

## 10. The Tory Mind

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**SIR HENRI DETERDING**, builder of the colossal Royal Dutch Shell Oil Company, was a citizen of the Netherlands. Shortly before his death he was called the world's richest man. As the chief officer of a company with interests in every part of the world, he had as much influence in international affairs as a private citizen can attain. His letters of advice were printed and editorially approved in London newspapers. There is circumstantial evidence of his connection with many political scandals. Having no outright proof, I prefer to concentrate upon his own words and upon certain recorded facts about his conduct.

Glyn Roberts in 1938 published a long book about Deterding with uncomplimentary intentions, but was unable to portray him as anything worse than a willful man whose great genius in corporation management was offset by certain complete blind spots.

One of them obscured any glimmer of virtue that might exist in the U.S.S.R. Another shut off the evils that might exist in the Fascist and Nazi organizations. His blind spots were not relieved by the accumulation of evidence, as Europe rushed toward the war that Sir Henri thought he knew how to avoid.

Edgar Ansel Mowrer published in 1933 a book entitled *Germany Puts the Clock Back*. In it he said (p. 146), "Sir Henri Deterding was accused by unfriendly Germans of having put up a considerable sum for the 1932 presidential campaign in

the hope (or on the promise?) of being granted an oil monopoly in the Third Empire."

Mowrer's book was published before the potentialities of the Nazi dictatorship had begun to develop. His allegation could have been accepted at the time as an unfriendly interpretation of a justifiable interest in German politics. Convinced Englishmen were arguing, as late as 1937, that the Nazis were deserving of all possible good will. (See, for example, *I Speak of Germany: A Plea for Anglo-German Friendship*, by Norman Hillson, London, 1937. I quote in brief from the last two pages: "The Government of Germany and the form it takes is a matter for the Germans to decide. The question of Nazism does not arise. . . . Our close co-operation with France at the expense of Germany can only serve to exasperate a situation which may soon grow desperate. And is it worth it? Must we for ever go on backing the wrong horse?")

Deterding made it plain that he too considered Hitler's dictatorship a stabilizing influence which could join in an orderly removal of the blunders of Versailles. If he was secretive about his early backing of the Nazis, later he came out as an earnest advocate of a scheme which greatly eased Hitler's problems. Deterding put his own estate manager in charge of the Western Coöperation plan, under which benevolent Dutchmen bought up the Dutch food surplus and gave it to German organizations. Public acknowledgment of Deterding's own first contribution to the scheme placed it at a sum which converts to more than five million dollars.

This was after Hitler and his henchmen had committed some of their most loathesome brutalities. The manner in which the Nazis repaid their Dutch benefactors when their bombers got to Rotterdam is a sufficient commentary upon the wisdom of Sir Henri's contention that this sort of economic "coöperation" (his own use of that much abused word) would assure good will between nations.

It was in the Hitler year, 1933, that Sir Henri dictated a rambling and reprovng autobiography to a reporter for the

*Saturday Evening Post*. If he objected to the reporter's phrases, he could have corrected them when the *Post* articles were published as a book in London by Harper, from whose edition (1934) I shall quote.

Sir Henri admired "the Higher Simpletons"—not a term of derision in his usage. His four favorite examples were Mussolini, Pope Pius XI, Thomas A. Edison, and John D. Rockefeller Jr. Of his talk with Mussolini he said, "We both agreed that the coping-stone of education is a sense of discipline and respect for prestige." The ancient disciplines of education—first to find what truth is, then what is true—did not seem to appeal to them. Their "discipline" was the dubious virtue of meekly believing whatever you are told by a personage with prestige: a Mussolini or a Deterding.

After recounting many business triumphs, Deterding said, "To turn from the general to the particular in our various international transactions, Russia, of course, provides the gloomiest side of our picture. . . . Hoping to cover up the chaos into which they have plunged practically every industry in Russia, the 'Bolshies' are constantly crying aloud their prowess in Oil production." This success he ascribed to the work his company had done in the Russian fields before the revolution, and added, "I guarantee that with only twenty-five per cent of the money they have spent in the Caucasus, we could have produced better results still, had we remained in possession. That it takes time as well as money to buy experience is one of the many truths not yet grasped by the Bolshevik mind.

