



## STATEMENTS AND SPEECHES

INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

No. 54/55

REFLECTIONS ON NEIGHBOURHOOD

An address to the Central Council of Canadian Red Cross Society, at Toronto, Ontario, by the Special Assistant to the Secretary of State for External Affairs, Mr. Arnold Smith, November 22, 1954.

My Minister, Mr. Pearson, has asked me to bring you his greetings, and to tell you how sorry he is not to be able to be here with you himself. This is I am afraid a rather busy autumn for foreign ministers.

Mr. Pearson also asked me to tell you how much he - and our whole Department - appreciate the great and varied assistance which we have had from the Canadian Red Cross Society, on a good many occasions during the past few years, in connection with the implementation of government measures to aid victims of various disasters in Europe and Asia. He asked me to convey too our appreciation for the opportunities we have had from time to time of working with you, and sometimes helping a little, in the execution of your own important activities to bring help to the stricken in various parts of the world. I should like also to say how much we all admire the magnificent work which you, Dr. Stanbury, have done to reunite with their families Greek children who had been carried off years ago by Communists.

There has probably never been a time when attitudes and acts of good neighbourliness have been more immediately important than they are today. In a real sense, of course, man's crucial need has always been a further development of his sense of community. The question "Who is my neighbour?" rings down through history as one of the seminal challenges, by their response to which men and societies have always judged themselves and determined their characters and their futures. The history of political actions and social relations in any period may legitimately, I think, be regarded as that age's attempt to work out the implications of neighbourhood.

But though the problem is as old as history, the methods of communication and transport, and the weapons, which scientists and engineers have been developing for us in recent decades, have faced our generation with what Mr. Pearson has called "the need

for a decisive and fairly rapid advance in the scale and level of community organization and community attitudes, as the only alternative to serious risk of unparalleled destruction".

Neighbourhood is merely a fact. Naturally, as our means of getting around have improved, the area of neighbourhood has increased until today it is for many purposes global: but it is still merely a fact: in itself neither good or bad, just one of those things. What matters is what we do about it. Technical developments have enormously increased men's capacity to be bad neighbours. And this fact correspondingly deepens our need to match the fact of neighbourhood by the achievement of good neighbourliness: for the risk, if we fail to match it, is great and growing.

It would be fatuous to be complacent, or to be too sure that our generation and the next will rise in time to this challenge, even the magnitude of which is hardly yet appreciated. It seems to be the case that within a very few years men will be able so to pollute the atmosphere of the planet as to destroy all life. If they wish to do so, that is - or if they are sufficiently heedless. It seems to be inevitable that a good many countries will soon have that power, if indeed they do not have it already. It is a question whether men are good enough, or human society well organized enough, for the competitive possession of powers of this sort to be very safe.

When one takes an objective look at our human situation, there are certainly a number of disturbing signs: hate, hysteria, or hardness of heart seem to be as common as ever - perhaps a bit more so. And they are incomparably more dangerous. But there are also signs that intellectual horizons are in fact stretching, and that attitudes are adjusting to the new demands of neighbourliness: and when these things happen, appropriate actions and institutions follow.

One of the best illustrations of good neighbourliness in action is of course the work of the Red Cross. In 1953 I happened to be a member of one of our Embassies in the Low Countries, and had the opportunity of seeing something of the work which Miss Margaret Wilson very capably carried out there on your behalf to help the flood victims. It was very impressive: and that was only one instance among many. But it would be presumptuous of me to try to tell you anything about your own activities. Let us consider instead some of the instances where governments, in their behaviour toward one another, are acting increasingly as good neighbours.

During the past eight years I have had the fortune to be a member of Canadian delegations at a good many sessions of the Economic and Social Council, the General Assembly, and other organs and bodies of the United Nations. In recent years I have worked chiefly with the Security Council, the Atomic Energy Commission, and the Assembly's political committees - and certainly these have been the branches which have got most of the headlines. In these bodies

there have been a number of definite and important achievements, but the concentration of press coverage is above all because these bodies have seen so many clashes between the totalitarians and the West.

