

The Naval Conference and the Crisis of Capitalism

By R. P. DUTT

THE "disarmament" trappings of the Naval Conference have long since passed into the background. In the sharpness of the fight over every weapon, in the intense rivalries revealed and unconcealed war calculations, the tinsel of pacifist talk can no longer be maintained. The Conference is now visible to all as the maneuvering ground and battleground of the imperialist powers, in which every Power is fighting for its strategic position.

The question now to be considered is, no longer simply the general exposure of the armaments and war preparation character of the Conference under the phrases of disarmament, but the particular role of the Conference in the total line of development and in the general situation. *What is the significance of this stage of imperialist war preparations represented by the London Naval Conference?* Here it is necessary to look at the wider situation.

The twelve years since the war have been characterized by what we speak of as the General Crisis of capitalism, i.e., the culminating stage of imperialism as it is passing into social revolution, the period of "wars and revolutions" already opened by 1914, when (1) the antagonisms of the imperialist system of production have reached an extreme point, with the ever greater growth of monopolies and productive power, and can find no peaceful solution or smooth working; the old "normal" process gives way to a feverish movement and continual partial crisis; (2) the World Revolution has already entered on to the stage as a direct factor, and won a partial victory which it is able to maintain and strengthen; (3) the social contradictions, both in the imperialist countries and the colonies, have reached an extreme point, and bourgeois rule can only be maintained increasingly by extraordinary means (fascism, Labor Governments, special legislation, counter-revolutionary organizations, etc.).

In the sphere of international politics this situation reflects itself in two contrary tendencies:

(1) Imperialist antagonism and the drive to war goes ever more intense; the ceaseless fight of the giant powers for world hegemony replaces the pre-war "balance of power" by a constantly shifting

process of unstable alliances, combinations and maneuverings; but at the same time this precipitate drive to war is complicated and impeded (in the last resort it can be hastened) by the fear of revolution and the necessity of common action against the world revolution.

(2) The drive to common action against the world revolution, as seen to be embodied in the Soviet Union, grows even stronger, as the Soviet Union defeats the hopes of its breakdown and visibly grows in strength; but this drive is in its turn complicated and impeded by inter-imperialist antagonisms.

The interplay of these two conflicting tendencies constitutes the pattern of international political relations since the war, and can be traced through all the successive international maneuverings and conferences.

FROM 1919 TO 1930

An interminable series of international conferences has marked the years since the war. This fact is itself an evidence of the sharpening of imperialist antagonisms, and the ever closer growing together of all questions into a single complex. Ever new antagonisms give rise to ever further conferences to solve them, which in turn only bequeath these antagonisms in new and sharpened forms to their successors.

If we examine the series of these conferences we can trace through all of them the two main conflicting tendencies. All these conferences bear the appearance of strivings towards varying forms of imperialist combination and agreement. In the eyes of Social-Democracy and bourgeois capitalism they represent successive attempts or stages towards international unity, or "Ultra-imperialism" towards harmonized international capitalism, towards pacification and stabilization. The reality is different. The reality reveals throughout these conferences: first, the strivings of one or another leading power towards world hegemony; second, the strivings towards common action, but under the hegemony of one or another leading power, against the revolution and the Soviet Union. All these strivings achieve only partial results, and no final or lasting results, because of the intensity of imperialist antagonisms. At each stage war is brought nearer.

If we take a few outstanding points in the process, we see a continuous development.

In 1919, we had in the League of Nations the American project of a League of Capitalism under American hegemony, which would establish American world domination and crush the revolution throughout the world. Alongside of this went the united imperialist

armed war on Russia. The war on Russia failed in the face of the resistance of the workers in Russia and throughout the world. The project of the League broke down on the antagonism of America and Europe; and America withdrew. The League became the field of British-French antagonism and counter-revolutionary maneuvering.

