

GOVERNMENT  
  
CANADA

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## STATEMENTS AND SPEECHES

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INFORMATION DIVISION  
DEPARTMENT OF EXTERNAL AFFAIRS  
OTTAWA - CANADA

49/27

### THE IMPLICATIONS OF A FREE SOCIETY

Address by Mr. L. B. Pearson,  
Secretary of State for External Affairs  
at the Opening Meeting of the 18th Annual  
Conference of the Canadian Institute on Public  
Affairs, Lake Couchiching, August 13, 1949.

The theme of your Conference, although it lends itself to much speculation as to what is a "free society", is a challenge to every student of public affairs and every participant in public life; indeed to every citizen. The government of our free society, which has its roots in Greek humanism and Christian morality, is based on operative principles which were largely defined in the 18th and 19th centuries. These principles are now threatened from two directions. The source of one danger is to be found in the social consequences of modern technical development. Society has become so complex, and the responsibilities of government so specialized that, with the best will in the world, we sometimes find it hard to preserve intact the free institutions which we so greatly cherish. The other threat is contrived and deliberate. The whole conception of government by consent, as we understand that term, is under attack by a group within our own community and by strong and powerful nations outside which argue that its values are false and its results are evil. The measures we must take to protect ourselves against these forces often place us in the danger of betraying the principles upon which our political institutions are established. How, then, are we to arrange our economic life, to make best use of the productive capacities of the nation, to conduct our foreign affairs, to prepare our defences against external dangers, to strengthen our political institutions against those who attack them from within, and at the same time maintain and extend the free society in which we live and which we hold to be the best guarantee of a vigorous national life?

This is not only a long-term problem for the political scientist. It is an urgent question which daily, in a dozen ways and in the most practical terms, confronts everyone in the country — newspaper editors, business managers, trade union leaders, members of parliament, cabinet ministers, civil servants, professional men and women, agricultural leaders, provincial and municipal authorities; and indeed every citizen. I am sure that everyone present has encountered this question in some of the various ways in which it appears. In my own particular field of responsibility, foreign relations, the problem takes many forms with which I am all too familiar. How, for example, can small states or relatively small states preserve some form of national identity and, at the same time, maintain the welfare of their citizens in a world dominated by giants? How can we transfer to the field of international organization the principles of government by consent which prevail in our own national life? How can we maintain these principles internationally, without dangerously narrowing the limits of international organization, when they are constantly under attack by aggressive totalitarian communism, and especially when this attack is supported by the power of the Soviet State? How can we

organize our national resources to get the maximum security in a dangerous world, without destroying the freedom of action and initiative of our people?

Let me begin my discussion of these problems which confront our free society by saying that in my view the essential lubricant in a free society is tolerance. This does not necessarily apply to all modern states, and there are obvious examples of nations which are held together without the least regard for tolerance. It is the case, however, in all states where government by consent is practised. Canada, where various groups live and work together within the boundaries of a national state, is a good example of this principle in operation. This country exists on the assumption that, as far as is humanly possible, the interests of no group — racial, geographic, economic, religious or political — will prevail at the expense of any other group. We have committed ourselves to the principle that by compromise and adjustment we can work out some sort of balance of interests which will make it possible for the members of all groups to live side by side without any one of them arbitrarily imposing its will on any other. It is my belief that this is the only basis upon which Canada can possibly exist, as a nation, and that any attempt to govern the country on any other basis would destroy it. In these circumstances, the basic quality of tolerance in our national character is of the first importance.

