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POLITICAL DEVELOPMENTS AROUND THE TURN OF THE CENTURY

By B. K. SANDWELL
Editor, Saturday Night

THE concept of the twentieth century which was almost universally entertained in Canada in the year 1900 was that it was to be simply a bigger and better nineteenth century, in which Canada as the latest born child of that century would play a very important part. There can seldom have been an age more unconscious that it bore within itself the seeds of its own dissolution, nay, that that dissolution was indeed already far advanced. In 1900 we were certain that the twentieth century was to be Canada's century, and that it was to be also the finest flower of all the centuries of the history of mankind.

Only a single cloud hung in the sky at the moment when Canada crossed the threshold of this new century, an event which I hold, perhaps wrongly, to have taken place at midnight on December 31, 1900, Eastern standard time. The British Empire, not yet divided into a Commonwealth and an Empire, or a Commonwealth half-Empire and a non-Commonwealth half-Empire, was engaged in a war with certain Boer Republics in South Africa, brought about largely by the fact that these Republics refused to enfranchise certain immigrant Uitlanders, mainly of British origin, who resided in their territories. The historic importance of this war lies in the fact, which has not been greatly dwelt upon by historians, that it was the last war fought by the British under the system of voluntary enlistment, and that owing to their adherence to that system, or their unreadiness to adopt compulsion, they very nearly failed to win it. Mr. Henri Bourassa in his famous lecture of October 20, 1901, on "Great Britain and Canada" saw this point quite clearly, and devoted much of his time to discussing the only alternatives which would lie before the United Kingdom in its future wars, namely conscription and an appeal to the colonies. "Conscription spells danger from within; conscription conjures up revolt from five millions of angry British toilers, a fresh curse to be grafted on Irish hatred; possibly conscription means the disruption of the United Kingdom, the overthrow of monarchy and the advent of social revolution. Neither is an appeal to the colonies attended with less formidable difficulties."

But while Mr. Bourassa's estimate of the nature of future British wars was thus highly correct, his explanation of the reasons why they would have that nature left something to be desired. He blamed the difficult military position of Great Britain (or as he preferred to call it, the "distress of England") on the aggressive over-expansion of the British Empire, brought about by "the lust of territorial acquisition" in the breasts of shopkeepers who believed that "trade follows the flag." And even worse: "In British youths, brutal instincts are being developed by the invasion of sportive games," and these were leading to "a debasement of the moral and intellectual standard of the British Parliament" and to a national spirit of pride and aggressiveness.

The Boer War, however, came to an end with the end of the century, but not before its long-drawn-out and perilous nature had caused the

majority of the Canadian people to feel that Canada must participate in it to a much larger extent, both in finance and in man-power, than was easy in a country containing a great division of opinion on the merits of the case. A forewarning was thus given of the difficulties which were to arise later when the United Kingdom and its allies would be in even more serious straits. Unfortunately it is a law of human nature that people will always expect the next war to be exactly like the last one, when the only thing that is really certain about it is that it will be entirely different. So as soon as the Boers were disposed of, the British and the Canadians alike began looking forward to another war in which mounted infantry would be the predominant land force, when it was actually destined to be fought by enormous masses of infantry supported by unprecedented quantities of munitions and mechanical equipment. The question of the manner of raising the required forces thus gave place to the question of training them, and the proper way of dealing with Boer commandos was sedulously imparted to armies which were in a few years to have to deal with an entrenched line of millions of German conscripts from the English Channel to Switzerland.

This means that in Canada in 1900, although I suspect not even the most far-seeing economists of that year were able to see it, we were already face to face with one of the major breakdowns of the system of free capitalism. A state which owes its power of self-defence wholly to the money placed at its disposal by taxpayers and lenders—a state which cannot engage an additional soldier until it has been provided with the necessary shilling to sign him up with and a lot more shillings for his subsequent pay—is in a totally different position from a state which owes its power of self-defence to its right to order its citizens into the breach. It is in a different position, and it is also a different kind of a state. It is not necessary to inquire in which state the owners and managers of money are likely to be more powerful, and in which the power will rest more largely with the great mass of citizens if they have the brains and will to exercise it, and with the manipulators of the state machinery if they have not. I will only ask you to consider the statement of principles with which Malthus, that prince of capitalistic thinkers, ushered in the nineteenth century, and to decide how far it had ceased to be valid by the time the forces of the whole Empire were imperatively needed to defeat the Boers. I take the quotation from a speech of Lord Brougham, that malevolent enemy of our own Lord Durham, delivered in 1842; I have not been able to locate the passage in the works of Malthus, but the component ideas can all be found in the *Principles of Population*, and the rhetoric with which they are linked together seems exquisitely Malthusian. Lord Brougham was opposing on principle, in the highly appropriate setting of the House of Lords, the making of any legislative provision for the poor. He declared any such provision to be a great mischief, and he took his ground on Malthus, who says: "A man who is born into a world already possessed, if he cannot get subsistence from his parents, on whom he has a just demand, and if the society do not want his labor, has no claim of right to the smallest portion of food, and in fact, no business to be where he is. At nature's mighty feast there is no cover for him. She tells him to be gone."

