

CHAPTER THIRTEEN

SALVAGE CIVILIZATION BY FEDERAL UNION

"There comes a time in the affairs of men when they must prepare to defend, not only their homes, but the tenets of faith and humanity, whereon their churches, their government and their very civilizations are founded."

FRANKLIN D. ROOSEVELT, JAN. 3, 1939.

IF it is rash to discuss reconstruction in England after the defeat of Fascism, it is even more hazardous to discuss reconstruction of a rescued world. But H. G. Wells has taught us the duty as well as the art of looking forward far into the future. We must suppose victory some time and consider how to shape the new relations between the nations of the world to come. It is for us to learn the lessons of the war, to note the dangers of the peace, and to prepare to make that peace enduring.

MORALE AND LEADERSHIP

We ought to have learnt already that morale is worth more than professional armies, and that racial differences are becoming obsolete. The almost miraculous survival of China and Russia from attack by the most highly efficient and bravest professional armies that the world has ever known proves the first proposition. Probably our own survival in 1940 helps the proof. In so far as civilian morale achieved those victories we must put them down mainly to the inspired civilian leadership of Chiang Kai-shek and his wife, of Joseph Stalin and Winston Churchill. Possibly any

or all of these might now be killed without altering the issue of the conflict. But had they been killed in the early days, resistance would have broken, and the morale capable of withstanding the conquerors could not have been established. If William of Orange had been killed at Heiligerlee, there would have been no Dutch Republic. When he was murdered it no longer mattered, because he had created the civilian morale which defended Haarlem, Leyden and Alkmaar.

Morale depends upon knowledge and faith. "Give me," said Cromwell, "soldiers who know for what they fight, and love what they know." That knowledge has now to be extended from 'soldiers' to all the people. It is the modern secret of successful resistance to overwhelming force. Faith can only be faith in a leader, if it can no longer be that faith in God which made the Swedish and Cromwellian armies irresistible. Fortunately faith in one's own particular nation or race is likely to wane if the United Nations can withstand and defeat Germans and Japanese.

END OF THE COLOUR BAR

The same final conclusion should prove, moreover, that racial distinctions are now obsolete. We have judged by military prowess—and even so forgetfully. We think that the European always beats the Asiatic, from Salamis, or Alexander and the Roman legions, to Chalons, Tours, and India—forgetting conveniently that the Hun and Moslem got as far as Chalons and Tours; forgetting also the Crusades, Gengis Khan, and the Turks at the gates of Vienna. British prestige in the East was born at Plassey—and lies buried at Singapore. The Red Army is half Mongol, the Sikh as good a fighter as the Australian, the Jap as terrible as the German. We may drop talk of military prestige; it has become poor ground for particular racial pride.

The stubborn courage of the civilian population is another matter; but that seems to derive, irrespective of race, from having something to fight for. When the Mongols overran India from the north-west, or the British overran it from the sea, what did it matter to the people of India, already existing only by permission of their Rajahs?

The comrades of the Soviet know for what they are fighting, even far back behind the German lines; so do the Chinese, Czechs and Serbs; so, one hopes, will the British and the Jews. But what have Egyptians, or Spaniards, or Italians, or Africans, or indeed Indians, to fight for at present? Why should they fight for their masters, in a squabble between rival masters? Men and women, 'who know what they fight for, and love what they know'—these, not sheep, remain victors in total war. Such men and women are no longer confined to one continent, or to one race. That old racial distinction is obsolete. The colour bar is no bar; it was killed in total war. I am glad it is dead! Otherwise, how should the New World be any better than the old?

Had not defeat upon defeat,
Disaster on disaster come,
The slave's emancipated feet
Had never marched behind the drum.

That 'whites-first' scuttle from Penang and Burma is too new and shocking to be yet understood and condemned. It will be borne in mind in the reconstructed world. We are all the same under the skin when it comes to fear. *Sauve qui peut*, whatever your colour, might be applied not only to running away, but also to saving by courage. If whites leave the coloured people behind, they should leave them able to fight for their homes and property and lives. Whatever their colour, in uniform or not, in the New World only those who fight are all equal.

