# The most powerful man in the world

## *The Life of Sir Henri Deterding*

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Dutch East Indies, or most of them, to Japan. The *Daily Mail* has not yet published Sir Henri Deterding's views on this rather awkward situation.

Another result of the growth of Fascism in Europe has been the speed-up of the tendency towards autarchy. Although the great trusts which control enough of a certain basic product to supply every market with it are compelled to back and finance Fascism because they know that only Fascism can prolong their existence, yet the growth of Fascism, at any rate in some countries, leads to a lessening in the demand for their product. This is the necessary result of widespread fear and mutual suspicion. Obviously petroleum is one of the chief of the commodities suffering in this way. The happenings of the last great war have taught war-makers their lesson, and the lesson is that it is best not to have to fetch oil from *anywhere*, if you can possibly help it, but to have it within your own frontiers, and plenty of it. Thus we see Sir Henri Deterding, who publicizes himself systematically as the plain-spoken, direct business man, "just an oil man trying to get along," definitely putting his political prejudices above the possibilities of greater immediate profits by backing Mussolini and Hitler. A democratic capitalist regime either in Italy or Germany, if the existence of such a thing is conceivable in 1938, would certainly be using for non-military purposes infinitely more oil and oil products from the capitalist oil trusts than the present Fascist regimes are doing.

The dictatorships have definitely set as their official policy the crazy ideal of national self-sufficiency. This is one of the maddest and most reactionary economic conceptions to be taken up on a large scale, for centuries. Indeed, in nothing does the hypocrisy of European Fascism's protestations of peaceful intentions reveal itself so unmistakably as in this deadly determination to build up adequate sources, within their own boundaries, of every vital material. Having decided to back the Fascists for temporary political reasons—i.e., in the hope that their aggressive governments will provoke a war from which no Soviet Russia will emerge—the oil trusts had to face the possibility of temporary losses of profits as the result of

the labor of a million poorly paid miners who sweated and hacked to bring it up, which made Britain the carrier of the world's trade and the director of much of its wealth. And the men who own the coalfields of Great Britain are still immensely wealthy, as well as influential in both Houses of Parliament, in the Press, in high Society and elsewhere. Snobbery, anti-Semitic prejudices, various conservative cliques and clubs, all work on the side of coal against oil. At a very big meeting held in London in February, 1938, and reported to more than three and a half columns in the Welsh coal-owners' newspaper, the *Western Mail*, scores of prominent men in politics, the Services, the Press and business got together to demand dual firing for the Navy. The terrible danger of finding oil supplies depleted, destroyed and finally cut off during the coming war was emphasized in a number of speeches. Among those who came out emphatically for coal were Admiral Sir Barry Domville, who made a lengthy analysis of the strategic situation, and none other than the famed British Intelligence genius of the Great War, Sir Reginald Hall. Sir Reginald, now living in retirement in Switzerland, is the man who took orders from no one during the war, not even the Cabinet, and had a lot to do with the German collapse; he wrote to the meeting, to say: "I think my views on the subject of fuel for the Fleet are well known, but I find many people who think them retrograde. As a fact, they are just the opposite and are based on my experience as Director of Naval Intelligence during the war. . . . As I view the matter, it is not a departmental one but one of vital national importance. . . ."

And so the controversy goes on. But nothing has yet been done. Oil continues to control the navies, the armies and the air fleets, both military and civil, of the whole world. And Deterding has, more than any other man, done that.

Throughout the thirties rumors became more and more insistent that Sir Henri was contemplating retirement. There was a good deal of speculation as to whether or not he saw eye to eye with all his fellow directors as regards the conduct of the companies he ran. It was reported that his managerial

methods and his political adventures were very distasteful to some of his colleagues. His weakness for speculation and stock market operations often frightened them, and his sometimes quite wildly open advocacy of support for Fascism at times worried men who believed that Germany was far more likely to try her luck against Holland and Great Britain than against the U.S.S.R.

In April, 1936, Sir Henri attained his seventieth birthday. The British press, which has never succeeded in making him a celebrity of the first rank, practically ignored this interesting milestone, although one of the mob's Sunday papers, the *Sunday Chronicle,* ran a column of conventional success-story pen-picture hooey. Once again the rumors of an early retirement became more and more insistent. In the summer the rumors intensified. Europe was on the brink of war. The bluff of Mussolini in invading Abyssinia had won out, and the League of Nations, already wobbling miserably, suffered another shattering blow to its fast vanishing prestige. In July General Francisco Franco, snatching the reins from the General Sanjurjo, who had planned the move for months in Berlin and had unexpectedly been killed in an air smash, led the rising which began the murderous Spanish Civil War which still rages and which has baffled Fascism everywhere.

