

## TOPICS OF THE DAY

THE GENERAL ELECTION: ITALY AND ABYSSINIA: POPULATION PROBLEMS: SOCIAL CREDIT.

THE issue upon which the citizens of Canada are invited to elect the next Federal Parliament is proposed by the circumstances under which its predecessor expires. There have been no fiery movements gathering force underground, waiting for a place and moment of temporary weakness to burst out into the explosion of a political crisis. The death-bed scene has been unattended by the emotional excitement of a parliamentary defeat, when the Opposition takes up the exultant cry "Resign! resign!" The Parliament, which even now is drawing its fleeting breath, dies not from any sudden and violent attack from unexpected circumstances, but simply "from natural causes". The question we have to face is quite direct and straight-forward. Do we or do we not wish the present administration to continue in power?

Mr. Bennett has had a full innings. With an energy it would seem almost too zealously expended even for a man of his physical capacity, he has devoted himself to the difficult task of government in a supremely difficult time. He is no apostle of *laissez-faire*, and he is ready to offer himself once more to lead the Conservatives, at least for the period of the election, to what he regards as the unfinished tasks of the party cause. Mr. Bennett may be ambitious, but he has never been a mere office-seeker. If he has defects, they are the shadows cast by great virtues. The statesman is distinguished from the politician by being a man of vision and ideals which he believes to be of supreme importance for the welfare of his country, and which can be translated into action with courage and resourcefulness as a practical policy. Whatever may happen to the Prime Minister at the polls, there is little doubt that his will not be one of the forgotten names in the record of those whose personality has helped to shape the future of our Dominion.

Even the most prejudiced critics of the Bennett régime can hardly blame it for the incidence of a world-wide economic depression. A record of spectacular progress cannot form part of the stock-in-trade with which any present-day statesman can face the electorate. So far, we have kept afloat amazingly well. Whether we like it or not, our economic life is closely bound up with that of the United States, and all the world knows what a

fall was there. The marvel is that we have not been dragged down to anything like a similar level of commercial stagnation and financial chaos. If we measure our conditions by Ruskin's economic standard that "the only wealth is life", there is enough human misery within the four corners of the Dominion to forbid any mood of foolish boasting. Municipalities have been confronted with unprecedented problems in the attempt to provide help for unemployed men and their dependents. Wheat-prices, once the surest index of Canadian prosperity, have gone out with the tide that so far has failed to come back. In the southern parts of the prairie provinces, the wonderful Golden West has become a barren wilderness, as one rainless summer has succeeded to another. That great class, made up of farmers, lumbermen, fishermen, whose welfare is the foundation of our national well being, have seen the era of profitable returns for their exacting and never-ending labours vanish into what now seems a mythical former age. Under such circumstances, Mr. Bennett may well rest his case on the reflection of Wordsworth's returned warriors from Waterloo who

Say not that we have vanquished—but that we survive.

Mr. MacKenzie King is the main challenger of things as they have been. As we might expect from a party with its name and tradition, the Liberals make *Freedom* the very issue of the day. We are told that the age-long controversy of the human spirit with tyranny is not dead, not even slumbering. In every country, forces of re-action are massing themselves under dictators and dictatorial institutions. Aggressive groups, predatory in outlook and financial in interest, are taking advantage of the present distress to demand and obtain uncontrolled powers, often on the innocent pretext of administrative arrangements. According to the Liberals, Mr. Bennett and his party provide us with the Canadian version of this world-wide peril.

Mr. King believes that the traditional British policy of an ordered liberty, within the framework of a strict democratic control, is still the very condition of our national health. Such a super-institution as the recently created Bank of Canada, which places the regulation of finance in the hands of a small group of directors, responsible to nobody but themselves, or at best to a body of shareholders scattered over the face of a continent, is regarded with more than suspicion. As one of the principal exporting nations of the world, Canada has a particular interest in opening up the clogged channels of international trade, so that

our lumber and wheat may find its way to the ends of the earth. We are told that the Conservative policies have had an entirely contrary effect. Everybody admits that the lowering of tariffs is the only ultimate remedy for the stagnant condition of international trade, and yet—it seems—in the name of administrative detail, the Ottawa Agreements have been a pretext not only for fastening fiscal barriers more securely, but also for exploiting their effects in the interests of manufacturing groups. The traditional Conservative policy is described as cloaking itself in the respectable robes of Empire Trade, but Mr. King has little affection for this new economic Imperialism, which, he declares, has turned the Imperial Conference into a gathering of self-seeking bargain-hunters. Worse still, it has substituted the discussions of the Conference Hall, behind which we can see the secret conclaves of industrious busy-bodies pulling chestnuts from the fire, for the democratic processes of parliamentary discussion and debate. Thus, what all lovers of liberty recognise as tyranny—in Italy as Fascism, in Germany as National Socialism, in Russia as Sovietism—the Liberals picture as appearing in Canada under the smug guise of Conservatism. If we look closely enough, we find the same principles at work—the suppression of parliament, the arrogant assumption of power by small groups of interested dictators, and the result is equally hateful. Mr. King invites us to strike a sure blow at this ugly monster by returning himself and his party to power.

