

# The Crisis in Philippine Independence

By Manuel Gomez

**"NOT** only are the already discovered sources of raw materials of importance to finance capital, but also the possible sources of such materials, as technique is developing very fast in our times, and the lands which today are useless, may tomorrow become useful if new methods happen to be discovered . . . and large amounts of capital are applied. The same applies to searches for new mineral deposits, and researches for new methods of utilizing one or another kind of raw material, etc. Hence the unavoidable tendency of finance capital toward expansion of its economic territory and even to the extension of territories in general. Just as the trusts capitalize their property at two or three times their value, counting on the 'possible' future profits and on the further results of monopoly, so also does finance capital in general tend toward the acquisition of as much land as possible, no matter what kind, where, or how, lest it remain behind in the frantic struggle for the undivided portions of the earth or the redivision of the already divided portions," wrote Lenin in his treatise on Imperialism.

Lenin did not have the Philippine Islands in mind when he wrote these lines but they furnish an excellent example. For now the Philippines are to have a development which "vindicates" all of the most extravagant hopes of the imperialists of 1898, so universally deprecated at the time. Suddenly, after twenty years, the distant colony of the Pacific has been lifted into a foremost position in the considerations of American foreign policy.

The 7,000 or more islands, great and small, lying 650 miles from the Chinese Coast, are at last to assume their destined place in the scheme of American Empire.

Empire-building is for the most part a tentative and unselective process. The ultimate disposition of conquered territory depends on many factors—some of which can be only dimly perceived at the time of conquest. Not only has this been true in the past, but it will continue to be true, as new developments take place in industrial technique, as new points of world strategy stand out, as new shifts take place in the co-relation of forces between imperialist nations, etc.

Imperialists everywhere have thus been able to popularize the legend that the process of empire building is entirely haphazard. The British have invented terms such as "blundering ahead" and "muddling thru" to indicate the long sequence of events by which the British Empire reached its present proportions. In the United States this Innocent Interpretation of History appears particularly plausible, for the reason that American capitalism in its internal economy is still improvising, still feeling its way with unknown quantities. Additions to the territory of the home-land seem like undesired ac-

cretions which Uncle Sam has picked up quite by accident and even against his will.

Who would have imagined that when President McKinley initiated "The War to Free Cuba" it would end with not only Cuba in American possession, but also Porto Rico and colonies thousands of miles away in the Pacific?

And yet . . . Com. Dewey was stationed fortuitously at Hongkong when the war broke out, less than three days' steaming from Manila. McKinley could not know what the future development of the Philippines might be—but he gave expression to the classic imperialist policy when he made the following declaration of general principles: "While we are conducting the war and until its conclusion, we must keep all we get; when the war is over we must keep what we want." (Storey and Lichauco, *The Conquest of the Philippines by the United States*. Putnam, 1926).

On Aug. 13, 1898, Dewey received the following dispatch from the Secretary of the Navy:

The President desires to receive from you any important information you may have of the Philippines; the desirability of the several islands; the character of the population; coal and other mineral deposits; their harbor and commercial advantage . . .

Dewey's reply was satisfactory, as the President's diary reveals, but it was the veriest guesswork. The one advantage of the Philippines that imperialists estimated correctly at the time was the geographical position of the islands, lying athwart the future trade routes. However, that is an advantage which is still to be fully realized, even now. An empire cannot be exploited beyond the capacities of the imperialist nation to exploit it. In 1898, the United States stepped into the world imperialist arena fully armed, as a result of developments within the United States itself. These developments were creating the basis of American imperialist policy, but the actual benefits of that policy for the imperialists remained necessarily for the future—when the United States should have sufficient accumulation of capital and sufficiently-developed points of contact in various parts of the world. In 1898 the United States was a debtor, capital-importing, nation. Trade with Asia and Oceania was still very small. If the Philippines were to be exploited at that time it would have to be in an isolated fashion, without direct connection with the general scheme of American capitalist economy.

The two factors—ignorance of the possibilities of the Philippine Islands, and the inability of the United States fully to exploit them—made of the islands a sort of colonial reserve held in trust for a developing imperialism.

American trade with the colony of the Far East developed rapidly enough, with always a favorable bal-

ance for the United States. Nevertheless, the profits of empire have been relatively small as compared with other possessions. Even today American investment in the islands is much lower than in other nearer and more easily exploited colonies and semi-colonies (Cuba, etc.) Of course, if we compare the investments of our financiers in the Philippines with their investment in other (non-colonial) lands of the Far East it is very great, thus indicating that even picayune imperialism has its advantages for the capitalists.