Deterding's private life hit some obstacles. His wife, the White Russian Lydia Pavlovna Koudoyaroff, took action for divorce and was successful. At once Sir Henri married a German lady by the name of Fraulein Knaack, who had for some time worked in his organization as a confidential secretary and adviser on German and other affairs.

Sir Henri was seventy, and he had worked for a round forty years in the oil business, the whole of it in the service of the Royal Dutch. He had steered it from the position of an obscure, struggling, poor company to that of a world-straddling trust in many respects greater and more influential than anything else in existence. No ordinary man had done this.

Early in June, Sir Henri was formally presented by his colleagues on the boards of the Royal Dutch and the Shell with

an elaborate and beautiful gold cup. Made of darkened gold, embossed, ornamented by precious stones and pieces of rock crystal, it really was something to wonder at. It was the work of some very famous Dutch craftsmen, the workers at the Koninglijke Begeer at Voorschoten. Jonkheer H. Loudon spoke on behalf of the Royal Dutch and Lord Bearsted for the Shell. Sir Henri was deeply touched.

Later on, in July, Sir Henri was the guest of his company at the Hague. This celebration, too, was in honor of his forty years' work with the Royal Dutch. At a given signal thousands of clerks, typists, janitors and departmental officials of the Royal Dutch and other companies, all dutifully steeped in individualist ambition and commercial blarney-ballyhoo, poured out onto the lawns of Te Werve, the company's club house.

It threatened rain, and the sky was grey and disturbed. Row upon row of big shots, including such visitors as Godber and Agnew from London, sat with the ladies in readiness for the celebration. Neither Lydia Pavlovna Koudoyaroff nor the newer Nazi Lady Deterding was present, but Sir Henri's eldest son and his wife were there to stiffen the family representation.

They had come together, speakers reminded the gathering, to celebrate the seventieth birthday and the fortieth year with the Royal Dutch Company, of their beloved chief Sir Henri Deterding, whom they were delighted and honored to have with them. He had done great things for Holland and for progress generally. He had raised a small enterprise from nothing to the status of an undying ornament to the Netherlands and their glorious story.

Rousing cheers were given to Sir Henri. The rain still held off. An impressive bust of Sir Henri, by Johan Polet, was unveiled, and the respectful if slightly fidgety crowd was informed that it would be placed in a prominent position in the Head Office of the company, the building in which so many of them worked. Copies would be made, in the form of plaques, for the principal branch offices.

One of the company's oldest and best-known employees, Sluyterman van Loo, then made a speech. The chief traits of

Sir Henri's character, he said, were sportsmanship and never-failing interest in the well-being of his staff. There were more cheers after the old gentleman sat down. A band thereupon played a hearty Dutch ditty, "*Lang zal hij leven*"—"Long May He Live." Directors and officials of Sir Henri's companies arose and said their pieces, and finally Sir Henri himself, white with years but ruddy of face and still aggressively fit in manner, made his speech of thanks. It was, he confessed, a great moment for him, to realize in this way "the love of all his employees for him personally."

After this celebration the reports that Sir Henri would retire became more specific and more insistent. Formal denials and laughingly hearty informal protestations that he hoped to go on for centuries yet came from Sir Henri and his circle.

And then, of course, came the formal announcement that he was to retire. It was made late in October, and said that he would finish his service as Director General of the Royal Dutch at the end of the year, but would remain on the Board as an ordinary director. The reason given was the simple one of age, that Sir Henri felt that his work was done. The news was commented on at some length by the *Times* of London, which wrote of Sir Henri much as if it was publishing his obituary. Giving an interesting and astute summary of the oil man's career, the *Times* wound up: "Deterding has never deviated from the policies which he first mapped out as a young man. The passage of time, however, brought a more cosmopolitan outlook, and likewise that slightly enigmatic air which has made him on occasion an object of deep public interest. In truth, Deterding bears little resemblance to the machiavellian figure sometimes imagined by enterprising and not always friendly publicists. At the age of seventy years he is still alert and vigorous. In view of his advancing years, however, the decision to divest himself of some part of his heavy responsibilities will occasion no surprise."

From America came a formal tribute from his great friend, hearty, husky Walter Clark Teagle of Standard Oil of New Jersey. Quoth Teagle enthusiastically: "If a student wants a

C. J. K. van Aalst, J. Luden, Aug. Philips, J. Klopper, W. H. van Leeuwen, E. J. Ijzerman, H. W. A. Deterding, J. E. F. de Kok, and J. B. Aug. Kessler.