If the United Nations want to win, all the people of the Union should know what they fight for, and love what they know. Most people know very little. They know best their homes where they were born and the land that yields them bread. They love that best. We had better let those who will fight have this to fight for, to give the assurance of victory.

OLD WAR AND NEW WAR

The Axis has no such foundation. The new *Völkerwanderung*, like the old, is founded upon pillage and the extermination, or slavery, of the dispossessed. They fight, not for love of their own lands, but for lust of the lands and bodies of others. The New Order is a new ordering of others, by new masters. So was the Saxon Conquest of England, so was the Norman Conquest; so were the Frankish and Burgundian Conquest of Gaul; so was the German Conquest of the Baltic lands; so did Magyars, Serbs, Croats, Czechs, Bulgars, Lombards, Visigoths, Vandals; and so, I suppose, originally did the uncivilized Greeks before the birth of history.

War was just pillage and rape. When two sets of pillagers met there was a battle-party under recognized Red Cross rules, which never applied to the victims of rapine. That was why war had ever such a bad name among Quakers, Socialists and Christians. Now it is different. How rarely hitherto have peoples found inspiration to fight back behind the lines! The Jews, the Swiss of the three Cantons, the Dutch Beggars of the Sea, the Puritans, the Americans, the Tyroler of Andreas Hofer, the French of the Revolution, the Greeks of Byron's day, the Italians of the Risorgimento, the Magyars of Kossuth—and now 600,000,000 of Chinese and Soviet peoples. Such wars have no bad name among the good. Such wars have rarely failed.

ANTICIPATE REVOLUTION

Thus we hope that we shall win. Therefrom we learn that morale is worth more than armed machines, and that colour prestige is dead. We may also deduce how we shall win. Every setback to the Good Old Cause rallies more *men* to its rescue. But when the *machine* breaks it flies to pieces. In Japan and Germany the machine will break from inside, as soon as policemen can be killed with any chance of safety. We may pleasantly anticipate and assist a revolution from the Left. That happy moment will occur as soon as the pillagers flee from Russia and from China.

Revolution against tyranny is never from the Right, ever from the Left, and always spreads to neighbouring lands at the moment of breakdown. It seems improbable that Pétain, Franco, Salazar, Mussolini, Boris, Mannerheim, Horthy, or Antonescu will rule any longer, within a month of the German Revolution. Normally, as at the end of the last war, the British Foreign Office, unlike the British people, would seek to prevent revolution. Why? Because such revolution would kill off *Pétain et Cie*, 'with whom I had such a pleasant dinner at the Foyot in 1919'! Also, because it sets such a bad example to 'dangerous elements' in this country! Fear of what Indians, Chinese, Malays, Africans, Jews might do if armed has almost lost us the war. Fear of what the British working-class would do nearly lost us the Home Guard. If fear be our guide in peace after the war, it will lose us the peace. Fear is ever a bad counsellor. We had better 'trust the people, that people which to become dangerous has but to fold its arms'.¹

These nervous fears of the Foreign Office gentlemen will lose us the peace, because they will re-dig the gulf that was

¹ Jean Jaurès, 1912. Not proven; the General Strike has no value, except psychological.

between us and the new victorious Soviet. That will breed distrust and wreck the co-operation essential to peace. It will also prevent the Soviet from developing free institutions, and condemn the world to armed dictatorship. In any case, we can no more stop revolution in Europe at the end of this war than we could stop it in Russia at the end of the last war. It is as useless as the attempt to reconstruct a dream. At all costs the United Nations must remain united.

THE APPEARANCE OF 1949

Let us therefore transport our minds forward to 1949,¹ or whenever it may be, and consider what then will be the mind or misery of man. The four United Nations will stand bloody but triumphant. Every citizen, male and female, will then be paid, maintained by, and working for the State. All will owe to their own people, or to the Americans, more than they can ever hope to repay. On all sides the world will lie in ruins—pestilence and famine, slaughter and revolutions, will have wiped out all private wealth and one half the population of the globe. Vigilantes in every village will operate lynch law, wherever other laws have vanished in the presence of the fight for food. Communications may be back in the age of the ox-wagon, and ships reduced to sails. The victorious United Nations can then lick their wounds, and prepare five-year plans to employ their people and rebuild the world. They will certainly desire orderly rule among their neighbours, calling pitifully for help. That cry will be for food, drugs and protection; involving another, greater, international, five-year plan for the salvage of civilization.

