

order to save a more serious situation. I am not a financial expert and have no idea of what changes may be proposed or brought about in connection with the Bank Act. I merely mention it as one of those measures that may take up a very considerable portion of the time of the House.

The fourth year after the war does not seem to have brought any decrease in the perplexities that have involved the world since the termination of that conflict; in fact, it would rather seem that instead of decreasing them, it has only increased them. Even to-day, in what we call the peace of Europe, we see the extraordinary state of affairs of several nations occupying enemy or foreign territories, and only within the last few weeks another invasion has taken place by a victorious power of the territory of the vanquished in order to compel the fulfilment of treaty obligations. If we could have imagined such a thing ten or twelve years ago, we could have foreseen only one result, and that would have been war. To-day it is looked upon as a very serious complication, and, although the territories are occupied by thousands of soldiers, the occupation is not considered an act of war. We also see the situation in which our own mother land is involved with another of the vanquished nations. All these things complicate the situation, and from day to day when we pick up our newspapers we wonder what the outcome will be.

To my mind one of the serious and very important psychological developments of the war and the results left by it is the intense spirit of nationalism that seems to have seized all nations. One would have thought that after having fought for four years and more side by side they would have understood each other with a more sympathetic understanding, and that the old-time prejudices and the old-time national exclusiveness would have been broken, if not entirely done away with. Instead of this, we see just the opposite. We see an intense nationalism. Each nation is watching the others with suspicion, and every move made by one state is watched with jealousy. The great hope of the world, the League of Nations, offered an instrument to do away with this suspicion and antagonism, and to bring about a better and more kindly feeling as well as a more workable condition of affairs throughout the world. But it has not functioned as we had hoped, and I venture to say that it is not through the failure of the principles of the League of Nations that it has not been entirely successful, but rather through the failure of governments and states,

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and perhaps individuals, to apply the principles which the League of Nations stands for. Instead of the principles of the League of Nations being sought after and followed out, we find that the nations of Europe, and perhaps the nations of other continents too, rather rely upon the old-time methods of diplomacy, the old-time nationalistic spirit, and even the use of force.

We see to-day a feature that goes to increase this spirit of nationalism—that is the breaking up of the great empires of central Europe. We see Austria broken into four or five or even six separate nationalities; Russia is broken into so many that we cannot follow them out, and the change is, if not overnight, at least from month to month and year to year. These small nations, bounded by other small nations, from which they have seceded on account of racial and religious differences, are even stronger than the great nations in their national feeling. Take the reports of the last few days that a world-wide war is threatened over the disposition of Memel. One of the smallest nations, Little Lithuania, is threatening to call in Great Lithuania with Russia and Germany behind it. It is inconceivable to us that a world-wide war should follow such a thing as this; and if the time should come when the nations of Europe cannot agree upon such small differences, I trust that this country will hold by itself. I believe the mother land is to-day able to judge better than any other country the value of the League of Nations, and I believe that where her interests are not vitally concerned and her honour not touched, she will not indulge in these wars. If she should, then it is a question whether Canada should be dragged that far.

This national spirit has given rise to an economic problem in our own country as well as practically all the other countries of the world: it has resulted in the raising of more tariff barriers to trade relations in every direction. The United States has raised her tariff to unparalleled heights; even Great Britain has put a tariff on in the form of a protection of her key industries. We find that Australia, formerly a low-tariff country, has such a tariff now that many of our Canadian goods are prohibited from entering that state. Even Canada, which three or four years ago contained a very large element, I think I may say a preponderating element, which called, if not for free trade, for freer trade relations, has been satisfied with a small reduction of 2 or 2½ per cent in the tariff. I do not mention that as a criticism of those who came into power. Theoretically I am a free trader, but