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The Crisis in Europe

By Count Robert Keyserlingk

Chairman, T. D'Arcy Leonard:—Gentlemen, our guest speaker today, has had a very stirring career. He was born in that part of old Russia which is now Latvia, into a very distinguished family. With the revolution, the family left its native land, and Count Keyserlingk spent some years in Japan and China, later coming to British Columbia. There he worked as a fisherman and in the lumber camps to put himself through the University. After graduation he went to Europe and became associated with the United Press, and spent eight years as its European manager. During that time he came closely into contact with the movements and personalities which have influenced European events. He is now a Canadian subject. He says he is plain Mr. Robert Keyserlingk, but in welcoming him here today, as a matter of courtesy I introduced his real title. Gentlemen, I introduce to you, Count Robert Keyserlingk.

Count Robert:—Mr. Chairman, and members of the Canadian Club, it is hardly necessary for me to tell you how great a pleasure it is for me to meet you at this luncheon gathering today. When I was asked to speak to you today on the European crisis, I realized that I could only speak to you of the events that are happening today from the standpoint of one who is watching them closely, and not as one who pretends to have any knowledge of them from the inside. Nevertheless eight years spent as a correspondent in Europe has probably brought me into closer touch with those events than the average man. The troubles in Europe today are the result, not only of the class war and the treaty of Versailles, as many think, but they are the consequences of

things going back centuries. Seen from a distance, it is hard to arrive at the proper sequence, but to one who has lived in the midst of them, these events are seen in the light of a general trend that has been going on for centuries that has been accelerated and perhaps aggravated by more recent developments.

The world war finished with the Treaty of Versailles and in 1919, the world seemed to be settling down to a period of peace and reconstruction. It was quite natural that the peoples who had been fighting for so long, should talk of the peace as the beginning of a new era. That too, was my idea, but the fact is that when I was in British Columbia I had not been in Europe since 1916, and from that distance events seemed somehow to be following a new pattern.

When I returned in 1929 however, I saw that the Europe I had visualized did not exist any longer. Let me recall some of the events. At Versailles, new countries had been called into being, some of them with a long, long history, and some of them that had never had a national entity before lingual and cultural entities perhaps, but never political. But it was one thing to delinate these powers on a map, but quite another to enforce them.

If we study the map of Europe and start working from the north-east down, we find, Finland. Finland was proclaimed a nation but it took years of hard fighting before the Russians were driven out and the present republic established. Finland came into being by treaty but it was only by force of arms that the nation was able to establish itself.

Esthonia and Latvia had never had any national history previously. Latvia was inhabited by two peoples of entirely different origin. My own people came from the lower reaches of the Rhine, and one would think that six hundred years would have been thought long enough to establish their nationality as Latvians. So when the new country was formed we raised volunteer brigades and the Bolsheviks were finally ejected after a reign of terror in which many of our people were sacrificed. The republic was established in the early twenties but immediately thereafter people who had fought side by side for freedom began to fight among themselves, and there followed a period of confiscations of prop-

erty and the taking away of rights from minorities. That was rather a violent beginning to the history of a country, and bitter memories of it exist today.

As we come further down there is Lithuania, but not the Lithuania that resulted from the war. Some of that has gone to Poland. There was to have been an election as you may remember, as to who should belong to what, but the Poles decided that part of Lithuania belonged to them and did not wait for the election. They marched in and captured Wilna, and again by violence the map of Europe was changed after a period of peace.

Then the Russo-Polish war broke out and the Poles were driven to the very gates of Warsaw in their finally successful fight to maintain their independence.

A little personal incident in my dealings with the Poles. I was travelling from Budapest to Poland through Czecho-Slovakia to keep an appointment in Cracow, and had quite forgotten to see that my papers were in order. At the Polish border I was politely but firmly turned back to Czecho-Slovakia to get the necessary visa on my passport. Just inside the border is Moravska once Ostrava. As it was evening and the consulates there all stopped work on time, it did not seem that I should be able to get my visa that night. However, I decided to go to the home of the Polish Consul to see what I could do. I left my card and asked him to give me a call. About nine o'clock that evening a large car drove up and in it were the Consul and the Press Attache, if you can imagine that in a small provincial town. It was even more than that. There were in the place a Consul-General, several Consuls, more Vice-Consuls, a Press Attache and a Commercial Attache. Then visualize, on top of that, being driven to a huge new building that was the headquarters of all this staff, and you will realize just how, out of proportion it all was to this small provincial town.

These people were all extraordinarily polite and gave me a government diplomatic visa, and seemed quite willing to talk about anything I wanted, so I referred to the disproportionate size of the consulate and asked why it was so. They said that this part of the country, according to the Treaty of Versailles, was part of Poland, and when they were fighting the Russians, there was only one boundary they had

not fortified. That was the frontier of Czecho-Slovakia, and they had not armed that because they were confident that the Czechs had no ill intent. It turned out otherwise for they decided that the time was ripe for an offensive and stepped in and took it. He added: Of course it is only temporary, when we get ready we can take it back in twenty-four hours. So there you have the makings of more trouble.