Of almost equal importance for our national welfare, and indeed arising out of the practice of tolerance, is the avoidance of extreme policies. This is often called walking in the middle of the road. This course is not so easy as people usually think. It imposes both self-restraint and discipline, even when we assume, as I do, that the traffic is all going in the one direction. Anyone who chooses to travel in the middle of the road must not, of course, deny the use of either side of it to persons who prefer to walk there. He condemns himself, therefore, to accept during the journey the constant jostling of companions on either side. This middle ground is, I think, becoming more and more difficult to maintain, and the temptation to abandon it is constantly increasing, especially in the face of the road blocks thrown up by unfriendly fellow travellers. I do not wish here to criticize those who choose other ground upon which to walk, or to question the basis of their choice. I wish only to make a strong plea for the preservation of this middle position in our national life. Paradoxically, it is only in this way that the existence of many of those on each side can also be preserved. If the middle group is eliminated, the less tolerant elements fall under the irresistible temptation to try to capture the whole roadway. When the middle of the road is no longer occupied firmly by stable and progressive groups in the community, it is turned into a parade ground for those extremist forces who would substitute goose-stepping for walking. All others are driven to hide disconsolate and powerless in the hedges, ditches and culverts.

How can the meaning of the middle way in our free society be described in a few words? What does it stand for in principle? Where does it lead in practice? Is it merely the political line of least resistance along which drift those without the courage of their convictions, or simply without convictions? It is, or should be, far more than that. The central quality of this approach is the stress which it always lays on human values, the integrity and worth of the individual in society. It stands for the emancipation of the mind as well as for personal freedom and well-being. It is irrevocably opposed to the shackling limitations of rigid political dogma, to political oppression and to economic exploitation by any part of the community. It detests the abuse of power either by the state or by private individuals and groups. It respects first of all a person for what he is, not who he is. It stands for his right to manage his own affairs, when they are his own, to hold his own convictions and speak his own mind. It aims at equality of opportunity; it maintains that effort and reward should not be separated and it values highly initiative and originality. It does not believe in lopping off the tallest ears of corn in the interests of comfortable conformity.

The middle way presents no panacea for the easy attainment of general wealth, but it accepts the responsibility of government to assist in protecting and raising living standards and, if necessary, to take bold and well-planned action to help maintain economic activity.

The middle way, unlike extreme political doctrines, has positive faith in the good will and common sense of most people in most circumstances. It relies on their intelligence, their will to cooperate and their sense of justice. From its practitioners it requires determination and patience, the strength of tolerance and restraint, the discipline of the mind rather than the jackboot, and the underlying belief that human problems, vast and complicated though they may be, are capable of solution. This, I believe, is the political philosophy which best preserves the free society which you will be discussing at this conference, and which indeed gives to that free society many of its most important characteristics.

It is not enough, of course, merely to keep to the middle ground. It is necessary to go somewhere. The history of politics is full of the obituaries of groups in society who stood firm, and still, in the middle of the road, or who, like the old Duke of York, merely marched up and down the hill. For this reason, the parties of moderation and tolerance in a progressive society must continually chart new country overhaul and modernize the administrative machine in which they travel, adapting it to the demands of new conditions. They must move with the times, so that they do not collapse simply through inaction. They must also test the validity of the principles by which they chart their course, checking their philosophical and political roadmaps against the sign boards which are provided by the practical day-to-day problems of government.

In this move forward, one of our most immediate problems is the protection of our free society against those who wish deliberately to destroy it by overthrowing our system of government. We must be constantly vigilant lest our free political institutions are used for this destructive purpose. We know from experience, both in international affairs and in our national life, what happens when a resolute minority which does not believe in government by consent, gains power. It uses our free institutions for its own purposes and it does its best to see that no one else uses them. The communists, for example, will, if they can, use your town council for the destructive purposes of their own political propaganda, though they will conceal these purposes behind a smoke screen of humanitarian proposals. They will also do their best to prevent you from using the same Council to give effect to some sensible and practicable scheme of which they do not happen to approve. If, through the democratic process, they gain control of any agency of government they will do their best to prevent anyone replacing them through the same process. We know how tactics of this kind can corrode and destroy the fabric of a democratic state. We saw the Nazis do it in Weimar Germany. We have seen the communists do it more recently in Czechoslovakia. We have also seen a great international organization like the United Nations brought on occasions to a complete standstill, when its communist members used their democratic privileges to frustrate its will. In our national life, though not so often as in some other countries, we have seen groups of citizens start to work on some problem of common interest, such as the adjustment of a labour situation, and fail because a determined communist minority has been able to lead a divided and fluctuating majority into courses which made any solution impossible. I think we have had enough of this sort of thing in both national and international affairs, and that it is time we put an end to it. It can be stopped by an intelligent public which knows what is happening, which refuses to have its institutions and its democratic processes thrown into disarray by an irresponsible minority, and which shows initiative in making sure that what it wants done it gets done. This takes time and thought and resolution, but it can be accomplished.

