

THE GUARDIAN

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"The Strongest Memory is Weaker Than the Weakest Ink"

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The New Mercantilism

It is fashionable nowadays to imagine that the problems both economic and political which beset us on every side are so new and strange that history offers no evidence of which way to look for a solution. Crackpot economics, therefore, has become as prevalent in Canada as crackpot religion in Los Angeles, California.

The fact of the matter is that Canada, in common with other countries of the so-called free world, is suffering from a disease which bears a striking similarity to "mercantilism" of 18th century England. For mercantilism was, in effect, economic planning. Governments of that day, as today, narrowly prescribed the rules for trade and labour, and did all they could to foster exports while discouraging imports other than gold.

In England the semi-feudal Statute of Artificers fixed wages in relation to the cost of living, allocated the supply of labour, and prescribed apprenticeship rules. Protective tariffs against imports were aimed chiefly at printed and dyed calicoes, which threatened to affect adversely the domestic market for British wools. So heated did public opinion become on the subject that an attempt was even made to require everyone to wear woolen caps on Sundays!

It is not without significance that Adam Smith's epoch-making "Wealth of Nations", in which he argued that mercantilism would bring economic and political disaster upon Britain and urged that free trade and competition offered the greatest chance for prosperity, should have been published in the same year as the revolt of Britain's thirteen colonies and the outbreak of the War of Independence.

Napoleon prevented Britons from giving Adam Smith's policies a try until well into the nineteenth century. The long war which ended in 1815 with Napoleon's downfall was followed by a series of depressions, during which time "Chartism" emerged as the precursor of Communism. It was not until Cobden and Bright won their campaign for the repeal of the Corn Laws that Adam Smith's theories saw the light of day. When they did, England entered upon a period of prosperity which lasted for nearly a century and which gave her the highest living standard in the world.

Wars and depressions have once again brought us to Socialism and Communism, the latter-day versions of "Chartism". Perhaps some day before long a twentieth century Adam Smith will emerge to lead us back along the road to economic sanity.

Maginot Line Mentality

France and the French general staff have gone down in history as illustrating the folly of emphasizing material and static preparations and neglecting the human factor. The Maginot line mentality was not peculiar to France, however, or even to governments, as witness the fiasco of the \$12,000 tarpaulin purchased by the Canadian Rugby Union to protect the stadium of the University of Toronto against snow. The idea was quite workable and eased the minds of fans. The only trouble was that when the time came no one would order the covering put on.

There are many instances of such reliance on static safeguards and they all provide the warning that security is a state of mind. Anything that lulls us into a sense of safety is itself a menace, no matter how strong a protection it may seem to be.

Is Russia Winning?

U. S. News, well-known Washington journal, agrees that the Third World War is on and is being won by the Russians because they realize that it is going on, and we do not.

Needed (says Letter Review) is a fairly complete abandonment of U. N., except as a talking shop; expansion of NATO plan; armed alliance of the free nations, to cover all the points at which their interests are attacked.

Washington is still living too much in the anti-imperialist past. All North Africa and the Middle East are falling into chaos, under the "nationalist" drive, which the U. S. Government encouraged in the past. The only possible hope of a solution to that problem is for the U. S. to join openly with Britain and France in assuring the people of that area that military out-

posts in it are not going to be abandoned by the free nations; that the local people can co-operate, or not.

Perhaps Mr. Churchill can straighten all this out with President Truman.

EDITORIAL NOTES

Reports are good for markets for poultry, eggs, bacon—the favourable weather is appreciated by livestock and humans alike.

A tremendous number of Royal snapshots have been developed, and no doubt will be kept as pleasing souvenirs of an historic occasion.

The first meeting of the League of Nations was held this date 1920. The League consisted of 28 allied states and fourteen neutral states. The U. S. A. was not a member. Membership was later increased to sixty states.

Neither Quebec nor Halifax seem altogether satisfied with their rate of expansion as shown by census figures. For that very reason the census is valuable to keep too-enthusiastic estimates from being taken as actual figures.

The Catholic Social Welfare Bureau, which is appealing for funds this week, holds out a helping hand to the unfortunate of any or no religion. The general public is not being canvassed for support but undoubtedly a great many will contribute unasked.