Of course if the war ends this year or next year, it may not be so bad. But wise men may well try now to contem-

¹ In the Commons, on Sept. 5, 1939, I said 'ten years'.

plate the worst and devise for salvage and stability. If the Americas, North and South, have escaped invasion and devastation, they will be in a position to help others. So will Soviet Russia, used to five-year plans and with experience of their awful years 1919-22; for they can recover most quickly. But both the British Empire and China may be petitioners rather than helpers.

Therefore there will be a great change in the minds of our governing class. We shall need help—both food and credits. Hitherto, for nigh on 400 years, we have been the dispensers of help. We financed the wonderful 19th century; we made the seas safe for trade; we gave advice, protection, and developed Asia, Africa and the South Seas; even the railways of America were largely British. We shall have saved our honour, our liberty and our enterprise. But our skill and knowledge will be shared with millions taught in the hard school of adversity. Our wealth and our credit will be gone. We shall be as other men, and think as other men.

CHANGE OF MIND

It is not our nature to hug ourselves in poverty and rest content with pride in our past, as did the Spaniards. We shall want to restore our credit and retain both self-respect and freedom. No longer exploiters, but reconciled like the rest of the world to borrow money and be exploited, we shall acquire a feeling of a common citizenship. Up to now there has been, not only a colour bar between the European and the coloured races, but almost as deadly a bar between Anglo-Americans and the rest. We behaved ourselves with some grace, dignity and benevolence towards the unfortunates who were not as we were. Now we are shedding our patronizing mind with our credit. The Chinese troops helping us in

Burma, the Russians holding Hitler from our throats, have changed patronage into a quite new admiration and gratitude.

It caught us in the throat when America lavished sympathy on bombed London, packed bundles for Britain, and passed the Lease and Lend Act which absolved us from money debt. They were our only friends when we were alone. But they were of our blood, and it was only to be expected of the haughty Anglo-American fraternity, to which Russia and China did not belong. We may soon be actually grateful to Indians, no longer servants but comrades. This is indeed the change of heart that Gandhi asked for! It is even a change of mentality, which fits us for our new role in the new world. We have changed from exploiters to exploited; we have changed from patrons into comrades, we have not changed our colour, but we have changed our minds.

I am not sure that the peoples of the Soviet are exploited. Perhaps the salvages of civilization will enquire into that, for I am not attracted by the prospect of being exploited, even by cousins in America.

CREDITS

The Russians had to do without credits, and suffered three years of desperate famine before they got their agriculture on its feet. Then at last they could feed themselves. In spite of an almost universal boycott they got some credits and built up great industries. We are not an agricultural country and cannot feed ourselves. Our need for credit, to restart our industries, will be greater than Russia's need. We must buy food and raw materials and tools, all of which require credit. Although the Soviet repudiated all the old Czarist debts, they did pay back regularly and with full interest all the moneys they were able to borrow. My friend, W. H. Thompson, lent all he could on three-year notes and

was repaid ever larger amounts in sterling as the Soviet credit and currency improved. All other countries in the world have been forced to repudiate and seen their credit and currency dwindle. Not so Russia, where they have paid 'on the nail', where national savings in their vast industries must now exceed the value of British industries. They started from scratch, with nothing but land and labour, and therefrom have created their own State capital, all in twenty years.

I have heard it said that Americans put £1,000,000,000 into Europe between 1920 and 1930. They have lost it all. Their loans (and ours) made to Europe after the last war were all based on the credit of various European countries, and all were lost. Our investments in South America went the same way. Currency depreciation, 'embargos', 'frozen credits', and totalitarian barter agreements have destroyed private credit as well as public credit. The Danish merchant may be willing to pay his debt like an honest man, but his government will not allow him to do so. Inflation comes from unbalanced national budgets, which send down the value of the national currency. No private capitalist can be expected nowadays to lend outside his own nation. They have had their lesson. If the lender knows that the whim of some foreign government may freeze his debt, or that he will be repaid in bad pounds, he will not lend. He will give no credits, unless the government of those to whom he lends can be controlled and forced to balance their budget, and not to put on embargoes or to 'freeze' credits.