Now it was all right for Malthus and Brougham to say that, in the name of the society of their day, to a man who had nothing which that society

wanted except what it could buy on the open market from somebody else if he were unwilling to sell it. But you cannot say that to a man whose fighting power—his skill, his courage, his endurance, his willingness to imperil life and limb—are going to be so imperatively needed that the society dare not haggle with him about the terms of the bargain, but must use its sovereign power to take from him all that it needs. If nature has really told such a man to be gone, of which I am very doubtful because I do not think nature knows anything about the laws of property, the twentieth-century society will very promptly have to implore him to come back, and apologize to him for the rude way in which its property-owners have been talking.

There was already implicit, therefore, in the Canada of 1900, and in the world of the civilized West to which it belonged, that terrific increase in the impact of the state upon the individual, due to the extended scope of modern warfare, which makes things so very difficult for states which, like Canada, are lacking in homogeneity. But nobody could have been less aware of it than the 1900 Canadians. The war was soon to come to a triumphant end without anybody having even suggested conscription, leaving Mr. Henri Bourassa with no grievance except that he was taxed to help defeat the Boers and prohibited from going to fight on their side, and all without any decision of the Canadian Parliament that it wanted the Boers to win. (But the current of thought which Mr. Bourassa then set moving has gone on flowing ever since, and has spread into distant and wider channels.) The racial cleavage in the Dominion appeared to have been vastly diminished by the selection as Prime Minister of a man of the minority race, a loyal son of the minority church though admittedly a one-time member of the *Institut Canadien* condemned by Mgr Bourget. (Nobody knew that within eleven years Laurier was to be repudiated by the voters of Quebec.) The economic difficulties of the nation, due to over-anticipation of the speedy development of the territories opened up by the first Canadian transcontinental railway, were being alleviated by a rising flood of immigration, which however included, as Mr. Jean Bruchesi is careful to point out, "a considerable number of Jews and eccentric Doukhobors." (He adds the perhaps more valid criticism that "it cost more money for a *habitant* from Rivière-du-loup to move to Alberta than for a Jew from Galicia or a peasant from the Danube valley.") The educational cleavage between the believers in the confessional school and the believers in the "American" principle of the single neutral school system, appeared to have been similarly alleviated by the apparent success of the Laurier policy of conciliation in Manitoba. The annexationists had gone into retirement, and even the advocates of reciprocity with the United States were to lie low until 1911, when to their surprise their policy became possible in the United States and therefore ceased to be attractive to the Canadians. The conflict between the free-traders and the high-tariffites had been greatly lessened by the discovery that no Canadian party would ever long maintain a tariff much higher or much lower than that of its opponents. (The Liberal party was shortly to experience an effort by Mr. Israel Tarte to make it almost as high-tariffite as the Conservative party, an effort which failed so far as his personal fortunes were concerned but did not make the party any more low-tariffite than it was; and Mr. Borden spent much time persuading the West that the Conservative

party wanted nothing more than an "adequate" tariff.) The conflict between the East and the West which was ultimately to lead to the rise of a series of specifically Western parties had not become clear; there were only fifteen seats west of Ontario in 1896 and seventeen in 1900, and the great majority of the Westerners had not been there long enough in 1900 to have learned that the people of the East were their natural enemies and exploiters and were deliberately luring them into debt with a view to foreclosing the mortgage and getting possession—indeed it is possible that the idea of doing so had not generally occurred to the Easterners. So that the country really looked fairly united even in a longitudinal direction.

Altogether, then, it is no wonder that an extreme cheerfulness pervaded the whole people except that limited but important and ever-present element which holds that it is contrary to nature for Canada to be governed by any party in whose name the word "Conservative" does not occupy at least one-third of the space, and which is therefore quite sure that the country will eventually be punished for its sins and error.

