

(November 9th, 1936)

## Britain's Foreign Policy and the International Situation

BY HUGH MOLSON, B.A. (Oxon.)

PRESIDENT COL. MESS, CHAIRMAN:—Guests and members of the Canadian Club: I continue to marvel at the British ability of accomplishment with minimum effort, maximum effect, and ample leisure. Perhaps the solution is a simple one, which we have not yet mastered here, namely to play at work as we play at play. Or it may be the more difficult philosophy, which the late Sir William Osler propounded to the students of Yale in 1913, in his address "The Way of Life": "Life has no day tide permanence. Today is the future. There is no tomorrow." From whatever source he gained his abilities we can follow and understand Mr. Hugh Molson's march through the Royal Naval College, Dartmouth, Lansing Public School, and Oxford days on to the secretaryship of Chambers of Commerce; to fighting and losing his first attempt to enter Parliament; fighting and winning his second attempt; fighting and routing his opponents in Parliament; fighting, and losing, to retain his membership—and all since 1914. And then we can learn how our guest speaker still has time to study and interpret the philosophies of Hardy, the poems of Rupert Brooke, the Sonnets of Shakespeare, and to address us today on Britain's Foreign Policy and the International Situation. Gentlemen, Mr. Molson.

MR. HUGH MOLSON:—Mr. Chairman and gentlemen: The present crisis in which the Empire finds itself is due to the fact that the era of the Treaty of Versailles is now coming to an end. I do not think, however, that it will be the opinion of historians in the future that the treaty of Versailles itself was as bad, as it is now fashionable to point

out. It was supposed to be based on the principle of self-determination, and that principle was applied very conscientiously. It has been estimated that at the present time only three per cent of the population of Europe is under foreign rule. On the other hand it was very definitely at fault in other ways, and everyone knows that it did not take economic considerations into account. When Europe was partitioned on the basis of race and language, nothing was done to prevent the new frontiers cutting across the existing economic units. You had the fairly well-balanced system of Austria-Hungary cut up so that barriers were placed between coal and the iron it served, and agricultural districts were cut off from the towns that supported them.

But the real trouble has been that, in the years that have followed since the Treaty of Versailles, there has been the unwillingness of a number of satisfied powers to modify the treaty in matters in which revision is desirable. First, there was the matter of reparations. Although even in the early days economists and financiers realized that Germany was being asked to pay more than she was capable of paying, that issue was kept alive till 1932, and in 1924 Poincaré took advantage of a technical omission on the part of Germany in order to occupy the Ruhr. That occupation and the struggle it caused had the effect of destroying the German Mark and the German economic system. It left behind memories more bitter than those caused by the war itself.

In the second place Germany regarded as a pledge the expression of intention by the victorious allies to disarm as soon as Germany was disarmed.

I think that historians will see that the present crisis is much more due to the spirit of the negotiations conducted since the treaty than to any defects in the treaty itself. And when people, who talk about solving the problems of Europe by revision of the treaty, are asked for details, they find it extremely difficult to explain that what particular revisions they desire, would not create greater problems than those of the present time.

In western Europe there are three great powers and it is important to see what their policy has been in the last fifteen years.

In the case of Germany for a number of years after the war you had a democratic constitution and two very remarkable statesmen, Stresemann and Brüning, who believed in a policy of fulfillment of obligations, and who tried to carry out the obligations of the Treaty of Versailles, relying on reason and persuasion to secure the necessary revisions of it. France on the other hand became the leader of a group in Europe which wished to maintain the *status quo*.

If you will look at the map, and look towards Poland and Czechoslovakia you will see two countries whose interest in the maintainance of the *status quo* can be understood and defended. It creates a false impression if you look upon France as a typical satisfied power. For the Poles the Treaty of Versailles is the very charter of their existence.

After a long history with varied periods of glory, Poland was partitioned between Russia, Prussia and Austria, and during one hundred and thirty years the Poles were accumulating memories of the suppression of their nationhood and culture, and very harsh suppression of any form of nationalist movement.

In the matter of Czechoslovakia conditions were very much the same, and it is important, in considering the present conditions in Europe—and having whatever sympathy you can with the desires of revisionist powers for their place in the sun—to remember, that the Treaty of Versailles was the justest settlement it was possible to make, and that, for a number of countries, it was the very charter of their existence. If they look with suspicion on any proposal to tamper with the settlement it is but natural and to be expected.

France, as soon as the war was over, entered into close relationships with Poland, and the Little Entente—Czechoslovakia, Rumania, and Jugoslavia—was formed in order to oppose Hungary, the country which has perhaps the strongest revisionist claims of any country in Europe. When I say claims, I do not mean to offer any opinion as to whether they are justified or not. France, facing the danger of a German revival, made friends with these countries, and to that extent you have a group of satisfied powers.