Contemplate the position of ourselves and starving Europe when war ends. We may all be given food out of American charity, but we cannot pay, nor borrow in order to pay. The American Government may lend us dollars for the British Government to use in buying food from America.

That will keep us alive till the loan is exhausted. But we shall not have the dollars to repay. Meanwhile the unemployed dole will rise and so will the cost of living. Anyone can see our incomes dwindling, our Budget getting ever more unbalanced, the pound falling. The moment must come when America will say to all such countries, 'We will lend no more to you if you go on raising the dole to meet the increased cost of living. You must balance your Budget and be honest! What is then the bankrupt Government to do? Balance their Budget, which has become impossible, or starve?'¹

FINANCIAL UNION WITH AMERICA

Well, there will still be two other alternatives. One is to do as Russia did in 1919—do without external loans and credits—confiscate land and capital, and conscript labour and keep the people alive as best we can. We may then pray heaven that some native genius may evolve successful five-year plans. The other alternative is: persuade America to unite with us, so that the American capitalist can lend his money to us with safety. This is putting in the bailiff, but sharing in the control of the bailiff. The Super-State starts by controlling our national expenditure and our currency. It is impossible to keep a stable currency between two countries, unless expenditure is controlled and the Budget of *each country* is balanced by an overriding authority. That overriding authority must be the Federal Parliament, controlling Federal Finance and the services dependent on Federal funds.

¹ Perhaps this paragraph exaggerates. Our Government can prevent the price of necessaries from rising by continuing to subsidize food and essentials, by taking in taxation and forced loans income that might be spent on non-essentials, by making luxuries difficult and expensive to buy. Government in fact can, if it has the courage to disregard the vested interests of drink and land, prevent the consumption of wealth, and ensure the conversion of wealth into the capital that we shall need.

All that I have written above must apply in some degree to all countries not dependent on Russia (or Sweden or Switzerland, if these have not been occupied by Germany in the meantime), but in less degree; these will need credits less than we shall, being more agricultural, and agriculture can manage with less fresh capital. Moreover, unless we are invaded or more heavily bombed our population is less likely to be reduced in numbers. I should suppose that China or Yugoslavia will have at least enough land for the surviving population. We are the most industrialized country of all. Therefore loss of credits affects us most.

It is, or was, the practice in the pottery trade for the small manufacturer, before he had acquired credit, to sell his goods himself on Saturday in the market, to enable him to pay his week's wages. Business, on the scale we know it, can hardly manage in that manner.

Even could we get back into full production with modernized plant, few industries could get raw materials needed from abroad, where a diminished population is searching for roots and berries to keep alive. Nor will such populations be able to buy. Quite possibly all that remains of Europe will go back to an 18-century existence. Our export trade may have no competitors; the whole German trade with South America may pass into our hands. But who in the world will be able to buy fine china or private motor-cars! The home market will not recover; it will not be allowed to recover, because the Chancellor of the Exchequer will still want all possible savings to be lent to the Government. We shall still be rationed long after peace.

So, as I see it, the inevitable post-war drift for all nations will be towards dependence on others. The choice may well lie between copying the Soviet; or submitting to financial dictation from creditor America as a sequel to inability to

balance our Budget. In going Bolshevik we may have to become agricultural, for there will be few credits for industry. In joining with America we get all the credits we want and do not repudiate, but a super-state puts in 'the man in possession'.

Would America consent to Federal Union? I fancy that may turn on the proposed exchange value of the £ sterling—asked for and accepted. Apart from all sentiment, it becomes a business merger; not because we are two competitors cutting each other's throat; but because the bond-holders have to take over the ordinary shares to safeguard their interest.