There are other problems in Europe, and I once said that the age of violence in Europe had only just begun, but I forgot that it had never really ceased. We have very few boundaries that have been settled by treaties. Most of them have been settled by self help and violence and maintained by force of arms. These remarks are necessary to explain why the situation in Europe at the moment is so disquieting and why the feeling in many countries runs so high, and why nations are not trying to settle their disputes peacefully.

And this international ill feeling is carried to extraordinary lengths. I went to Lithuania in 1929, to visit some relations. Now I don't speak Lithuanian, but I do speak Russian, and one day needing some information I spoke to a policeman standing on a corner. Seeing that Lithuania had once been a part of Russia, I considered it would be natural to expect that the language at least would be understood, so I spoke in Russian. But the policeman would not answer. I waited a minute or two and was just moving away when he called me back and answered the question I had asked him. He added that it was impossible to speak Russian when there were any people around because the feeling was so great that he might get into trouble. Now that we were alone he did not mind talking, and apologized for his apparent rudeness.

So much for the feeling as it existed in 1929. Lithuania at that time was working very closely with Germany. Germany and Poland were at odds, and the Lithuanians, hating the Russians because they had been oppressors, were very much inclined to lean westward and seek the friendship of Germany. I spoke to a Polish official in Kovno and asked him about the problem resulting from the loss to Lithuania of the important port of Wilna, and he confided to me that he thought it had been responsible for giving Lithuania a soul and turning her into a national state. Lithuania has never before had a national entity. Historically, Lithuania

and Poland have been together for centuries. Culturally and racially there is little difference. Many Lithuanians speak Polish, and prefer to speak it. Marshal Pilsudski came from Lithuanian territory, and the prime minister of Lithuania is considered by many to be a Pole. It is a difficult and involved situation. This official told me that the seizure of Wilna had made Lithuania because without the breach, there was a danger that the two countries might have amalgamated. At that, it took some time to create and breed nationalism even if that national feeling were a little synthetic.

After the break, all danger of that disappeared. An impassable wall was erected between the two countries. All contact was broken off, and even railway trains did not run between the two countries. If you wanted to get from Poland to Lithuania or vice versa, you had to go round by Vienna. Armed guards and barbed wire have separated the two countries for almost fifteen years, and behind that wire the Lithuanians were able to form themselves into a national entity. This state of affairs has suddenly been changed. Poland issued an ultimatum to Lithuania, and Lithuania acceped it. The frontiers have been opened and trade and communications have been resumed. What the outcome will be, of course, it is impossible to prophesy.

This is one example, but there are probably more picturesque and less violent ones to be found all up and down the eastern borders of Europe, where hatreds are kept alive by the separation of countries. You have one in the situation of Hungary, Rumania, Czecho-Slovakia, and Jugo-Slavia, where the feeling has been kept alive by the training of the young people.

It became obvious that it would take extraordinary pressure to keep the balance in Europe The war did not stop in 1918. A lot of borders have been fixed by force of arms since then. Germany and Austria were in a state of turmoil. It was called a border difference, but it was really economic. In this connection I had an interesting experience in 1932, when I was correspondent in Berlin. I was asked out to dinner by some friends, and the man who sat next to me was the then Secretary of State who had just returned from a visit to Austria. Of what had happened on that trip nothing was known, but there was a lot of rumor going

around, and I must say that the next few days were among the most trying I have ever experienced in my journalistic career. After dinner he told me the story of the Customs Union, quite among ourselves, and on the understanding that I was never to use it as a story. It is one of the hardest things that can happen to a newspaper man, to be told a thing like that in confidence, because he always keeps the confidence that is reposed in him. A few days later the story broke and I was too late.

However he told me the story, and it was then that I learned for the first time of a new value that can be traded, a political nuisance value, to wit. He told me that the German-Austrian Customs Union had been signed, but that it never would be put into operation. I asked him why, then, it had been signed, and he told me it was because of the scare it would throw into the rest of Europe, and what Germany could get in the way of compensation for dropping it.

What he had forecast came about. Tremendous pressure was brought to bear on Germany to drop the treaty, and she dropped it—for a loan of eleven million gold francs from France and Britain. The sinister implication was that these countries were being paid to keep quiet and maintain an unsound economic structure.

I want to speak for a moment of some observations in Germany during the last years of the republican regime. I was there till 1932, and was then transferred to Switzerland. Going there I discussed the situation with a friend, L. Johnson, who was on his way to the Lausanne conference, and we were following the events that preceded it. Breuning had taken a flying trip to England and Paris to see what could be done about the reparations question. The situation was getting desperate. He produced figures to show that reparations had been paid by borrowings from England and the United States. These loans had stopped and he said that reparations must stop too. He asked for relief and was turned down.

