

TOPICS OF THE DAY

THE GOVERNMENT OF INDIA: A CANADIAN NEW DEAL: THE
HAUPTMANN TRIAL: GETTING AND SPENDING.

THE Government of India bill, at present being debated in the British Houses of Parliament, embodies the most momentous decision yet undertaken in the development of Imperial policy. There is no parallel to it in the history of political relationship. "The Romance of Destiny", to use a phrase of Robert Louis Stevenson's, has linked the fate of a vast oriental sub-continent with that of a small maritime people in the West, and now we have the amazing spectacle of a parliament, situated in what may be described, from the geographical point of view, as an island off the coast of Europe, proposing to grant a constitution of self-government to a population numbering one-fifth of the human race, different in almost every respect, in race, colour, creed, tradition and outlook.

The seriousness, one might almost say the solemnity, of the issues involved has reflected itself in the tone and manner of the debates, first concerned with the preliminary resolutions and then with the actual proposed legislation. Apparently, the British parliament has fully resolved upon this tremendous act of devolution. In both Houses, the Reform resolution has been carried, and the bill has passed the Second Reading stage of the Commons. Almost two-thirds of the entire membership of parliament, including Peers and Commons, voted in favour of the resolution, while in the Commons only 79 members walked into the Opposition lobby to vote against the bill. In the Lower Chamber, the forces against the bill were directed from strangely divergent quarters. Under Mr. Winston Churchill, who has constituted himself the champion of what may almost be called the *status ante statum quo*, there were ranged the group whose policy is expressed in his own words—"We won India by the sword, and we shall keep India by the sword". They found curious allies in the lobby, but in no other respect, among the Labour group whose complaint is that the bill is a sham and a delusion, which so far from giving away too much, is entirely inadequate to satisfy the aspirations of freedom cherished by the Indian people. In the House of Lords, the Labour peers abstained from voting altogether. The Government has declined to be pulled in either of the contrary directions represented by the

Opposition, and has held steadily on its way to achieve the lofty purpose upon which it has set its mind.

The principles of the new constitution are along lines already familiar within the family of British peoples. Federation is to be combined with local provincial autonomy, in this case including the domains of the Indian Princes. The really debatable point is the question of ultimate responsibility and authority. Is India to be a *Dominion* within the Empire? The Archbishop of York suggested that it would be well if the fateful words "Dominion Status" were kept completely out of the discussions. Doubtless he was expressing the inclination of others. The actual expression is not to be found in the preamble to the bill. But, fortunately or unfortunately, the words had already been uttered by no less a person than a Viceroy of India, speaking as nearly as such an exalted official can speak *ex cathedra*, and it is extremely difficult to recant pledges given in an hour of crisis. The issue could hardly be evaded, as some have suggested, on the ground that when a thing is said once, it need not be said again. At present, no modification has been introduced beyond a sincere verbal re-iteration of "Dominion Status" as the goal to which we must look in the ultimate development of India's nationhood.

Hesitation in granting explicit and immediate self-government to India is only doing justice to the immense problems involved. The vast majority of the people are illiterate. They are divided by fierce and fanatical antagonisms in religion. Their traditional social order, which in the case of the Hindu people is part of their religion, is entirely unlike anything else in the world. The caste system, with its problem of the outcast, stratifies society so that our western ideas of democracy are quite inapplicable. There is no unity of language, nor indeed, except for a vocal minority, any sentiment of nationality. Rightly or wrongly, the British people have carried the responsibility for maintaining the Raj among them, and have brought them to their present condition of development. The question may well be asked whether it would be respectful to India herself suddenly to thrust the status of complete self-determination upon her, including the right of secession. There is no doubt that this issue will be the real storm-centre of debate in the subsequent stages of the bill.

Mr. Winston Churchill and his friends believe that the proposed constitution is the nemesis that has descended inevitably upon a policy of flabby sentimentalism, in which we have pandered weakly to a small and insignificant group of agitators. It required only the leadership of a Socialist Prime Minister to complete the

ruin! We should remind ourselves that long before the advent of Mr. Gandhi, upon whom a strange silence seems to have fallen, there were other and very different minds who saw afar off the vision that is now being realized. The father of the new order was Lord Macaulay. His words may be recalled fittingly at this hour:

It may be that the public mind of India will expand under our system till it has outgrown our system: that by good government we may educate our subjects into capacity for better government: that having become instructed in European knowledge, they may in some future age demand European institutions. Whether such a day will ever come, I know not. But never will I attempt to avert or retard it: whenever it comes, it will be the proudest day in England's history.

