

# **POLITICS**

## **The Growing Anglo-American Antagonisms.**

By J. R. Campbell (London).

"We ask is there under capitalism any means of remedying the disproportion between the development of production and the accumulation of capital on one side and the division of colonies and spheres of influence by finance capital on the other side—other than by resort to arms."

(L e n i n : "Imperialism").

The developing world economic crisis is daily intensifying the antagonism the two principal imperialist powers, Great Britain and the United States of America.

In spite of its economic decline Great Britain is still ruling over the richest empire the world has ever seen—over one-fourth of the surface of the globe. This division of the world once corresponded to the economic and political strength of Great Britain, to its economic supremacy, to its monopoly of sea power. It no longer does so. Great Britain has long been surpassed in economic strength by its young imperialist rival, the U.S.A., which is struggling for a re-division of the colonies and spheres of influence in accordance with its enhanced economic strength—a re-division to be effected at the expense of Great Britain.

Let us look at the relative productive power of both countries bearing in mind that the U.S.A. is practically self-supporting in relation to agricultural products and the greater part of its industrial war materials, while Great Britain is overwhelmingly dependent on overseas supplies.

	England 1924	USA. 1925
(In thousand Pounds sterling)		
Iron and Steel . . . . .	149,622	589,214
General Engineering . . . . .	153,821	801,838
Motor & bicycles . . . . .	84,669	949,152
Electrical engineering . . . . .	69,938	308,000
Shipbuilding . . . . .	51,225	35,436
Cotton . . . . .	373,122	342,874
Woollen & Worsted . . . . .	196,284	243,506
Boot & shoe Industries . . . . .	35,384	185,077

The disparity is seen even more clearly if we take production in the heavy industries.

	England (in thousand metric tons)			U.S.A.		
	Coal	Pig iron	Steel	Coal	Pig iron	Steel
1913:	24,337	869	649	43,088	2,601	2,564
1928:	19,400	551	710	41,662	3,190	4,263

The tendency of production in both countries is equally clear. In Britain the tendency in the early post-war years to fall away from the pre-war level, then the arrest of the productive decline in a number of spheres of industry, the advance in 1929 almost to the pre-war level, only to be thrown back again by the world economic crisis. In U.S.A. a phenomenal increase of production over the pre-war level.

	British Index of production (1919 equals 100)	U.S.A. Index of production
1920	100.2	98
1921	67.5	79
1922	80.9	102
1923	88.7	119
1924	90.9	113
1925	87.1	126
1926	67.0	129
1927	96.2	

The growth of the United States in the sphere of foreign trade is seen by the growth of its manufactured exports.

	1913	1925	1927
(In million pounds)			
Great Britain . . . . .	398.2	589.3	564
U.S.A. . . . .	159.2	356.6	412

The successful competition of the United States with Great Britain is particularly evident in the British colonies and in former spheres of British influence like South America.

In 1900, 84.9% of Canada's imports were obtained from Britain and the U.S.A.—Britain's portion being 25.7% and the U.S.A. portion 59.2%. In 1919, 83.9% of imports were obtained from Great Britain and the United States—but Britain's share fell to 15.3% and the share of the United States rose to 68.6%. In Australia the proportion of imports received from Great Britain has fallen from 59.7% in 1913 to 39% in the year 1928-29. The share of U.S.A. in Indian imports has increased from 2.5% in the year 1913 to 7% in the year 1928-29 while the share of Great Britain has fallen from 64 to 45% in the same period.

Of equal significance is the growth of American capital exports to countries which were formerly spheres for the

investment of British capital. Compare for example the proportion of new capital issues in Canada taken up before the war by Britain, the U.S.A. and by Canadian investors with the portion taken up today and one sees the tremendous change which has taken place.

	Taken out in Canada	Taken out in U. S. A.	Taken out in Great Britain
1910	17.00	1.50	81.50
1911	16.86	6.58	76.56
1912	13.82	11.35	74.83
1913	12.09	13.56	74.24
1926	50.20	47.95	1.85
1927	49.18	49.06	1.76
1928	48.50	47.96	3.54
1929	52.42	43.18	4.40

A similar picture is presented by South America one of the most important British spheres of investment. In 1912 the U.S.A. had 174 million dollars invested in South America and in 1928, 2,167 million dollars. According to the "Revista de Economia" (Argentine) the foreign investments in South America are as follows: Britain—\$ 4,103,000,000, the U.S.A.—\$ 2,167,000,000, other countries \$ 2,043,000,000. There also the U.S.A. is rapidly catching up and surpassing England.

But surely this does not mean war. Surely what is happening here is the slow but sure pressing back of England, and the emergence of the United States as the leading imperialist power. This view leaves out of account the fact that the retention and strengthening of its present positions is a matter of life and death for British imperialism and ignores the frantic efforts which British imperialism is making to rationalise its industry and to strengthen itself for struggle against the U.S.A. It ignores also the enormous importance which the markets of the Empire have for British imperialism. In 1913 the British colonies took 37.2% of the total British imports and in 1927, 46.2%. British imperialism cannot let those colonial markets and spheres of investment slip gradually out of its grasp. It will fight to protect them in every possible way.