He resigned, and it was then that Germany began to talk about her military freedom. In the final event she got a good deal more than Bruening had asked for, and that was the

turning point for Germany in the post-war period. She has been attacking ever since.

In 1932, there was the big bank crisis. On Saturday, June 11, word came out that the banks were going to close on Monday. You recall that the Hoover moratorium had been put in force and in the general panic, none gave very serious consideration to the new Nazi government which was rising to power in Germany.

But there was one party who wanted to know what the attitude of the Nazis would be toward reparations, so I got an interview with Hitler on the question of the Nazi attitude towards foreign debts. That interview was interesting in many respects, because when I left Berlin, everybody was expecting them to take power after Monday. I entered Hitler's office and the first thing he said was: What is happening in Berlin? I had a very difficult time trying to get him to make a statement, and when he did it was very noncommittal, and merely predicted that reparations would not be paid if he got into power, or, if they were, they would be paid in German, not in foreign currency.

The interesting part of it, at that time, was the great difficulty in getting a statement from him on any international question, and I went away with the absolute conviction that they were not worrying about it at all, because people at that time, and probably are still, looking primarily on domestic politics in most of their dealings. The arguments I had in convincing them, convinced me of that completely.

I recall this incident because whatever was said, and many things were said, seemed peculiar at the time. These Nazis spoke a language I had never heard before,—the absolute belief, for instance, that they put into things that to most of us seemed of little importance. Take the question of race for example. On that point I think there is one point worth noticing. The present leaders of Germany, when they talk about Nordic Germans, have really set a limit to German expansion. I don't know whether that tenet will be maintained or not, but from my own personal experience I am convinced that they really believe in those things.

If they do, then the minute they proclaim a really Nordic German state, they set limits beyond which Germany cannot expand. The old Roman state could absorb everyone and

vest them all with the privileges of Roman citizenship, but the minute you proclaim a theory of blood and race, it becomes impossible to increase your empire beyond the race limits you have set. We do not know how it will be solved but I think that is the reason that England seems to be looking with a certain amount of equanimity on German expansion in Europe. There will be attempts made to absorb minorities on the borders, but I think that this will not lead to very great trouble.

The picture is different, however, when you look down to Italy. Their ideals of the old Roman Empire have been brought out again, and when they talk of recreating that Empire they are bound by no such limits of race as the Germans have set for themselves.

I want to refer to some observations I made in Italy during the Ethiopian war, and I am sure that its basis was purely economic. I was there when sanctions were declared. They felt they were facing a great crisis. Poverty was unspeakable. If any of you have travelled through Italy you will realize that the standard of living was extremely low. For years Italians in the villages had been living on the few dollars that emigrants had been able to send home. Now, partly due to the depression and partly to the stoppage of emigration that followed, those remittances ceased, and the people had to exist on a few patches of poor land. The result was starvation.

Then about a quarter of a million workmen were sent to Ethiopia on a very good salary. They could not spend their money in Abyssinnia. When I visited Italy I found there was a semblance of prosperity because most of that money was being sent home to the villages, which proved to them that Il Duce was right and that his policies had been justified.

That is the situation in Europe with all its animosities and hatreds. Coming here on the train, I read a book from which I would like to read a short extract.

"Economically the world wide nexus of trade dissolves, and is replaced by a system of self sufficiency; educationally, schools and universities are extinguished, together with the economic system which supported them, while the leisured classes, whose exchange of elegant and allusive correspon-

dence had preserved the social status of literature, cease to exist as a European intelligentsia. Many, no doubt, perished in the invasions or sank to a peasant level. A large number of noble families migrated.

"Artistically, coarseness and crudity of technique are visible—formal and over symmetrical compositions, a lack of plastic sense, and a tendency to sketch with the chisel. . . . The true decadence of . . . . art is to be found in those photographically realistic statues of rheumatic fishermen, emaciated crones and brutal pugilists."

"Talking of literature and language, we find the following allusions: In their place come the impersonal style, aiming at communication rather than self expression, the over-statement characteristic of uneducated speech, and the altered meaning of the future which is no longer accepted with resignation or determined resolve, but become the object of passionate hopes and fears."

That is a very true picture of today, but it is not intended as a picture of today. It is a quotation from Moss's "Birth of the Middle Ages."

It is a true picture, nevertheless, and when I was last coming across from London, I thought that we in Canada can never be sufficiently grateful that we, in Canada, are not caught in the maelstrom of European animosities. You may ask me what is my opinion of the British Government, and of what it has done. If you do, my only answer is that they still have peace, and when you think of the problems of Europe as we can see them, and the things behind them that we cannot see, we must realize that, that in itself is something of a miracle.

What we here can do, and must do, is to study these problems as they apply to us, and in their solution avoid the mistakes of Europe.