But despite the headlines, I would be surprised if in the long run it is not generally considered that the most significant developments have been those taking place more quietly in the Economic and Social Council and the Assembly's Second Committee, which deals with economic affairs. It has been fascinating in these economic forums to see the gradually developing self-awareness, and the growing demands and pressures, from the countries of the Far East, the Middle East and Latin America, which in this context call themselves the under-developed areas. They have not been long in realizing that they form the majority in our world organization. They are the poor, and they want help. What is more, they have been getting it.

There has been much less chance to read in the newspapers about the United Nations Programme for Technical Assistance than about, let's say, disarmament negotiations, - though these latter have gone on now for some eight years, and very little progress has been made beyond some fining and pointing up of the main problems and topics which will have to be tackled if substantive agreements are ever to be reached. I do not blame the press for this: on disarmament it is easy to see and convey drama, either in a clash or in a limited procedural agreement: whereas in the Technical Assistance Programme, though there is far more that is genuinely exciting and significant, it requires considerable background knowledge or digging to understand it, and then it is more difficult to convey to those who have not this background than are debates or agreement with Mr. Vyshinsky.

But personally, I am inclined to agree with a suggestion made by Professor Arnold Toynbee, that to future generations this present period is likely to be known "less as an era of political conflicts or technical inventions, than as an age in which human society dared to think of the welfare of the whole human race as a practical objective".

The facts are still far too little known, but anyone who does know the facts and who is capable of finding joy or excitement in political and social advances, could not help but thrill to some of the achievements of the United Nations International Children's Fund, or the Expanded Programme for Technical Assistance.

A cynic might of course deny that these facts are real evidence of increased neighbourliness, by pointing out that they are in large part the result of political pressures and calculations. That is certainly true, but this, it seems to me, is not grounds for cynicism, but the reverse, for that is precisely how democracy works.

Some two thousand years ago the Greek philosopher Aristotle, a pretty shrewd observer of political processes, pointed out that once you establish a democratic form of constitution, you make it inevitable that sooner or later the poor will try to use their voting power to coerce the rich into improving their material lot. This, of course, is exactly what has happened in this century in the national states of the western world, just as it tended to happen in the city states of Greece in the fourth century B.C. Now we have established a loose but none the less a real framework for consultations and votes among nations. In the United Nations General Assembly, as in the world which it reflects, among as well as within national states, the poor are in a clear majority. It is not surprising that they realize this, nor is it surprising that the existence of a constitutional framework in which the poor have votes should serve to increase the awareness, by those more fortunate, of the majority's problems and needs. To see the international constitution working itself out in this way is surely grounds for less cynicism, not more.

Internationally speaking, Canada is one of the rich. Indeed we are clearly one of the most fortunate and well-to-do peoples on earth. Our own rôle in the international technical assistance and economic aid programmes which these political pressures have developed is of course as a contributor rather than as a direct beneficiary. As such, we are one of the minority. We must avoid becoming a milch cow. Our delegations have to keep their eyes open. This of course is natural enough. But Canadians can be proud that our country has been playing a generous and practical role in this programme.

Incidentally, it is worth noting that in this field, the United Nations is empowered to make recommendations only. If the majority, who are under-developed countries, sought to push too hard, too fast, for too-great international financial contributions, and what economists might call by analogy "transfer taxes", there could be a danger either of bringing General Assembly resolutions, and the United Nations itself therefore, into disrepute, or of causing the constitutional framework itself to blow up or disintegrate.

The signs are that most delegations of under-developed countries are aware of these dangers and are on the whole acting with prudence, restraint and responsibility.

As a pressure group, these qualities of restraint make them more effective rather than less so, but it is just as well to recognize that they are a pressure group, out for results. In the early years of the United Nations, the representatives of areas which have called themselves under-developed were profoundly impressed, and not a little envious, at the sight of hundreds of millions of dollars of grants and government loans going from North America to European countries for the reconstruction of economies shattered by the war.

They felt that their needs and claims for assistance were no less great than those of the Europeans. In a sense, what one might call "the under-developed" became a self-conscious and more or less organized bloc as a sort of counterweight to the European countries which in the international resolutions of 1946-48 were called the "war-devastated areas". Without disrespect, one could say that the under-developed wanted to get into the game. Who could blame them?