By 1921 the British-American antagonism had become so strong as to lead to the calling of the Washington Conference by America, with the object: first, to cut down British sea-power without a battle; and second, to regulate imperialist action in the Far East, *i.e.*, with regard to the coveted Chinese colonial field and the growing national-revolutionary movement in China, and eventually with regard to the Soviet Union. The Washington Conference also produced no conclusive results. The British-American antagonism continued through other forms, transferred from battleships to cruisers. The imperialist rivalries in China continued, and imperialism could not check the rapid growth of the Chinese Revolution, although subsequently successful in securing the temporary victory of counter-revolution.

In 1922 the Genoa Conference represented the British attempt to establish leadership of the European powers, drawing in Germany and compelling capitulation of the Soviet Union. The attempt broke down in the face of the American opposition, French antagonism and the independent German-Soviet Rapallo Treaty.

By 1923 the anarchy of the international situation had reached such an extreme, with the French invasion of the Ruhr, Britain and France at breaking point, American isolation, and Germany on the eve of the second proletarian revolution, that a desperate combined imperialist attempt had to be made to meet the position, and American hegemony accepted for this purpose. The result was the Dawes Plan, adopted in 1924. On this basis was built up the partial stabilization and reconstruction of capitalism in Europe, with the American moneylenders' aid.

From this point followed the loudly heralded "revival" of capitalism, which the bourgeoisie and Social-Democracy have seen in the Dawes restoration and subsequent rationalization process. But this "revival" meant in fact a very different result from their imaginings. With the advance of technique and productive power, increased competition, and ever new attacks on the workers, it produced inevitably the conditions of the "third period": extreme intensification of imperialist antagonisms and social-contradictions, approach to the new economic crisis now developing, and the growth of the new revolutionary wave in the imperialist countries and the colonies.

This advance of imperialist antagonisms was already visible when British imperialism attempted to utilize the Dawes restoration as a basis, through the subsequent Locarno policy and Chamberlain attempts of 1925-8, to build the united anti-Soviet front. The attempts broke down in the face of the inter-imperialist antagonisms. It was equally visible in the growth of British-American antagonism shown in the breakdown of the Geneva Naval Conference in 1927 and the crisis over the Anglo-French Naval Agreement in 1928.

American active intervention and domination now becomes increasingly evident, with its economic and financial world expansion. This is shown in the Kellogg Pact of 1929 and the Young Plan of the same year. The Young Plan, which revealed sharply all inter-imperialist antagonisms means the closer drawing in of Germany to the "Western" grouping of imperialist powers, especially under American influence, and drawing away from the former orientation towards the Soviet Union. The International Bank, while equally reflecting inter-imperialist antagonisms and growing American influence, also provides further common ground for combined financial action against the Soviet Union.

It is at this point in the line of development that come the Anglo-American negotiations of 1929 and the London Naval Conference of 1930.

The whole process of development up to the Naval Conference, and particularly the process since the opening of the "third period," has shown in an ascending line: first, the increase of imperialist antagonisms, coming out all the more clearly into view in their new forms as the surviving divisions from the last war have passed more into the background; and second, the sharpening of antagonism between imperialism and the Soviet Union, and the increasing gathering of forces against the Soviet Union.

The particular situation in which the Naval Conference meets is characterized by

(1) Intense imperialist antagonisms, more open and warlike in expression than at any time since the last war: the British-American in the front rank, and alongside the British-French, French-Italian, Japanese-American, etc.;

(2) Gathering world economic crisis, centring in America, intensifying the British chronic depression, and with only French for the moment still strong;

(3) Rapid economic advance of the Soviet Union, contrasting with the economic crisis of capitalism;

(4) Growth of the new revolutionary wave in the imperialist countries and the colonies.

These are the conditions that govern the character and outcome of the Naval Conference.

THE WORLD ECONOMIC CRISIS AND THE NAVAL CONFERENCE

The Naval Conference takes place in the midst of a gathering world economic crisis of capitalism. This crisis is the direct outcome of the intense drive to rationalization, amalgamation, speeding up and mass production of the preceding years. For this reason it affects first and foremost the very centre of the capitalist advance and "prosperity," America, spreading from thence in growing circles to the other imperialist countries on the one hand, and to the raw-material producing countries on the other. Overproduction is now the cry on every side; production falls and unemployment rises; and the whole drive becomes to restrict production, to force through new attacks upon the workers, and, above all, to force up exports at all costs.