It is quite possible that America will unbalance her Budget as rapidly as do we ourselves. In that case British solidarity may be of use to America—less dependent, and a more popular comrade for hard times! The main point is not whether the Americans grant us credits, or we grant them credits, it is the pegging of the exchange to make mutual trade possible and the control of each country's finances by some super-national representative body which shall be responsible to both countries. Only such control will fix the exchange rate and give security to creditors, whether American or British. All creditors must otherwise fear special taxation, if not of actual 'freezing' of debt payments.

It has been usual to advocate Federal Union with America, or wider federations, on the ground of political security: 'United we stand, divided we fall'; or on the ground of sympathy, common sentiment, common language, and similar democratic institutions. Worthy citizens regard it as the first stage towards 'The Parliament of Man, the Federation of the World'. I am convinced that it is more likely to come about for financial reasons. Either America will want to feed us and to get its money back, or American investors will

want certainty that the British Government will not rob them. Or it may be that all those who lent money are reasonably afraid of both Parliament *and* Congress failing to balance Budgets—afraid of inflation running away—and see in a super-national Federation the best means of checking this new terror of the time to come.

SOUND CURRENCY

Financiers and economists everywhere are alive to the fundamental necessity of a stable exchange if trade is to continue. Few seem aware that this stable exchange cannot be secured by decree, or law, or even a gentlemen's agreement. It does involve control of the Budgets of the contracting parties, possibly even the power to put in dictator managers of those lesser authorities who may outrun the constable—whether in Alberta, Philadelphia, or Merthyr Tydvill. Hitherto, France, or Belgium, or Austria have made promises, received stabilizing loans on the strength of those promises, and then failed to balance income and expenditure.

Nor is the test of honesty just so simple as balancing State Taxes and State Expenditure. Inflation depends on total production and consumption. The theory of sound currency is that any increase in the currency, whether by loan, credits, or by printing £1 notes, must be balanced by created goods representing that increase. If it is not balanced it is inflationary. The control should not therefore confine itself to public finance.

All the arguments in favour of a stable exchange, with control on expenditure by the joint partners to the agreement, apply not only to Britain and America, but to any other partners. Canada, Australia, New Zealand, South Africa have at present different and varying rates of ex-

change, because their Governments have in varying degrees unbalanced their Budgets. They could obviously go into Federation on the same terms as ourselves and America with great advantage to trade, credit and reconstruction. In pre-war days none of us felt very happy about the financial position of Australia, New Zealand and Newfoundland. They looked to us for ever more credits as their credit grew less. Just as America may look sourly at us later on for a like reason. This spot of bother could be put right for the future if the Federation controlled expenditure. Of course the initial exchange rate of Australia might have to be different. South Africa faces an ugly situation if America ceases to buy gold, and may be very glad to come in at any price.

The widest possible extension of a common currency, once the control is conceded, is obviously desirable. No argument save English-speaking sentiment could be brought against the inclusion in such a Federal Union of Holland and Scandinavia. We trench here, however, on the plans for a Federal Union of Europe, with or without Russia, which figure so largely in the books and dreams of the exiles. Realism gives the answer. Those European States which go Communist will naturally line up with the Soviets, much as we shall with America, and for identical reasons. So little of Europe will be left outside these two Federations that nothing adequate will be left to form a specifically European Federation. Swedes, Norse, Danes and Dutch have almost as close kinship to America as we have ourselves; therefore they may prefer the Western partnership and form of discipline.

FEDERAL REVENUES

Before we discuss whether we should aim at the inclusion of Soviet Russia in any such financially controlled Federation or Group, it would be wise to consider the revenues and

necessary powers of the Federal Parliament and Executive. Apart from some ceremonial units or glorified police, the whole of the Armed forces should be a federal charge and responsibility. Relations with countries outside the Union would come under the Federal Foreign Affairs department; so too would colonies and territories, to be discussed in the next chapter. For all these, as for the Presidential salary and the costs of the Federal Parliament, a large revenue would be required; yet larger, if unemployment assistance is to be federal, and immense, if debt charges are to be pooled and reconstruction loans are to be a federal issue.

