

Clasped Hands or Shaking Fists?

Anglo-American Co-operation Can Father a Truly International Community

NORMAN ANGELL

BOTH author and publisher of Mr. Soule's book * are to be congratulated on the timeliness of its appearance. It comes at a moment when all serious-minded people in this country are still considering the best form of aid which, in America's interest, can be extended to Great Britain after Lend-Lease, now terminated. And the coming of a Labor government in Great Britain will certainly not diminish the interest of these informative pages.

Mr. Soule does well in his first chapter to prick the not altogether harmless bubbles of after-dinner oratory about hands across the seas, blood thicker than water, the common language, and the rest of it. After all, the clasped hands have more than once become shaking fists, the blood is not in America predominantly Anglo-Saxon, and a common speech can divide as much as it unites. All that, he wisely implies, is not and ought not to be the basis of the coöperation of this country with Britain, for it would make that coöperation exclusive, whereas it ought to be of the kind which should form the nucleus of a truly international community. Perhaps he underrates a little the value of a certain community of ideas. It has, after all, been possible for this country to live peacefully in very close juxtaposition with the British Empire for considerably over a century. The undefended Canadian frontier is unique, despite the fact that the orators do so irritatingly refer to it; and it would not have been possible with a German Canada or a Japanese Canada, making part of a German or Japanese Empire that covered a quarter of the earth. Nor would it have been possible if Britain had not been the only great nation in Europe that refused to accept either Fascism, or totalitarianism, or collaboration, rejecting dictatorship whether of the Hitler, Mussolini, Pétain, or Stalin variety; willing even to re-

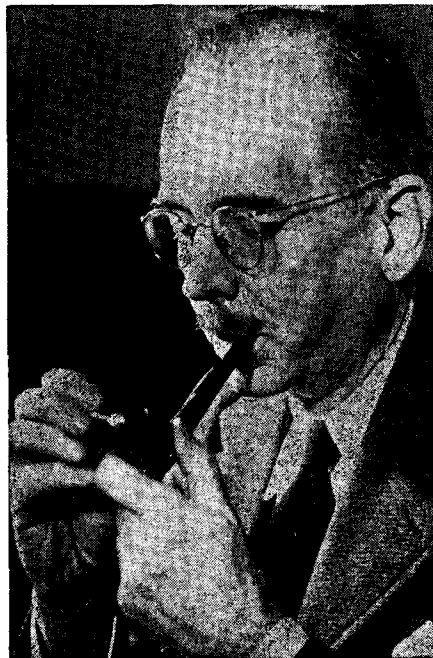
place a beloved leader when he had served his war purpose. Failing the group of ideas, values, habits which that indicates, the whole story would have been very different. Nevertheless, Mr. Soule is right in discounting so much of the post-prandial oratory. His book, he explains, emphasizes the need for coöperation between Britain and the United States because "the two great Western allies occupy a central position in the world economy. . . . The United States and the United Kingdom are so far ahead of the others in exporting and importing capacity that what they do will determine the course of the world economy for years to come." And that bears vitally on the restoration and peace of the world.

Mr. Soule explains why Britain faces at this moment what he terms in his second chapter "a life or death" problem. He reminds us that before the

war British farmers raised only about forty per cent of the food eaten in the country (measured by money value), while some of her most indispensable raw materials must also be obtained from abroad. For Britain to be self-contained at anything much above a coolie or stone age standard of life, something like half the present population would have to be emigrated. They could not emigrate. The United States and all the Dominions have stringent anti-immigration laws. Britain of the present population can live only if she has ample exports, visible or invisible, wherewith to pay for her imports. (The invisible exports are services such as shipping, insurance, banking.) Another means of payment for imports has been the dividends and interest on past-investments abroad. The Argentine, for instance, sent food like frozen beer, which ultimately found its way to working-class homes in Manchester or Liverpool or London, as payment for the railroads or factories which an earlier generation of British capitalists had built. Mr. Soule continues:

The effect of war on Britain's ability to pay for imports has been almost catastrophic. In the days of cash and carry the nation had to sell foreign investments in order to buy in this country munitions and supplies needed by both military and civilians. Lend-Lease reduced this necessity as far as the United States was concerned, but the process continued in other parts of the world. Submarine warfare diminished the tonnage of British shipping. While this shortage may before too long be made good, American shipping has more than doubled, and the prospect of post-war competition leads the British to expect a reduced shipping income. Britain has disposed of more than £1,000,000,000 in foreign investments (at the peace rate of exchange, say \$5,000,000,000) for war supplies alone.

But, as the author points out, that is not all. Britain has bought large quantities of war goods in India, Argentina, Egypt, the Dominions, and elsewhere, for which she has paid



—Arni

George Soule "brings out certain facts which should be engraven . . . in the minds of newspaper editors in every protectionist country of the world."

