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THE AIMS OF CAPITALISM

Notes from an address by Mr. John G. Diefenbaker,
Prime Minister of Canada, to the International
Junior Red Cross Study Centre in Toronto, on
August 12, 1959.

It is my privilege, on behalf of the Canadian people, to welcome the members of the Junior Red Cross from so many countries, and their adult leaders who give guidance and counsel, many of whom are known the world over for their good works in the International Red Cross in its world crusade for brotherhood in charitable works.

This Conference is an important one representing as it does the largest youth organization in the world, with 55 million members in 72 nations, and what it has done in humanitarian works to strengthen the bonds of mutual co-operation and international friendship is respected by all nations.

This Conference is important, too, for it marks two milestones in the history of the Red Cross -- the 100th anniversary of its founding, and the 50th anniversary since its official establishment in Canada.

There has been a tremendous widening of the functions and activities of government in the field of human betterment and social welfare in the last 50 years, but governments, cannot take the place of individual effort in charitable works, and in assuring in a spirit of true humanity the substitution for the jungle spirit of survival of the fittest, of the survival of all that is finest in the spirit and soul of man.

The Red Cross has shown that nations can work together for the benefit of each and all. What the Red Cross has done gives hope that all the nations can be persuaded in a like spirit of comperation to be their brother's keeper, irrespective of colour, race or religion, to unite in peace and for peace to remove economic inequities which are the basic cause of human suffering, and thereby to raise living standards and give new hope to hundreds of millions of human beings who regard abject poverty as inevitable and eternul.

I believe, too, that if this meeting can achieve no more than the benefits to be gained when delegates from other lands meet together, the dividends in friendship and mutual understanding that will accrue, will amply repay all the work that has been done in bringing about this meeting.

Sir William Osler, one of Canada's most famous men, an internationally known physician, once said:

"Humanity has but three great enemies: fever, famine and war; of these by far the greatest, by far the most terrible, is fever."

While fever and hunger have not been benished, the Red Cross international organizations have succeeded in bringing diseases of man increasingly under control by arousing and mobilizing a world-wide social conscience and consciousness of the need to battle against disease and catastrophe.

Advancement of Science

In the last 50 years science has given new hope that these terrible scourges of fever and famine may be dethrone and has brought within man's grasp standards of living everywhere in the world far beyond anything yet attained, but at the same time has raised war to an instrument of annihilation for both victor and vanquished.

brought about tremendous increases in population. In the 19th century the world population doubled, and in the 20th it will quadruple. To put it more clearly, the population of the world when I was a boy was 1,500,000,000; many in this audience will live in a world with a population of 6 billion people.

Such increases in population constitute an added challenge to mankind, for men everywhere are demanding new living standards, greater equality of opportunity and the hope of bette things, rather than despair which has been the lot of so many through the ages. The greater the population, the greater the need of raising economic standards so that there will be sufficient the needs of the additional multitudes of mankind.

It is under these circumstances that the battle for the minds of men is taking place between those who believe in freedom under law, and those who contend that communism is the hope of mankind.

Canada's Message

what is Canada's message? You from other lands had spent some time in Canada. You have seen our ways and our stands of living. You might be interested in some Canadian views. Canadians, like people of all nations, are interested in world affairs. Modern developments have made every other: nation in the world a near neighbour for whom new responsibility has been created it is recognized today, as never before, that the prosperity of any nation cannot be founded on the poverty of other nations.

desire to impose her will or views on other nations, and would not if she could. Democracy cannot be forced on nations or individuals by war threats or other means of coersion because it is founded on spiritual things and the aspirations of the numen spirit.

Beginning with the two major founding nations of British and French, Canadians of these and many other races have learned to live together in amity. To Canada's shores have come people of every race and colour, and that she has been able to meet one of the world's major problems, that of discrimination, is shown by the presence of an Indian in the Senate and a member of the Chinese race in the House of Commons, who was elected in an electoral district predominantly of the white race, and by the fact that Parliament has representatives of sixteen races among its members.

Canada's purpose is to do her part to assure peace in the world, selfishly if you like, for she depends on trade, being the fourth greatest trading nation in the world, and trade depends on peace. Canada wants peace because her geographical position is between the two most powerful countries in the world, the United States of America and the U.S.S.R., and Canada in any war would be a vulnerable target. But primarily Canada wants peace because of the realization that the alternative to peace is the destruction of everything that we hold dear.

Canada, with a relatively small population of 17.5 million, is an independent nation within the Commonwealth of Nations, proud that it was here that the principles and concepts of the Commonwealth had their beginning.

International Commitments

Internationally, Canada is a member of the United Nations, and has been since its inception. This country belongs to the North Atlantic Treaty Organization, an alliance without aggressive purposes, which stands as a bulwark of defence for the freedom of the rights of men, and for peace -- composed of 15 nations, including many of the countries represented here: Belgium, Canada, Denmark, France, Greece, Iceland, Italy, Luxemburg, the Netherlands, Norway, Portugal, Turkey, the United Lingdom, the United States, and West Germany:

Canada's closest neighbour is the United States, a nation with ten times Canada's population. We pursue separate mays in mutual trust and friendship, and without fear of war, for mer between these countries is unthinkable. The effective answer to communist propaganda that the United States has aggressive or marlike purposes is that for more than 140 years peace has existed between Canada and the United States. There are no fortifications

botwoon us; we share the same ideals of freeden, and of dedication to peace. We settle our differences by arbitration rather than by threats of armed conflict. What our two countries have been able to do I believe that the nations of the world could do if each and all but have the will to do so.