American colonial policy was naturally influenced by the economics of the Philippine situation. The first confident imperialism of 1898 was succeeded by a more uncertain attitude. Altho the decisive elements of American public life were never in doubt as to the advisability of holding the Philippines, there was nevertheless, a general vagueness as to just how they should be administered. Certain sections of the Democratic Party were influenced in favor of giving more liberty to the Filipinos, whose relatively unproductive progress made it seem unnecessary to govern them along classic colonial lines.

Hence, the Jones Law of 1916, which gave the Filipinos a share in their government thru the Filipino-elected legislatures. The preamble of the Jones Law went so far as to declare, in the broad-gestured American manner, that "it is and always has been the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein."

To the brutal, almost military, regime of Governor-General William H. Taft, there succeeded the administration of Governor-General Francis B. Harrison. The Harrison regime was in such sharp contradiction to what had gone before that it is even today remembered with gratefulness by large numbers of the Filipino people. Harrison replaced American executives by Filipinos. With his approval, the Filipino legislature established the government-owned Philippine National Bank, purchased the Manila railroad and organized the National Coal Company and the National Development Company. His rule was a model of benevolent imperialism.

Who can imagine today, when American capital is eagerly seeking investment in the Philippines, an American governor-general approving the creation of Philippine-owned enterprises such as these? As a matter of fact these publicly-owned companies are the target of attack from all Wall Street interest now.

Harrison was governor-general from 1913 to 1921. During this period profound changes were taking place in the United States and in the world at large which inevitably affected the American attitude with regard to the Philippines. In these years the United States became a capital-exporting nation, with huge accumulations of capital pressing for outlet. In 1913 when Harrison went to the Philippines the total amount of American investment abroad was \$2,500,000,000. In 1921, when he left for home it had reached \$5,000,000,000, exclusive of capital exported in the war loans. Today capital is going abroad at the rate of a billion and a quarter dollars a year. Moreover, by Harrison's time, American trade

with the Orient was growing by leaps and bounds. Between 1905 and 1914, only 17 per cent of imports into the United States came from Asia and Oceania. By 1920, those imports had risen to 29 per cent of the total.

American imperialism, everywhere on the offensive was already struggling for advantage in Asia as well as in Latin-America and Europe. The frontiers of American empire had widened tremendously from the days when they took in only a small section of Latin-America with Hawaii, Guam and the Philippines as isolated outposts. In 1921, let us remember, the Washington conference took place, a bold thrust at Japan which destroyed the Anglo-Japanese agreement and placed the lords of Wall Street and Washington in position to carry out extensive encroachments in China.

The first sign of the new situation with regard to the Philippines was the Wood-Forbes report and the selection of Major-General Leonard Wood to be Governor-General of the Islands.

We need not here go into the details of General Wood's administration. They are well enough known. He went to the Islands as one charged with completely reversing the old policy, bringing with him his old military aides, who were given most of the positions of trust under him. From the beginning he has engaged in bitter conflict with the Filipino legislature, vetoing one bill after another, attempting to confiscate the funds placed at the disposal of the Filipino Independence Movement, and following a general policy of repression which has aroused the entire Filipino nation against him.

General Wood's policy is not the policy of an individual. He has been supported consistently by Presidents Harding and Coolidge. Furthermore, Coolidge's last message to congress specifically recommended more power for the governor-general of the Philippines at the expense of the Filipino legislature.

But even then the Philippines did not yet occupy the center of the stage as they do today.

It was during 1925 and 1926 that American capitalism began to take steps for the immediate exploitation of its colony. Secretary of Commerce Hoover startled the world with the government's militant declaration against foreign monopolies, announcing the intention of the government to participate consciously in the world struggle for sources of raw material. This was particularly a threat to England, which controls 70 per cent of the world's crude rubber output, 77 per cent of which is consumed in the United States. The spectacular tussel between British rubber producers and American tire manufacturers lasted into the spring of this year when the price of crude rubber was boosted to well over \$1.00 a pound. President Coolidge began to echo the demands of Wall Street that "rubber must be grown under the American flag." Harvey Firestone had already launched his mysterious rubber-plantation venture in Liberia, and other interests were investigating possible rubber country in Mexico and Panama. It was inevitable that the furious searches for rubber-growing territory should reveal the fact that in the Philippine Islands there are over 1,500,000 acres of the best rubber-growing lands in the world.

Rubber is one of the most important raw materials of contemporary capitalist industry. From the time it was first discovered that rubber might be grown profitably in the Philippines on a huge scale, American imperialist policy in the Islands has moved forward with winged speed.