Now the British view after the war was similar to her

idea after the Napoleonic wars. In both cases we realized that there could be no permanent peaceful settlement so long as one great power which had been defeated, was maintained in a position of inferiority. It is not possible to criticize the foresight and generosity of Britain's intentions, but it is extremely easy to criticize the methods she adopted. Generally speaking we expressed sympathy with Germany, and thereby encouraged her. When France remained obdurate, because she had the letter of the law on her side, in the end we supported her in rejecting the German demands. In this way we got the worst of both worlds. We first encouraged Germany and then assisted in disappointing her. In the case of France we first raised her suspicions of us but in the last recourse supported her. And that is the way in which the Great powers have guided their policies since the war.

One great attempt was made to bring about a settlement of the European problem. That was the treaty of Locarno. It is impossible to exaggerate the importance of Locarno, even though it is now being torn up by the signatory which originally proposed it. It is important, because it showed that the League of Nations was inadequate alone to ensure security. It was a pact of non-aggression between Germany and France, in which Germany accepted as permanent the frontier between Germany and France which was drawn up at Versailles. France, in turn, vacated German Territory some time before she would have been obliged to do so. Germany became a member of the League of Nations, and that was the end of her period of inferiority. So far as Great Britain was concerned, we, together with Italy, undertook to come to the aid of either France or Germany if either was attacked by the other country, and it was regarded as being the greatest commitment in Europe that we were prepared to accept, apart from the covenant of the League of Nations.

It is important from another point of view. It was an obligation consistent with the League Covenant, but going further, which Britain alone accepted, and in which none of the Dominions joined. What I believe to be the case is that Britain occupies two positions, one as an Imperial power, and one as a European power, and if in any case

there appears to be a conflict between the two points of view, our geographical position will oblige us to play our full part in Europe, even if the Empire is unable to follow.

The general deterioration in the situation in Europe dates from the beginning of the disarmament conference—a conference that began with high hopes and ended in the worst race for armaments that the world has yet known.

The underlying cause of the failure of the conference was the conflict between France on the one hand, dominated by the idea of security, and Germany on the other, dominated by the idea of equality. I will not go into the rights and wrongs of the matter. There were rights on both sides. France was justified in asking for security and in regarding Germany with suspicion. Germany was justified in asking that she should not be kept in a position of inferiority.

Bruning came to the conference knowing that unless he could take back equality he would fall from office. After a discussion, in which considerable measure of agreement had been found between the United States, Great Britain and Germany, the proposals were rejected by France. Bruning went home to Germany in April, and was dismissed from Office in May. From then on you had a series of Chancellors till Hitler came into power. The great mistake that France and Britain made was that at that conference they did not give, as a gesture of generosity, what they were subsequently forced to concede when Hitler came into power and used threats.

In 1932 President Hoover put forward proposals that appealed to public opinion in all countries. They were not very scientific and not adequate to deal with the problem, but it was a misfortune and a blunder on the part of Britain to turn to them, what appeared to be a cold shoulder. In July, 1932, a summary of the first six months of the Disarmament conference contained no reference to the equality of Germany, and Germany walked out. In December of that year the United States and Great Britain agreed on a formula. They recognized Germany's claim to equality of rights in a system which would provide for the security of all nations. That was a classical example of a formula that bridges a gulf and yet does not get you to the other side. In the following month Hitler became Chancellor of Ger-

many. In March Great Britain made a great and helpful contribution to the cause of disarmament. While it fell short of what we aimed at, the British Draft convention was an attempt to put into a single scheme the highest denominator of all the various proposals that had been made which appeared to have some chance of being accepted. In May, 1933, F. D. Roosevelt made the valuable suggestion that the great powers should agree to abolish aggressive weapons, and that Germany should agree to make none pending the time they should be abolished. That was accepted by Hitler. It was a great blunder that the opportunity was not seized to bring about general disarmament, but a few weeks later the world economic conference met in London and the disarmament conference adjourned.

During the summer the British Draft Convention, which had been accepted by France and Germany, came in for criticism from both countries. We then modified it to meet French objections. We may have been unwise to have done so. It certainly gave Hitler a pretext for leaving the disarmament conference for the second and last time, and for withdrawing from the League itself. A further offer was made by Hitler in 1934, and just before that Great Britain had inquired of France what further commitments Great Britain could undertake, to induce France to make concessions to the German point of view. In April of that year France turned down Hitler's offer, and said that no commitments, that could be undertaken by Britain, would induce France to modify her policy.

There was one last chance of saving the situation. In February, 1935, the French and British Ministers met in London and gave an invitation to the Germans to come and discuss a new limitation Treaty. The agreement was to discuss the disarmament provisions of the Treaty of Versailles, and the principles of Locarno were to be applied. It is significant of the change that had come over the situation in ten years, that Great Britain was anxious to be included in the treaty, as one of the nations to receive guarantees of security.

Then, before the discussion had any chance to make headway Britain issued a White Paper announcing that a considerable increase in armaments was necessary as the

result of the rearmament of Germany. The French were increasing their Air Force and they decided to increase the period of military service, not to increase the strength of their army, but to prevent it from decreasing in strength because the new classes to be called up were small classes born during the years of the war. These two actions were taken by Germany as a pretext for the reintroduction of conscription in violation of the treaty of Versailles, and she immediately gave public recognition to the Air Force, which they had for some time been building secretly. Reintroduction of conscription into Germany gave her a standing army of 560,000 men, the largest army in Europe, apart from Russia.

