

economic relations at the graduate institute of international studies in Geneva, previously professor of economics at the university of Vienna, and author of "Socialism". Speaking of international finance between the two wars, he makes this statement:

The state of things which prevailed in the last decades can be characterized as a complete surrender of the rights of the creditors and of the investors. Every nation successfully made use of its sovereignty to the disadvantage of foreign creditors and investors. Every nation exercised its power to expropriate foreign investments directly or indirectly by discriminatory taxation, to debase the currency, with which loans had to be repaid. The history of international financial relations has, in the last twenty years, been one of almost continual embezzlement. The governments of the debtor countries behaved like swindlers for the benefit of their own treasury and for the benefit of pressure groups within their population.

The new covenant of the League of Nations will therefore have to include a rigid limitation on the sovereign rights of every nation. Unilateral measures which affect the essentials of the contractual obligations, the currency system, taxation and other important matters have to be rendered unlawful. The debtor countries should not have any rights which are denied to private debtors.

All these provisions will have to be efficiently enforced by international tribunals—

Mr. FAUTEUX: I rise to a point of order. We are here to vote expenses for the wartime prices and trade board and not to listen to theories on monetary systems and international monetary reforms.

Mr. JQUES: May I remind the committee that we were promised a discussion on this matter of international currency by the Prime Minister in this house, and it is not my fault that I have been driven to the last hours of the session. I have been waiting for two or three weeks for this opportunity and, if the question of international currency is not of interest to the hon. member all I can say is, I find it hard to believe. The whole future not only of Canada but of the world is involved in these very proposals. Let me finish the quotation.

Mr. FAUTEUX: I insist that the hon. member is out of order. It is our duty to put in as much time as is necessary to pass these estimates and vote the necessary moneys to help the government and the country, but I do not think we are called upon to spend so much of our time in listening to hon. members who want to take advantage of the House of Commons as a tribune for the exposition of their political views. I do not think the house is at the moment interested in theories of international finance such as those put forward by the party to which the hon. member belongs.

[Mr. Jques.]

Mr. BLACKMORE: Mr. Chairman, what item are we discussing?

The CHAIRMAN: We are discussing item 46. On the point of order, the rule is clear with regard to discussions in committee, but I am afraid it would be impossible for me to rule the hon. member out of order. We are not making progress, but I do not think I can rule the hon. member out of order.

Mr. JQUES: Thank you, Mr. Chairman. To continue this quotation:

All these provisions will have to be efficiently enforced by international tribunals and by sanctions which the league must apply with a greater measure of success than in the past. Without some kind of international police power such a plan could not be carried out. Coercive measures indispensable in order to make reluctant debtor countries pay.

You can see the beauty of this scheme. First of all, you put the world on the gold standard so as to double and treble debts and then, when private individuals and countries find it impossible to carry out their contractual obligations, why the bailiff will enter the country, and the bailiff will be supported by the international police; and whether members of this house think so or not, let me tell the people outside the house, the people who will have to pay the price and who have been paying the price for the last twenty-five years, that that is exactly what it means, that and nothing else.

I know perfectly well that the vast majority of those who believe in and have worked for the League of Nations are well-meaning people, but unfortunately these things are a little hard to see. I have made it my duty for the last ten years to study this subject, so that I know what I am talking about, and what I have said has been supported by no less a person than the Prime Minister of Great Britain.

I could very easily continue my remarks, but I do not wish to detain the committee longer. My excuse for having spoken at this time is that I believe this is the most vitally important subject that has come before the house this session. My final suggestion to the people of Canada is that they remember Professor Keynes has said that gold has a psychological value. That is true; and the worship of gold is idolatry. It is as old as history, and has always brought ruin to those who have indulged in it. There is no reason why we should return to gold, and every reason why we should not.

Mr. ILSLEY: I should like to correct one misstatement of fact by the hon. gentleman. He said he would stake his reputation on the statement that eighty-five per cent of all the