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EDITORIAL

FANNING THE FLAMES OF WAR WITH JAPAN.

By DANIEL DE LEON

PEOPLE are asking what does that after dinner speech of banker Jacob H. Schiff mean? Does the banker's prediction of a great struggle in the Far East, in which probably the United States, Japan and other great powers would be involved, indicate merely a commercial struggle? does it, perchance, portend war? Bloodless or bloody war—these are mere manifestations of some central fact. The central fact in this instance is that Idle Money in large quantity behaves very much like Idle Labor in large numbers: the one and the other is prone to riot.

When peace was signed between Russia and Japan Secretary Hay addressed a note to the great Powers. The note referred to Manchuria, that portion of the Chinese territory that had been the theater of the war, and in which Japan acquired equal influence with Russia, if it not preponderating. The two Powers most intimately concerned were Japan and Russia. Secretary Hay advanced the principle that the integrity of China shall be respected, and that equal commercial opportunities shall be guaranteed to all in Manchuria. The principle was accepted; it is known as the "Open Door." Now it is claimed from some quarters with regard to Japan and Russia, us especially with regard to Japan, that although the latter professes the principle of the Open Door "with an amiability of utterance that leaves nothing to be desired," complaints are at the same time being received from our Consular representatives and from our merchants in Manchuria of discriminatory treatment to our present disadvantage and altogether inconsistent with the principle of the Open Door.

After reading these broad charges one is agog for specifications. The Open Door, equality of commercial opportunities, contemplates and can contemplate

commercial transactions only. Vainly does one search for such specifications. Not one is given. There seem to be no facts to warrant any. Indeed, as far as the conduct of the State Department goes, there would seem to be what may be called official denial of the existence of any such facts: Mr. Cloud, the United States Consul at Mukden who, last November, charged discrimination in general terms without alleging specific instances, or giving names and details, is no longer in the consular service. Are the charges, then, left without specification? There are specifications—but what is their nature?

Among the first acts of the present Secretary of State Knox was a note to Japan, Russia, Great Britain, France and Germany proposing that those nations join the United States in a plan to supply China with the money needed to purchase the existing Manchurian railways, and he followed up that proposal with the suggestion that a new railway be built across Manchuria from Chinchow to Aigun on the Amur River. Both proposals were rejected by both Russia and Japan, on the ground of previous agreements with China regulating the control and extension of railways in Manchuria.

Secretary Knox did not, before his induction in the State Department, enjoy a reputation for expertness in matters of the Far East; nor was he in the Department long enough to acquire such expert knowledge when he framed his proposals. Obviously he was “seen”—seen in a hurry. By whom the “seeing” and “coaching” was done is no less obvious. It was not done by mercantile concerns, the only ones whose interests came under the purview of the Open Door. The “seeing” and “coaching” was done by Financial Interests. In other words, the charge against Japan for breaking faith is made by Interests who seek, not to maintain, but to unhinge the Open Door. The building of railroads under the shield of foreign Powers involves an infringement of territorial integrity.

The trenchant words of the British economist P.J. Dunning—“Capital is said to fly turbulence and strife and to be timid, which is very true; but this is very incompletely stating the question. Capital eschews no profit, or very small profit, just as Nature was formerly said to abhor a vacuum. With adequate profit, capital is very bold. A certain 10 per cent. will ensure its employment anywhere; 20 per cent. certain will produce eagerness; 50 per cent., positive audacity; 100 per cent. will

make it ready to trample on all human laws; 300 per cent., and there is not a crime at which it will scruple, nor a risk it will not run, even to the chance of its owner being hanged. If turbulence and strife will bring profit, it will freely encourage both”—these words may be here repeated, and, by the light of the conduct of the Financial Interests now laying themselves bare, Dunning’s passage may be supplemented with this sentence:—“And all the boldness, eagerness, audacity, readiness to commit all manner of crime, and ardor to promote turbulence and strife that pulsate normally through the veins of capital gallop with redoubled fury in the veins of capital when it lies idle.”

The vaults of the American financiers are bursting with money. The money is lying idle. The Far East offers “opportunities.” In order to utilize these the Open Door is now sought to be given an interpretation wholly foreign to, aye, in violation of it—and the flames of war are fanned to break a breach through which Idle Money may flow and become Active Capital, whacking profits.

Top-Capitalism in the saddle evolutes two sets of rioters—at one end, Idle Labor, displaced by concentration and improved machinery, held in ignorance, and outraged; at the other end Idle Money, restless after profits, and ready to promote turbulence and strife to attain its object.

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.
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slpns@slp.org