Even neglecting these two last liabilities, the federal expenditure will be sufficiently considerable. It can be met in two ways: by cash contributions from the State partners, or by the proceeds of one or two general taxes. A federation of Sovereign States can be most easily dissolved by secession. The easiest incentive to secession is the annual demand for cash contributions from each State to the Federal Exchequer. Immediately, each State starts to claim its moral right to exemption from contribution, and builds up its case against its partners! On that basis ten years of peace would break up any Federation. Therefore the Union must have the proceeds of some general tax and the officials and machinery to collect it. Those general taxes which suggest themselves are customs, income tax, death duties, land value tax.

May we hope for free trade within the Union? That depends upon American opinion. No other post-war partner would care to close its frontiers if America threw open her ports to her partners. The American industry may rightly admit that the superior equipment of American factories outweighs the cheaper European labour. Maybe American labour will come to look on Londoners or Danes much as Milwaukee mill-hands look on lads in the same trade in Bir-

mingham, Alabama, and just see no harm in buying from them.

But Isolationism dies hard in America. I fear we may not expect free trade within the Union till relations between America and partners have got a 'little bit more mixed'—that is, when the partners owe America more money and can only send it in goods. If Tariffs remain a State and not a federal function, then revenue from a common tariff on imports entering the Union from outside becomes impracticable. If Tariffs are federal, then here is a source of revenue.

A surcharge on the various State Income Taxes would be difficult because the methods of assessment and exemption vary so completely in each State. It would have to be a direct federal tax, uniform, and replacing other income taxes. The British Treasury would at once point out that Income Tax was the heart and core of British Revenue, and could by no possibility be surrendered. 'We will surrender,' they will say, 'Death Duties with pleasure, since all our millionaires go to escape and die in the Channel Islands.' This they will agree to also because they suspect that there will be no more large estates left at death in Britain; all large estates will be American, and Death Duties are steeply graduated.

For Federal Revenue we may therefore be thrown back upon the taxation of land values. Since land values everywhere are an exact measure of the benefits conferred by State and society upon each landowner, therefore the recovery of some part of that benefit by the State is no tax but a just recovery of a State-created value. An annual tax of 4 per cent on land values would restore to the State the entire land value of the world and bring down the buying (or hiring) price of land for the blessing of those who wish to live from labour upon it. In very few cases does the American

township tax on land values reach 2 per cent. Consider what would be the return from a general tax of only 1 per cent levied throughout the world!

Judging from general valuations made in the United States, New Zealand, South Africa, Canada and Australia, land value varies with density of population and responds to rise and fall of population. A vast comparison of values and population shows that before the war land value worked out at an average of \$400 per head of population whether one considers a sparsely populated New Zealand or New York City. If the population of the world should be 2000 millions, a land value tax of 1 per cent should produce an annual revenue of \$8,000,000,000. A time might come when this would be adequate for Federal Defence and Administration, and any depreciation of the dollar would automatically increase the federal revenue.

SAFETY, PEACE AND JUSTICE

Before we take any further visions of a distant and perfected federation it would be well to consider whether there are adequate inducements to federate, apart from stabilization of exchange, reconstruction and the immediate problem of salvaging civilization. Credit and finance may be all-powerful in the long run, but have little education or propaganda value.

Safety, peace and justice are the common desires of all mankind; they are obtainable under freedom, faith and federation. How can that be taught, and the vision be made sufficiently desirable to overcome isolationist national selfishness in the predominant partners? It would be idle to pretend that education for Federal Union is required as much in Britain or Holland as in the United States—or as much in Greece and Czechoslovakia as in Russia. That is

not so. The immediate need for help will suffice to educate the British, the Dutch, the Greeks and the Czechs. The Americans and Russians are those called on to give help—and, at the same time, to treat those they help as equal fellow citizens. Most education will be needed in that direction—especially in America.

Russians, having been nearer the abyss, having already federated with and absorbed coloured peoples as equals, having already buried old beliefs in exclusive racial superiority, should be more anxious for safety, peace and justice. They would certainly deny at once that they needed education or propaganda in that direction. But one fears that success in war and unbridled authority may corrupt their primitive altruism. Imperialism breeds contempt, and derives from power. It is easy, infectious and flattering. It finds subservience from subordinates gratifying, equality and liberty better in theory than in practice. Doctrine becomes dogma, and faith degenerates into the incantations of a new priesthood. Russians, after victory, may well suppose that they can have perpetual safety, peace and justice without any federation with equals.