The Canadian voter who wishes to record his desire for a change of government has alternatives other than Liberalism. If he is persuaded of the need for new policies to meet the needs of a new age, he has the choice, at least in some constituencies, of the programme of the Co-operative Commonwealth Federation led by Mr. Woodsworth or of the Reconstruction Party under Mr. Stevens. And the preachers of the Douglas Gospel, flushed by the spectacular victory which they have achieved recently in Alberta, are making last-minute plans to provide a formidable third among the minor political groups. Mr. Woodsworth declares for a modified Socialism, Mr. Stevens for a modified Capitalism, Mr. Aberhart for all that is best in both. Under their respective banners, they have assembled a highly interesting and diversified assortment of views and personalities. If they could be set up in alignment, the result would be a political spectrum, varying from the most delicate tints of Toronto pink to the fiercest of Winnipeg crimson. In essence, these parties are a revolt from political traditionalism. The C. C. F. is a move to the left from doctrinaire Liberalism, and the Reconstruction Party takes the same direction away from Con-

servatism. Each in its own way is telling us that the twentieth century is not the nineteenth, and that

Time makes ancient good uncouth.

Whether we intend to vote for the newer parties or not, their appearance is a healthy sign. Doubtless, both Mr. Bennett and Mr. King regard them as in the nature of embarrassments, for they introduce incalculable elements into the complicated process of political prophecy. It is well that they should be thus embarrassed. Whatever else the new groups represent, they speak for the oppressed, the suffering, the unemployed, in a word, for those whose voice is heard all too seldom amidst the whirl of the older election machinery.

While the results of provincial elections are notoriously insecure guides for prophecy on federal occasions, nevertheless the recent landslide in Prince Edward Island and the still more astonishing happenings in Alberta would suggest that the state of Canadian political opinion is such that, even at the last moment, the issue is profoundly uncertain. Probably, even the most optimistic adherents of the C. C. F. or Reconstructionists hardly expect to see either Mr. Woodsworth or Mr. Stevens the next Prime Minister. But gaining a majority of votes is not the only way of rising to political control. Balance of power is a means whereby a small but tenacious minority may dictate policies to larger groups without the responsibility of forming an administration. The C. C. F. and Reconstruction parties have been described as parallel movements, and mathematicians tell us that parallel lines meet only at a point beyond the region of practical politics. However, under the mollifying influences of a common opposition, such lines may deviate from their rigidity. They may bend, even meet and fuse. And then who knows what may happen?

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\* **T**HE sudden emergence of crisis in the relations between Italy and Abyssinia occupies the centre of world interest. The latest point of international tension has moved to an unexpected quarter. Who could have predicted that the next grave threat to the peace of the world would arise from a conflict between the Fascist State of modern Italy and a semi-civilized Empire in the north of Africa? The old Greek proverb quoted by Pliny has justified itself after the lapse of centuries. *Africa semper aliquid novi affert.*

\*These notes are written early in September, and may easily be quite out-of-date before they appear in print, but it is impossible to omit all reference to the most important "Topic of the Day" in international affairs.

Abyssinia is a vast African territory, over 350,000 square miles in extent. This ancient Kingdom of Ethiopia, whose ruler claims to trace his lineage back to King Solomon, is a wild mountainous country, mostly elevated far above the sea-level. Climatic conditions are decidedly tropical, but, like Kenya, it is said to hold attractive possibilities for European settlement. Abyssinia has escaped the historical processes that have divided up most of Africa among the European peoples. It is a sovereign State, under no mandate, protectorate or colonial authority. Early in the history of the Christian expansion, Ethiopia was evangelised, and although there is a considerable Moslem population, she has an ancient Church and claims to be a Christian nation.

The North of Africa has always had a natural attraction for the colonising ambitions of European nations, with maritime borders on the Mediterranean. In the ancient world, Greece and Rome had their African territories; and nowadays France, Spain and Italy turn their eyes to the same quarter. Difficulties of conquest and administration are reckoned to have more than adequate compensations. Pride of territorial possession is still an enormously potent sentiment. Imperialist ambition is not modified when it is supported by commercial groups who are eager to find unexploited abundance of raw material in countries which can provide an unlimited supply of cheap and docile labour. Abyssinia is just such a prize. Gold, precious stones, oil, rubber and lumber are mentioned among the rewards that await the development of the country.