So much for the nation as a whole, still convinced of the sanctity of *laissez-faire* and the inevitability of free capitalism. In various provinces, however, there was already at work a process which was ultimately to undermine free capitalism at another point in its defences. Messrs. Mackenzie and Mann, who liked to build railways, had discovered a way of building them which would never cost anybody a cent and yet would leave them ultimately in possession of Mackenzie and Mann. The province through which a piece of railway ran was to guarantee the bonds covering the cost of its construction, which, except for that guarantee, were merely a mortgage on the railway, itself owned by Mackenzie and Mann, whose contribution was the idea and the organization. The investor had a perfectly good bond secured on the whole credit of the province, the interest would be paid out of the earnings of the railway, the rest of the earnings would go to Mackenzie and Mann, and everybody would be happy, including of course the voters of the province who would get a great increase of transportation facilities. All of this would have done no great harm to the system of free capitalism if all the obligated parties, beginning with Mackenzie and Mann and ending with the provinces, had been allowed to go bankrupt when they could not meet their obligations, as the system of free capitalism rigidly requires. But by the time it became conclusively evident that the obligated parties could not meet their obligations, which was well into the first World War, the system of free capitalism was already so weakened that the Dominion government did not dare to allow it to function, and took over a vast mass of railway obligations which now show the creditors a nice premium, and which have served the useful purpose of getting the nation so thoroughly accustomed to a large national debt that it was not even frightened when confronted by the present war borrowings. By taking over the mortgaged railways at the same time, and operating them as an amalgamated system with the full credit of the nation behind it, Canada set up a transportation arrangement which is neither free capitalism nor socialism, but is supposed to induce in each of its parts the merits proper to both. So far is this, however, from being a matter of deliberate design or intention, that the Canadian people have always been acutely surprised at each successive step in the process, and will no doubt be equally surprised at the next step whatever it may be. What it will be I shall

certainly not endeavour to predict, but in 1903 the chief objection of Mr. R. L. Borden to the Grand Trunk Pacific proposals was that they tended to postpone the day of government ownership of all railway lines, a postponement which he profoundly deplored.

It was obvious that no territory in which Mackenzie and Mann could be building railways if there were a provincial government to guarantee the bonds could long be left without such a provincial government, and loud cries for provincial autonomy were already in 1900 proceeding from the eminently railroadable territory between Manitoba and British Columbia. But the setting up of that autonomy involved the drafting of a constitution, and the drafting of a constitution involved the making of a decision between the demand for a unified school system and the demand for confessional schools—the most dangerous decision a Canadian government can have to make. That decision was held off until 1905, just after a triumphant general election and at a time when vast sums of railway money were being spent on Dominion account quite apart from the Mackenzie and Mann arrangements with provinces. It looked like the best possible time for a nasty job, and the decision did actually have no bad electoral effects in 1908; but in the great Liberal *débâcle* of 1911 it had far more to do with the revolt both of the anti-reciprocity English Liberals and of the Bourassa French than would be guessed from the speeches of either faction. Laurier himself wrote to a friend that the 1911 election was not a verdict against reciprocity but against a Roman Catholic Prime Minister.

R. L. Borden's favourable view of ultimate government ownership of all the railways fits in closely with a very general tendency of Canadian political thinking in the early years of the century, a tendency which has largely disappeared from the older parties since the first World War and has become the special property of the party devoted to socialism. The older parties, it would seem, have come to the conclusion that it may be dangerous to advocate the public ownership and operation of electric power plants, urban transport systems, telephones, railways, and steamship lines, if at the same time you are fighting another party which advocates the public ownership and operation of these and everything else; the electors might not know where to stop. At any rate it is significant that the only part of the country in which public ownership has been carried further by one of the old parties in the last few years is Quebec, where socialism is not supposed to have much chance in the near future. But in the early nineteen-hundreds the acquisition or construction by public authority of all sorts of utilities of the kind mentioned was extremely popular. It must be remembered that there was in those early years a grave lack of any other means of putting the misbehaving capitalist in his place; he had but to wrap himself in the sacred flag of the doctrine of *laissez-faire* and the state authority, whether provincial or federal, must recoil baffled and impotent. You could compete with him, or you could buy him out, but you could not spank him, leave him in possession of his property, and tell him to be good or he would be spanked again. How different from the present-day scene! The very earliest of the spanking machines, the Canadian Railway Commission, came into existence only in 1904, and if I remember rightly there continued for some years to be a

doubt whether the C.P.R., owing to a clause in its charter, was not immune from chastisement.