But the real difficulty, and this they found it harder to realize, or at least to admit, is that the situations and problems are in many ways not at all comparable. The peoples of Western Europe have made themselves, by habits built up through efforts over generations and centuries, one of the most advanced on earth - the populations are highly literate, with generations of effective working traditions and technical skills, of managerial enterprise, and - much the most important of all - with habits of capable and honest administration and of social self-discipline. In areas where these qualities are the rare exception rather than the rule, it is much harder, with the best will in the world, for any outsider who would bring help to find where to begin if the aid is to do more than to enrich a few or bring temporary relief which will soon be swallowed up. The problem has been compared with that of trying to telescope into a generation experiences comparable to those of the Renaissance, the Reformation and Counter-Reformation, the intellectual developments of the age of reason, and the process of the industrial revolution all put together.

But for all the difficulties, a real start has been made. The pressures, and the programmes which have been developed, are really beginning to get results. I have already referred to the U.N. Technical Assistance Programme. The Colombo Plan, which provides not only technical assistance but capital for selected projects in South-East Asia is, despite all the difficulties, having real success in certain places.

Meanwhile the pressures, in the United Nations and elsewhere, go on. There have in recent years been mounting demands, for example, to start a project picturesquely called "SUNFED" - the Special United Nations Fund for Economic Development. It has been agreed in principle that such a fund will be established once enough progress has been made on a world-wide supervised disarmament programme to allow the industrialized countries who are expected to pay for it to reduce expenditure sufficiently on defence programmes to make it practicable to divert a portion of the savings for this purpose. As you would expect, most of the delegations of under-developed countries have made it clear that they don't like the delay. But they have to recognize that there are limits to what is practicable, and to what the traffic will bear.

More immediately promising than SUNFED is the proposed International Finance Corporation, which seems likely to be established in the near future in association with the International Bank for Reconstruction and Development, with a capital of some one hundred million dollars.

During the last several thousand years of human history wide-spread ferments of ideas producing among peoples a demand for social changes have been the exception, both in time and place, rather than the rule. But today it is a fact that such a ferment is spreading throughout Asia, Latin America and the Middle East; it is beginning to spread, too, among the peoples of Africa. Its manifestations are sometimes far from pretty. But it is I suggest the biggest single political fact in the world today. It creates problems and challenges which are far more fundamental, and which will remain with us, long after our differences with the Russians have subsided (providing we and the Russians survive these differences, that is!). It is important to maintain a sense of proportion, and to recognize the limits to how much can be done, or how fast. But it is important, too, to realize that our generation of humanity has on its agenda, and with increasing insistence, this problem of the advancement of the under-developed areas.

Internationally as well as nationally, ideas of economic levelling are sometimes entertained. But internationally at least, such ideas are of course profoundly silly, though that does not mean that they could not some day become both widespread and dangerous. You could not make much impression on the standard of living of the backward areas merely by lowering that of the more advanced: nor could such an impression last. The real problem is to increase the productivity of the men and women in the backward areas. This inevitably involves major changes for them in the cultural, psychological, social and political fields as well as the economic: for these things go together. And though there are obvious and important limits to what outsiders, such as we Westerners, can do to help in that process, there is no doubt that we can do something, and that we are increasingly being asked and expected to do it.

It is good for us to recall that there are basically two ways to industrialize. One is what I call the hard way. It involves obtaining the capital by a reduction in the amount consumed by your own people. This is what happened in Britain in the latter part of the 18th century and the beginning of the 19th. Britain industrialized first, and there was no other way in which capital could be produced. At the cost of the enclosure movements, the development of terrible slums, and inhumanly long hours of work for the new industrial labouring class, including its children, Britain developed the factory system. By contrast we in North America industrialized

the easy way, obtaining large investments of capital from abroad, until our productivity was such that we could produce not only our own capital, but could begin too to repay foreign capital or to invest abroad ourselves.

The Russians have done by choice what the British did faute de mieux, and have tried to pull themselves up by their own bootstraps. It is not generally recognized that the essential feature of the famous, or should I say infamous, Russian Five-Year Plans was a highly organized forced reduction in the standard of living of the Soviet peoples: and ruthless regimentation to make this forced reduction possible.

