

nation, and undisputably recognized by the law of nations. The problem of foreign capital is a crucial problem in Mexico, the prevailing conditions making it practically an appanage of international Imperialism. The raw materials and natural wealth of Mexico are to become factors in the promotion of Mexican capitalism and national supremacy, not the means of exploitation of international finance-capital and Imperialism—this is the policy of the new Mexico.

Early this year the Mexican government promulgated a law imposing a heavy tax upon the development of oil, a very important industry, the foreign owners of which having been one of the most reactionary and brutal factors under the Diaz regime, and counter-revolutionary. American and British interests have more than \$300,000,000 invested in the oil production of Mexico, and they unanimously declared that the new tax was confiscatory. They appealed to Ambassador Fletcher, who discussed their grievances with the American department of state. In April, Ambassador Fletcher transmitted a note to the Mexican government, declaring the tax law to be "confiscatory," that it was "taking property without due process of law," and that "it became the function of the government of the United States most earnestly and respectfully to call the attention of the Mexican government to the necessity which may arise to impel it to protect the property of its citizens in Mexico divested or injuriously affected by the decree above cited. If Mexico insists upon the execution of the law, there can be only one result."

This interference in the sovereign affairs of a nation is in accord with the finest traditions of imperialistic diplomacy. The power to tax is supreme, and cannot be abridged by any foreign power except through conquest. According to the Constitution of Mexico, the fundamental law of the land, the government has the power to impose this tax; if foreign investors consider the tax illegal, they should have recourse to the Mexican courts for redress, if any. That is the procedure in all strong and independent nations. Instead, these investors adopt the imperialistic means of asking their government to bring political pressure to

bear upon the Mexican government—to violate its own constitution, and act as if it was the fundamental law only when it wasn't abrogated by the power of a foreign government.

This attitude of the investors was emphasized by an interview recently in the *New York Times*, in which a representative of oil interests in Mexico brazenly and unashamed proposed a conspiracy to compel the American and British governments to intervene in Mexico. This was the plan of the conspiracy: the Allied navies require a vast amount of oil, and most of it now comes from Mexico; if the Mexican government insists upon imposing the tax, the foreign oil interests will cease production, the Allied navies will be irreparably injured; and the Allied governments will be compelled, as a war measure, to intervene in Mexico. The tactics of highwaymen are mild in comparison with this proposed conspiracy. These investors are out to secure rights not accorded Mexican citizens, to acquire a privileged status above the law, and to use the military might of their governments as an instrument to promote their rapacious plans of plunder.

Using governments as instruments of finance-capital is an essential procedure of Imperialism. Accepted as a policy, it becomes an implacable producer of antagonisms latent with the threat of war.

Imperialism necessarily abrogates the sovereignty of a nation upon which it would prey. The Lansing-Ishii Agreement concluded between the United States and Japan last year, is of a character to impair the sovereignty of China. The heart of the Agreement is this: "The Governments of the United States and Japan recognize that territorial propinquity creates special relations between countries, and, consequently, the Government of the United States recognizes that Japan has special interests in China, particularly in the part to which her possessions are contiguous." The Chinese government, very rightly, complained of an agreement concerning China about which China was not consulted, and declared it would not recognize the Agreement. Special rights based upon "territorial propinquity"—this is a