What are the political consequences of this crisis, and its effects on the conditions of the Naval Conference?

The first effect is to add a still greater intensity to imperialist competition and antagonism. The fight for markets, to win a larger share of world exports, to win monopolist controls of other powers, becomes a life and death struggle. But economic antagonism cannot be accompanied by political harmony. The strategic conflict is only the expression of the total imperialist conflict. Therefore, despite all the pacific expressions, the strategic fight at the Conference is fiercer than ever before and threatens repeatedly to break up the Conference (contrast the relatively smooth and rapid advance of the Washington Conference with the continual deadlocks of the London Conference, even from the very first question of fixing the agenda).

But if the effect is thus to increase imperialist antagonisms to the highest point, what is the possibility of reaching an agreement even of the limited and temporary character that is being sought? Here it is necessary to bring into consideration the other factors of the situation, and especially of the economic crisis.

The second effect of the economic crisis is to make acute the internal economic problem of each country, the problem of the State budget and the financial burden of armaments. "Every country," as McDonald declared in his keynote speech at the outset, "—wealthy and poverty-stricken alike—feels the burden of arms." In every country the problem of balancing the State budget is acute, not least in Britain; even in America the demand, following the economic crisis, is to lessen taxation; and the centre of the budget, and consequently of taxation, is armaments. It becomes a

condition of realizing increased competitive capacity, and thus an essential part of the imperialist antagonism, to lessen State expenditure, but this affects only a small portion; the problem of armaments remains. If it would be possible to fix for a limited period an agreed ratio of armaments building, *without diminishing efficiency*, this would represent the ideal. But this can only be reached by an international agreement even though it is obvious only a temporary agreement between open rivals. And this becomes the keynote of the Conference. The objective is defined, not as to reach any general agreement towards disarmament, but solely to reach an agreed ratio of building in the most costly and possibly less effective form of armaments, warships (leaving untouched air and chemical warfare), for a limited period of five years until 1936. It is obvious that this limited regulation does not mean a harmonizing of imperialist antagonism; on the contrary, the competition within the limits becomes more keen.

This move to a limited truce or short-time regulation is further reinforced by additional factors resulting from the situation and the economic crisis.

The third effect of the economic crisis is to intensify social contradictions and give further impetus to the rising revolutionary wave. In the last resort, a situation of a gathering revolutionary wave and insoluble internal problems can drive a government more hastily to war as the desperate "solution," as was seen in all the leading imperialist countries in 1914. But the first effect is to lead to the preoccupation to concentrate on the home front and internal problems in order to be more strongly prepared for war. The problems of India and of the internal economic situation, rising unemployment and the strike wave, confronts the British Labor Government, and lead to the desire to buy, even at some price, a truce with the American enemy. The American Government is also confronted with the need to concentrate all its forces on its economic problem and unemployment.

Further, the fourth effect of the economic crisis is to intensify the division and contrast between the economic crisis and anarchy of capitalism, and the gigantic planned economic advance of the Soviet Union. Imperialist agitation against the Soviet Union now gathers force in a thousand forms in every country (British Church crusade, Henderson's open playing into the hands of the Conservatives, French Kutepoff campaign for a break, German raids on Soviet institutions, Social-Democratic campaign for a break, and concentration of ships in the Baltic, etc.) Ever more rapid war preparations are evident. If a temporary truce in imperialist antagonisms can be arranged, this is the strongest possible preparation for

war on the Soviet Union. Here we come to the special role of British imperialism in the present stage.