The French retaliated by negotiating a treaty with Russia, and when, in the early months of this year (1936) the treaty was ratified by the French Senate, Germany re-occupied the demilitarized Rhine areas.

I have abstained from passing moral judgment on the various actions. I want you to look upon them as being the unavoidable and logical reactions of one country to the policy of another, as being the unavoidable steps taken by two countries, both greatly concerned for their own security and unable to look at things through the eyes of the other, and to realize that the measures they regarded as necessary to their own security, were regarded by the other as a menace to its own security.

We will leave Europe for the moment and turn to Italy and Abyssinia, and the deplorable results of that business are so well known that I will only mention the lessons which the countries of Europe have learned from it. They have learned, in the first place, that might still triumphs over right; that military dictatorships, which are not afraid of war, are likely to achieve diplomatic victories over democracies, that do not want war. In the third place they have learned, that a country will not fight to vindicate the principles of international law, unless its own selfish interests are also at stake. In the fourth place they have discovered, that economic sanctions, which will not be backed up by military sanctions, will be ineffective in restraining an aggressor. That is why, since the Abyssinian war they have taken to relying on their own strong right arms and the

race for armaments has been resumed by every country in Europe.

When we turn again to Europe, we find that the whole situation has undergone another change. Germany and Italy are allied, and Austria and Hungary are vassal states. Austria was the dividing line between Italy and Germany, and if a new settlement has come, it is reasonable to suppose it is on pretty broad grounds. Their interests in Eastern and Southern Europe look as if they might conflict, and if they have got together, it must be because they have arrived at a pretty close understanding.

That bloc of Fascist powers cuts Europe in two from the Baltic to the Mediterranean. Germany, Austria, Italy and Hungary is the line-up of powers cutting France off from other members of the group of satisfied powers. It is moreover a wedge that divides the countries supporting the League of Nations. You have therefore two armed camps comprising the satisfied powers against the unsatisfied powers; League powers against anti-League powers, which believe that the League is going to restrain them from satisfying their ambitions; Fascist powers against democratic powers; militant powers against pacific powers; and, as though that were not enough, you now have the civil war in Spain, which is being very closely watched by the rest of Europe, because there is being fought out the struggle between right and left on the small stage of Spain, which many people fear will end, by being fought out on the larger stage of Europe.

In that situation there obviously rests on Britain the great duty of acting as a mediator. We are of Europe, but not in Europe. We have been, and still are, regarded by France as a friend, and Germany does recognize that in all the years since the war we have shown greater sympathy to her than has any other of the victorious powers. Both sides want the support of Britain, and, moreover, both expect to get it.

Germany thinks that a monarchial country, which is still to some extent aristocratic, and certainly capitalistic, must realize that Russia is her great enemy, and join in with the anti-communistic bloc. Russia on the other hand thinks that we must realize that Germany and Italy are the real

menace, not only to Europe but to ourselves. The real point of view is, that we don't like either Nazis or Communists. And perhaps one can discharge the task of mediation almost as well if one feels a dislike for both parties as one can if one feels an affection for them.

The first problem which during the last year we have tried to deal with is the tearing up of the old Locarno and negotiating a new one. Since Germany occupied the demilitarized Rhine Zone, the whole of our influence has been thrown into the balance to prevent France from taking that action as a *casus belli*. We urged moderation, and when the moment of danger was passed, we urged France to come and join in negotiating for a new settlement. France was unwilling to do so. Now France has accepted our invitation and Germany has refused. I say "Refused" because she has only accepted that there should be no inclusion of Eastern Europe, and that is a public admission, it seems to me, of what Germany's aspirations at the present time are.

I do not believe that Germany has designs against France, nor, for the next few years at any rate, against Britain. Her intention is to expand toward the East, and so we come directly up against this question: We have no commitments in Europe, apart from the treaty of Locarno, except the general commitment under the League of Nations; therefore will Britain be involved in the next European war?

The answer turns entirely upon how we interpret the Covenant of the League. British policy must always be based on the League. Looking fifty years into the future it appears to me that we are entering upon a period of aggression and expansion on the part of three great powers (Japan, Italy, and Germany) and I cannot think that the whole territory of the British Empire will be left out of their calculations, and I doubt if it would be possible for us to defend the Empire, unless we have with us the forces of collective security.

Now the issue that lies before us at the present time is: are we to stand by collective security or are we to restrict our commitments in Europe?

I have no answer to give.

Great Britain will have to face in the next few months

the issue which every country, including Canada, has got to face, and my lecture must come to an end on a note of interrogation. I cannot prophesy what the government of Great Britain is going to do. I have confined myself to trying to explain how the situation has arisen, and how the difficult problem is regarded in England. We may have made blunders in the past, but at any rate we have tried to act for the cause of peace in Europe, and I hope and trust that our work in the future will be watched here in Canada with sympathy and understanding.