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Shall Germany Pay

a

War Indemnity

to

Canada?

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By W. T. R. Preston



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It is officially announced by the Unionist Government Press that the Prime Minister, Sir Robert Borden, will represent Canada as an associate of the British plenipotentiaries at the General Peace Conference, whenever that exceedingly responsible body shall be called together. When one recalls to mind the Peace Conference of Vienna which decreed the abdication of Napoleon Bonaparte and his banishment to the Island of Elba more than a century ago, and how their efforts to secure a permanent peace were shortly afterwards outwitted by that illustrious genius, a clearer appreciation is secured of the tremendous responsibilities that must be assumed by the coming Conference in order to provide the necessary guarantees that will render it impossible for history to repeat itself in the person of the "Madman of Europe."

Sir Robert Borden's responsibility to the world is, therefore, of no ordinary character. But this will not by any means relieve him of his greater personal responsibility to the electorate of his own country.

### DISCUSSION OF PEACE TERMS

Prominent newspapers in Quebec, Ontario, and Western Provinces, supporting the Union Government, have recently published editorials dealing with questions which will arise more immediately concerning European countries, and advising the Prime Minister as to the course which he should adopt at the Conference. *The Globe*, however, in the issue of Monday, October 21st, casually refers to a subject of special interest to the Canadian people in the following paragraph:—

"Canada has no selfish terms to present. She does not covet a foot of German soil, and there is little probability after Germany has been forced to make reparation for the tremendous material losses of Belgium, France, Poland, Serbia and other devastated lands, there will be any monetary recompense for the Dominion."

Thus, in a few words, *The Globe* apparently disposes of any claim which this country might advance for monetary compensation, so that the public need not be disappointed if nothing further is heard on the subject. This pamphlet is issued for the purpose of calling in question without delay the assumption taken by *The Globe* that Canada need not look for a war indemnity.

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When the Conservative Government, of which Sir Robert Borden was Prime Minister, recommended the adoption of a policy of active participation with the Mother Country in this war, there were not two opinions on the question. Every effort, every dollar, every man,—all the available resources of the country were placed at the disposal of the Imperial Government. Differences of opinion arose as to the means to be employed—no differences of opinion existed as to the ultimate end to be attained.

It is believed now that the conclusion of this awful conflict and carnage is in sight, and the time is near when peace terms must be discussed.

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Russia will be protected from Germany's exploitation under the Bolshevik Treaty.

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The World.—Free navigation of the Dardanelles, the Bosphorus and the Black Sea.

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*The Globe* suggests that after Belgium and Serbia have been given monetary indemnities, Germany's resources will be exhausted. The writer cannot accept *The Globe's* judgment on this point. Unfortunately for the remnant of the population remaining in Belgium, but fortunately for the purpose of discussing the question of war indemnities, Germany established a standard in dealing with the down trodden Belgians by which the ability of the Central Powers to pay any reasonable demands that may be made by the Allies for indemnification, can very properly be considered in respect to Germany and Austria.

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In round figures this represents two thousand million dollars, \$2,000,000,000. This is the German standard of what a devastated, destitute and depopulated nation, not now exceeding three million souls, could pay in the form of a war indemnity at the demand of Hun administrators.

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What then by this standard can the Central Powers contribute as a war indemnity to the civilization which they have outraged, having a population of one hundred millions, and with none of their territory devastated or destroyed by war, nor their population scattered as refugees to all parts of the world? The proposition resolves itself into a simple mathematical calculation, and the answer is that, Germany and Austria can pay sixty-six thousand million dollars,—\$66,000,000,000. During the past two years, on more than one occasion, high German officials have promised that nation that the Allies would be made to pay an indemnity of six thousand million pounds sterling, or \$30,000,000,000.

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It may be said that Germany is incapacitated from paying a war indemnity because of the obligations due in enormous domestic loans to carry on the war. That aspect of the case is altogether of secondary consideration. Germans who remained at home, who supplied the finances to carry on hostilities, who profited by the huge war expenditures, and who gambled upon Germany's chances to place its iron heel on the civilization of the world, have the second claim, not the first, on the German exchequer. They are *particeps criminus* in the national crimes. They cannot be relieved of this responsibility. Upon this unanswerable contention the allied belligerents or forces, not recompensed by territorial acquisitions, must be admitted to have the first claim upon the financial resources of the German nation for full and complete monetary consideration, and this is the position occupied by Canada.

### ASQUITH'S PLEDGE TO ALLIES

That Belgium, Serbia and Montenegro shall be fully indemnified goes without saying. Herbert Asquith's memorable words sounded that knell to German aspiration:—

"We shall never sheathe the sword until Belgium recovers in full measure all, and more than all, that she has sacrificed, until France is adequately secured against the menace of aggression, until the rights of the smaller nationalities of Europe are placed upon an unassailable foundation, and until the military domination of Prussia is wholly and finally destroyed."

This declaration, the Allies intend, shall be carried out in letter and in spirit.

But after all that is done, by dividing the German standard of the ability of peoples to pay war indemnity, by two, or even

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by four, there is ample margin for the full reimbursement of Canadian expenditures and all the inevitable future liabilities.

Had it been decreed that the war should have any other ending than the present prospects so distinctly indicate, Canada would not have regretted its superhuman efforts in this fight for the freedom of the world. We would have paid our share of the indemnity which Germany gave the world notice would be insisted upon, and although heavily burdened, we should in time work out our national salvation. It is foolish as well as untrue to say that the Dominion cannot carry the present liabilities. Our ability to bear national financial obligations is far from being exhausted. In fact it is established by history that no country with constituted government has yet failed to meet financial obligations incurred by war. The greater the burden the more determined have been the people to preserve their national honour until the load has been lifted. The question, therefore, of what Canada is able to do does not come under consideration.