Again this year in December, the Dominion Bureau of Statistics, co-operating with all of the provinces, will conduct the annual survey of the numbers of livestock on farms, and the cost of hired labor. Farmers will receive these forms about December 1, and are urged to fill them out fully and promptly.

It seems strange to Canadians how personal popularity of anyone is exploited in the United States. If General Eisenhower were a Canadian we should probably be trying as hard to keep his fame distinct from partisan politics as his fellow Americans seem to be to drag him in.

Britain has 9,630,000 cattle. Of these, seven million are in England, one million in Wales, and 1,600,000 in Scotland. Biggest cattle county is Yorkshire, with over 750,000. Next comes Devon, Somerset, Cornwall, Shropshire and Lancaster. Biggest Scottish cattle county is Aberdeen with 253,500 and Ayr next with 154,000. Biggest Welsh county is Carmarthen with 142,000.

The World Health Organization, reporting the results of a survey of world population in 51 countries, reports that in the last 50 years, more persons have been added to world population than were actually living, in 1900, in the entire world except in Asia; and adds that the rate of increase for the 20th century shows world population to be increasing as never before.

Charges of anti-Commonwealth discrimination by the wholly American censorship in Korea may well have some basis in fact. It may be assumed that American correspondents think and write much along the lines of the censors themselves, whereas the approach of British correspondents is no doubt somewhat different. Under such circumstances it is most important that the censors recognize their lack of objectivity and lean backwards to avoid discrimination.

Our City Council and politicians should take note of this tip from News Week. "Big cities are being warned that the coming jet transports will need 15,000-foot runways, compared with present 5,000-to-8,000-foot lengths. Some cities may be up against it. At Los Angeles, for instance, projected new highways would prevent stretching the runways that much. . . . Indianapolis is mapping a series of heliports for the roofs of proposed parking garages. It's looking to the day when a 'copter shuttle service may solve downtown parking problems."

Minister of Health Martin reports that the survey started last Fall has been completed. A great mass of information is being tabulated and analyzed. As a result of the survey future planning of the health needs of Canadians will be based on more exact knowledge than has ever before been possible. Forty thousand people from 10,000 Canadian families were questioned about their illnesses and accidents; what they spent on hospitals, doctors and drugs; their health environments. The survey will make it possible to estimate more or less accurately the number of handicapped in Canada, the extent of their disabilities and their potential earning power. The purpose of this Federal-Provincial program is to assess the health services available in each province and expand them where needed.

Today's Need: Classes For Unlearning



Old Charlottetown

(And P. E. I.) POLITE BUT FIRM

From an address to Her Majesty Queen Victoria, passed in the Legislative Assembly, 22nd March, 1850:

"The late House of Assembly having been dissolved by Your Majesty's representative in this Colony a year previous to the expiry of the date for which it was elected, it is believed by the majority of the new Assembly that the object of the dissolution was to ascertain the opinions of the inhabitants of the Colony in reference to the question, whether the system of administration in this part of Your Majesty's dominions should be assimilated to that which obtains in the other dependencies of the Crown on this continent; or, in other words, whether the people of this Island were favorable to the introduction of the principles of Responsible Government in the management of their local affairs. . . .

"While such is the belief of the people, they cannot but regret that no official intimation has been given them by the administration of the Government of this Island. . . . It is, however, the duty of the House of Assembly to state to Your Majesty, that the question of Responsible Government was the first and foremost and almost only one agitated upon the hustings, and that eighteen members out of the twenty-four who comprise the number of the people's representatives are now solicitous for its adoption. . . .

"Thus stipulated by their duty to their constituents, and by firm adherence to their own views, the House of Assembly felt themselves bound to declare, at the opening of the present Session, in answer to the Speech of His Excellency the Lieutenant Governor, that they had no confidence in Your Majesty's Executive Council of this Colony. . . .

"Because that Executive Council is composed of gentlemen whose political principles are believed to be inimical to the advancement of this Island's prosperity; . . . Because certain departments of government under their control have, in several instances, been grossly mismanaged; . . . Because it has been their policy to perpetuate a system of favoritism by dispensing the patronage of the Crown amongst their own immediate dependents and relatives, to the manifest dissatisfaction of the great majority of Your Majesty's subjects in this Colony; . . .