It is unlikely to be perpetual under such circumstances. Rome admitted all provincials to full citizenship and endured for four hundred years of Empire. But what an Empire! Neither safe, nor at peace, nor just—nor free! The virtues of democracy, and of freedom from fear, need teaching to the Socialist Republics of the Soviets. Safety, peace and justice are not sure, even for them, except under continued faith in, and federation with, equals freely governing themselves.

Americans, bred in 150 years of isolationism, are at present more reluctant than any Russian to federate on equal terms with their inferiors. But they approve of their own

Federation, begin to appreciate that their own safety, peace and justice are endangered by isolation from others, and have an increasing sense of duty to the rest of the world. It may be that, as the war drags on, America, as well as Britain and China, will become more doubtful of permanent security in isolation. The natural repercussion in America will then be towards federation with Britain and the British Dominions. We have not done so well in this war, but neither Americans nor Australians really regard us as 'inferiors'. (The Irish do; but as they will not fight or federate at all, they are out of court.)

It is not the British or Dutch or Danes that Americans object to embracing as equals. But how are they to stomach federation on equal terms with 400,000,000 Indians? It seems that sound admiration for Chinese courage is breaking down the Oriental Immigration Law so far as the entry of Chinese into America is concerned. That is a welcome sign of human progress and profitable change. Pearl Harbour and the Filipino comrades in the foxholes of Bataan have created a reorientation towards the Orient.

Chiang Kai-shek will choose whether China shall federate with Russia, or America, or with Asiatic States. But we may be very sure that he *will* see that safety, peace and justice must depend on federation, and will wish it to be federation under freedom. India (or shall we say Nehru or Jinnah) will choose whether India shall federate by itself alone, or with China or with Russia, or with the White democracies. India and revolutionized Japan will be influenced mainly by Chiang Kai-shek's ideas on federation. I do not think that any argument, or education or pressure, from Britain or America would be the slightest use in moving Chiang or Nehru in either or any direction. That does not matter, for both seek safety and justice through freedom.

and federation with a passion surpassing my own. I should wish to be in any federation with them. But I do not think that America, Canada and Australia would—at least not as equals.

PROPAGANDA ON MORAL GROUNDS

It remains evident that there is no safety and can be no peace in our time without federation; and no safety or peace in permanency save under free institutions. So long as there are in the world rival federations, peace is none so sure, but it can be made more secure by any cross between a Confederacy of Federations and a Geneva League. It is idle to speculate on what federations or groups will arise after the war. Yet we can educate. We can propagate the idea, especially in America and Russia, that safety, peace and justice depend on federation; even that the issue rests in the hands of Russia and America, not in the hands of those who *need* federation most.

As you will never persuade the strong that you desire their interest in asking their assistance for the weak, it is wisest to base arguments on moral grounds. The late Mr. Chamberlain erred in telling the Americans that it would be against their interest that we should pay our debt. It was psychologically unsound, and carried little conviction. So I fear my argument that civilization cannot be salvaged without security, that security cannot be obtained without stabilized currency, and that stabilized currency depends on federal control of Budgets, will not carry conviction to those who *need not* provide the credits.

The moral ground is that peace cannot be secured, nor humanity restored, nor Christian principles endure without federation. A peace which leaves the world dotted with an infinity of small jealous sovereign nations deserves to

repeat, and must repeat, the disgraceful epoch of 1919-39. 'The Parliament of man and federation of the world' is the goal of brotherhood. For that goal America is always prepared to make many sacrifices. Indeed, it is for that goal and in that spirit that the best of America is fighting today, as in the days of revolution and emancipation—not to repay their debt to France, as in 1917, *nor* to help Britain by reason of blood-ties. With the utmost reluctance they have found it their duty to take up 'the white man's burden'. The mantle of Elijah has fallen upon Elisha. Mankind is indeed fortunate that Franklin Roosevelt has been found to carry a stage further towards fruition the labours of George Washington and Abraham Lincoln.