In these circumstances, and with loan capital abundant at very low interest rates, it is not surprising that there was all over the country, except in Quebec, a flood of public ownership enterprises in the utility field, headed by the Ontario hydro, which for nearly forty years remained an object of reverence to the adherents of both the old political parties, and has only very recently fallen from that estate sufficiently to be described as a "sacred cow" by a columnist in the Toronto *Globe and Mail*. The abstention of Quebec from this procedure, or rather the lateness of its joining in it, was due probably to a feeling, shared by both races, that French-Canadian politicians are not awfully good business men and that whoever might benefit by public ownership in Quebec it would not be the public. The motive for Quebec's recent adventure in public ownership is special and racial, and arises from the belief that the English-speaking capitalists of Quebec's private-enterprise utilities do not give the French Canadians a fair share of employment.

Some of the capitalists of the early years of the century unquestionably needed spanking. The same period in the United States gave rise a little later to the "muckraking era," but Canada was scarcely sufficiently adult for that literary process. The rapid economic expansion of the country was setting up a terrific race for franchises and special privileges of every sort. The types of enterprise most in vogue were those which required a grant from government either of the use of some natural resource such as a forest or a waterfall, or of the right-of-way on or across property as for a railway or a power transmission or a telephone. The relations between big business and politics became increasingly cynical, and a long series of unsavory scandals, and mysteries which fell only a little short of scandals, developed both at Ottawa and at various provincial capitals. Both in 1904 and 1908 the Conservatives under Mr. Borden tried to turn to account the resultant distrust of "big business" by preaching both government ownership of all sorts of utilities, including cold storage plants, and stricter government regulation of other businesses; but while they made progress they could not overcome the solid Quebec Liberal vote.

The one issue by which that solid Liberal vote was ultimately to be destroyed was the issue of Imperialism *versus* Nationalism, and that is the one issue which the intelligent Canadian, looking at his country at the close of the Boer War, could not regard as having been satisfactorily quieted, or having ceased to be a possible cause of grave danger to the young nation's unity. True, even this conflict did, by the end of 1901, seem to have been sensibly alleviated, for with the Boer War out of the way there was for some time a general tendency to avoid irritating utterances. Mr. Bourassa, who did not altogether share this tendency, spoke in 1902 of "the Imperialists, who despite their quietude at the present moment, have not said their last word." The quietude was perhaps helped by the facts that many French-Canadian Nationalists were disarmed by the presence of a French Canadian in the Prime Minister's chair, and that some of the more extreme Imperialists had lost prestige through the failure of their Imperial Federation movement.

Nationalism in Canada is of course far from being an exclusively French-Canadian attitude. But there is a French-Canadian Nationalism which

includes a larger programme of items, being concerned not only with resistance to Imperialism but also with the claims of the French-Canadian communities in every part of Canada, and especially of those which, unlike the French of Quebec, are not a majority in their province and cannot rely on the provincial authority to protect them. It was this kind of Nationalism which brought into being the Canadian Nationalist League, formed in Montreal in 1903 under Olivar Asselin to promote "the largest possible autonomy within the framework of the Empire; the autonomy of the provinces, with absolute respect for the rights of minorities in education; the peopling of the West by Canadians in order to hasten the formation of a Canadian nation; the defence of French as one of the official languages of all Canada; the exploitation of natural resources by and for Canadians." It may be noted here that the French text is capable of an interpretation which is not possible to this English translation, for the word translated "Canadians," while it may mean merely a native or citizen of Canada of any race, is much more likely to be applied by a French-Canadian hearer merely to French Canadians—an interpretation which would not diminish the appeal of the document. It so happened that between 1903 and 1909 this particular French-Canadian species of Nationalism received every possible stimulus from events relating to language and education in various other provinces, with the result that when the question of military and naval preparedness for possible joint defence along with Great Britain again began to be agitated, owing to the threatening aspect of Germany, there was a strong and organized opinion in French Canada ready to oppose such preparation as one more concession to British "jingoistic intrigues."

The non-confessional or neutral school system is of course no more a part of British Imperialism or even of the British political tradition than is the one hundred and sixty acre land survey system of the Prairie Provinces. It is essentially American, as is also the idea of recognizing but one official language. It seems a little ironical, if not unjust, that the supporters in French Canada of a reasonable and self-respecting mutual alliance for defence between a wholly autonomous Canada and an equally autonomous Britain should have to bear the burden of the animosities excited not only by the one-school Orange Order but also by the one-language Irish Roman Catholics; but such is the case, and to the majority of French Canadians these are all British Imperialists in the same basket together, and anybody who suggests that the national safety of Canada is somewhat bound up with the national safety of Great Britain is simply playing the game of all these francophobes. There are however just as many misconceptions on the other side, misconceptions by the English-speaking about the attitudes of the French, and they are just as dexterously used by those who can make something out of them.