Developments within the last few months have included the following:

1. Visits of rubber magnates to the Philippines.
2. Introduction of the Bacon bill and Kiess bill in congress.
3. Organized agitation to the effect that the Moros, some 400,000 tribesmen spread out over 53 per cent of the land area of the Philippines, hate the rest of the Filipinos and love American imperialism.
4. Dispatch of the Thompson mission to the Philippine Islands to investigate economic conditions, etc.
5. Announcement by President Coolidge that his next message to congress will demand a modification of existing administration in the Philippines.

The Bacon Bill would provide for segregation of the Moro province from the rest of the Philippine territory and administration by an American governor-general with an American advisory council, all the members to be appointed by the President of the United States. In the territory involved the Moros do not make up a majority of the population, but that did not bother Congressman Bacon. The important thing is that in this territory all of the prospective rubber lands are to be found, as well as the coal and iron and most of the other coveted resources.

The Bacon Bill is a brutal fraud. In the name of self-determination and self-government for the Moros, it proposes to deliver them over to the unrestrained tyranny of a foreign governing directorate. The bill is supported by practically every important American capitalist newspaper, altho it is not honestly explained by any of them. Its passage is being urged by the rubber interests without circumlocution.

Col. Carmi A. Thompson, who has been investigating conditions in the Philippines as President Coolidge's personal representative, has let it be known very definitely that he will recommend measures "tending to improve the economic exploitation of the possibilities of the Philippine Islands." There can be little doubt that this means the Bacon Bill.

It means more than the Bacon Bill, however. It means the repeal of the Jones Law or its conversion into a dead letter.

Anyone who pays the least attention to it can sense the augmented tempo of Philippine developments in recent months. Rubber has played an important part in it, but is by no means responsible for it. The search for rubber has been accompanied by study of other resources. Vast deposits of iron ore are to be found on the island of Basilon with excellent coking coal close at hand. The signal has been given for wholesale exploitation of the immense resources of the islands. Imperialist aspirations in China and the broadened perspective of empire generally give spur to the movement.

It is plain that these precious islands held in reserve for so long are at last to be given their destined place in the American Empire. The profits which up to now have been relatively modest are to achieve real colonial proportions. Capital is to be invested in the islands on a great scale. At the present time, the total American investment in the islands is not much more than \$300,000,000. Harvey Firestone proposes to invest \$500,000,000 in rubber development alone. At least these are the plans of those in control at Wall Street and Washington.

But such plans imply that the comparatively easy-going system of administration left over from the Harrison regime be given its final death-blow. To yield the coveted super-profits an out-and-out colonial system must be put into effect in the Philippines, with the cheapest of cheap labor and no restrictions upon the monopoly schemes of American capital. Filipino resources must be put at the disposal of Wall Street. The Filipino legislature must be deprived of all power; the Filipino independence movement, which now embraces practically the entire population of the islands must be reduced to impotence. American imperialist rule must be tightened and perpetuated. Wall Street has demanded as a prior condition for the investment of large sums of capital the guarantee that investors will be protected and rewarded by the repeal of the bothersome Jones Law.

The Jones Law promises independence to the Philippines as soon as a stable government should be established there. President Wilson defined a "stable government" as a government "able to maintain order and peaceful society." Governor-General Wood recently gave his own definition: "A stable government is one under which capital is invested at normal rates of interest."

But neither of these definitions mean anything to American imperialism today. Wall Street wants from the Philippines not a normal rate of interest, but a colonial rate of interest, a rate conditioned upon intense exploitation and continued political subjugation.

That the promise of independence given in the preamble to the Jones Law shall be withdrawn is openly demanded.

The cause of Filipino independence is facing its greatest crisis. The government of the United States is preparing to split the territory of the Philippines thru the "rubber-tired" Bacon Bill, and at the same time to sharpen imperialist rule thruout the whole territory of the Islands.

The Filipino Independence movement is organizing its resistance with considerable energy but unfortunately it does not recognize that the changed situation renders all the more hopeless its tactics of exaggerated diplomatic subservience and pleading respectability. Now more than ever it becomes apparent that Wall Street will never grant independence to the Philippines of its own accord; yet the Filipino leaders, confronted with the prospect of destruction for their entire movement, limit themselves to appeals to American "generosity." The repeal of the Jones Law, if it is effectuated, will at

least accomplish one good thing: It will force the Filipinos to recognize reality and employ new methods. It will be the political death-knell of some of the present leaders who have been living on the vague promise of the Jones Law.

The American working-class, which should be in the

forefront of the struggle for Filipino liberty, is unmoved. Even those elements who are already ranged with the cause of the Filipino people against American imperialism are inactive. It is vitally necessary that they recognize the facts of crisis which are now unmistakable and prepare to take resolute action.

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