"Because offices of emolument have been bought and sold under the irresponsible system of government which has been the policy of the Executive Council to perpetuate; . . . Because the revenues of the country have not been judiciously expended in developing its resources and encouraging industry, but rather too often squandered in speculation and extravagance. . . .

"For these and other reasons the House of Assembly have come to a resolution not to proceed to do business with the Executive Council, until such time as that branch is remodelled—so as to reflect the opinions of the inhabitants of this Colony—to give it the full benefits of the British Constitution, and thus to carry out Your Majesty's gracious intentions towards your subjects in this part of your Dominions." . . .

The sequel to this resolution was that despite Lieutenant Governor Sir Donald Campbell's remonstrances, the House rose without granting Supply. According to an account in The Islander newspaper, the members simply "packed up their dees, shook the snow from their feet, and marched off, whistling the appropriate air of Johnny Cope."

Colombo Plan Background

(Bank of Nova Scotia Monthly Review)

The lack of order and stability in Asia is undoubtedly one of the major threats to peace, says the current Monthly Review of the Bank of Nova Scotia which discusses the economic problems of India and Pakistan and the significance of the Colombo Plan. In the past year the war in Korea and the strife in Indo-China and Malaya have indicated the tremendous costs which are involved when the underlying un-settlement and discontent are exploited and burst into violence. It is obviously in the interests of Western nations to do whatever they can to alleviate discontent and to foster greater political and economic stability in Asia. . . .

The Colombo Plan represents an effort by the Commonwealth to come to grips with, and focus world attention on, the economic problems of South and South-East Asia. It outlines what is believed to be a practicable six-year program of capital development for the Commonwealth countries in the area and suggests the amount of outside economic technical assistance which would be necessary to carry out such a program. . . .

Discussing some of the economic problems of India and Pakistan, the Review notes that close to 70 per cent of the 430 million people of these countries are still directly dependent on agriculture, and the characteristic type of social unit is still the traditional peasant village. . . . The peasant village today, however, is going through a period of great stress. Though it has never provided much more than a bare subsistence to its inhabitants, in recent decades the village economy has become perceptibly poorer. The customary small holdings of land have tended to become even smaller and the proportion of peasants owning their own land has declined. Farming techniques for the most part are still primitive and a heavy burden of peasant indebtedness has developed. . . .

One of the most basic problems of these countries is the increasing pressure of population on the food supply. In the past ten years, the population of India alone has increased by more than 40 millions, or about three times as much as the whole of the Canadian population. Food production, meanwhile, has failed to keep pace. Smaller imports of rice have been available from Burma and, though efforts have been made to increase production, the increase has been barely enough to offset the loss of Burmese rice, let alone to take care of the increase in population. . . .

The dismal results, says the Review, have been an even smaller margin of safety against famine and repeated emergency expenditures for North American grain of dollars which could otherwise have been spent on much-needed capital goods. . . .

Partition has further aggravated the economic problems of India and Pakistan by interfering with the natural flow of raw materials to processing plants and by creating enormous refugee problems for both countries. Between 1947 and 1960 it is believed that some 14 million people migrated between the two countries—one of the biggest mass movements in history. . . .

Though the problems of these countries are by no means entirely of an economic nature, the Review points out that one of the fundamental difficulties is the low level of development of their economies. The primary need, for India in particular, is to increase the production of food. Something can be done in this direction by the extension of land under cultivation. Much more can be done, however, by trying to improve the yield of land now cultivated. The introduction of better seeds and better farming methods, increased use of fertilizers and pesticides, and improvement of some of the simplest tools could work wonders. . . .

Improvements in agriculture alone, however, are not enough for more efficient farming methods might well decrease the need for labour and so add to the present surplus population of the countryside. The need, then, is for a complementary development of industry and of the basic services like railways, roads, harbour facilities and power, which pave the way for both industrial and agricultural progress. . . .