"To-day in Russia, I am the most execrated man alive. My effigy is burnt in public places. I have an amusing collection of pictures they have circulated, depicting me as a human monster in all shapes and sizes.

"Such ludicrously violent methods show how great is the Soviet's fear of me. But why are they afraid? Simply because they know that I see through them for what they are—a set of bluffing bullies."

Elsewhere he made equally exultant admissions of a two-

way conflict between himself and the U.S.S.R., a conflict about the outcome of which he had no doubts. More than once, he flatly said that the Royal Dutch Shell would get its Russian properties back in the end.

How? There would seem to have been only two logical methods: by the long-expected internal collapse of the Russian economy, or as a result of a military conquest. The most powerful man in the world played a strong hand in furthering both of these possibilities. As a commercial trader he could make it difficult for Russia to market its oil profitably. And his contributions to the anti-Bolshevik powers are matters which he himself put on record.

I have read everything he wrote that I have been able to discover. Not once did he express anything but enmity or disdain for the Soviets. Not once did he entertain the thought that what was wrong with Russia might be corrected by some of the international coöperation which he so earnestly preached. His humane plan for putting a maladjusted world to rights called first for the collapse into starvation and chaos, or else the colossal military destruction, of the largest unified nation on earth.

Perhaps nothing better could be expected of a man who had been deprived of immensely valuable properties by an inexorable upheaval of history. The question I want to raise is the relationship—in any nation—between a government representing the welfare of all the people, and the welfare of a few such persons as Sir Henri Deterding. He is alleged to have spent millions helping Hitler to power. Whether he did or not, he expressed over and over again his admiration for Fascist methods and for a kind of international coöperation on his own terms. This—in his own muddled explanations—amounted to a league of totalitarian states in which men like Deterding would see to it that the politicians behaved themselves according to the rules of monopolistic commercial practice.

What sort of relationship existed between the British government and men like Deterding? The Prime Ministers, from Bonar Law to Neville Chamberlain, had one consistent aspect in common. They all wanted to contribute to the establishment

of an enduring peace. Each wanted to leave to his successor a better international scene than he had found, and each left instead a worse one. Except for the two impotent interludes of a minority Labour government, these officials removed themselves further and further from direct accountability to the British people. More and more they secured a "free hand" to deal with troubles which they conceived of as basically economic. What, then, would be the likely relationship between immensely powerful international financiers and members of a political ruling class already convinced of the international economic roots of their troubles?

Could the politicians fail to consult with a few men who effectively controlled most of the nation's wealth, a very large part of it invested abroad, and subject to foreign politics? And if it so happened that the British political ruling class and the upstart giants of finance had developed similar prejudices on fundamental matters, is it reasonable to think that governmental policy would not be affected by that interesting similarity?

The great international issue of the Nineteen Thirties was the choice between peace by collective security and peace through the balance of power. The people never had a chance in that most crucial of nations, Great Britain, to vote for and against representative individuals committed to these two views. Collective security presently involved coöperation with Russia, the staunchest upholder of the League of Nations. The balance of power necessarily involved the building up of other powers against Russia. The people are on record as having overwhelmingly wanted collective security. They did not get it. Instead, the government they reelected on a pledge of collective security jettisoned the League and gave them what Sir Henri Deterding wanted.

Perhaps this was a coincidence. Sir Henri was an unashamed admirer of Fascism. It would be unfair to say as much of any of the major figures in the British governments of the Thirties. Such politicians as Sir Samuel Hoare and Sir John Simon were conservatives but not revolutionary ones. The Fascists were

revolutionary conservatives, willing to condone bloodshed to develop a state organization based upon corporate wealth in the keeping of a small ruling class. Sir Henri, for example, differed from the more cautious Tories in that he was a scornful of the gold standard, which the Bank of England and the conservative National governments imposed great hardships on the nation to maintain.

This at least is true. What was good for the Royal Dutch Shell Oil Company was automatically good for many other British enterprises.

