Because of their solidarity with the community, both capital and labour must be subjected to government control and government regulation, nationality and internationally.

The division, or rather the apportionment of international labour, which so largely contributed to increase wealth before the War, is again asserting its rights. Present-day industrial conditions imperatively demand earnest and equitable collaboration in regard to both capital and labour from all the nations in the world. Those engaged in industry, as well as governments, must seek a just solution of this most important economic and social question—important nationally and internationally.

Trade conventions, commercial treaties with Europe or the rest of the world, will not cause any nation the slightest danger, but, on the contrary, will best serve the interests of all. Neither the United States of America nor any other nation should look upon such agreements as "entangling alliances," social, economic or political. The real or assumed danger represented by the expression "entangling alliances" belonged to the eighteenth century, and does not belong to the twentieth. To-day the expression is merely an anachronism. On the other hand, trade agreements offer the only means of assuring industrial peace and security for nations, for capital and labour, for employer and employee, for sound and stable economic progress, for national and world prosperity, for world peace. Trade treaties have become international necessities as much as peace treaties, since commercial aggression is the most fruitful producer of armed aggression. Military disarmament is predicated on commercial disarmament.

England is not the only nation of shop keepers. The shop keepers of the world—and they are all over the world—whilst not abandoning fair commercial rivalry, must learn to carry on much in the same way as ordinary traders do in their own immediate communities. It is but recently that Mr. Gerard, the former American Ambassador to Germany, declared that the United States are now under the financial and industrial control of fifty-nine financiers and manufacturers, whose names he mentioned.

About a year ago, Mr. McFadden, Chairman of the Committee of Congress on "Banking and Money," stated in the House of Representatives:

The War has put our financial and industrial leaders in touch with the principal financial and industrial leaders of the rest of the world. One of the consequences of this contact has been the acceptance by our magnates of the control of great affairs everywhere. A typical case is that of the Morgan group. It actually controls international exchange, borrowings and commerce. This world-wide association of financial agencies under a central surveillance marks a new epoch in the history of world finance. It is the cause of the greatest danger which has menaced free governments for centuries, as it aspires to govern not only finance, but also the politics and enterprise of nations.

The Communists of Russia have been afforded a powerful motive and weapon in the fabulous concentration of capital in the hands of a few for the gigantic Communistic scheme which they are attempting to carry out.

If the countries of Europe and America fail to take in hand the present unregulated and uncontrolled economic situation of the world, and, for lack of earnest collaboration, fail to adjust and co-ordinate it; if the present world commercial situation is not remedied and put in order; if this grave and dangerous practice of the unlimited hoarding of money by individuals and corporations is not arrested, we shall see within the next decade, and perhaps sooner, Communism knocking loudly at the doors of London, Berlin, New York and Montreal. We have reached a very real crisis in the industrial and commercial civilization of the world. The world is in the throes of a profound economic transformation.

As I have already stated, the remedy which I respectfully suggest, in at least its general lines, is internationally democratic in the sense that it should and must be world-wide. World economic co-operation has become essential. It is absolutely necessary to put forth and render effective the ability for group or nation to co-operate with group or nation. The principal remedy is in lowering tariffs, because these are the greatest obstacles to the betterment of our civilization. Tariff barriers, of course, cannot be wiped out completely and immediately, but only gradually and in accord with geographical, climatic and other natural conditions and requirements.

The main and most essential remedy is for all tariff protected countries to set about extirpating the vicious system, not suddenly but gradually, even if in consequence of the expenditure of time and energy in securing trade conventions a temporary loss should follow. This is essential to the restoration and maintenance of economic peace, which is the paramount essential of world peace.

I cannot think of any good reason why Great Britain, for instance, should depart from