Who was to replace Deterding? In London his work would pass naturally to the big men of the Shell group, Lord Bearsted, Sir Robert Waley Cohen, Andrew Agnew, Frederick Godber and others. In Holland, it was not so certain who would succeed. For very many years it had been customary to say that young Kessler, son of "Old Man" Kessler who had virtually founded the Royal Dutch, would replace Deterding, that he had been trained for this job almost from infancy. Kessler was certainly an able and knowledgeable oil man; small and frail and thin-faced, he knew the ropes and had assisted in many of Sir Henri's campaigns for price stabilization, control of production and so on. He was certainly not Deterding's peer in the matter of drive and megalomaniacal determination.

Kessler was passed over. Deterding's successor was a jut-jawed ex-Army officer and flying enthusiast, the formidable J. E. F. de Kok. He would be the head man of a trilogy, the other two members of which were to be J. M. de Booy and Dr. J. C. van Panthaléon Baron van Eck. Their status would be that of managers.

It was rumored (the French agency La Tendance, for example, reported it) that it was Sir Henri himself who had got de Kok preference over Kessler.

Had there been any differences of opinion on the Royal Dutch board? Notoriously many of Sir Henri's colleagues think him somewhat too temperamental, too much an adventurer and over-fond of speculation. It is a fact that he has been greatly criticized in Dutch and British business circles on this account. Many of his associates, too, deplore his habit of tampering more or less openly in politics, his insistent atacks on the U.S.S.R. and above all his increasing rabid enthusiasm for the Nazi regime in Germany, a regime which neither England nor Holland could watch grow with equanimity. Thirdly, his private troubles had apparently shocked certain sections of

accession to the throne, therefore, may have extremely interesting repercussions in this sphere. He is a former President of the Royal Netherlands Aviation Association, and flies his own machine.

De Booy and van Eck are men who, it will be noticed, did not figure on the Board of Royal Dutch Commissaries which signed the company's annual report in 1936. But each has a formidable record of competent and valuable service to the company.

De Booy, a tight-lipped lawyer who has spent years in the Dutch Navy, is the company's General Attorney. Born in 1885 and educated to be a naval officer, he served for fifteen years at sea. Then he joined Deterding. He has spent many years learning the secrets of the company's affairs and protecting its interests in the Hague, in Roumania, and from 1927 to 1932 in Venezuela as General Manager. Since 1932 he has assisted in the management at the Hague. M. de Booy knows his way around. Likewise the Baron van Eck, large, massive, bald and moon-faced. The Baron's lifetime has been spent with the Royal Dutch. He did not learn his steps in the Army, the Navy or a bank. Born in 1880, he went almost straight from school into the service of the Royal Dutch, then small enough, and he has been in on every stage of its phenomenal expansion. He worked his way through the offices in the Hague and London. He became Sir Henri's secretary, a useful position for any ambitious oil man to hold. He was appointed President of the Shell Oil company in California, then vice-President of the Shell Union Oil Corporation, then its President, and finally Vice-Chairman of the Board of Directors of the Shell Union.

Just at the time these changes were being made the usually peaceful country of Spain was racked by the bloodiest and most beastly Civil War of modern times. Fascism, subsidized and directed by Germany and Italy, strove to smash the democrat ically elected government of Madrid.

The sympathies of Sir Henri Deterding were of course with General Franco, the Fascist disciplinarian who believed in all

feeling that something dreadful would happen if he traveled on that boat. Although Sir Henri tells us he pooh-poohed this hunch, yet he finally gave in to her and agreed to wait until the next day. That night the "Berlin" sailed, was wrecked off the Hook and lost 126 lives. The oil magnate was spared to mankind.

Sir Henri's second wife has already figured in this book. A dark and youthful White Russian, the daughter of a White General, Paul Koudoyaroff, she met Deterding in émigré circles in Paris at a time when he was especially interested in some of the people moving in that milieu. She was in her late twenties then, and he fell in love with her at once. She had been married before, her previous married name being Bagratouni. They were married late in 1924 at the Princes Row Registry Office, near Buckingham Palace. Whether or not the story is true that Sir Henri fell in love with her golden voice, which he heard in a Russian church choir, the two joined forces at just a time when Sir Henri was launching his first more or less open campaign against the Soviet Government then ruling his wife's country of birth. The influence of the second Lady Deterding in intensifying Sir Henri's fanatical and relentless enmity towards the U.S.S.R. can be exaggerated, for it was his business interests, driving him remorselessly, that determined his activities in the largest degree; but his marriage was not without importance, entering into the situation at the moment it did.