Signor Mussolini has announced to all the world that he intends to stake out a new Italian claim to colonial expansion by the subjugation of this ancient land. When an indignant world professes to be shocked at this outrage, he replies that the Fascist State is only following the line of its destiny, as all the great Empires have done before. The Italian press heaps its cynical scorn on the fussy, excited French and British Ministers who insist on entreating *Il Duce* to abandon his wicked projects. Why this sudden attitude of international rectitude, when Italy is only about to do in the twentieth century what others accomplished so successfully in the nineteenth? Since those expansive days, when ambitious statesmen found an outlet for their energies in carving imperial destinies on the face of the earth, the accidents of history have interposed a complicated apparatus of treaties, pacts and covenants to moderate the zeal of military nations, but Mussolini argues that such provisions cannot be expected to apply to relations between European and African peoples. He is indignant that other nations

should interfere in what is essentially the despatch of a punitive expedition against wild African tribes, who are a continual source of trouble to the Italian policies of colonisation in Somaliland. He intends to bring the matter to an end in the typical European way by subduing and disarming the African, and then by administering the new colonial territory for the good alike of conqueror and of conquered.

The Emperor of Abyssinia's reply to the war-like preparations of *Il Duce* is to submit a test-case to the civilised nations of the world. The ink is hardly dry upon the latest of the pacts, by which groups of European states (Italy being one of their number) have bound themselves together for the maintenance of a peaceful earth. But yesterday, these nations were allies in a world-struggle, fought to preserve the sanctity of pledges and to defend the world against the aggressive manners of the military bully. Italy is one of the guarantors of Abyssinian independence. Both nations involved are members of the League of Nations; both signed the Kellogg Peace Pact. Only a few months ago, at Stresa, Italy committed itself to the position that the security of world peace depends upon strict observance of treaty obligations. Abyssinia urges that if all this elaborate mechanism of international comity cannot be used to secure arbitration between a powerful European state and a humble African people, then the sooner we have seen an end to hypocrisy the better. The ostensible occasion for the Italian threat, the Wal-Wal incident, has been submitted to arbitration. In strict compliance with the League of Nations Covenant, Abyssinia, under unquestionable threat of war-like invasion, has appealed to Geneva. Mussolini has brushed aside every conciliatory approach to the question with mingled contempt and defiance. His only reply has been to multiply military preparations, and to fix the date for commencing his campaign of conquest in Africa.

The gravity of the issues involved may be measured by the hasty summoning of the entire British Cabinet to receive a report from Mr. Anthony Eden, Minister for League of Nations Affairs. Along with M. Laval, this young British statesman had endeavoured to induce a mood of conciliation in the Italian mind, even after the breakdown of the more formal negotiations at Geneva. The decisions of the Downing Street meeting have not been officially disclosed, but we are led to understand that the British Cabinet has decided to stand by the League of Nations Covenant. Only a few weeks previously Mr. Baldwin had informed Lord Robert Cecil, when he came to present the striking results of the nation-



wide ballot on the popular attitude to the League, that the League of Nations was the sheet-anchor of British foreign policy. Presumably, an anchor is a useful and necessary equipment for the ship of state; but is it the most immediate requisite for an occasion such as this?

Clearly, the League of Nations is confronted with a crisis in its existence. It has survived the undoubted defeat which it received over the Manchurian affair, but that was not a test-case in the same sense as the present challenge to its authority. Japan resigned membership, and Italy threatens to do the same; but if the League can only expel its refractory constituents, its pretensions become an occasion for ridicule, and the sooner the Genevan farce is ended the better. Can the League apply sanctions? Behind that question lies the problem of how far the Governments of member-states are willing to go for the sake of peace. An enormous weight of responsibility lies on Great Britain. The closing of the Suez Canal by the combined action of France and Britain would put a swift and certain end to Mussolini's bluster. Would the exercise of such a powerful sanction become an act of war or a masterful stroke in passive resistance? We must wait and see.

Even if active hostilities break out between Italy and Abyssinia, it is by no means a foregone conclusion that Italy will win. The conduct of the campaign will be attended by enormous difficulties. The country is not easy of access. The Italian warriors will be required to fight in a tropical climate over mountain ranges against a cunning and warlike people. There is no good reason to suppose that the Italian armies will succeed in doing among the mountains of Abyssinia what they failed to accomplish among the Alps on the Piave. The ships carrying troops are not all moving in one direction. Already, before a blow has been struck, some thousands of invalids have landed back in Italy. The gods of war may be preparing yet again to destroy one whom they appear already to have made mad. There has been frequent speculation as to how the Fascist régime would end. We may recollect the ancient adage about supplying sufficient rope to those who eventually commit suicide by hanging themselves. Unfortunately, before they come to that ultimate condition, they contrive to involve themselves and others in much unnecessary trouble and suffering.

