

The Austrian Loan and The Soudan Dam

Speech in the House of Commons by J. T. WALTON NEWBOLD

IRISE to speak on this matter with the greatest sympathy for the Republic of Austria. I cannot but be glad that an opportunity has been given, not merely to this House, but to the peoples of Europe and the world in general, to see the kind of thing which awakens the sympathetic interest and the undaunted enthusiasm of the League of Nations. Belonging as I do to the Communist Party, I regard the League of Nations with disgust and abhorrence. (Laughter.)

Hon. Members may laugh.

The League of Nations has shown itself very slow to interest itself in the starving children, regardless of whether they were in Russia or Vienna.

Nothing has been done during all those years for the little children of Austria who were dying off like flies. Nothing worth mentioning has been done in this House to save the starving children of Vienna. But when it comes to a matter of saving the credit of a country, which has been aptly described as the nerve-centre of finance, immediately we find the League of Nations and this House all agog at a moment's notice.

There is no country in Europe with which this Government (I do not mean merely this Ministry: I mean the King's Government—that goes on from year to year, regardless of whatever Ministry is in office) and your Foreign Office and your Treasury have had closer relations than the government of the Hapsburgs of Austria.

That government has been one of the greatest borrowers in Europe.

It has been a country where national loans, municipal loans, railway loans, tramway loans, collieries, steel works and every kind of state, industrial and commercial activity have derived their finance—either from the Hopes of Amsterdam, from the Rothschilds of Frankfurt and Buckinghamshire, or else from the Rothschilds of Paris.

Austria—Vienna—has been mortgaged from 1816 to the present time, to the very hilt to the great international house of Rothschilds. That is the group which has Austria, and which is responsible for this last poor attempt to save Austria from ruin, not in the interests of civilisation or of Europe, but in the interests of a pawn-broking clique of unscrupulous rascals.

When we come to the question of this Loan we find that it is to be secured upon the Austrian tobacco monopoly. I have been looking carefully into the matter of this Austrian Loan, and I have here a document which I have had certified by the Registrar of Joint Stock Companies, giving intimate details as to the directors and as to the aims of the Anglo-Austrian Bank, Ltd. We are told by the Chancellor of the Exchequer that this matter has been brought forward and carried through by the instrumentality of the League of Nations. Now, it is a curious fact that one of those who are to benefit by this loan is the Anglo-Austrian Bank, which has, as one of its directors, Sir Henry Strakosch, the Chairman of the financial section of the League of Nations.

We see the League of Nations on the one hand, and at the same time we find its financial head intimately associated with the exploitation of the people of Vienna. There is the impartiality which we expect from hon. Members.

This Loan further needs to be examined by reason of the fact that its guarantee is also placed on the tobacco monopoly. This tobacco monopoly is a feature which one finds in nearly all these attempts to secure the resources of a country in the interests of the bondholders. It was characteristic of the Imperial Ottoman Debt; it was characteristic of the finance of the Commissioners responsible for putting Greece into pawn after the war between Turkey and Greece in 1896.

There is an attempt being made on the continent of Europe to take away the State monopoly on tobacco and put it in the hands of two tobacco companies—one British and the other American—if it is possible to distinguish the two. They work

together. They desire to exploit Austria, France and Italy in the same manner as they are exploiting Turkey, Greece, and other countries.

I find something more. I find that among the list of directors of the Anglo-Austrian Bank there are two directors of the Imperial Ottoman Bank. That points clearly to their association, taken together with the other associations of these gentlemen, and the associations of their fathers and grand-fathers.

During the war you talked of self-determination of small nationalities. You discovered a triangle of races which no one in this country knew about. You discovered the Czecho-Slovakians and, I think, the Ruthenians, and some other people of that kind. Hon. Gentlemen opposite discovered the Czecho-Slovakians and began to tell the nation in general about them (Hon. Members: "Lloyd George.")

Yes, and some people with Lloyd George, discovered the Yugo-Slavs and the Czecho-Slovakians and God knows who besides, and when it came to the Treaty the old dual monarchy was divided up and the new State emerged known as Czecho-Slovakia.

It was a State whose government was a Republic—a Republic economically and politically too weak to stand by itself. It needed monetary assistance and so, from every part of the world, the bagmen came to Prague.

Some came from Paris, others from Amsterdam, others, in turn, came from London, and some came from New York. Everybody was ready to help the poor little bourgeois Republic at Prague. A new Government was set up in the interests of these people who had previously been clients of the banks of Vienna.

It was set up as, and is to-day, the creature of the international bond-holders. It may call itself an independent State, but to all intents and purposes Czecho-Slovakia is as much in the bag as Vienna will be, when you have provided it with funds.