It lasted for twelve years, and there were two daughters. For some time it was happy and successful, but for the last few years it notoriously was not. The two got on one another's nerves. The tremendous task to which these oddly assorted personalities had sworn themselves—the bringing back of Russia into the circle of capitalist nations—showed no signs of coming to fruition. On the contrary, the U.S.S.R. grew stronger and steadier, surer of its place in the world and its destiny as the forerunner of other great socialist countries. Millions of people not naturally sympathetic to socialist ideas admired and praised the achievements of the regime. Thou-

sands of White Russians, in Berlin, in Bulgaria, in the Baltic States, in Paris, Harbin, Shanghai and Warsaw, longed for Russia, and began to think even Soviet Russia wouldn't be so bad. Some of them said so. The United Front was weakening. Scores openly begged the Soviet Government to let them return, on promises of good behavior. Others took to swelling their chests with pride when they heard non-Russians praising the industrial and cultural achievements of the U.S.S.R., as if *they* had had something to do with it.

Sir Henri and his wife gave out any amount of money and backed many movements to galvanize Europe into a steel ring closing in on the Bolsheviks. But the innate jealousies and mutual conflicts and warring factions of rival imperialisms prevented any such plan from taking a final and effective militant shape. Germany was not interested in the destruction of the U.S.S.R. if it were to strengthen the British Empire; France did not want it if it meant a renewal of German dominance in Europe—and so on through the list of all the possible backers of an anti-Soviet plan.

At their magnificent country home near Ascot, Buckhurst Park, and at their villa at St. Moritz in Switzerland, Sir Henri and Lady Deterding would regularly meet these cosmopolitan friends and business acquaintances. They rode to hounds and indulged in winter sports, and time passed.

In the summer of 1936 Lady Deterding sued Sir Henri for divorce on the grounds of his misconduct with an unnamed woman. The case was heard in Holland and was undefended. Very few details were made public. The only matters over which there remained much doubt were the details of the settlements. Lady Deterding received her divorce, and thousands of shocked Dutch bourgeoisie, large and small, noted the affair with stern and prim disapproval. Almost at once Sir Henri's way of life changed radically. With the dissolution of this marriage his association with Great Britain began to loosen up; it was arranged that his former wife should have Buckhurst Park as her residence, while he retained the Park Lane flat they had kept up for many years. Already Sir Henri was the

owner of large estates in Mecklenburg in Germany, and he also contemplated opening a home near Berlin.

At this time Sir Henri began to make gifts of valuable Old Masters to Dutch galleries. Once before he had donated four pictures of value. These pictures had come from Buckhurst Park. Now he gave no less than twenty more, all from Buckhurst Park, pictures of the Dutch, Italian and French schools. Since Sir Henri was no longer going to live with the pictures, the gifts were less touching than they might otherwise have been, and it was doubly noticeable that these gifts, which received a good deal of favorable publicity in the Conservative Dutch press, were made at precisely the moment when Sir Henri's personal prestige, thanks to the divorce scandal, stood rather low in the haughty and virtuous circles of middle class Dutch life.

About this time, too, Sir Henri purchased an estate in Holland itself, at Wassenaar, near the Hague. He did not remain a single man for long; within a few weeks of the divorce Sir Henri startled the world by marrying Fraulein Charlotte Minna Knaack, his thirty-eight-year-old German secretary and adviser. The third Lady Deterding, a buxom and competent business woman upon whom Sir Henri had come to rely in many matters, had worked for him for some time, and it is believed that his decision to buy lands in Germany and to support the Nazis more intensively than ever was inspired by her. The two were married in Amsterdam. The ceremony took place at the Town Hall and was performed by the Burgomaster himself, Dr. de Vlugt. Everything was done speedily and in secret. The law of Holland demands that the banns he published a fortnight in advance, but this rule was not observed on the occasion of Deterding's marriage. The happy couple made a quick getaway, being recognized by only a very few people, and flew to Berlin on a visit that was "purely private." Just how private Sir Henri's actions in Germany, or indeed anywhere else, ever are the reader may decide for himself. They lived for a time just outside Berlin, near the Wannsee, around which so many of the rich of Germany have for genera-

tions had their villas and estates. Meanwhile, his agents were preparing the Mecklenburg estates for a tenant who would stay for some time. London rarely saw Sir Henri except for very short stays.

We have said a good deal about Sir Henri and his political and financial activities, for it is his public career which is of most concern to the ordinary man. But what sort of a man is he in private life? What are the things he does or likes to do when he relaxes and tries to forget that he is Sir Henri Deterding? What are the hobbies and sports he might be expected to turn to if his retirement were anything more than a retirement in name only?

