

has ever known. I refer to the federal reserve board and the federal reserve banks. This evil institution has impoverished and ruined the people of the United States.

Is that democracy?

Again, Arthur Kitson, an English economist, writing in the *English National Review* in March of 1925, said:

In the November issue of the *National Review* I outlined the plot conceived by certain German-American Jewish financiers for dominating the world under the currency system known as the "gold standard", which is being carried to a successful issue with the aid of certain of our London bankers at an astonishing rate of speed.

In a footnote to the article Mr. Kitson added:

It is worth noting how unanimous our anglicized German financiers are in desiring the reestablishment of gold in this country.

And he named Sir Felix Schuster, Baron Schroder, Mr. Otto Kahn, Fruhling Goschen, Kleinworth & Co., and so on.

I could continue these quotations from authorities which no one in this chamber can deny, but I think I have given enough. I do not want to take up too much of the time of the committee.

I should like now to quote something as to the causes of the war which hon. members will not get from any publication of the League of Nations. Addressing the Alberta legislature in 1934, Major Douglas said:

Just as I told them in Ottawa in 1923 exactly what was going to happen in 1928, so I tell you now in 1934 that before 1940, if you have not changed the financial system, it will change and probably eliminate you.

And further, in the same address to the legislature, he said this:

There is no doubt whatever that the perfectly easily understood economic urge towards war comes primarily from the working of the financial system at the present time because of this necessity for overseas markets in order to provide purchasing power from these overseas markets. There is practically no room for discussion that the next war will almost inevitably destroy what we know as civilization. And there is very little doubt that the next war is only two or three years ahead unless something is done to prevent it.

The failure of the League of Nations has not been lost sight of by this unseen power which I have briefly quoted. There is a general movement throughout the civilized world towards centralization. We see it in Germany and we see it in the so-called democracies. Everywhere there is an idea of centralization of power, of government, of business. Democracy surely entails decentralization. A democratic government, since it is a government according to the will of the people, must rest on the broadest possible basis, and therefore any movement toward

centralization is not democracy, it is making for dictatorship. I believe it is true to-day to say that there are but two political philosophies: democracy, which entails decentralization, and totalitarianism, which means centralization. Totalitarianism includes, of course, all brands of socialism, nazism, communism and fascism; all are of the same breed, and all intend the same thing—the centralization of power away from the control of the people.

As I say, there is a movement everywhere towards centralization. One development of it in Canada and in Great Britain at the present time is what is called federal union or "union now." Under this scheme the democracies, sovereign nations, would surrender their sovereign power over their armed forces, finance, fiscal policy and the judiciary. If that were done, what would be the status of this House of Commons? It would be reduced to less than a parish council.

That this is no pipe dream, or any figment of my imagination, or even anything new since the war, is evident from this quotation from one of the pioneers of the idea of federal union. I refer to Professor Arnold Toynbee, who has been closely identified with the Royal Institute of International Affairs. Speaking at the fourth annual conference of Institutions for the Scientific Study of International Relations, held at Copenhagen in June, 1931, he said:

In plain terms, we have to re-transfer the prestige and the prerogatives of sovereignty from the fifty or sixty fragments of contemporary society to the whole of contemporary society—from the local national states by which sovereignty has been usurped, with disastrous consequences, for half a millennium, to some institution embodying our society as a whole.

In the world as it is to-day, this institution can hardly be a universal church. It is more likely to be something like a league of nations. I will not prophesy. I will merely repeat that we are at present working discreetly but with all our might, to wrest this mysterious political force called sovereignty out of the clutches of the local national states of our world. And all the time we are denying with our lips what we are doing with our hands.

I might add that one of the fundamentals of this idea of "union now" is a world currency based on gold. I will go further and say that that is, if not the whole, certainly the main purpose of this idea of "union now." I would ask, after the very fine words of the Minister of Justice last evening with reference to the people of Great Britain and the sacrifices they are making to preserve their liberties, is the price of their physical liberty to be economic slavery? Because that is what the gold standard means and always has meant.