The same is the case with Yugo-Slavia, Rumania, Hungary and Poland. It is doubtful which is the greater curse—to have your blessing or to have you as bondholders. In either case, it means slavery, undoubtedly. You have got to have your pound of flesh.

The CHAIRMAN: I thought the hon. Member proposed to connect this argument with the present financial situation in Vienna. He is not at liberty to run round the various nations which composed the Austro-Hungarian Empire.

Mr. NEWBOLD: In naming various States which formerly composed the Austro-Hungarian Empire, I had in mind the fact that their trade had its centre of finance and credit facilities in Vienna and it is because of the fact that you have detached these States from Vienna, that you are face to face with this problem to-night. I would suggest rather to His Majesty's Government that they should tear up that infamous instrument known as the Peace Treaty and go back to the former position.

The Treaty of Peace was an instrument designed for the purpose of furthering the bondholders' interests here, just as this to-day is to reverse the process now that it is time for them to go in a slightly different direction. The whole of this policy is calculated in the interests of the big "bosses" who have not been able otherwise to save themselves.

I wish now to leave the question of Austria and to pass on to that of the Sudan. There is no territory which makes a more interesting study than that of the Sudan. It is because of the Sudan, because of its potentialities for producing cotton and corn, in the interests, not of Britishers, but of that gang of Greek merchants behind Sir Basil Zaharoff—it is in the interests of these people, and because of these people, that you have forfeited your pledges, broken your promises, gone back on your word and refused to leave Egypt as you promised that you would do.

You are broken pledge-makers. You have shown that you do not believe in keeping faith when it does not pay—

Mr. LYLE-SAMUEL: What about paying America our debt?

Mr. NEWBOLD: That, I believe will arise in another discussion.

The Sudan is the territory as hon. Members know, through which passes the Nile—(Hon. Members: "Hear, hear!") It is just possible, in view of the fact that at the Peace Conference a certain Prime Minister did not know the location of Teschen, that some Cabinet Ministers to-day do not know the location of Khartum. It is just possible that some hon. Members do not know that the Nile supplies the necessary water, not for making beer, but for the purpose of growing cotton and corn. However, unless there are built several great barrages like the one at Assuan or the big dam that you are building to-day, it will not be possible to grow that greater supply of cotton which is necessary for the purpose of rendering you able to produce bogus silk, and when you come to the question of bogus silk, otherwise known as artificial silk, we come straight up to the whole question of Near Eastern policy.

The right hon. Gentleman, the Chancellor of the Exchequer has told us that Egypt, or rather, the Sudan, is a region in which it is possible to grow long staple cotton, but you have that to-day also in Kenya Colony, Uganda, Iraq, and other regions which you have got mandated to you under the League of Nations.

These territories also produce long staple cotton. Long staple cotton is, if my technical informers are correct, necessary for producing that form of cotton thread which is necessary in turn for the production of artificial silk. Artificial silk, in the present degraded state of the world's market, when the peoples of Europe and America are short of purchasing power, has driven pure silk practically off the market.

The pure silk interests are up against your cotton interests, and I protest, and were it possible to take this particular paragraph apart from the other paragraphs dealing with Austria, I should oppose this Resolution, because I believe that by this means, by this endeavour to hold on to the Sudan for the purpose of exploitation, and in conflict with France and America, for that is what it means, you are driving as straight as you can go to another world war.

Hon. Members opposite do not crowd those Benches and support these Resolutions in the interests of liberty, in the interests of equality, in the interests of justice, but in the interests of the Stock Exchange, in the interests of the bankers, in the interests of the Manchester Chamber of Commerce.

Hon. members opposite little know how much good they are doing the Communist Party by this discussion. It is precisely the kind of thing which shows to the toiling masses of this country what you are like, and that is why I have come here.

I repeat again—it is in the interest of the bondholder, of the banker, of the Chambers of Commerce, of the bill broker, of the cotton manufacturer and of the whole capitalist class that you are rolling up in your forces upon these Benches.

I give my general support to this matter of the loan to Austria. My opposition and my protests so far as I can make them are to this matter of the endowment of the building contractors who are engaged upon the dam in the Sudan.

It is noticeable that this barrage project has the approval of a Committee presided over, I believe, by Sir Robert M. Kindersley. Sir R. M. Kindersley, curiously enough, happens to be the chairman of Lazard Brothers. Lazard Brothers, curiously enough, have half their share capital held by S. Pearson & Sons and Clive Pearson. These people are the building contractors engaged upon the dam.