We must complete our picture of a man whose actions have so fundamentally affected the course of world events; everything he thinks and likes and believes in has played its part in making him what he is, in conditioning his attitude towards the world he was born into and the problems he was faced with. Sir Henri Deterding's private life cannot, by any brand of sophistical reasoning, be held to be a matter of indifference to the ordinary worker. The lives, the ways of life, of all such men as he deserve careful, pertinacious observation.

In appearance Sir Henri is short, massive, powerful. His head is high and propped by a thick, ruddy neck. It is what the anthropologists call a brachycephalic skull. He has that slightly over-stuffed, near apoplectic air which the more radical caricaturists give their bloated capitalists. Indeed Sir Henri might offer himself to any of the acid wits of the Soviet press or of the *New Masses* as a model. He looks a good deal like a caricature of the capitalist type.

His enemies would, and do, describe his face as red and over-fed. His friends would, and do, call it a healthily tanned face through which a luxuriant ruddiness shines. Sir Henri has very dark eyes, as near black in the pupils as eyes are; they are lively, eloquent eyes. He has a close-cropped head of white hair, though the top is bald, and a white mustache. He has a large, masterful mouth, and good white teeth. He speaks

English with a slight accent, though he has probably spoken more English than Dutch in the course of his life.

His manner is animated, temperamental, restless; he is moody and gets excited quite easily. He is a man who reacts positively to most forms of outside stimulation. The criterion by which he tests every issue brought to his attention is nothing more complex than the question: What suits my interests best at this particular moment? What suits Sir Henri's interests best at that particular moment is, or becomes by a rapid and pervasive process of sub-conscious rationalization, what is morally and ethically right and desirable. No other consideration has any chance against that decisive factor.

To friends and sympathizers Sir Henri seems colorful, impressive and delightful. The man is so obviously alive, so young in spirit, so single-minded in purpose and over-ridingly direct in method. He is a compact, three-dimensional, dynamic little he-man, a go-getter who has gone, got and come home to roost. His conversation is so simple, so confident, so organically cohesive that, to the unsophisticated, the ambitious, the ignorant, the specious, the corruptible and the mentally atrophied he must be the most impressive thing in all the world. The wonderful little pep talks based on forty years of uniquely successful smash-and-grab capitalist competition; the breezy air of cosmopolitan worldliness; the multi-lingual gifts, the battery of telephones and worthy company of secretaries; the rapid, rather mysterious lightning trips and flights from capital to oilfield, from competitor to statesman; the intriguing visitors with guttural accents, fur-collared overcoats and properly bulging despatch cases; the staggering pyramid of subsidiary and associated companies, covering every phase of oil production, distribution and sale in every continent; the mighty fleet of conquering tankers; the imposing office premises dominating half the cities they stand in—all these trappings and suitings are enough to take in and to bemuse all but the most independent observers.

His manner is hearty and friendly—if you are on his side. That "strong mixture of self-confidence and receptive good

humor" of which Anthony Praga has spoken is confirmed by another interviewer, Kees van Hoek, who writes of an interesting talk he had with Sir Henri: "Sir Henri had risen from his chair behind the great desk; the last quarter of an hour he had walked up and down the room, only stopping now and then to emphasize a word. He was more lively than ever, every word was underlined by a glance or gesture. There is no affectation in this man. His clear eyes give expression to all the feelings he utters."

To those who do not like him quite so well, he appears overbearing, irrational, unsure of himself and over-anxious to have you believe his account of things. He is an ardent advocate of his own cause. He can become almost wheedling, and he can threaten. The expression on his face when he meets opposition or intelligent criticism is not that of an amiable lover of good-fellowship; rather it is that of a ruthless and angry careerist who has met an unexpected and unwelcome obstacle.

The main bulwark of his power for many years has been the elaborate and extensive Asiatic Petroleum Company offices in St. Helen's Court, off Bishopgate in the heart of the City of London. Here, surrounded by two thousand employees, big and small, he directed the world-wide forces scattered across every continent and ocean in his struggle for domination of transport and industry through oil.

In his office he received reports daily from every important outpost, reports of production, movements of tankers, price fluctuations, rivals' activities, stock market movements, political rumors and tendencies. Here he sat behind the legendary wide curved desk in a bare, bright, modern room. Behind him hung a fine old Dutch painting, showing great galleons afloat on a river. The ship in the foreground carried the "orange, white and blue" of Holland as well as the emblem of London.