There are sixty-five federal seats in the Province of Quebec, and for the first seven elections of Canada's history they divided fairly evenly, with the Conservatives holding never less than 45 per cent and usually well over 50 per cent. With the advent of Laurier in the election of 1896 this healthy situation was abolished, and the Liberals began a series of majorities ranging from 75 to 90 per cent. With this assured advantage to the Liberals it became more and more difficult for the Conservatives when entering a general election to look as if they were going to win, and in

Canada in a two-party fight it is difficult to win unless you look as if you are going to. It therefore became a major object of Conservative strategy to break the Laurier hold on Quebec. There were already in 1908, as we have seen, reasons why some dissident Liberals would have liked to break away from the party, but there was no sign that Quebec could be led to revolt (the mysterious operations of David Russell regarding the purchase of a great French-Canadian daily were abortive), and the time was therefore judged inopportune. By 1910 it was clear that the Nationalists would persuade much of Quebec to support any government rather than put up with Laurier any longer. It was therefore decided to force an election, and the reciprocity proposals of January, 1911, which at first met with only a lukewarm opposition in parliament, were made the object of a filibuster which compelled the government to dissolve. The Quebec Nationalists had nothing against reciprocity, but they also had no particular feeling in its favour; it was outside of their rather limited range of interests. They expected, and had every right to expect, a new parliament in which they would have the balance of power and could exact terms for their support.

In the event there were just enough of them returned that they could, by rejoining the Liberals, have compelled another election in which Mr. Borden would have been even more successful. But they were in no mind for such heroic courses. Peacefully their leaders accepted office in the Borden administration and in other government posts without insisting that he carry out a single plank of Nationalist policy. Peacefully they drifted away one by one as the war of 1914-18 necessitated more and more policies of the most un-Nationalist kind, until in 1917 the union government, formed to enforce conscription and containing no minister from French Quebec, was returned with a majority of seventy-one over the Opposition consisting of eighty-two Liberals, sixty-two of them from the Province of Quebec.

It is probably very fortunate that the Nationalists of 1911 were not men of stronger character and greater political capacity. The presence in any elected body of a compact group of able men with a narrow range of interests which they are determined to serve at all costs is always a danger, whether they be Nationalists, Prohibitionists, Communists, or Irish Home Rulers. Had these Nationalists been more capable they could have paralyzed the proceedings of parliament during much of the three years immediately preceding the first World War. As it was, after making it possible for the Conservatives to defeat Laurier, Reciprocity, and the Canadian navy scheme, they exerted no further influence upon the course of events, and when one of the ablest and most sincere of them died last year after a long judicial career, not one of the present-day Nationalists attended his funeral.

We now know that the twentieth century is not in the least like the nineteenth century. It is a century in which Germany, without any money, nearly wrested the mastery of the world from an alliance headed by Great Britain, the United States, and Russia, and failed, not because they had money, but because they had man-power and resources and were ultimately able to deliver them as a united fighting force. We still have the resources we counted on in 1900, and they are still important, though not as all-important as we then thought. We have not even the man-power we thought in 1900 we should have by 1945, and we seem afraid to try to

attain it. As for the unity of purpose to enable us to deliver that manpower and those resources as a fighting force, there has been little sign of it in the decade I have been examining, and I doubt if anybody will claim that it has increased since 1911. We are not even conscious of the need of it, for each of us is convinced that what is really needed is that he should be able to impose his views on the rest of Canada. We shall not make this Canada's century by any such method, but we can still make it Canada's century by having a united purpose and adhering to it, especially if that common purpose be to promote as far as in us lies the peace and welfare of the entire world.

DISCUSSION

Professor Innis asked if Mr. Sandwell had taken into consideration the military situation in Europe about 1911. He said the military factor has been too much neglected by historians.

President Mackenzie asserted that English Canadians are very doubtful about the development of the Nationalist aims of French Canadians with respect to the French-Canadian communities outside of Quebec.

Mr. Sandwell replied that he had not committed himself on the question of French-Canadian Nationalist aims. He pointed out that the B.N.A. Act offers no guarantees for the French language outside of Quebec. That is the reason why a new basis of compromise must be worked out between French and English for all Canada. He does not expect this to come in his lifetime.