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**A** RECENT article contributed to a well-known quarterly\* makes the sin of impious omission an occasion for discoursing on the famous Malthus. The writer, who has been keeping a

\**Malthus after a Hundred Years*, by G. F. McCleary, M.D. (Hibbert Journal, Vol. xxxiii. 4 pp. 596 et seqq. July, 1935).

vigilant eye on the literary calendar, begins by professing his astonishment that the centenary of Malthus's departure from this life should have passed almost without comment. The great student of population problems died in 1834, but his problems did not die with him. Questions that tormented the writer of the *Essay on the Principle of Population* are behind more of our present-day distress than we realise.

Malthus took the view that, unless our race could rise to a height of unprecedented self-control, civilization would be defeated by nature and arithmetic. He began with two basal facts of life, both belonging to the instinctive impulses of our constitution. Man reproduces his kind, and man needs food. But, whereas population increases in geometric progression, food can increase only in arithmetic progression. Therefore, short of a drastic, voluntary limitation of the birth-rate, the future is dark indeed.

The writings of Malthus excited acute controversy in the earlier part of last century, but the problems raised by him did not appear to fulfil their sinister promise in actual life. The century of time which has passed since they were forced upon the notice of the world has also witnessed a coincidence of compensating and corrective factors to temper the dark forebodings of the Malthusian prophecies. Large-scale migrations of the white races have taken place, principally to North America, Australia and South Africa. This same circumstance has multiplied the available food resources of the world to such an extent that it seems there is more bread than can be eaten. What would Malthus have to say about the state payment of American farmers on condition that their hogs were *not* marketed as public food? Improved methods of agriculture, rapidity of transport, the coming of machinery have all increased food supplies far beyond even geometrical progression. On the other hand, the birth-rate declines, notoriously since the beginning of the present century. Perhaps it is not so astonishing that Malthus would appear to be without even an historical interest for this generation.

Nevertheless, the Malthusian questions trouble the world. There may be new compensations waiting to replace the nineteenth century movements of life, which seem to have been arrested in their development. It is obvious that the virile races of the world need room to expand. Population may not be increasing by the strict Malthusian measure, but there does seem to be a constant relation between birth-rate and national well-being. The standard of living is rising everywhere, and, at the same time, the great epidemic scourges and plagues that carried off millions have been



arrested. This need for expansion, conscious or unconscious, is probably the most powerful factor in the direction of international affairs. How far did the psychology of race-confinement operate in the Great War—for example, with Germany? Japanese expansion into Manchuria was an attempt to relieve the congestion of population in relation to limited food supply, which is a dominating social problem for the Land of the Rising Sun. Italy makes the same plea in defence of her predatory designs on Abyssinia.

Meanwhile, the ports through which, a few years ago, tens of thousands of Europeans passed as emigrants are now guarded by government inspectors. The British Dominions and the United States of America have domestic problems enough on hand without importing new occasions of worry. In fact, the tide of migration has begun to flow back again to the European countries.

The stoppage in the flow of emigration can be regarded as only very temporary. Canada and Australia, especially, need vast increases of population for their proper development as great civilised countries. We may all confess that in the past our policies of immigration have not been directed with the maximum of wisdom. Too many interested parties have been eager to exploit the immigrant for selfish ends, and there has been a good deal of cool assumption that people belonging to the "non-Anglo-Saxon" races must necessarily be of an inferior breed. And yet, we all assume that our civilization here is to be British-Canadian. With the exception of Quebec, our language will be English, and our institutions British. The Dominion as a whole will remain an integral part of the Empire. The only other possibility is to become assimilated to the United States of America.

We have a habit of assuming that Canada can afford to make her own way, independent of the great world-problems of nationality and race. History and experience are combining to destroy that illusion. We can do more than accept the incidence of world-movements; we can share in their wise direction. In no respect could we better help to relieve the tensions of international life than by beginning, even now, a wise and enlightened policy of immigration. The world demands it, and we have need of it for ourselves.