At the same time, we must remember that we help the enemies of freedom if we take unnecessary short cuts to deal with them for by so doing we ourselves may weaken the very political institutions which we are seeking to preserve. I am sure, therefore, that we should continue in our national life

to maintain and promote fundamental freedoms within the laws of the land, and to have confidence that an alert and intelligent public will deny power of influence to those who misuse these freedoms. In doing so, I hope we can avoid in the future, as we have in the past, the kind of hysteria that sometimes does more harm than the evil that provokes it. Communist or fascist treachery is admittedly difficult to uproot, because those who practise it successfully are masters of deception. But they will accomplish a large part of their purpose if they spread ill-founded suspicions in the community, if they make us think that our universities should be purged or trammelled, if they make us uneasy in our minds about the loyalty of our public servants, if they infect us generally with the wasting fevers of distrust. Let us by all means remove traitors from all positions of trust, and, if necessary, strengthen our criminal code in order to deal with the enemies of the state. But in doing so, I hope we may never succumb to the black madness of the witch hunt.

The best defence, however, against totalitarianism in any form, is to prevent or remove the conditions upon which it feeds. As far as the economic life of the nation is concerned, this means, I think, that the government may have to accept a large measure of responsibility for direction, and even for control. Indeed, whether it desires it or not, that role is being forced on the state by insistent and increasing demands for services and assistance, many of which are made by those who subsequently complain at the interference by government in their affairs, which is made inevitable by the effort to satisfy these demands. It is, in fact, becoming increasingly difficult to reconcile the satisfaction of such demands with the maintenance of that spirit of self-reliance and competitive achievement which is one of the foundations of our free society.

Nevertheless, the problem is one of the most compelling which governments have now to face. In facing it they must accept the fact that the words "direction" and "control" as applied to state action, arouse intense animosity in certain quarters and conjure up in the minds of many people the worst evils of bureaucratic interference. However, those who hold such feelings do not, I think, believe that we should return to the freedom which "big business" once enjoyed. Indeed big business itself would not desire a return to the old era, for it knows full well that its welfare depends not only on its ability to manufacture its product, but also on the capacity of the great mass of the people to buy that product. In their own interests, therefore, the huge enterprises of modern industry look to government for that economic and political stability which, among other things, is essential to the maintenance of popular purchasing power. In return, most of them — certainly the sensible and enlightened ones — are prepared to adapt their plans to those for the economic welfare of the nation as a whole. Nor do they claim to be the sole judges of what that welfare is or to identify it exclusively with their own balance sheets. They realize, as we all do, that the real wealth of a nation lies in its collective capacity to produce and to consume. Certain advocates of financial reform have exploited this simple truth for the purpose of persuading people that some sort of monetary magic will make it possible for them to use what they produce. But the problem of maintaining purchasing power is not so easily solved as all that. It is solved by many procedures — as simple as family allowances and old age pensions and as complex as establishing a rate of international exchange. It is a responsibility of modern government to act — with as little interference with the private individual as possible, but nevertheless to act — so that the resources and productive capacity of a nation may be made available to the citizens on an equitable basis. Anyone who dislikes or distrusts the way government discharges this responsibility may seek to influence or change the administration in office. But we don't very often hear the claim now that we would be better off if we went back to the days of laissez-faire.