The tremendous development of Soviet industry has of course been achieved at the cost of a drastic impoverishment of the Russian people. Though there have been increases in their standard of living in recent years, these have not been nearly enough to offset the drastic reductions during the 1930's. A detailed and objective study published a few months ago by the Harvard University Press concludes that the Russian workers' real wages in 1952, twenty-five years after the beginning of the Five-Year Plans, were still substantially lower than when these forced industrialization programmes began.

Two weeks ago, speaking in Washington, the Prime Minister of Japan, Mr. Yoshida, succinctly summed up the two industrialization methods as follows:

"The Communist way to get new capital is to lock the doors, draw the blinds, and put the screws to its people. With terror, forced labour, confiscation of property and wealth, and inhuman demands on the populace, the Communists are able to create new capital.

"That is not our way. We of the free world will have to do the job - in the proud American phrase - 'the hard way'; out in the open, by the free will of free men, subject to all the political risks that democracy involves. But help must come from outside if improvement is to come fast enough to be effective."

Mr. Yoshida went on to recognize that the World Bank, the United States Foreign Operations Administration, and the Colombo Plan together have been supplying about \$400 million a year of capital to South-East Asia. He continued:

"Important as this is, it represents about a tenth of what is required to keep pace with Communist China."

You will notice that whereas I called the Communist method of industrializing "the hard way", Mr. Yoshida applies this term rather to the method of democratic development with outside

assistance. And in a real sense, he is right. The Communist method is harder on its own people, but calls for relatively little from despotic leaders beyond ruthless brutality and some organizing efficiency. The democratic method, with international assistance, makes incomparably greater demands on the spirit of millions of free men.

The sort of figures Prime Minister Yoshida referred to are, of course, fabulous, if you think in terms of intergovernmental action. One of the problems is that private investors understandably hesitate to invest money in backward areas, partly because of the general lack of facilities, and more because of the political instability and ferment created by the natural aspirations of the people for social improvement and change.

But another of the problems which has discouraged and almost dried up the inter-continental flow of private capital has been the damage done by superficial, false or phony ideas. For example, about the beginning of this century, an economist named Hobson propounded the idea, in a book on imperialism which has become famous, that investment of private foreign capital in a relatively undeveloped country usually brings in its wake political dependence on the country from which that capital originates: so that the more foreign capital you have invested in your resources, the less independent you are likely to be. This idea was adopted by Lenin, but during the past fifty years it has become widely believed not only by Communists but by non-Communist public opinion in many of the unindustrialized parts of the world.

The theory is I think standing precisely on its head. Common sense would suggest, as our own Canadian experience has proved, that the investment of private foreign capital, by helping a country to build up its own economy, allows it to stand more firmly on its own feet, and thereby to become more rather than less independent, more rather than less able to chart its own political course and to make its own political views felt in the councils of the nations. But the harm done by the false theory of imperialism during the last few decades has been, and still is, incalculable.

I have been speaking of the problems of neighbourliness chiefly in terms of material help from those more fortunate to those less so. But such help is in itself only a small part, and by no means the most important part, of good neighbourly relations. More fundamental, of course, is a recognition of common interests, the acceptance of a sense of community, a readiness to cooperate in dealing with problems of common concern. The starting point, I suppose, is the ability and willingness of men to talk to each other.

Internationally, this fundamental point of talking to each other is of course the primary raison d'être of my own profession the diplomatic service. The most important function of diplomacy

is discussion and negotiations between governments. It is precisely because the ability and willingness to talk, and the effort to understand, is the starting point for any development of community.

Good neighbourliness, like prudence, involves an ability and willingness to talk a situation over when there is something to say. It also involves, of course, some mutual knowledge, understanding, and respect. The most serious and disturbing feature in the policy of the totalitarian regimes which control so large an area in this interdependent world of ours, is, it seems to me, the Iron Curtain and the ruthless denial of human community which it implies. Fundamentally, of course, what the totalitarians have sought to erect is not merely a curtain to separate their own people from the rest of the world, but rather an iron blanket: their effort to control all communications and hence to prevent spontaneous or free expressions of ideas, news, or attitudes, extends among as well as around their own peoples. What we call the Iron Curtain is merely the outside edge of the blanket, the network of controls which seeks to deny the possibility of real community among the inhabitants of the territory which the totalitarians govern. Of course such efforts can only be partially successful. But I won't take your time trying to analyse totalitarian societies today.