The Great War acted like a re-agent to precipitate many ideas hitherto held in solution. Among them was self-government for India. When we speak of her loyalty to the Empire, we are not exploring untried ground. The brightest jewel in the Imperial Crown was no mean prize at stake in the awful contest of 1914-1918. We ought to recollect how we were able to withdraw the Imperial Army, long regarded as the very bulwark of our prestige and uzertainty. Not only did India undertake responsibility for her own defence, but she dispatched troops without which the eastern campaigns could never have been fought and won. Her Moslem subjects defied the attempt to declare a Holy War in Islam against the Allies. Compared with such actions, the appeal of the baser English press that, if the bill is passed, there will no longer be a career in India for the promising youth of Britain, is an offensive impertinence. It was in view of such unmistakable evidences of loyalty that in 1917 and 1918 repeated pledges were given, hoping for "the gradual development of self-governing institutions". The post-war years were complicated and difficult for India, but where were they uncomplicated? On the one hand, there was the dreadful affair of Amritsar; on the other the non-co-operative campaign of Mr. Gandhi. Next, the whole ground was explored by the Simon Commission, and, whatever may have been the mistakes made in its actual constitution, it is acknowledged by all who are competent to judge that the Report produced is a masterly document. Finally, there were the Round Table Conferences, at which Mr. Gandhi himself was induced to attend. Was there ever action undertaken with graver deliberation or more ripened wisdom?

Once again, the mantle of the prophet has fallen on the shoulders of General Smuts. Recently, he has spoken about the

great tides of destiny that are sweeping through the life of the world. The East is awakening from the sleep of centuries. What is to happen when the enchantment of the ages falls from her spirit? The dream of the earth as a white man's empire has gone for ever. It is in the wider setting of Asia's life and the future relation of the oriental and occidental races that we must set our Indian Empire. We cannot believe that Britain and India, bound up as they have been in the bundle of life, will ever become either strangers or enemies. In *The Newcomes*, speaking about the sacrifices of separation that English homes have made for India, Thackeray says: "What a strange pathos seems to me to accompany all our Indian story"! "Blood is thicker than water", runs the old proverb. What the future holds is hidden even from the most discerning minds, but the present wisdom cannot be better expressed than in the words of Sir Samuel Hoare, Secretary of State: "I believe that in spite of all the fears and doubts that encompass us, in spite of suspicion, the criticism and the bitter words in India, further responsibility—and over as wide a field as we can make it—is the real key to better relations between India and Great Britain".

THE Right Honourable R. B. Bennett has established an almost unique record in the history of Canadian political life. We must go back to the abnormal period of the Great War to find any parallel. At the opening of the last session in the life of the present parliament, he contrived to place a Speech in the hands of the Governor-General to which the address in reply was adopted by the House of Commons without a single adverse vote. It is the kind of happening that is normal nowadays only in such countries as Germany and Italy, on those rare occasions when they still have the mind to keep up the form of parliamentary government. But in Canada, with a tradition of party-warfare almost amounting to a source of national pride, surely, to borrow a chapter heading from *Sartor Resartus*, here is an "Incident in Modern History".

The fact that we have to return upon the war years to match the present circumstances is highly significant. When a desperate situation develops in national life, and the continued well-being of the whole realm is at stake, the extravagances of party warfare can be likened only to the insane *obligato* of Nero to the burning of Rome. Failure to oppose the Speech from the Throne, which was concerned mainly with a programme of social legislation, may be taken to indicate the serious view of the present distress that is taken by the entire membership of the House, and, to that extent

it does credit to a sense of responsibility in all our party leaders. It registers their decision, realistically if not formally, that the "depression" is not entirely a transient phase in our economic life. There are at least some elements of permanence, and to deal with them adequately, fundamental changes must be made in our economic order.

The real issues of the day are no longer "political" in the constitutional usage of that word: rather they are *economic* in character. We may take it that the principle of democracy has established itself among us. Zeal for the maintenance of responsible government is the prerogative of no party, but the interest of all. The suffrage is the universal right of adult citizens. On the whole, free speech may be freely indulged. The Communists are the only group among us who desire any radical change in the constitution of the State. If formal democracy could establish social perfection, we ought to be the happiest of nations. To agitators for the extension of the franchise a hundred years ago, it would have been a strange perplexity to understand that men who have the right to vote should be pre-occupied with the more elemental necessity of the right to work and to eat. Circumstance decreed that it was the lips of Mr. Bennett that were applied to the trumpet in Ottawa, but would Mr. Mackenzie King or Mr. Woodsworth have been able to play any other kind of tune? The inevitability of modern life provides the music, and all that is left for the individual performer is to vary the *tempo* or to improvise his own variations on the theme. Did not Mr. King aver that he had said (or rather written) it all before? And did not Mr. Woodsworth welcome the Prime Minister as a convert to the C. C. F. gospel?