Nations, like individuals, cannot live unto themselves alone. Arnold Toynbee, the historian, has stated the application of that principle in these words:

"The Twentieth century will be chiefly remembered by future generations not as an era of political conflicts or technical inventions, but as an age in which human society dared to think of the welfare of the whole human race as a practical objective."

Economic Contribution

Canada has been blest with vast resources. In other parts of the world people are demending that their standards of living be raised. Canada, with other free world nations, is making her contribution to that objective.

Many billions of dollars have been advanced by Western nations for aid and economic assistance to nations in Asia and Africa, so that needy nations everywhere may be given the opportunity to raise standards of living for themselves, by themselves. Many tens of millions of people in Asia and Africa believe that there is no release or escape from eternal poverty. By help and assistance plans, the "have-nations" can and must show them that there is.

Since the end of the last war Canada's contribution (without strings attached) to the Colombo and other assistance plans, has amounted to \$4,600,000,000.

An effective means whereby Asian, African and other countries can be provided with the means to raise their standards by themselves, which appears to me to be reasonable, is to provide technical training to representative citizens of needy countries who will return to their homeland after training and launch economic developments in power and industry, in agricultural and self-help programmes for health and education and other such projects.

Last fall I visited the Commonwealth countries in Asia and saw evidence of Canadian assistance in power, irrigation and economic projects, and technical assistance to universities, and I saw the beneficial results that were being attained. In the past years since the Colombo Plan came into existence Canada has made annual contributions not exceeding \$35 million a year, and during this year and the ensuing two years the amounts contributed under this Plan will be raised to \$50 million per year.

I omphatically deny the false propaganda of the communists that such help and aid is made for the purpose of assisting in a resurgence of colonialism, or from some other ulterior or neferious purpose. Canada's only purpose is to provide strong economic foundations in the recipient countries so that each of these countries may play their part in the world, without fear or want.

commonwealth Scholarship Plan

Being of the opinion that one of the most worthwhile ways to attain understanding between nations is in the exchange of university students, I had the honour to bring before the Commonwealth Trade and Economic Conference meeting in Montreal in September, 1958, a proposal for the exchange of students between countries of the Commonwealth. At the Commonwealth Educational Conference just concluded at Oxford, England, a plan in this regard has been adopted which will provide for 1000 : Book exchange scholarships and fellowships, to which Canada will contribute \$8 million. One-half of the total amount of \$28 million, to be expended over a period of five years, will finance the scholarship scheme, and the other half will be devoted to training teachers of Asian and African countries in technical knowledge.

Superiority of Capitalism

We who believe in capitalism know that it has errors and shortcomings, as do all things human, but we claim that it has raised the material condition of men and has provided economic well-being unequalled by any other system, with the state protecting the individual against exploitation and unfairness. Canada is a capitalistic country since it owes its progress to ... capitalistic principles. The second of the second of the feet of the feet

The principles of capitalism have been misinterpreted and distorted by communist propagandists. Many millions of people as well have a false idea of the ways of living in capitalist countries because of the perverted nature conveyed by some motion pictures. Many interpret capitalism in the light of the local money lender who still thrives by the practice of inhuman usury by which in some instances as many as three generations may be in serfdom to the money lender as the debt is passed on from father oney lender as the door to promise the first tender to to son.

Need for Statement of Aims

Such misinterpretations and misunderstandings need to be answered by a clear and unequivocal statement of the aims, purposes and practice of democracy under the capitalistic system. I am reinforced in this view by Mr. Chester Dowles, who, speaking in the House of Representatives in the United States from wide experience as American Ambassador in India, declared that:

"That is needed is a new statement of our purposes"

The need of such a declaration is re-emphasized by the most recent events which would indicate that the world may be entering a new era in East/West diplomacy, beginning with official visits being made by Premier Khrushchev to the United States and President Eisenhower visiting Moscow.

Khrushchev has stated that relations between the communist world and the capitalist world, because both realize that there would be no victor in a war and each is peace-minded, now enter an era of peaceful competition. Each realizes the other's power, and therefore it may be that in the immediate years ahead the competition may well be the demonstration of strength and virtues of the two systems.

In the last few days Khrushchev has condemned what he calls the "morale of capitalism". East Germany's, Poland's and Czechoslovakia's leaders have condemned capitalism as immoral and to meet these charges it becomes necessary as never before for the free world to define capitalism, and to show its purpose, its eims, and the benefits to the individual, to the state and to mankind.

Communists in the world competition of ideals know where they stand and set forth their views in printed word and speech; the capitalist world can do no less. The capitalist world will never try to propagate its views by force or demand the acceptance of its principles under duress, and if it is to compete it must reveal and display the superiority of capitalism.

The capitalist world should, in my view, make a uniform and conscientious effort to make available books and periodicals which give a fair and objective picture of capitalism and its benefits -- otherwise the contest for the minds of mon may go by default, as the only literature available in many uncommitted countries is highly organized communist propaganda available in every book-store in every major language. To meet the aggressive propaganda of the communist world, the Western world needs a truthful and aggressive salesmanship of its ideas and its ideals.

I have tried to place before you a few views that come as I visited Pakistan and India, Ceylon, Malaya and Singapor where I was received with unforgettable good will, and where I learned to realize more than ever before that the Commonwealth of Nations is the world's most successful experiment in peace, for we between any of its members is inconceivable.

Again I express a warm welcome to you, and my hope is that you young men and women will continue to serve the cause of National survival in time of war depends on youth. No less, I be are the opportunities of youth in peace. Your dedication and determination to make the kind of world you want will be a major factor to that end.