It was often from a country house a mile or so from Windsor Castle that Sir Henri Deterding managed the company which was one of the two major sources of oil supply for the British Navy. He tried to get control also of the Anglo-Iranian Oil Company, the other great source of supply. But the British governments tenaciously held on to their controlling interest in that company. To that extent they were at odds with Sir Henri.

Nevertheless, military action around the eastern Mediterranean and the western Indian Ocean might shut out practically all of the Anglo-Iranian sources of supply, leaving the world's greatest navy dependent upon Shell, and upon foreign sources which might or might not be friendly.

In such circumstances, there had to be a close understanding between the Admiralty and Shell. To the extent of providing adequate reserves in strategic locations, it was a matter of patriotic necessity for Sir Henri to be in contact with important officials. If he saw eye to eye with those officials on certain class prejudices—if they for similar reasons had developed the same blind spots—the enormous financial power represented by his company should have had a profound effect upon the general outlook of a National government that came into existence for the purpose of solving *economic* problems primarily.

The hope of collective security was finally ruined by one failure of decision. The long delay over the application of an oil sanction to Italy, during the invasion of Ethiopia, spelt the end of the League. Russia had positively agreed to embargo oil shipments. Our chief officials had indicated a willingness to

coöperate. The only other sources upon which Mussolini could draw were the Anglo-Iranian and Shell. The British government controlled one of these sources absolutely, by majority stock ownership, and had power in law to control the other if it chose.

Recalling these circumstances, ask yourself whether the opinion of the "most powerful man in the world"—the praiser of Mussolini and backer of Hitler—the announced hater of the Soviets—the autocrat of the second largest oil company in existence—had a decisive effect upon the course of the British government.

Please do not mistake me. I am not implying that sordid quick profits influenced the British Cabinet. A group of dismally unmoral men did what they thought best for world peace. The advice of Sir Henri Deterding, who believed in peace through Fascism, must have made itself strongly felt.

Strong pressures were called for. Rugged supporters of the National government indicated on the very eve of the Hoare-Laval scandal that they were prepared for the oil sanction. Even Sir Austen Chamberlain, who saved the Prime Minister two weeks later with his school-tie speech, said in the Commons on the fifth of December 1935, "You have in oil a sanction which would be comparatively quick. It is better for all concerned that it should be applied at once and as completely as possible."

Yet the oil sanction advocated by Russia was never applied by these men who, in common, disliked and feared Russia, which had "liquidated" their own class. They did not want to weaken the Fascist system, which preserved corporate business and a privileged class to run the show. Their formal opponent had been Labour, which had a program that the Tories believed would ruin not only the upper classes but the country as well. The Fascist states had dealt with labor, decisively. They had solved the unemployment problem and all the malicious nuisance of strikes.

Muddled men with a disposition to favor Fascism could hope that its violence was a passing phase. They did not particularly

object to the tyranny. They put the word into sheep's clothing as "discipline and respect for prestige."

So it came about that a group of irresponsible politicians who relied on the "expert" opinions of technicians and financiers contrived against the known wishes of the people to behave in a manner very satisfactory to Mussolini and Hitler and Sir Henri Deterding. In withholding the oil sanction these misguided pseudo-statesmen certainly thought that they were doing what was best for Britain, the Empire, the world, and the cause of a stable peace.

The terrible fact remains that some of these destroyers of democracy and peace are still in high office. Many men like them remain behind the scenes. They are not merely the peculiar growths of one corrupt, frightened period. They have always been with us and I fear they always will be.

The choice by which the Tories were faced was not an easy one. Even liberals were divided in their opinions.

The Labour Party—in the words of the famous quip—"blew its brains out" by expelling Cripps because he recommended a common cause with the communists against Fascism. Thus it can hardly be claimed that the issues were politically clear. The official Labour party did consistently favor sound commercial relations with Russia, and full political coöperation within the framework of the League. It never condoned the measures taken to build up Fascist strength against Russia. But the Tories were in power.