Lessons From Europe In Community Progress

By Leo P. McIsaac Part Two (continued) (All Rights Reserved) COOPERATIVE SCHOOLS

In Finland there are three co-operative schools. The consumer movement has one, the agricultural movement another, and the big city cooperative of Helsinki has its own school combined with a social center for employees. These schools in Europe are used for various training purposes; for the local presidents and secretaries of the Farmers' Union, Labor Union and for the leaders and officials of many departments and organizations, in addition to the co-operatives. . . .

In such schools it is possible to get down to the roots of social problems, to analyse trends and conditions, and to do some long term planning. Both Norway and Sweden have each two national cooperative colleges. One is supported by the farmers and the other by the industrial groups. In Norway, Sweden and Denmark, as well as in other places, a policy is being worked out whereby every employee of the co-operatives must pass two special examinations before receiving a permanent appointment or being allowed to participate in the co-operative pension plan. In England similar requirements are also being seriously considered. . . .

These examinations would resemble somewhat civil service examinations, except that one would be on cooperative philosophy and ideals, and the other on the technical work of the particular branch in which the person wished to be employed. Accounting, clerking, buying, requires special training, and there is a course and examination for each. From these schools students are selected and sent on for further training, usually to the national cooperative colleges or to a university. . . .

Members' Education Library systems and correspondence courses are usually directed by the educational department too. These cover not only cooperative and economic subjects, but all phases of general education. They are a very popular method of advanced study. . . .

In Western Germany, there is a research institute connected with each university. These institutes, like our extension departments, do research work, prepare booklets, and work with the cooperative newspapers in reviewing the mass of cooperative literature which is printed throughout the world today. The importance of keeping in touch with what others are doing is stressed. From these papers and magazines, any ideas and suggestions which might be of local interest are selected, translated and re-printed. . . .

There are cooperative youth clubs in every country. Those are usually supervised by the educational department in the urban centers, but generally they are not making much headway as far as local interest and education are concerned. Some of their exchange visits between countries are, no doubt, of value, but in so far as local interest is concerned, they apparently contribute little to the cooperative movement. . . .

Many leaders have come to the obvious conclusion that the job of cooperative education is mainly technical. They claim that the first responsibility of a cooperative is to train its staff and officials. This can best be done, in fact can only be done, by bringing those people away from their own jobs and surroundings for a short time into a central school where a concentrated course of discussion can be carried on. . . .

When the staff and directors of an organization are properly trained, the business will operate efficiently; this idea is practical and is producing both financial and social results where followed. It is the belief of many that only in this way—through central schools—can efficiency be attained. . . .

At the same time, the general membership must not be forgotten. The education department, the research institutes, the extension workers are always able and available to discuss the cooperative movement in all its aspects. This can be done best, not at special rallies but by interesting and local lectures, at meetings of local groups of the Farmers' Union, of other youth organizations, of the Labor Unions, and at joint meetings of any or all of these. . . .

The Junior Chamber of Commerce or any other group interested in social and economic questions is supplied with speakers and information. A group of lecturers is available at all times, usually half of the expenses for such a lecture is borne by the cooperative, and the other half by the inviting group. . . .

This small charge helps to insure a well organized local meeting and to provide good lecturers, capable of coping with varied audiences and a wide range of opinions. Further meetings and additional information can be easily provided but the initiative to obtain this help and follow up the matters discussed at such lectures usually rests with the local leaders of the organization. . . .

Cooperatives, especially in England and Sweden also help with night classes and work with the universities, trade unions and other groups, who run regular evening courses. . . . Educational departments of the larger co-operative wholesales make films of work in their own country and translate the commentaries of foreign films into their own language. They prepare gramophone recordings if there is any special message to be given to patrons of the local stores. Some of the larger societies use the gramophone system for advertising. It may sound like high-pressure business, but it is effective when there is a special sale on, or a special message for the patrons. . . .



HUSH There was a hush upon the brow Evening crossed the silent stream. No wind disturbed a single branch Along the brink of glassy dream. A cooling breath came sighing through The greying space between the walls. The houses on the sky withdrew Behind the quiet curtain fall. Almost too exquisite to bear, This all our suspending of the bore. Flesh supported by the air— Walking the filtered light alone. —Elizabeth Howell

The Age-Old Story For as the Father hath life in himself, so hath he given to the Son to have life in himself.