The exercise of liberty is the only tolerable condition of social life for civilized men. Democratic government, in some form or other, is the only form of society in which liberty is possible. On the whole, we have been able to develop a system of political life in which that sensitive balance between individual freedom and social restraint has come to be expressed in our institutions of government. Can we move forward to a similar condition in our economic life? Can we achieve economic democracy? If we cannot rise to the height of this new challenge, the eclipse of political democracy will register our defeat, and the emergence of new and hateful tyrannies will measure the extent of our downfall.

Book VIII of Plato's *Republic* might well be circulated as a Tract for the Times. The Greek philosopher presents us with a fascinating study in political evolution. He was no lover of demo-

cracy, and he observed that despotism arose out of democracy as inevitably as obligarchy gave birth to democracy. "Hence in all likelihood, democracy and only democracy lays the foundation of despotism—that is to say, the most intense freedom lays the foundation for the heaviest and fiercest slavery". Modern history confirms these reflections of Plato. We have seen democracy suspended in several countries, where once it was held to be the objective of all enlightened political effort, and in every case economic necessity has projected its downfall. Lest we should think that such developments take place only among lesser breeds without the law, let us read, mark and inwardly digest the record of our nearest neighbours within the British Empire, the ancient colony of Newfoundland. In our own Dominion, failure to work out our economic salvation will not eventuate in any similar benevolent dispensation of authority.

Shall we then turn Marxist, or can democratic institutions survive? Parliamentary government involves literally government by talk. Our so-called men of action may decry "the talking shop"; but on the whole the method of discussion, even if it does descend to banality, is less harmful and more intelligent than the barking of machine-guns. There must, however, be sufficient heat and antagonism to make the conversation really interesting. Opposing opinions must erect themselves into parties, and, generally speaking, in all free institutions from the village club to the League of Nations, there are, and ought to be only two antagonistic groups. They represent realities as deep as life itself—the necessity of change and the necessity of self-preservation. The varying circumstance of time moulds these oppositions into new and ever-varying shapes. The only demand we have the right to make is that they shall always stand for real issues. Our parties must not represent merely "ins" and "outs". The opening scene in our present parliamentary session raises grave doubts as to whether the existing alignment of parties does bring the real clash in our modern society to a clear issue. It rather suggests that the modern debate centres around a choice between some form of economic individualism and some form of economic socialism.

Mr. Bennett, in his political confession of faith, comes down on the side of a modified, if you will, of an improved Capitalism. He has surely been guided by a highly creditable sentiment to take his first practical step in the direction of helping the man who must awaken our keenest sympathy, the honest worker who is out of a job. It may be a modest beginning, but it is at least an attempt to do something. Already he has encountered

what, according to our particular point of view, we may regard as the impregnable fortress of dear-bought liberties, or as a treacherous "snag" in the broad stream of social progress,—the *British North America Act*. Whether the strange appearance of a reference to the Covenant of the League of Nations in the preamble to a Canadian Act of Parliament will evade the constitutional difficulties, we must leave to the experts to decide.

Meantime, what of the patiently expectant elector who, like Job's warhorse, "pawing in the valley" "saith among the trumpets Ha, ha: and smelleth the battle afar off, the thunder of the captains, and the shouting"? It seems now that we are to have an election, but surely we must have a fight. And what is there left for us to fight about? Political warfare should be made of sterner stuff than unopposed Speeches from the Throne. We may take it that, as yet, the majority of the electorate are as bemused by "the New Deal" as the party-leaders themselves. According to Mr. H. G. Wells in *Tono-Bungay*, they are not interested in "the great constructive process"—they want "hits, opportunities to drum with their feet, and cry 'Hear, hear' in an honourable and intelligent manner". We do not suspect that the resourcefulness of the old campaigners is entirely exhausted. A battle-ground will be found. But where and under what banners we shall be invited to fight—the day will declare it.

BRUNO Richard Hauptmann has been condemned to expiate his crime in the electric chair. There is an element of distaste in making any observations on the events that have culminated in this final episode, but fidelity to the objective temper in reviewing "Topics of the Day" demands that the happenings in New Jersey should also bear their comment. The kidnapping of Colonel Lindberg's baby, the detection and arrest of the criminal, his trial and condemnation all belong to the real world of current history. They have excited a universal public interest, whose pre-occupation with the steps that have led to the conviction of an egregious villain cannot be described simply as morbid in character.