**AMERICA'S STAKE IN BRITAIN'S FUTURE.* By George Soule. New York: Viking Press. 1945. 225 pp. \$2.75.

by depositing sterling to their account in Britain. During the war those pounds could not be spent because there was little that that money could buy in Britain. These "blocked sterling balances constitute Britain's war debt. In order to discharge it, Britain will have to export without getting anything in return. She will also have to export enough more to pay for the imports needed for her daily life. Nor is that all. Emerging from the war in that situation, she faces the necessity of reconstructing at least a quarter of the houses and buildings which have been destroyed or irreparably damaged by the bombardments. Nor is that all. She is determined to raise the standard of education, health services, living conditions, generally, for her people by a vast program of enlarged social services, for which funds have to be found.

SUCH, then, is the situation. How is Britain to meet it? One fact which Mr. Soule's book makes clear is that, whatever Britain may do, she cannot possibly solve that problem irrespective of what becomes of the rest of the world. This is obvious. She does not produce food for her people; she can only get it from foreigners, those foreigners can only furnish it if they produce it and are prepared to exchange their surplus for goods or services from Britain. Britain must go under if either of two things happens: If through chaos, the general falling apart of society, failure of transportation, and what not, the outside world has no surplus or cannot ship it; or, if it obeys the impulses of economic nationalism in an extreme form and refuses to take foreign goods or services. If either of those things, which Britain cannot directly control, happens, then her people will suffer malnutrition, semi-famine, or famine *tout court*.

This means that Britain is more dependent upon world-wide stability and prosperity than any country in the world: an economic fact which explains more of British foreign policy and British "imperialism" (which, however, Mr. Soule does not discuss) than is commonly recognized. It also explains why Britain has attached greater importance to order and stability and to the maintenance of free access to the outside world than to mercantilist exploitation. Thus both the Dominions and India have acquired complete fiscal independence, erecting tariffs against Great Britain. (Ottawa was a bargain between fiscally independent states.)

The theme of this book is broadly that the economic future depends on whether the United States avoids un-

employment and another depression. Unless the United States does this she will seek palliatives in subsidized exports, high tariffs, and all the other devices of economic nationalism. This would create a world situation fatal to Britain, and, as these two countries between them dominate the whole world-trade situation, the outlook for world recovery would be all but hopeless. The political implications of this fact are frightening.

In the elaboration of his interesting thesis he brings out certain facts which should be engraven not merely in the minds of business men but in the minds of newspaper editors in every protectionist country of the world. One is that foreign trade is not a fixed quantity so that what one gets another loses; and another is that "the best customers of the industrial nations are not the backward, raw-material-producing regions but one another." He reminds us that in the period between 1919 and 1939 the British Empire bought forty-one per cent of all the exports from the United States and that more than thirty-five per cent of all imports into the United States came from the British Empire. As an example of the way in which the industrialization of a **backward** region often enlarges the market for other industrial countries, he takes the case of Canada. Between 1900 and 1940 the gross value of Canadian manufactures increased nearly ten times. In the same period its imports from the United States not only did not decline but increased about sevenfold. Mr. Soule adds the generalization:

As long as the channels of world trade are open, therefore, any increase in prosperity anywhere finds the increase of prosperity everywhere. . . . There is nothing illogical in the fact that the possible injuries which British leaders of economic thought fear from us are

identical with the chief injuries which we may inflict upon ourselves.

(Incidentally, it is astonishing how much modern economists find it necessary to preach to the public the old "economic harmonies" of free trade philosophy, which have so often been held up to derision.) What the British want from America, he explains, is not philanthropy, not even loans, if they can possibly avoid incurring them. They do not ask business men in America out of generosity to efface themselves from world commerce; they do not even want a reduction of exports from the United States. What the British want is that the United States shall not incur another depression, that is to say, shall maintain full employment.

Perhaps, as a method of presenting the case for Anglo-American understanding, this narrows the issue too much. "Full employment" has, in the United States, come to have certain party implications and is tied up with measures which economic conservatives fear. The total effect of presenting the case in these terms is reflected perhaps in a recent statement by Mr. Raymond Moley, who insisted that before furnishing aid to Britain, "We need the assurance that we are not financing a social revolution; that our money will not be used by Britain for loans to other nations; that preferential trade measures will be removed."

THIS would mean that in order to get help Britain and the Dominions would have to surrender the right to determine their own social and political future and hand its shaping over to the United States. Not precisely the national freedom for which Britain went to war, sacrificing all her financial assets and her whole commercial position. (No one suggests, by the way,



that Russia be asked to abandon totalitarian Communism or would do so if asked.)

It is dangerous both for the United States and Britain to place the whole, or the basic, case for Anglo-American coöperation on economic grounds. It gets vital facts out of focus, and is as dangerous as it would be to put coöperation with Russia on those grounds. If Russia had been completely overwhelmed by Germany, Hitlerism would have been brought to the shores of the Pacific, including, with Japan's help, the shores of the United States. That was why capitalist America helped Communist Russia. America's economic dependence on Russia is microscopic, America's political concern in Russia's future foreign policy enormous. If Britain were sunk beneath the sea, and the Commonwealth and Empire broken up, the American people, after some readjustments much less than those they actually accomplished in the turnover from peace to war, would suffer no considerable reduction in their standard of life. But their future as an independent democracy, able without colossal military burdens (including in a world of atomic warfare building the vital parts of the main cities deeply underground), to continue their present easy and free way of life, is a very different matter. The United States, with its 135 million souls, is a tiny minority in a world of nearly twenty times that number, most of it never having known democracy or displayed much aptitude for it.