On the other hand, the Government's part in the economic life of the nation need not and must not amount to domination or tyranny. A very good expression of the role of government in the economic affairs of the nation was given recently in an article by Arthur M. Schlesinger, Jr., from which I should like to quote the following:

"This century has seen the steady decline of faith in extreme economic solutions. Unchecked private ownership leads to intolerable economic instability, while unchecked state ownership leads to intolerable political tyranny. The result has been to drive men of good will to seek for solutions in the center.

"These explorations...have resulted in the development of the idea of the Mixed Economy, where the Government, exercising its primary control through fiscal policy, would supervise a diversified economic society composed of capitalist, cooperative and socialist sectors. In such a society it should be technically possible to abolish depression without destroying freedom".

A similar blending of private and public enterprise should characterize the conduct of our foreign trade. The events of the last decade in world affairs have not, I think, made the idea of complete state domination over external trade attractive or acceptable. There used to be a theory that the primary source of international conflict was the economic competition of capitalist big business, which made use of the national state as its aggressive instrument of exploitation. Those who held this theory believed that if the state were to control or eliminate private enterprise in international trade, the threat of war from such economic imperialism would vanish. We now realize, however, that the contest for markets and raw materials can be fully as bitter and dangerous when international trade is entirely under the control of the state as when it is entirely under the control of private enterprise. In fact, there is a good deal of evidence that the totalitarian national state is more dangerous and aggressive in its conduct of international trade than the private corporation. We are also beginning to realize that totalitarian control of the economic life of a nation may lead us into absurd and inefficient international rivalries, arising from a desire for autarchy.

On the other hand, we accept in regard to our economic relations with other countries the same principle that governs our economy at home -- namely that the object of our economic life shall be to contribute as much as possible to the strength and welfare of the nation as a whole. There are circumstances, therefore, in which Government finds it necessary to assist in maintaining the position of the producers of, for example, so vital a commodity as wheat. There may be times also when it is necessary to assist private enterprise in order to ensure that we have adequate supplies of the materials which we must buy abroad. There is an added and equally important consideration affecting our foreign trade which must be the special responsibility of government. The welfare and stability of our own economy as a national state is closely bound up with the welfare and stability of the free world generally. The communists assert that our capitalist economy is bound to collapse, a postulate on which they base so much of their policy and so many of their hopes. Indeed, the foreign policy of the Soviet State today is determined in part on a gamble that this assertion is correct. A group of men sit in the Kremlin waiting expectantly for an economic depression to destroy the strength and independence of the free world. That will be their opportunity, and they will know how to exploit it. Any free nation which pursues policies that weaken the economic stability of the Western World, or which fails to adopt policies that will strengthen that stability, is betraying, therefore, both its own interests and the interests of free men everywhere.

Over the past generation, we have made great progress in working out methods by which private individuals and associations on the one hand, and the state on the other, can cooperate in a manner which does not endanger the interests of either the community as a whole or of any of its members. There are many examples of this development in Canada. They vary enormously and each is adapted to the circumstances which it is designed to meet. In banking, in transportation, in radio broadcasting, in the marketing of staple commodities, or in the manufacture of essential products, where the responsibilities are too great for private enterprise to undertake alone, we have devised methods for

combining private with public enterprise. The Canadian Broadcasting Corporation and the Bank of Canada are as thoroughly integrated into our economic life as any private corporation. The people of Canada realize that progress will lie through the continued blending of public and private enterprise. Our experience has already proved this process to be invaluable in our national development.

Even in the 19th century, which most people regard as a period of unrestricted free enterprise, the building of Canada's railways, her immigration and settlement policies, the development of agricultural methods suited to our physical condition, the establishment of new industry, were all begun in this way. I do not think that we could in any other way have settled and developed our country. I am confident, therefore, that in the further extension of our economy, we shall adopt techniques which grew out of this experience. The development of the north country, for example, is too great and complicated an undertaking, to be accomplished by private enterprise alone. On the other hand, the north country is in some respects the last field of adventure that remains to the frontiersman. We shall not properly develop this great area of our country unless we can count in very large measure on individual initiative and enterprise to which the greatest possible opportunity should be given.