The trial proceedings have revealed the dramatic qualities of the American mind. The resourcefulness of our ingenious neighbours is never displayed to better advantage than in staging a show. Their typical emotion is the "thrill". The cinematograph, in the management of which the Hollywood producers are the world's master-craftsmen, has provided an artistic medium peculiarly adapted to the native genius of the American people. This

point of view must be kept in mind in attempting to fathom the strange events of the Trenton court-house. We are confirmed in this observation by Mr. Reilly, counsel for the defence, who included among his many public announcements a proclamation that he intended to provide "the world's greatest show". Evidently his theatrical ambitions did not fulfil their expectations in a complete forensic triumph. The Attorney-General, who prosecuted in the name of the State, was hardly less sedulous in wearing the buskin, and there were occasions when his histrionic zeal outraged all the traditional Anglo-Saxon canons of legal justice. Even in the more sober conduct, which is expected in a British law-court, the Attorney who defends a murderer is allowed considerable latitude in his pleading; but we may well hope that the day will never come when we shall hear a prosecuting counsel announce to the jury that the prisoner "is cold, but will melt when he hears the click of the electric switch".

The solemnities of a trial on the capital charge were stormed by the modern apparatus of publicity. We are informed that every evening the rival lawyers utilized the microphone as a means of announcing to a sensation-hungry public the exact details of the next act in the drama. Doubtless, they emulated the compère of the French revue in garnishing their prologues with appropriate witticisms. Contempt of court appears to have a considerable elasticity in the law of the Republic, but we are not surprised to learn that the presiding judge was moved to make a protest, apparently ineffective in character, against the display of pictures representing the actual trial in process on the Broadway screens. At least one witness surrendered to the suggestions of the court-house atmosphere, and resolved that if the play was the thing, his contribution would not be found wanting. He concluded his evidence by providing an impersonation of a well-known "movie star", and took his curtain by securing the autograph of the accused as a souvenir of the occasion.

These diversions may have provided release for the tensions of a protracted trial, concerned with a crime of a particularly foul character. Nevertheless, our pride is not entirely Pharisaical in the reflection that it is not so with us in Canada. While the Hauptmann trial was proceeding in New Jersey, a criminal was found guilty of a similar offence (although not with the same tragic ending) in Ontario, and dispatched to the penitentiary in salutary and summary fashion. A Nova Scotian judge exactly expressed our sentiments when he suppressed an emulative tendency in his court-room by remarking that it was not a place for a vaudeville

performance. The frontier between us and the United States may be invisible, but we may congratulate ourselves that in the administration of Justice the boundary-line is real, and that we live on the northern side of it.

Our modern world is in grave danger of being emotionally over-stimulated, and the lessons of the Trenton court-room should not simply be made an occasion for the contemptuous laughter of a nobler tradition. There must be a fundamental reverence in the sentiments that support a worthy order of civilized life. The public observances of religion have hitherto induced what William James described as that seriousness, solemnity and tenderness which should characterise a worthy attitude to the ultimate sanctities. The mechanised entertainment of the picture-house has supplanted these time-honoured exercises for countless multitudes in our present-day world. Educationalists and moralists may well give themselves to an examination of the final psychological effect of this new mental attitude. The law ought to bear a majestic character, even in a Republic. The administration of justice is too intimately concerned with the very foundations of civilization to admit of careless attitude towards any influences that will undermine its sanctity. The Christian religion should temper justice with mercy; our present danger is that justice may be brought into contempt by sensationalism.

Nevertheless, the Hauptmann trial is not without its satisfactions for those who have to live on the same continent with the American people. Dwelling as we do, within a thousand miles of Trenton, New Jersey, we may share the self-congratulations of our neighbours that at least one kidnapper has been brought to justice. For a time, it seemed as if the kind of open brigandage which we are accustomed to associate with the name of Dick Turpin, and which is now to be found only in China, had mastered the police-system of the United States. We had suspected that political intrigue and other similar influences had undermined the whole process of crime detection. It is now apparent that the vigilance of the law has not been entirely relaxed. The State authorities continued to lead converging lines of evidence on this particular criminal that left the jury no option but to convict. Behind the masterly case for the prosecution there must have lain a record of expert police investigation, along with a patient, quiet watchfulness that should give new hope to the great multitudes of honest and civilized people who, of late years, have been moved to powerless indignation in face of a growing lawlessness. Perhaps this satisfactory issue of the trial may atone in some measure for its more burlesque features.