THE ROLE OF BRITISH IMPERIALISM AND ANTI-SOVIET CAMPAIGN

British imperialism is throughout the present period the leader of the anti-Soviet campaign of imperialism; first, because British imperialism is still the most widely extended in its world possessions, and therefore the most affected at every part by the menace of the world revolution whose centre and fortress it sees in the Soviet Union; and second, because British imperialism is the declining imperialist power and therefore increasingly concerned, no longer primarily with questions of expansion, but with questions of preventing disintegration and holding back the gathering revolution. British imperialism, therefore, throughout the post-war period sees as its main enemy to be destroyed the Soviet Union; this remains its supreme aim; and changes of government, Conservative, Liberal, and Labor, only mean changes of form and method in realizing the aim.

Under the Conservative Government British imperialism developed to an extreme point *simultaneously* the antagonism to the Soviet Union and the antagonism to America. 1927 saw equally the break with the Soviet Union and the break-up of the Geneva Naval Conference. This endeavor to fight on all fronts at once was the cardinal error of its policy, and led only to deadlock and the final sterility of all the Chamberlain projects.

From this point it was clear to British imperialism that it was necessary to reach some form of temporary truce with America in order to be able to concentrate all forces against the Soviet Union. This change of line was already preparing under the Conservative Government (the projected Baldwin-Hoover meeting), but finally has fallen to the Labor Government to carry out. The Labor Government has in every way *courted* America; the Admiralty has completely abandoned the position that at Geneva it swore to be unchangeable.

This courting of America is carried out under very definite limits (till 1936—after which the Admiralty has already officially announced that it will consider itself free to change its opinions). But the tendency is manifestly the tendency of making concessions and reaching a temporary agreement at all costs.

The question at once arises: What does British imperialism stand to *gain* by this policy of capitulation?

The answer is clear from the situation. First, opportunity to concentrate on its economic position, since it is not at present in a

condition to advance a precipitate war with America, drawing closer the Empire, etc.

Second, and an essential part of the first, to concentrate on the revolutionary danger, and, above all, to have a free hand to carry through the campaign against the Soviet Union with, at any rate, tacit American support.

What is fully clear is the line actually being pursued by the British Government: namely, simultaneously with the approach to a temporary agreement with America, the full unleashing of the anti-Soviet campaign; the resumption of relations in such a form as to point from the outset to a break; and the unconcealed assistance of the Labor Ministers, at the same time as always professing to observe a "correct" attitude, in actually driving forward the campaign.

The campaign against the Soviet Union—this now becomes for imperialism the grand "solution" of the economic crisis. It means not only the overthrow of the fortress of the world revolution; it means not only the overthrow of the economic power which is already proving its near advance towards far outstripping the strength of capitalism; it means at the same time the conquest of that for which capitalism is choking and suffocating, the conquest of a new unlimited market and opportunities of expansion.

All forces gather now ever closer towards the launching of the fight against the Soviet Union. If the Naval Conference is not understood in relation to this situation, it becomes a meaningless shadow, an empty farce. When the rival brigands meet, even with unconcealed hostility and suspicion at the time, to endeavor to draw up a temporary truce, it means, above all, that they have a larger enemy in view. Their mutual hostilities may yet wreck their plans; but we shall do ill to calculate on this for our security.

Imperialism is advancing to war. The London Naval Conference is only a stage and a demonstration of this process. All the signs point that war is increasingly being prepared first and foremost against the Soviet Union. As the economic crisis develops, as each successive partial crisis is only overcome to give way to new and greater crises, war becomes more and more the only "solution" for imperialism from the inextricable tangle of its contradictions and antagonisms.

But this "solution" is in fact, as 1914 showed, no solution. For the imperialists leave one factor out of their calculation—the working class. The war, in which they see the solution of their problems, only hastens the conditions of their destruction. And, above all, if they seek to launch a war against the Soviet Union to crush the world revolution, such a war will and can only mean the gigantic

driving forward of the forces of the world revolution throughout the world in a flood that will engulf them.

The fight against the war plans of imperialism is not only a fight to expose them, and to agitate for preparedness for the struggle against the coming war. It is, above all, a fight to develop the present rising struggle of the working class in every sphere, the strike movement, the political agitation against the Labor Government, and the colonial struggle, the gathering revolutionary wave which will finally defeat the war plans of imperialism.