#### **CANADA'S SUPREME SACRIFICE**

Canada is one of the Allied combatants—sixty thousand of her sons lie buried in France and Flanders as evidence of the national courage and valour. There are no territorial possessions which the Dominion aspires to acquire. A monetary indemnification is the only possible recompense to meet the just rights of the Dominion. By no possibility could Canada have avoided assuming the responsibility of engaging in the great conflict, nor has the country the remotest desire to shirk this responsibility.

Germany forced this war—therefore Germany must pay. Germany alone with a population of sixty millions is better able to pay \$2,500,000,000 in addition to all other claims, than this country, with a population of eight millions, can bear such a burden. I am not calling for vengeance, but demand justice.

#### **WHAT THE INDEMNITY WILL MEAN**

Look for a moment to what the payment of this indemnity to Canada will mean for the future of this country, and we

cannot deny our responsibility as to the heritage we shall leave to posterity.

In the first place the country will be in a position immediately to make liberal and ample provision for the dependents of those who have made the great sacrifice, and also adequately pension those veterans who will be entitled to consideration in this form when they return from overseas.

And the National Treasury will be able to render the assistance which is so material in the reconstruction period following the war. With resources of that nature much of the otherwise commercial depression and catastrophe which is the invariable aftermath of war may be avoided.

The general effect of such a settlement of the Dominion's war liabilities upon every character of Canadian securities, including all war bond issues, would be to make them among the most valuable investments in the world, and would result in a stream of foreign capital flowing to this country, assisting in its development, such as has never yet been witnessed.

### CANADA'S FUTURE AT STAKE

In addition to these specific advantages, the Public Treasury will have the cash with which to inaugurate government transport facilities to the great markets of the world overseas for the natural products of this country, freeing the producing public from the extortionate rates of steamship combines and companies, thus placing annually in the pockets of the toilers of this land millions of dollars that now go to swell the dividends of wealthy corporations.

Canada will also be in a position to erect warehouses and cold storage accommodation for all kinds of perishable commodities in Europe, and these natural products could be released and placed upon the markets at the proper time, instead of the forced sales to trade rings and combines of buyers as was so frequently the case before the war.

This is the situation that will be created by Germany being compelled to make just restitution to this Dominion. It should be understood by our representative or representatives, at the

Conference that the award of titles and honours will not be accepted by the people of this country in lieu of our financial claims.

### **WARNING TO DOWNING STREET**

The distribution of titles and honours has usually proved a balm to Canada's wounded pride when Imperial interests have necessitated the Dominion should bear the brunt of any particular sacrifice. This we have loyally assented to, even in the case of the Alaska boundary, when Lord Alverstone's written decision was actually given awarding all that Canada claimed, but which was subsequently withdrawn at the dictation of the British Foreign Office, and an award substituted in every particular to suit the contentions of the United States government. With the greatest possible respect Downing Street is now asked to consider the interests of the Dominion in this matter to be of paramount importance, and to insist upon the Central Powers recognizing and paying Canadian indemnity to the full extent of expenditure and future liabilities. The loyalty and sacrifices of Canada deserve this consideration. I would say to Sir Robert Borden and his Canadian colleagues at the Conference, "Show your courage, now or never," and to Downing Street, "Don't do it again."

Perhaps this injunction to Downing Street is unnecessary. But it is better that the inferential warning be given. British statesmen are thoroughly convinced that the sacrifices of Canada have been great. The only reasonable conclusion to be arrived at in comparing Germany's ability to pay the enormous war liabilities incurred by Canada, and the Dominion's ability to carry the burden, is obvious.

### **LIVING IN A FOOL'S PARADISE**

If ever a country was living on false expectations Canada is at this moment. National Micawbers are in evidence everywhere. Other nations are preparing for the inevitable financial stringency. We are eating, drinking and making merry, carelessly indifferent that this cannot go on forever. With much "talkee-talkee" we promise the public an immigration boom

when we know that every country must conserve its own manhood for its own national development. We promise unlimited trade with Siberia as the basis of our future wealth—15,000 miles transportation to enter into competition with Japanese cheap labour. The crumbs that fell from the rich man's table was a feast for a King in comparison to the trade the Japanese will allow us in Siberia.

It is evident that our only hope for reasonable prosperity in the life-time of the present generation, lies in the receipt of this war indemnity. The people of this country should get it in full if they are in earnest, and we cannot get a penny if matters are allowed to drift. Lord Bountiful will be a delightful attitude to assume at the Peace Conference. There are statesmen capable of playing that *role* with the most vital interests of this country, if the general public take no interest in the question.

(3) M.P. 5  
Port Hope, Ont., November, 1918

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### **LIVING IN A FOOL'S PARADISE**

If ever a country was living on false expectations Canada is at this moment. National Micawbers are in evidence everywhere. Other nations are preparing for the inevitable financial stringency. We are eating, drinking and making merry, carelessly indifferent that this cannot go on forever. With much "talkee-talkee" we promise the public an immigration boom

when we know that every country must conserve its own manhood for its own national development. We promise unlimited trade with Siberia as the basis of our future wealth—15,000 miles transportation to enter into competition with Japanese cheap labour. The crumbs that fell from the rich man's table was a feast for a King in comparison to the trade the Japanese will allow us in Siberia.

It is evident that our only hope for reasonable prosperity in the life-time of the present generation, lies in the receipt of this war indemnity. The people of this country should get it in full if they are in earnest, and we cannot get a penny if matters are allowed to drift. Lord Bountiful will be a delightful attitude to assume at the Peace Conference. There are statesmen capable of playing that *role* with the most vital interests of this country, if the general public take no interest in the question.

(3) M.P. 5  
Port Hope, Ont., November, 1918