The most basic factor, it seems to me, in the development (or disintegration) of neighbourliness, is the communication and thereby the reciprocal growth of creative (or destructive) attitudes to life and to our fellows. For it is attitudes that are contagious, and that really therefore shape the future of societies. It is motives that matter even more than material facts or the knowledge of facts: for it is people's motives that determine how the facts and knowledge are used.

It is precisely the assessment of the motives, and the main forces which are shaping the motives of large-scale action in our time, which, as it seems to me, gives the best ground for measured confidence in the foreseeable future.

It is useful to recognize how much of the international help undertaken by governments in the past ten years, and how many of our most constructive actions, have been motivated by calculations of prudence in a dangerous world: how many of them have, in fact, been responses to the threat of Communist aggression. Though UNRRA would certainly not fit into this category, nor the immediate post-war loans to help restore the economies of European countries which had been disrupted by war, this response to danger has certainly, I think, been the most important factor in prompting Western civilization to undertake such economic measures as the Marshall Plan, or such political measures as the development of the North Atlantic community. Both these

developments would, I think, have been desirable, perhaps one might almost say essential, had there been no Communist threat: though without it we probably would not have put forward the effort necessary to attain them. But surely we can take heart that so much of the response of our civilization to external threats has not merely been defensive in any negative sense, but has gone beyond this to develop positive and constructive institutions, and habits of consultation and mutual aid which will probably remain to give warmth to men, long after the threat which produced them has subsided or been removed.

I have also suggested that a large part of the important international assistance going to help the economic development of the materially backward peoples of the earth has been the response to pressure groups, which have developed and have expressed themselves mainly though not exclusively through the United Nations. Surely this fact too is a reason not for cynicism, but for confidence. The pressures of organized political life on the international plane are bearing good fruit.

It is, I suggest, only the superficial observer who will find grounds for cynicism in discerning the large role which self-interest plays in the motives of nations or of individuals. For the practical issues of life have never, I think, been merely between self-interest and disinterestedness, but between the stupidity which sees self-interest only or primarily in immediate material terms, and the moral and intellectual insight which recognizes that the real interests of each one of us are inextricably bound up with those of the community and of our fellows. This proposition is true not only on the social plane, but on the moral and theological. The growth of insight tends to obliterate the dichotomy between interested and disinterested motives. Prudence has always been regarded as one of the Christian virtues, and the pearl of great price has been recognized by the highest authority as an appropriate symbol for the supreme good.

Nevertheless there are motives, for individuals and groups of individuals, deeper than political prudence. One of these deeper motives is the humanitarian impulse which springs from a recognition of common humanity, and the desire to bring brotherly help to the extent that we can, to those who need it wherever they may be.

Incidentally I am told that in India Communist newspapers make a point of quoting statements by Western leaders, to the effect that our contributions to the Colombo Plan help to preserve South-East Asia from Communism. These statements, the Communist papers tell their Indian readers, prove that Western motives are strategic, and concerned with the cold war: we help them because we have political designs, and not because we love them. Of course the contrast

is, as I have just suggested, a false one: but it is none the less powerful propaganda, and worth thinking over.

To the extent that there is selflessness in large-scale social organization and action, your Red Cross takes a prominent place among those groups which embody it. For this reason the Red Cross has rightly earned universal admiration and respect. I hope you will not think me incurably political if I suggest that the selfless attitudes which your organization embodies also serve an all-important political purpose, in our objective of trying to make a tolerably good neighbourhood of this planet: for it is men's real attitudes to life, and to our fellow-men, which for good or evil are contagious, and which thereby shape the future. It is these attitudes which can spark chain reactions either of distrust and fear or of creative harmony. The influence of the Red Cross is a powerful factor on the side of creative harmony.

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