Sir Henri Deterding's attitude toward Fascist methods is made clear in his remarks upon persons and regions far removed from Europe. After dismissing the Russians at last in his autobiographical rambles, he said, "But let us turn to pleasanter themes. To throw Russian gloom aside and recall Egypt, Venezuela and other places on the map where our flag has been planted more happily, is like passing from a dark and sultry thunderstorm into clear sunshine."

The flag he referred to is that of the Royal Dutch Shell. Of Venezuela he said, "The Government under General Gomez appeared sound and constructive and likely to be fair to for-

eign vested interests. And now that I know Venezuela better, I can certainly testify that in his twenty-six years of virtual dictatorship of Venezuela, General Gomez has consistently insisted upon fair play to foreign capital."

The Gomez regime has been pictured as saintly by its Venezuelan apologists. Other Venezuelans, writing in exile, have described it as a ruthless despotism. Gomez boasted, "I erected no gallows." His critics pointed out that none are needed if you neglect to feed your enemies when you have them in prison. It is a well-attested fact, witnessed by foreign photographers, that when Gomez died at last of old age the first frenzied job of the populace was to break into the dungeons and carry out tons of leg-irons to be dumped in deep water.

Whatever you choose to believe about the Gomez administration—and there are obvious inferences to be drawn when all the printed evidence is divided between sanctimonious praise and furious execration—at least one fact is admitted by all, including Sir Henri. It was a dictatorship. Sir Henri liked dictators.

In his autobiography (page 114) he said, "If I were dictator of the world—and please, Mr. Printer, set this in larger type—I WOULD SHOOT ALL IDLERS AT SIGHT."

This sort of outlook turns up most often in self-made men—in Deterding, son of a sea captain who died when the boy was six—in Hitler, son of a poor civil servant and similarly left to his own devices.

Who is an idler? Would you trust a Deterding to decide in such a case as that of John Milton, who shunned an intended career to retire to his father's estate for years of reading the classics, writing verses, and laying the mental groundwork for those tremendous monuments of the rights of free women and men, *The Doctrine and Discipline of Divorce*, and *Areopagitica*?

In desperate recognition of their mistake in backing the more dangerous of two tyrants, most Britons began to oppose the Hitler regime as much as they dared. Sir Henri then indicated where his own sympathies still lay by moving his headquarters from the house near Windsor Castle to another which he had

recently purchased between Berlin and Rostok. He was buried on his German estate. The bishop who delivered the funeral oration said (according to the *New York Times*) that the oil man had fought Bolshevism with the "boldness of a Napoleon and the will-power of a Cromwell." Placing the last wreath, an official emissary added, "In the name of Adolf Hitler, I greet you, Henri Deterding, the great friend of the Germans."

His friendliest work for Germany perhaps was accomplished indirectly, during the Italo-Ethiopian war.

The British Government, which procrastinated in a strange way over the question of an oil embargo that spelt triumph or ruin for the League of Nations, frequently assured questioners in the Commons that the problems of the proposed embargo were being "studied." Would such studies have ignored the testimony of the men who knew most about the international oil industry—Sir Henri, and others like him? Sir Henri would not have had to do more than to cite "technical" evidence of the disastrous effect of an oil embargo upon his friend Mussolini. The deep distrust of Russia's motives, in calling for the embargo, was there already in the minds of Sir John Simon and the other Tory officials. Sir John still chooses to list in *Who's Who*, from among his many honors, the humane service he rendered in the early Twenties as Deputy High Commissioner of the League of Nations for the Care of Russian Refugees. Memories of this work, altogether admirable in itself, could not have helped him to an impartial view of the interests of his own country in its later relations with the U.S.S.R. when he was Foreign Minister.

Sir Samuel Hoare's opinions on Russia had more intimate origins. He was head of a Secret Service mission in Moscow shortly before the Revolution. In 1930 he published a memoir of his experiences: *The Fourth Seal*. Prepared for the press just as Stalin's first Five Year plan was coming into operation, the book is an interesting revelation of the attitude of a representative member of the ruling class with which the Russians who sought international conciliation had to deal.

It is a suave, charming reflection of a gentleman's loyalties