Another aspect of Canadian affairs which we must regard in the same cooperative spirit is the relationship between federal and provincial governments. The people of Canada quite sensibly have refused to regard this question as a contest between federal and provincial authorities, which one or other of them must win. Over the years, they have made it quite clear that they will never give authority in federal affairs to men who advocate a limitation or restriction of the powers which properly belong to the federal government. They have made it equally clear that they will not choose a provincial government which wishes to give away provincial rights, or permits this to happen.

In any case, the idea of a contest in Canada between federal and provincial authorities is false and misleading and dangerous. It is high time that this sinister idea of inevitable conflict were dispelled. It would, I think, be helpful if the federal and provincial governments could be given an opportunity to join in some declaration which would assist in clearing the air of these dangerous views. The central and local governments together provide the citizen of Canada with the functions of government which he requires, and there is no reason why Canadians should quarrel with themselves or amongst themselves as to which of these agencies of government should serve their needs in particular cases. If there is overlapping, or if it is not quite clear where responsibility lies, it should not be difficult to work out a satisfactory arrangement to meet any special circumstance. The valuable technique of the Dominion-Provincial Conference, for example, has been and can be used for this purpose. We have, in fact, been making arrangements of this kind for over 80 years, and a surprising variety of techniques and procedures for cooperation between federal and provincial governments has been devised. At no time during this period has the integrity of the provinces within their own fields of responsibility been in any serious or continued danger, in spite of the shrill protestations to the contrary of men who would exploit such a danger to their own ends. On the other hand, our experience in the past makes it quite clear that the Canadian people do not intend that the deliberate decision made in this country many years ago to accept a federal system of government should make it impossible or even difficult to provide effective national administration in the circumstances of our present age.

We should, I think, tidy up our constitutional structure, by establishing the final judicial authority of our own Courts of Appeal, and by providing ourselves with a more rational and appropriate means of amending our federal constitution than we have at present. We should then go on as we have in the past, adjusting the differences between federal and provincial governments by negotiation and agreement, by judicial decision, by agreed conclusions of Dominion-Provincial Conferences, and by the development of administrative methods for cooperation between federal and provincial governments; if necessary, by constitutional amendment. In doing so, we shall be acting in accordance with

the clear intention of those who established Confederation, that a genuine balance between federal and provincial governments should be maintained. The growth of our country since 1867 enforces the validity of this intention. Quite apart from the special problem of relations between French and English speaking people in Canada, the size and complexity of Canada justify our federal system of government. If the provinces are to play their proper role within this system, they must continue to have real and effective responsibility for the important spheres of government which have been assigned to them. They must continue to attract capable men to their legislatures. They have a vital contribution to give to the life and welfare of the people, and they must continue to be in a position to make it. Equally, the federal government must be capable of giving leadership and assuming responsibility in matters of national concern. When it lacks the authority necessary to perform this purely national function, it must take the initiative in making arrangements to secure it, without, of course, and I emphasize this, interfering with any of those provincial or minority rights which are at the very basis of our national structure.

We cannot achieve the proper balance between federal and provincial governments by any single definition of responsibility which will be valid for all time. If all the provinces, together with the federal government, are to play their full and proper part, there must be a continual process of adjustment between federal and provincial governments, conducted on the basis of a desire on all sides to contribute to the welfare of the Canadian people as a whole. Above all, we must repudiate the untrue and dangerous doctrine that there is some difference between a Canadian who is represented in Ottawa and one represented in a provincial capital.

The establishment of this nation was a great act of faith on the part of men who believed that the ingenuity and resourcefulness of our people could overcome the cultural, political and physical barriers which impeded our unity. We have found it a bigger task than even the Fathers of Confederation realized to build a state from the Atlantic to the Pacific, and along the northern boundaries of the United States; to populate its hinterland, to develop its resources, and to maintain its unity against the strains and stresses of the modern world. In seeking to accomplish this task we have had to face and overcome problems that the Fathers of Confederation never dreamed of. If we have met success, it has been because national policies have represented a careful and considered balancing of political and economic forces; because we have recognized and understood sectional and minority differences and yet have resolved that these differences should not be permitted to prevent the formation of a Canada which would be greater than its parts.

