interests of the Czar himself in those forests were worth more than half a million pounds. The Grand Dukes feared that the advance of Japan would deprive them of the opportunities to make the big profits they had anticipated, and against all expert advice they forced the country into war. The result is well known; but the fact that the speculation failed does not alter its character.

Another example is the crisis in Morocco which on two occasions brought Europe to the brink of war. It, too, had its origin in a dispute about the ownership of natural resources. The German Kaiser landed in Tangiers, and thereby brought about the first crisis. He dwelled, in his official speech, upon the idea of a Morocco open to the free competition of all nations, without monopolies or barriers. But nothing was said about the plans that had been made whereby German capitalists should give the Sultan of Morocco a badly-needed loan in return for which a monopoly was to be granted for the exploitation of the rich iron deposits in Morocco. That circumstance is mentioned in Lindbaek's *Prelude to the Great War*. Nothing came of the proposal, and at the Algeiras Conference, where differences were adjusted, the policy of the "open door" was proclaimed. Some time later, under the "open door" policy, to which the Algeiras Conference adhered up to a point, the German firm of Mannesmann got concessions in Morocco, and collaboration began between German and French capitalist interests in mining, railway construction and similar enterprises. But this collaboration was not a happy one. Each party considered ways and means to withhold from the other the lion's share of the gain. And in 1911 the second Morocco crisis arose. Germany contemplated having a part of the rich Western Morocco as its sphere of influence, but that plan miscarried, and in compensation Germany got a part of the French Congo and other advantages in Central Africa. In Morocco the French financial interests were now assured of the lion's share. Broadly speaking, France has to a much greater degree than either Germany or England closed its colonies against other countries both in regard to trade and to financial investments.

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The concession for the construction of railways has also more or less the character of a monopoly, although often in the building of railways no little economic risk is involved. Where there is population, that is to say a sufficient supply of cheap labour, as in China, the gain is certain enough; and when China has been the point of conflict between the Great Powers, the cause of the quarrel has usually been which of the powers—or, rather, which of their financial interests—should receive this or that concession.

But even where a certain amount of risk is associated with railway building the financial houses know how to safeguard themselves, and their best method is to secure possession of natural resources. The concession for the Baghdad Railway is a striking example of that kind. It was given to a company under German management, and consisted in a monopoly to construct and control (for 99 years) the railway from the town of Konia in Asia Minor to the Persian Gulf. The concession included the right to construct certain branch lines; the monopoly of building and managing harbours in Baghdad, Bazra and at some point on the Persian Gulf; freedom to navigate the Euphrates and the Tigris; the exclusive right to exploit the mineral deposits that might be found in the land within ten kilometres on either side of the railway (it would of course be considered impractical not to make the railway run as near as possible to valuable mineral ores). In addition, the concession gave the right to exploit forests along the railway and the monopoly of brick-making. To meet the possibility that the railway might at first be run at a loss (which was not at all likely) the Turkish Government guaranteed the company a subsidy of so much per mile, which on completion of the railway would amount to over £1,000,000 a year. And this subsidy could be demanded of Turkey, not as long as the railway failed to give a certain minimum surplus, but as long as the concession lasted—that is to say, for 99 years. One may see from this how concessions get a close grip upon the exchequers of weak countries by securing as many monopoly privileges as they possibly can.

Naturally, the Baghdad Railway became the cause of International dispute. England interfered, not so much out of compassion for Turkey, as out of regard for her authority in India, her interests on the Persian Gulf, and so on. The completion of the railway was indefinitely postponed, but shortly before the outbreak of the Great War an understanding was reached whereby, of course, the spoil was to be divided. England reserved control of the lower part of the railway from Baghdad to the Persian Gulf, and both "England" and "France" got valuable concessions in Turkey in Asia.

The word "Imperialism" is used in many different connections, but there is no mistaking the fact that the chief element of imperialistic enterprises in later times is the effort of the Great Powers to make resources of wealth abroad the object of exploitation for themselves, or more properly speaking for their capitalistic interests. As Lippmann puts it in his *Stakes of Diplomacy*, the important thing to realize is that what makes a territory a diplomatic problem is a combination of natural sources of wealth, cheap labour, commercial opportunities, defencelessness, and a bad or incapable Government. It is clear that there must be a close connection between *this* economic imperialism and big armaments—not that anyone wishes to get to blows over the spoil; rather the contrary, for the prey is best devoured in peace. The weight

of the demands made at any moment or at Conferences of the Nations stands in direct relationship to the military power behind words spoken at the Conference table.