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UNTIL the latter part of August in this present year, Mr. William Aberhart was known neither by name nor by fame to most people in the Dominion of Canada. As a result of provincial elections in Alberta, he has not only become a Canadian premier, but he has become a figure literally attracting world-wide

attention. All the great dailies and weeklies, on both sides of the Atlantic and in the Dominions beyond, have been commenting on the sensational victory he has won for his peculiar economic doctrines. Mr. Aberhart and the Social Credit League appear to have persuaded the farmers of Alberta to carry what has hitherto been regarded as hardly even an academic and doctrinaire economic theory into the region of very practical politics.

Mr. Aberhart is an adherent of the Social Credit theory, which has been associated mainly with the writings of Major C. H. Douglas, who is an engineer by profession. The theory made its first appearance soon after the close of the Great War, and although it has been persistently attacked by economists of every school and opinion, nevertheless it has steadily gained in support. Indeed, it has attained the status of a coloured uniform—a sure mark of world importance to-day—for its younger adherents are known as “Green-shirts”. Perhaps a surer measure of its importance is the fact that the movement supports two weekly journals in Great Britain. The Social Credit doctrines have made a considerable appeal to groups of churchmen, who find in them a satisfying social expression of the Christian faith. Mr. Aberhart is not only a deeply religious man personally, but he is the leader of a considerable group, who appear to regard him with special veneration.

It is easy to realise why the Douglas theories should make at least a *prima facie* appeal to the people of Alberta. The Social Credit system addresses itself directly to their most immediate problem. This economic *impasse* is not peculiar to the western province, but there it seems to meet the eye in a very simple and direct way. The great industry of the province is wheat-production, and the farmers are eager and able to supply as much of that basal human necessity as their fields can grow. But they are faced with a two-fold problem, in both respects equally disastrous. Either the world-market cannot buy the wheat or it can buy only at a price which is not remunerative in any adequate sense. There is a lack of purchasing power. Why? Has all the world bread enough and to spare? Surely not! Starving people are crying out for bread, and for many other things as well, because they have not the “money” to buy them. It is precisely at this vital point that the Social Credit doctrines profess to help us. What has come to be known familiarly as the problem of “starvation in the midst of plenty” is for Major Douglas an indication that “money” or the purchasing medium, instead of being the servant of social interest, has become its master, and a singularly inadequate master. The proposition, which seems to have made

its appeal to the people of Alberta, is that of setting in motion the flow of goods from producer to consumer by extending the range of the latter's purchasing power through giving him not hard cash, but *credit*.

The Social Credit programme reminds us that actual hard cash, meaning by that tangible gold and silver, plays a singularly small, almost negligible part in the economic transactions even of the humblest citizens. We work with dollar bills, and in the higher reaches of industry and commerce we write cheques or enter amounts into books, against which we enter other amounts. We print pieces of paper called share-certificates or bonds, and these we receive for other pieces of paper called cheques or dollar-bills. All this vast system of paper-printing and writing is simply *credit*, and it is controlled and manipulated in the last resort by bankers. We all know what these credit instruments represent—goods, services, materials, capital instruments of production, factories. But as purchasing power, they appear as *credit*.

The basal assumption of the Social Credit theorists is somewhat obscured by their complicated calculations—we may doubt if it is quite plain to themselves. If this assumption is tenable, it forms such a remarkable departure from current attitudes that it should not be introduced without conscious acceptance. Major Douglas proposes that the entire resources of a country for the production of wealth should be regarded not as private property, but as a "social heritage" in which every man, woman and child *qua* citizen has the right to share. However, this right will be exercised not by any foolish or futile method of attempting to divide it up as actual property, but by its distribution in a form that is really useful—namely as credit notes or "tickets" (to use the favourite Douglas word).

If we accept the basal doctrine of Social Credit, the details of its working follow. Major Douglas does not propose to disturb the existing economic system except in this respect—that, by complete control of the credit system and the fixing of prices at which commodities shall be sold, the entire economic life of the country shall be brought to express the view that all wealth, potential and actual, is available to all the people as a dividend of credit or purchasing power.

We are not surprised to learn from Mr. Aberhart that a period of at least eighteen months will be necessary before he can attempt to carry through his programme. Even then, there are very obvious difficulties to be encountered. Alberta is only one province in a Dominion throughout great parts of which the doctrines of the

Social Credit League are as unknown as the proceedings of the Aristotelian Society. Very complicated questions of currency and banking are inevitably raised. Can Alberta put up an economic fence around its borders, and maintain a separate existence? But, even so, there are compensating reflections. In Canada, the first attempt to introduce a new economic programme has been made through the ballot-box, without the accompaniment of barricades or explosives. Mr. Aberhart has the reputation of being an enlightened, and what is equally important, of being an honest man. Moreover, he has a majority sufficiently large to give him a free field in the provincial parliament. We shall keep our eyes on Alberta.

J. S. T.