When the United States entered the First World War in 1917 and virtually entered the Second World War with Lend-Lease in 1940, economic motives had extremely little to do with it. The motives were political in the same way that Britain's motives were when, under a capitalist Tory government, she allowed the whole capitalist system of Britain to be sacrificed, utterly smashed, in order to fight the risk of Hitlerite domination and invasion; and when a Labor government preserves, as it is doing, Britain's worldwide imperial structure, because, without it, totalitarian domination and invasion could not have been resisted in 1940; and could not probably be resisted in the future. Britain's position now is more vulnerable than ever.

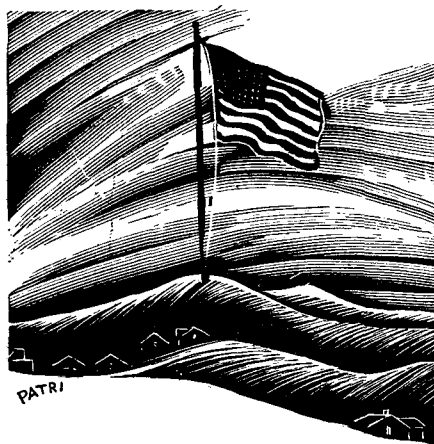
But the fact that Mr. Soule does not make these distinctions, confines himself to the economic case, and puts that case on somewhat narrow grounds, does not deprive his book of very great value at this time. The economic conditions which he analyzes so competently need analysis, and his useful contribution comes at precisely the right and urgent moment.

The Timelessness of Henry James

THE SHORT STORIES OF HENRY JAMES. Selected and Edited by Clifton Fadiman. New York: Random House. 1945. 644 pp. \$3.

Reviewed by HENRY SEIDEL CANBY

THERE are various ways in which this book should be reviewed, but I shall, perforce, choose only one of them. The book arrived yesterday; this review will go into print tomorrow. Mr. Fadiman has chosen seventeen short stories out of the approximately eighty which James wrote. I should have chosen a different seventeen, but probably not a better one, although I should have included one or two famous stories which he omits, probably because they are too famous. I have read his seventeen stories, some, twenty years ago, but I am not going to read them again now—only a trivial or insensitive reader hurries over a James story. Mr. Fadiman's introduction



seems to me excellent, and his notes to the various stories very useful. Someone else must check up on his accuracy, which I have no reason to suspect, and discover whether, as in recent reprints of James since his "revival" began, there are typographical errors and wrong words in the text of the stories which enrage the reader almost as much as they would have maddened James. I propose, as a long-time reader whose admiration for James steadily increases, to take up just one statement from Mr. Fadiman's preface, and discuss that. He says James's stories do not "date." Mr. Fadiman believes that it is because background, however excellent, is never dominant, and that therefore his stories are intended to achieve, and often do, some aspects of eternity.

I agree with the statement, but think that a fuller explanation is demanded. The time has clearly come to decide, for the purposes of history, whether or not Henry James was one of the major novelists of the nineteenth century, and likely therefore to endure

the stresses of time, or whether he was only a superb craftsman working with the almost intangible and certainly ephemeral material of a luxurious and over-subtle society made faintly absurd by a new era of economic reality and total war. For this question, dating or not dating is of first importance, since, if he dates for the modern, only specialists in the future are likely to read him. To be specific, Congreve and Samuel Richardson date, Shakespeare and Jane Austen do not.

For me, Henry James at his best differs from most, if not all, of his American contemporaries, by not dating at all, and for this fact, surprising considering the near preciousness of the writer, more reasons than those Mr. Fadiman advances are needed, and one in particular. Its key is the word "American." Our mistake has been to regard Henry James as an "international," a "refugee" writer, or as an Anglicized or Gallicized American, his roots at home withered, his view become entirely European, his characters, even when, as so frequently, they are American, become sterile cuttings from the parent stem.

I submit that the ultimate background is important and even dominant in James's stories. That he writes always as an American, even when his characters are entirely foreign in their provenance. That his close friends in England were right when they said, after his death, that to them he seemed always American, though of a specialized kind. I submit that, from the point of view of our literary history, he was representative of a deep American tendency, which was not the less deep for being subtle and confined to the sensitive and the intellectual—as representative in general as were Hawthorne, Mark Twain, or William Dean Howells. And that in insight, power, and realized creation he was superior to the third of this trio, and the equal of the first two.

To argue this question demands far more space than is allowed me. But this may be said by way of a beginning. So much has been written in recent history of the profound effects on American culture of the drive westward across a continent, that we are just beginning to realize the forces and influence of the reaction. There was no drive, but an almost passionate return in the latter half of the nineteenth century to the amenities, the refinements, the strong spiritual and intellectual cultures of the home-lands, especially England. It was this return, this reaction against the materialisms and the "red-blooded" crudities of the frontier and democracy, which was be-