In the field of foreign relations, we have also endeavoured to hold that middle ground which lies somewhere between unintelligent and unimaginative insistence on our national sovereignty at the one extreme, and vague and impractical support for internationalism at the other. We have made it increasingly clear that we are prepared to cooperate with other nations in realistic measures for the development of government on an international basis, but we have not forgotten that the best is sometimes the enemy of the good. The high reputation which Canada enjoys abroad is, I think, due in part to this practical approach which we have taken to the problem of international relations. This has characterized our attitude towards the United Nations, where we have tried to concentrate our attention on those functions of the organization which give promise of immediate helpful results, while never losing sight of the ultimate high purpose for which it was founded and which it must one day achieve.

A good example of this pragmatic and practical approach to international affairs is found, I think, in our attitude toward the North Atlantic Treaty. In the absence of a strong and workable supranational legal and political order the threat of aggression is always present whether it originates in Germany, Italy, or Japan, as before the recent war; or whether it emerges in a somewhat different form as at present. It is unfortunately

perfectly clear that the rule of law cannot yet be established internationally. It seems to be equally clear that while the United Nations can do and is doing many good things, and while we should keep striving to make it more effective, nevertheless, it cannot in present circumstances give its members that security against aggression which they seek. It follows, therefore, that the next best way of dealing with aggression, or the threat of aggression, is for friendly states, who have confidence in each other's pacific intentions, to band together in order to be in a position to take collective police action against an aggressor. The North Atlantic Pact is such an arrangement. Its aim is to stop aggression before it starts by convincing the potential attacker that he would gain nothing by a resort to arms. If this can be done, then a better atmosphere can be created for the solution of those international problems which breed mistrust, fear and insecurity. Of course, without such a solution, neither the Atlantic nor any other peace pact can in the long run ensure peace.

The Atlantic Pact is, then, only a "second best", but surely it would be folly to reject it as such because at this time we cannot have the "best", which is an effective United Nations as the guarantor of security and the preserver of the peace.

As we face in the days ahead new international problems of anguishing complexity, may Canada play a worthy part in the attempts which must be made to solve them. She can only do this, however, if she is able to maintain and strengthen the cohesiveness, the stability and the progressive character of her own national life and her own democratic institutions. The first implications of our free society are, after all, domestic and concern the welfare of our own people. The quality of a state must be judged in terms of the life which its citizens live. Many ingredients enter into the good life. Physical security and economic well being are amongst them. But equally, if not more important are independence of spirit, the desire and ability to take initiative, a sense of purpose in life, and the opportunity to participate fully in the life of the community and to share in its responsibilities. These are attributes of citizenship which only a free society can give. If for any reason we lose them, the loss will not be compensated by any material gain. A recent novel by George Orwell, "1984", gives us a picture of a horrible society, replete with efficient devices and techniques of Government, in which the individual has been reduced, finally and irrevocably, to a controlled, directed, purposeless cypher. As one commentator puts it, it is "a world without religion, without art, without science, without freedom, without leisure, without privacy, without law — without any of the things that we today take as much for granted as air and water." The really disturbing thing about George Orwell's book is that it may be not phantasy but prophecy. The constant concern of a free society today must be to make sure that this terrible fate shall not overtake us. For this reason the public and the government alike must be vigilant to make sure that the policies we approve, the legislation we sanction, the administrative programmes we set in motion, in contributing to the welfare of the people, do not weaken our free society or endanger the institutions through which that society has grown. If we fail in this responsibility, then any discussion in the future of the implications for Canada of a free society will become academic and unreal or worse. Those indulging in it may find themselves locked up by the police of a "peoples democracy" as fascists and reactionaries. If so, I hope that my concentration camp will be on the shores of Lake Couchiching and that you will be my companions!

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