The room is plain and comfortable, well-lit and modern. On one end of the desk there is a battery of telephones, and when Sir Henri assures us facetiously that there are no secret phones, we believe him. He should not need any more.

The room is on a high floor, but is in no way isolated from

done? Well, Sir Henri has the greatest admiration for the first and floweriest of the Fascist dictators, Benito Mussolini of Italy. He classes Mussolini among those higher simpletons for whom he has so much admiration—men to whom certain truths come as "by instinct." Mussolini, "regard him as you may, has shown a driving force almost unparalleled in running a country." The two men got on well together. "My talk with Mussolini proved that there were several points on which we saw eye to eye. We both agreed that the coping stone of Education is a sense of discipline and respect for prestige, lacking which no youth can be considered to have been properly educated at all." As father to father, the two agreed on many points regarding education and "Mussolini showed that he had thought deeply . . . he seemed so direct. One felt that, if faced with a difficulty, he would get out his sledge-hammer and strike straight at its root."

The chat with the Pope which followed shortly afterwards appeared to follow broadly similar lines. This question of education seemed to boil down, as many men have always said that in fact "education" under capitalist conditions always does, to inculcating in the young that "sense of discipline" ("lacking which no youth can be considered to have been properly educated at all") and that respect for the prestige of those who, by whatever methods, have succeeded in getting control of effective power in this modern world.

Inevitably Sir Henri has had his say about democracy. Frankly he doesn't think much of it. To bring back a sick world to health and prosperity is a problem for which Sir Henri has offered many cures, most of them as keenly ridiculed by orthodox economists as by the unbelieving radicals. "Some people," he admits, "say that 'we must leave it to Democracy' to clear up the mess. But that largely depends on what they mean by 'Democracy.' Personally, I doubt whether this so-called 'Democracy,' as conjured up in the public mind of most countries, stands for much more than a lazy man's Elysium.

"My own working experience has taught me that about only five per cent of people want to be saddled with responsibility.

remarkable man." He would not add to that nor embroider it nor explain it. The man I spoke to was cultured, thoughtful, sincere, religious and, I imagine, seriously uneasy about many of the things in which he was involved. But he was tremendously impressed by the things Deterding had done in his career. The same attitude prevails in the oil trade generally, although it is interesting to observe, in England, that people who work for Shell-Mex, the Asiatic Petroleum Company, the Anglo-Iranian, etc., are surprised and a little sceptical when Deterding's world-wide political and economic activities are brought to their notice. They had no idea, for the most part, that he was anything like so powerful. To them, knowing as they do nothing of what is done by the oil trust and its permanent or temporary agents in Europe and beyond, the idea that one of their directors is one of the most sinister personal forces of modern times comes as something of a surprise. Vaguely aware that Deterding has elaborate international alignments and that he travels a good deal, they had never seen any particular reason for singling him out from half a dozen other prominent and wealthy native leaders in the industry.

Deterding has little to fear from the English press. Towards such as he, it is the most docile, gullible, tractable and timorous press functioning in any so-called Democracy today. The "quality" Conservative papers, the *Times,* the *Daily Telegraph,* and until its recent absorption in the *Telegraph,* the *Morning Post,* have been for years forums at which he could and did attack everything in the realms of politics, economics, fiscal matters and even justice and morality which at that particular moment the interests of the Royal Dutch-Shell would like to see altered in some way. In these letters, which covered a wide range of subjects and were usually published to synchronize with a campaign which Deterding and others were launching in many parts of the world, he would ramble on in an incredibly diffuse, disjointed way, throwing statistics, comments, aphorisms, warnings, scraps of fallacious reasoning and dogmatic misstatement into a clumsy but, in the aggregate, fairly understandable demand for action of some kind. From

# XXIV

WE have now completed the portrait of the man, and it is time to take one last, backward, summarizing glance at his position and influence in world society.

An anonymous American writer has called Sir Henri Deterding "the last living representative of the one-man super-trust." Apparently the author regards the trustification of big business as a declining factor in the modern world. Ivar Kreuger is dead, certainly, and so is Alfred Loewenstein, but we still have with us such colorful and unresigned gentlemen as Fritz Thyssen of Germany's steel trust, Lord McGowan of Britain's I.C.I., Henry and Edsel Ford, Japan's Mitsuis, Dannie Heinemann of the Belgian public utilities octopus, the "Sofina," Don Simon Patiño of Bolivia and some others.