It is not necessary that the federation clustering round America and the British peoples should include India and China. Those peoples are so essentially pacific that a disturbance of world peace by them is inconceivable. Even without them the democratic federation would be one whose power would inspire respect, whose character would ensure justice and whose wide scope could combine prosperity with security. Even should the Soviets become in some distant future an imperial tyranny, yet even so freedom, the Christian virtues and our way of life could survive on earth. In the more likely event of the Soviets developing a fresh democracy a natural further step would unite the world in one brotherhood.

WHY THE LEAGUE FAILED

However dark the condition of the world at the end of this total war, however great the suffering, if from the ashes we can raise a society a stage nearer brotherhood and further from the jungle it will have been worth while. So long as we could only hope to save the world from Fascism, that

was good enough to endure all rather than submit. But the prospect of the federation of nations gives one hope of lasting peace and perduring freedom. It was not the Versailles Treaty, still less the League of Nations, that can be held responsible for the rise of Fascism and this war. The framers of Versailles and the League did their best with the tiger of revenge which had woken up from sleep in France. Wishful thinking led Churchill, Austen Chamberlain and Vansittart to mistake France's bluster for strength; and we allowed the League to dictate unchecked the revenge policy of a Chauvinist Government.

France used the League till the League broke in its hands—at last by the act of traitor Laval. The British Government, in the days of its decisive power, somewhat contemptuously, allowed French hegemony in Europe, and assisted the alienation of America from Europe by the repudiation of their debts. This last stupidity reached its climax, not in 1934, when we failed to meet our obligation, but in 1922, when Lord Balfour averred that we would drop our claim for repayment from France if America would do the same and let us off also. This cynically benevolent pose, at the expense of America, may not have been calculated to annoy Americans, but might have been expected to arouse the contempt of those who value honesty. More than the squabble over reparations, or the occupation of the Ruhr and the consequent inflation, it broke the morale of Europe.

The League of Nations failed for three reasons—and each adequate:

1. America took no part.
2. It had no all-powerful police.
3. It was a League of fear-ful governors, and not of fear-free, unselfish peoples.

UNION NOW

If I pin my hopes now to Federal Union with America, it is because Union is the strongest bond, leaving no loophole for evasions of duty in future. I do not believe that it will be more difficult to achieve than was the Union between England and Scotland in 1706. Vested interests by the hundred, in both countries, will no doubt oppose; but the need for mutual aid in arms, and of economic support afterwards, will become ever more obvious, even to the 'interests', as the Mississippi 'still just goes rolling along'.

Can such Union of the English-speaking peoples not be extended by holding an open door for all democratically governed countries to come in? India, and our Colonies—some as States, some as Territories under federal rule—might find their place.

Holland, Denmark, Iceland, Norway, China, might well welcome such a Union, whose power would establish peace and safety, whose spaciousness would secure prosperity, whose admixture would fertilize the stock of freedom.

Free internally, bound externally, each democracy could combine freedom with fraternity, and an equal right to the use of God's earth.

How about Germany? I refuse to believe that great people is welded into the cult of the bully. The Weimar Republic showed no such sign. I refuse to believe that the hideous persecution of Jews and Poles is the natural beastliness of the German people, or that even today they do not hate it in secret. Once free, once they have exterminated Hitler and his gang, and wiped out his memory and his crimes, why should not they too come in and merge in the union of the free?

Would this be adequate to prevent 'Germany doing it again'? Union, whether federal or confederate, means, at

the least, one Executive responsible to one supreme Parliament, controlling army, navy, air force, and foreign affairs, with revenues to meet the cost thereof. Such a Union would be too mighty for a Germany outside ever to attack. With Germany inside, as one of the confederate states, secession would be our only danger, and secession has been tried before and died at Gettysburg.

Union, with the open door for other free countries, offers to the millions now under tyrants hope for after the war, hope for our victory. That hope is the one bit of worthwhile propaganda which must, in the end, break Hitler and restore to mankind peace, justice, security and that freedom under which alone mankind can march forward to the Kingdom of Heaven upon earth.

This is indeed America's 'Rendezvous with Destiny'.