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Foreign protection closes markets, whereas they should be open to commerce. Protection fosters the idea that people can increase their opportunities to sell goods by establishing a privileged position in certain markets ; that is, by having steady customers at given spots, instead of making the whole world their market through Free Trade—an ideal which can best be consummated if each country becomes Free Trade and opens its doors to imports from all parts, on the principle that one must be willing to buy in the same measure as one is anxious to sell.

The desire for guaranteed markets is responsible for dividing the world into restricted trade areas and spheres of influence, and is, therefore, an important link in economic Imperialism. Protection definitely leads Europe to believe that a country's ability to succeed and hold its own in the great competition depends on its power to use the mailed fist, and not upon its contribution to peaceful and profitable competition in the performance of the best and most efficient work. Men trust in force, and find themselves its victims ; Europe is still smarting from the blows dealt by the mailed fist. The economic co-operation that had developed despite all monopoly exactions and tariff protection, and on which Europe's weal or woe depended, went to smash in 1914. We are still facing the task of reconstruction, and preferably without the crooked foundations that caused the whole building to fall asunder.

The third of President Wilson's famous Fourteen Points demanded "the removal as far as possible of all economic barriers and the establishment of terms of equality in commerce among all nations adhering to peace and associated to maintain it." But the formulation of that demand did not lead, after the signing of the peace, to any positive step in that direction ; on the contrary, when peace was made, the Central Powers were placed for many years to come in economic subjection to the victors—or, more correctly, to the "Reparations Commission." And we are still not beyond the point of discussing what is to be done.

Many agree in demanding what is sometimes expressed in the term "the open door." By that is meant, in the first place, the free and unrestricted right for merchants and goods of all nations to use the high roads of commerce ; the sea routes, canals, railways, harbours, coaling stations, etc. ; and secondly (since international points of conflict have centred around foreign territory and weaker nations), it means equal and free access, for the commerce of all nations, to all the countries where dominant nations exercise their authority in one way or other. This demand, with reference to colonies, has not prevented the steady and unchecked growth of protectionism in the mother countries.

It is obvious that this development will ultimately have fatal results. Obstacles to commerce in the colonies have their root in protectionist notions at home. Once protection commands the position at home, it will, sooner or later, spread to the colonies. And protection has everywhere evil effects ; it fosters enmity between the peoples ; it enriches some persons at the expense of general industry. It is therefore of no use to stop at half measures. The aim must be : down with all tariff barriers and a free course for the products of the

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land all over the earth, so that the nations of the world can get together in common association, a goal towards which they move spontaneously if only they are not obstructed.

The "open door" also expresses the claim that the capital of every nation shall have equal and free opportunity for investment in business undertakings, or in developing the natural resources of all countries that are now in one way or another under the thumb of the dominant nations. It may be granted that this is a precept extremely difficult to put into practice; but those who stand for it are convinced that if that demand is met, we shall have achieved what is essential to avoid friction between States.

Even so, the work would only be half done. Where money investments are concerned that confer special privileges, those to whom a concession is granted gain a benefit from which others are excluded. Some are favoured; others are deprived. That creates ill-will, and attempts to distribute concessions "equally," with some central authority as arbiter, must and will prove futile. The only way out is to make an end of special privilege by enacting that the communally created value of natural resources shall not be taken by the financiers, but shall go to the whole community, to whom the natural resources rightfully belong. Among the "undeveloped races" there might very well be a move to induce some European power to see to that suggestion, so that the concern for "native populations," of which there is so much talk, may take real shape. The main thing is that the financial interests shall not have the chance to quarrel over the communally created values; for so long as that is their spoil, strife will recur again and again according to the adage that opportunity makes the thief.

Here we may turn from the colonies back to the mother countries, where the legal concept arose that permitted the individual to appropriate the public value of land. It is there that perverted ideas have poisoned the popular mind, inciting the "upper classes" to plunder, and producing among the "lower classes" a steadily gathering impulse to revolt. In fact, it is this legal concept of property in land that has created the "upper classes" and the "lower classes."

This idea that individuals have the right to appropriate the value of land must be uprooted in both theory and practice. The dominion of landlords, junkers, coal barons and financiers over those values the community creates has given them dominion over the growing populations of the world, with which they can deal riotously at their pleasure, putting them in hovels, or crowding them in tenements and sending them to the trenches as cannon fodder. "He who owns the land owns the people." When the dominion over land values passes into the hands of the people—by collecting these values in taxation into the exchequer—the ground will be taken from under the feet of the exploiters in a very literal sense. And the people will obtain the free and easy access to the sources of wealth, which is essential if labour is to have its full reward. The land in the hands of the landlord made the people his subjects: The land in the hands of the people will give the people all power to subdue the land, and in their labour upon it to attain freedom.