THE Gold Clause Cases, recently the subject of decision by the Supreme Court of the United States of America, raise a crop of curious and vital questions with reference to our complicated world of present-day finance. Their interest penetrates deeper than a somewhat subtle point of law. Four appeals came before the august tribunal, each craving decree with reference to a matter of contract. Certificates had been issued to the effect that certain sums would be repaid at a stipulated point of time and that the payment would be made *in gold*. Three of the appellants asked for decision in their favour against companies operating within the realm: the fourth challenged the United States Government in respect of certain Liberty bonds.

Under the régime of the New Deal, the basis of the United States currency has been altered so that an actual dollar is no longer equal in value to a golden dollar. America has gone off the gold standard. In practice it may be supposed that a dollar bill is literally a piece of paper, carrying the authority of the Government for the purchase of a dollar's worth of goods or services. It is the same for everybody, and so long as it is the common and legal medium of exchange, nobody suffers. Such, indeed, was the simple, straightforward basis upon which the decision of the Court was reached.

All four appeals were dismissed, but not exactly in the same way. In the case of actions against the private companies, the Court decreed that if the Government of the United States enacts a new basis of currency, which is no longer actual gold, every contract involving payment in gold is thereby altered. In other words, the incidence of the New Deal policies cannot be made an occasion whereby a bondholder who subscribed in actual currency one dollar may receive in return, also in actual currency, his dollar with the addition of sixty-nine cents in respect of some hypothetical piece of gold, which for neither party ever existed in palpable form. But, for the Government, gold is gold. The Court decided that the State did not borrow dollars, but actual golden metal, and therefore was under obligation to repay in the medium nominated upon the bond certificate. Nevertheless, this judgement made no difference to the actual result. To gain so-called redress from the Government, it would be necessary to prove actual loss on the part of the lender. No such damage could be substantiated, and the suit was also dismissed.

The decisions are really signs of the times. In two respects, they reveal the modern realistic tendency to grapple with actual facts rather than to dally with abstractions. The office of the law

court is to do justice. The function of money is to serve economic necessity. Legal zealots will probably shake their heads over such acts of desecration committed against the sanctities of the law of contract. Financial purists, if such unearthly idealists are still in existence, will protest that they will have their bond:

'tis mine, and I will have it
If you deny me, fie upon your law.

Their lamentations will have an added doleful quality if they happen to be opposed, as are certain worshippers at the altars of gold, to the policies of Mr. Roosevelt. But a new deal must be a new deal for everybody, and if the law cannot prevent profiteering out of the State's extremity, what might be gained in respect for meticulous weighing of legal niceties would be lost in a sense of a premium paid to interests that are simply financial in character.

The principles involved have a somewhat extended reference. If justice be our plea, what of the multitudes of borrowers over whose signature there are so many certificates now reposing in safety-boxes, strong-rooms and other places of security? They do not specify gold, but they belong to the far-off days when the dollar was not only supposed to represent that precious metal, but also when, for traders and farmers, loans represented wheat valued something more than one dollar a bushel. Is the new deal really to be a new deal all round? The gold standard is not the only measure that has been abandoned. Many other values have depreciated to a considerably greater extent. A Supreme Court can decide upon a single question of justice, even by a narrow majority of one vote, but the whole question of economic equity that rises in its train will not yield to such simple and final settlement.

In no respect has our present economic system become more chaotic than with regard to problems of currency. We have the authority of Holy Scripture for the saying that "the love of money is the root of all evil". Like fire, it is a useful servant but a dread master. Our financial order is intended to facilitate the exchange of economic values; but, in our day, many of the major transactions of business are not conducted on a "cash basis" at all. The virus of borrowing has got into our blood. From Governments down to humble folks furnishing their homes, we have all arrived at a condition when purchasing power bears a very problematical relation to actual capacity to pay. In the sphere of international loans, made in war time, Governments no longer make any pretence

of intention to honour their bonds, and are known to consider themselves aggrieved if cancellation is not accepted by the lenders. Indeed, we have arrived at the paradoxical situation in which actual repayment would be a serious embarrassment to the original subscribers. The real problem is to find a medium in which repayment can be made. Meantime, the only people who seem to benefit by abandonment of the gold standard are the fortunate possessors of gold. But the metal must be real. Paper gold—is “just a scrap of paper”.

J. S. T.