Very few of these men are as picturesque and as world-embracing in their activities as is Sir Henri Deterding. No Englishman, he was forced by the iron logic of the interests he had come to serve to become one of the most energetic and important British Imperialists of his time. No metaphysical philosopher, he was compelled, through the position he attained, to voice his thoughts on many matters besides the traffic in oil. A business man, he could not be indifferent to politics. An internationalist on the grandest scale in his own affairs, he was compelled to assist, openly or overtly, the crudest chauvinism and race glorification in countries where he wished to retain a privileged position or hoped to gain one. In control of companies operating on such a scale that every country in the world had to be his tributary, he was unable to avoid backing political movements which perhaps were opposed to one another. Desperately anxious to preserve the capitalist fabric of

society, he yet had to assist movements which accelerated the advance of wars and conflicts which blatantly endangered its survival. Working hand-in-glove with Jews, notably Bearsted and Waley Cohen of the Shell, in business, he gave his approval, as they of course knew he did, to a political system, the Nazi government of Germany, which avowedly denies political and civic rights to Jews and proclaims them an inferior breed. Bound hand and foot to British Imperialism, he yet had to assist the growth of the Nazi movement in Germany, which, no matter how ingeniously British diplomats and backstairs middlemen may try to put off the day, will sooner or later attack the British Empire.

No very brilliant political theoretician, Deterding, as we have seen, understands well enough that capitalism is on the defensive all over the world. He knows that, outside the U.S.S.R., the division of the peoples of the world into classes is a fact, not a theory whipped up by disgruntled members of the "disinherited." He knows, and his circle knows, that the capitalist system cannot survive for many years unless it organizes itself on a thorough defensive basis. The system is now developed, thanks to the work of men like Deterding himself, to the point at which rival imperialisms clash everywhere over the right to exploit the "backward" areas of the world, their raw materials and their cheap labor. The point has now arrived at which, capitalism having done its job, the world's workers must take over the instruments by which wealth is produced and distributed—the mines, the railways, factories, mills and oilfields—or take the inescapable consequences of leaving them in the hands of those who know no methods, no ideas, no traditions and no motives other than the capitalist's. These consequences are war, mass slaughter, unbridled propaganda, epidemics and anarchy.

Deterding, unlike the vast majority of big business men, was not prepared to leave the direction of affairs in the political sphere entirely to specialists in that art. He saw that it was the predominance of people like himself, their right to control the lives of others and to impose their standards, values

and codes on their fellows, that was most threatened by the success of socialism in one great country and the spread of a belief in it elsewhere. He did not dodge the issue; he embraced it. He saw himself as a crusader, a knight riding out to defend the system of profit and private enterprise from the threatened flood of socialism.

It was no accident that Sir Henri admired Mussolini; that he got on well with the Pope, or indeed met the Pope at all; that he should find much to admire in the actions of Franklin D. Roosevelt, the most skilful doctor by whom the ailing capitalist system of America has yet been attended; that he should mingle with White Russian diehards; that he should find a wife among them, and another among Nazi Germans; that he should stay with King Carol, find good to say of the bloody Gomez, and hasten to consult with Tardieu. It is not by chance that Sir Henri wants to see youth "disciplined," that he is perturbed about democracy and would have all "idlers" shot. These are the normal stock-in-trade of diehards, of dictatorship and of Fascism, the system by which a collapsing and cannibalistic capitalism tries desperately to prolong its delirious days. Sir Henri is not merely a Fascist, he is the cause of Fascism in others, the paymaster and wet-nurse of dictatorship. He is not merely a spectacular and characteristic product of the capitalist system; he may fairly be described as Capitalism in Person.

All the ideas which go to make the Fascist are in Sir Henri's intellectual baggage—the intolerance, the hearty good fellowship, the scraps of philosophic moralizings, the fear of competing philosophies revealed in hasty and pathetically shallow efforts to refute their contentions, the cruelty, the hatred of such devices as the dole. Even the Nazi idea of superior and inferior races is there. In an interview with "G.P.K." published in *The People* on January 31st, 1932, Sir Henri, after attacking bankers ("The whole of the trouble is that the bankers do not know their place") came out with these thoughts: "For I believe, and I say it honestly, with the greatest conviction—for all my Dutch ancestry—that the Anglo-Saxon

is the superior breed. He has courage and pluck. He knows what he wants. He is bound eventually—if necessary—to *muddle* through—but *through* he will get."

Sir Henri is the capitalist who has realized where he stands. He knows that the gradual trustification of a great industry means one of two things—that it shall be taken over and operated for use and not for profit by the workers in the industry, or that the largest units in it will slowly absorb their lesser competitors and rivals until only two or three important operators in the field are left. By the time the latter happens, these combines have become so powerful that they can control governments and direct political policy. The ultimate aim of each of the remaining units must be to absorb or in some way eliminate the others as effective competitors, in order to attain the level of a complete monopoly, with the resulting increased profits.