On the other hand, the U.S.A. encountering the growing resistance of British imperialism; faced since the decline of its internal market with the need for a larger foreign market, and for increased sources of raw materials, cannot rely on the slow crushing out of Great Britain, but must expedite matters by force. Hence both the United States and Great Britain recognise the conflict as being inevitable and are carefully preparing for it.

The recent naval conference was no step on the road to disarmament but a manoeuvring for position in order to more effectively prepare war.

Both the U.S.A. jingoes and the British jingoes are accusing their respective Governments of having given away too much to the other side, an accusation, for which the Governments are duly grateful, as it enables them to maintain the pose of having made a "sacrifice for peace".

There can be no doubt, however, that the U.S.A. has for the moment been able to force considerable concessions from Great Britain. As Baldwin said in a speech in the House of Commons:

"The situation in this country (Great Britain) was very different from that of America and of almost every other country in the world. Great Britain was a country which had always been dependent on its naval power, and owed whatever influence it had in the councils of the world ultimately to its naval power. **This country which had always built hitherto in reference to what it conceived to be its own needs, would in future have to build in terms of a very strictly down treaty.**" (Italics ours.)

It is clear that Great Britain has retreated, but only in order to regroup its forces, to rationalise its industry, to make new alliances and at a convenient opportunity to break through the limitations imposed by the treaty. Even at this moment it is not prepared to make any concessions with regard to the American doctrine of the freedom of the seas, with regard to the giving up of its naval bases or with regard to the right to arm merchantmen in time of war—a right which gives Great Britain certain advantages in view of its powerful mercantile marine.

Naturally the U.S.A. attempts to utilise the difficulties of Great Britain in its colonies to its own advantage. The

American press deals sympathetically with the **Indian** struggle, exposes the British Government's attempt to pretend that it is on the way to advancing Indian self-government, and comes out sympathetically in favour of the demands of the Indian nationalist movement. The American social fascists, particularly the "Muste" group in the Socialist Party of America follow the example of their imperialists and sharply criticise the line which their dear Comrade MacDonald is following in India. The English imperialists display fierce resentment at any attempt on the part of the U. S. A. to interfere in the colonial affairs of the British Empire. Some time ago for example a number of American clergymen sent a letter to Ramsay MacDonald protesting against his attitude to the Indian nationalist movement led by the holy man Ghandi. The day after this protest appeared in the London "Times" a number of letters calling the attention of the clergymen to a number of cases of lynching which had taken place in the U. S. A. recently and suggesting that the U. S. A. was treating the Negroes much worse than British imperialism was treating the Indians. This is not likely to prevent American imperialism from continuing to express sympathy for the Indian bourgeois nationalists (such "sympathy" will help to sell American goods in India) nor even from attempting to establish relations with them in preparation for the general attack on British imperialism.

With the advent of the world economic crisis both the U. S. A. and Great Britain prepare for a tremendous drive for the markets of the world. British imperialism is using the State to smash down the obstacles which stand in the way of the rationalisation of industry and the conquest of a greater share of the world market. So Lord D'Abernon goes to the Argentine and to South America generally in order to win markets for British imperialism at the expense of U. S. A. Thomas goes to Canada on a similar mission and the Canadian Government replied to the raising of the U. S. A. tariff by raising the Canadian tariff against U. S. A. while giving special preference to Great Britain. The U. S. A. is at the same time making great efforts to regroup its forces and launch a drive for the world market. Even before the coming of the world economic crisis British economists were calling attention to the fact that in the U. S. A. productive capacity was expanding much faster than the internal market and were predicting a big U. S. A. drive for the world market. They called attention to the fact that only a small part—some 8—10 %—of the total American production was exported compared with 25—30 % exported by Great Britain and that a difficult situation would arise for Great Britain when the U. S. A. was compelled in order to keep her industries going to export a greater quantity of products. That moment has now arrived and with it the sharpening of the antagonisms between the U. S. A. and Great Britain.

This growing antagonism does not preclude the possibility of a temporary agreement between the U. S. A. and Great Britain at the expense of the Soviet Union. The possibility of such an agreement was freely spoken of at the time of the London Naval Conference. On the other hand, recent fascist developments in Finland, (a country over which British imperialism has considerable influence) and Roumania (under French influence)—developments obviously directed against the Soviet Union—suggest the likelihood of a European bloc (including Great Britain) rather than an Anglo-American bloc as containing the prime danger of immediate intervention in the U. S. S. R. though once the struggle started the U. S. A. would also intervene.

One thing is certain, however, the development of the world economic crisis is greatly increasing the danger of war, war against the Soviet Union which is the principal danger and war between Britain and the U. S. A. The Communist Parties of Great Britain and the U. S. A. must make their 1st of August campaigns for the immediate demands of the working class, for unemployed maintenance or for higher unemployed maintenance, for the organisation of the workers' counter-offensive against the capitalist rationalisation drive, against wage cuts, for the seven hours day and linked up with the struggle for those immediate demands an exposure of the growing Anglo-American antagonisms and exposure of the war preparations against the Soviet Union and the mobilisation of the widest masses for struggle against the war danger. August 1st must be made a day of mighty mass demonstrations against the capitalist class which is cutting wages, starving the unemployed and preparing war.