

# Morrow - - A Friend in Need

By MANUEL GOMEZ.

The appointment of Dwight Morrow, partner in the firm of J. P. Morgan & Co., to be U. S. ambassador to Mexico, sets the seal of the House of Morgan upon the foreign policy of the United States government in such unmistakable fashion as to leave the innocents gasping.

Morrow's appointment, we are told, had nothing to do with business. During all these years when the diplomat-to-be was a Morgan partner he has also been on extraordinarily friendly terms with Mr. Calvin Coolidge, and it is because he is a friend of the president that he has been made ambassador. President Coolidge should be given due honor. Rare indeed is the statesman who knows how to cultivate such friendships!

It is characteristic of our epoch that the appointment comes at a time when everybody is talking about the big Morgan-DuPont-Steel-General Motors merger on the industrial field. As American trustification makes new headway its control of government becomes simpler and even more direct. The appointment of Andrew Mellon to the cabinet was part of the same process—which will not end with the selection of the president's friend, Morrow, as ambassador to Mexico.

President Coolidge himself flaunts the phrase: "A Businessmen's Administration"—and at this stage of American imperialist capitalism "a businessmen's administration" can mean only the administration of big business, or finance-capital.

Nevertheless, altho there is nothing new in the general course indicated by the fact that Wall Street now expresses a need, and an ability to secure, its direct ambassador to Mexico armed with governmental functions, the Morrow appointment is a reckless and bold step. In addition to its immediate practical purposes, it constitutes a demonstration of might and scornful defiance which the working class in this country—face to face with the swollen trust-government power in every labor struggle—can no more afford to ignore than can the people of Mexico, or of Latin-America in general.

As far as Latin America is concerned, it will understand the action only too well. In the Monroe Doctrine Zone below the Rio Grande everybody knows that U. S. foreign policy is imperialist policy, with investment profits as one of the basic objectives. And now, while the U. S. State Department continues to explain hypocritically that U. S. policy is based exclusively on humanitarian motives, a member of the greatest investment-banking firm in America is appointed as ambassador to Mexico!

Mexico is still stunned by the blow. Few of the newspapers know what to say about it.

However, here is the far-from-revolutionary point of view of the Mex-

ico City Financial and Mining Bulletin:

"Mr. Morrow is a banker and a member of the Morgan firm, which is the soul of the committee of bankers interested in Mexico and which has arranged most of the Mexican loans. That is a salient fact of the new ambassador's biography.

"It is well known that the United States, contrary to the custom in Europe, chooses diplomats not from the service, but men prominent in private life. But that does not do away with the significance of the fact that President Coolidge has picked precisely a banker interested in the service of Mexico's foreign debt. For some time it was rumored that the White House would leave the post unfilled until after the next American election but the falling away in Mexico's income directly affecting the foreign service became accentuated, and President Calles in his recent message to congress stated the executive's intention to pay such service 'as long as the country's economic situation did not indicate a necessity for other action.'

"Immediately thereupon the White House changed its opinion and is sending here an ambassador who is a specialist on financial questions and likewise a specialist on the matter of foreign indebtedness. Is it not logical to conclude that the new envoy's principal mission will be to watch over the foreign debt and that a financial expert has been chosen with the most probability of being able to conclude negotiations to that end successfully?"

American workers who still believe that the U. S. government's foreign policy has something to do with their interests instead of those of imperialist finance-capital, can learn something from this incomplete but adequate statement.

Workers will remember that the conflicts that have raged intermittently for years between the United States government and Mexico have not been unconnected with the debt question, linked up as it is with the question of investment as a whole. Numerous crises have been created by headlong assaults upon the Mexican government and the Mexican revolution. The persistent drive behind these separate assaults takes momentum from the general expanding movement of American imperialism, but in practice the points at issue in each case have been connected with questions either of the Mexican government debt or of oil and mining interests.

Hitherto, as the Federated Press points out in its news story on the Morrow appointment, the Morgan orders to Mexico have been delivered by Thomas Lamont, another member of the firm. It was Lamont who signed the present debt service agreement with the Mexican government, on behalf of the International Committee

of Bankers. It was Lamont who dictated the terms under which the Harding administration recognized Obregon's government in Mexico.

Under the agreements negotiated by Lamont, covering the national debt and the Mexican National Railways debt, the Mexican government was obliged to pay the bankers a total of \$13,050,000 during 1926. Now that Mexican finances are weakened, due to the drains upon them owing to the reactionary catholic rebellion, the U. S. government again puts forward its face as implacable interest collector for the House of Morgan. If pressure is required it will be applied.

The very appointment of Morrow is in itself a threat. Lamont acted as a "private citizen." Morrow is to be official representative of the United States government.

Interpretations of the Morrow appointment must take into account the fact that Mexico is now in the midst of a presidential election campaign, and Wall Street has always played an important and sinister role in Mexican politics. Former President Obregon is again a candidate. Remembering that he was obliged to satisfy Lamont before his first government was even recognized by Washington, Obregon will have a wholesome respect for the power of Dwight Morrow and the demands he may put forward. That there will be "demands," and that they are likely to play their part in the influences marshalled to determine the outcome of Mexico's election campaign, no one familiar with the past policy of Wall Street and Washington in Mexico can doubt.

It may be thought in some quarters that if President Coolidge wished to follow an aggressive policy toward Mexico he would have appointed not a Morgan man but someone more closely associated with the oil and mining interests. However, James R. Sheffield, Morrow's predecessor, who was also appointed by Coolidge, was a relentless defender of oil and mining interests. Coolidge's attitude in this respect is therefore clearly enough established.

Differences in policy do exist between the bankers on the one hand and some of the oil and mining interests on the other but it is a mistake to assume that the bankers' policy in Mexico is a conciliatory one while that of the oil and mining men is belligerent. Nor is it wise to forget that the bankers involved are not simply bankers but finance-capitalists, and that Wall Street is essentially a unit.

Coolidge's appointment of Morrow, representative of the "financial" interests, has undoubtedly been approved by Secretary Mellon, representative of the "industrial" interests (altho himself a banker).

It is a powerful and ruthless combination that American workers and Latin America as a whole must face.