At this phase in the struggle, industry is compelled to interfere far and wide in politics, to overturn regimes here and subsidize others there, and it does not boggle at the prospect of a world war if such a war seems likely to solve its major problem. Even before the industry has reached the final stage of unification, price agreements and understandings of the kind Sir Henri has continually been trying to fix up with Standard bring the "competitors" very close together, with the result that the purchaser is faced by a united front of producers who have agreed to exploit him to their mutual advantage—for a time, at any rate. For example, the situation at present in the world's steel industry, with the European Steel Cartel trying to come to terms with the big American producers, illustrates this stage. Similarly, regarding various important products, the understandings between the three great chemical combinations, the British Imperial Chemical Industries, the German I. G. Farbenindustrie and the American Du Pont company, show how far from ordinary democratic control the great business units have got. The situation in the oil trade is similar, with Standard and the Royal Dutch-Shell and its allies cooperating as to output and price in certain regions and

sponsible for all this it is therefore to a certain extent a two-edged weapon. . . ."

Mr. Hardy then flounders along into some quite incredibly uncontrolled and scattered thoughts on Sales Effort, Salesmanship, the Penny Press, the Radio, losing even the very uncertain grip he had previously had on the subjects he had been discussing. Less and less he seems to know exactly what he is trying to say and what he and other spokesmen for capitalist industry are advocating, or, perhaps, praying for. Finally, he all but admits that he doesn't precisely know what he is driving at:

"All of which is intensely complicated and perhaps not very helpful towards the discovery of a satisfactory solution. Indeed, it is conceivable that there is no satisfactory solution. Civilization may drift along and the very machine which has created Mechanized Civilization, it may be that same machine which will kill it. We cannot tell for we do not know what era will succeed the Oil Era. Therefore we can only postulate and legislate for a period over say the next two hundred or two hundred and fifty years. It is possible even to conceive of a machine-made civilization controlled entirely by a few beings of tremendously high intelligence but low bodily power. . . ."

Mr. Hardy has perhaps been reading imaginative romances and seeing such films as the crazy German *Metropolis*, showing cretinous Labor and bestial Capital cooperating in a mechanized state of the future. Not so remote from those imaginings are the actual plans conceived, either broadly or in some detail, by such giants of the big trusts as the late Alfred Mond (Lord Melchett), creator of Imperial Chemical Industries, Carl Bosch of Germany's sinister I. G. Farbenindustrie, now dreaming of a world-embracing system backed by Krupp guns and Himmler's methods of securing cooperation, and John J. Raskob of the Du Pont industries, father of a plan to turn the U.S.A. into one great corporation working to the greater glory of the Catholic Church.

What they are all groping after is some practical method by which profit and privilege may be rendered as long-lived

meaning nobody in particular who has a couple of hundred dollars in a company drilling for oil in Venezuela—what does he know of the ways and means by which his periodical dividend cheques are made possible? He knows nothing, and in time he tends to care less. Befuddled by tactfully worded propaganda masquerading as news, congenitally disinclined to face unpleasant truths about his own position, busy with his work, worried by a dozen pressing and immediate petty issues, he cannot listen to mischievous and difficult suggestions that everything is not perfectly above board and morally impregnable. They hear: "General Gomez has consistently insisted upon fair play to foreign capital," and they uneasily fool themselves that that is all they need worry about. After all, are they not assisting in the development of a backward area?

People like this do not realize that their true interests are utterly and finally opposed to the big capitalists and their schemes; they are lured into thinking they must, at all costs, support the very system which makes life chronically insecure and harrowing for them. It is because of this that men like Sir Henri Deterding are the powers they undoubtedly are in this world of 1938. If Sir Henri Deterding, most international, most energetic, most aggressive and forthright of big business men, may reasonably be labeled "the most powerful man in the world," it is not because of any inherent, God-given qualities in himself or even because of an insurmountable power he has built up around him. It is because he has succeeded in making millions of nervous, amiable, anxious and ordinary little men believe that he and his friends are their advocates, their leaders, their spokesmen, their protectors. It is not true that the delusion that civilization goes when capitalism goes is universally diffused, but it is still very widespread, and the middle classes of the world, many of its more skilled workers, technicians, professional men, workers in the arts and craftsmen, are very much inclined to believe that their lives would not be so pleasant under a socialist regime. Sir Henri can boast that the propaganda that his class pumps out through its friends and hirelings and tools, through newspapers, sermons,