



THE ROYAL BANK OF CANADA

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MANY people in many lands, including citizens of the Empire themselves, have been puzzled by the question: "What is the British Empire?" but those outside worry more about its status than do those inside. Empire people take it for granted that they belong to a strange complex agglomeration of states which has "just growed", and they shrug off casually the absence of contract or constitution.

This association of members has not pooled its possessions, it has no central management, no uniform system of money, no Empire bank, and no consolidated public debt. Its diversity of race, language, creed, custom, interest and outlook present at first glance a phenomenon verging upon the impossible. It has many kinds of riches: natural, developed and accumulated. Its hundreds of nations display every form, degree and age of human civilization and culture.

People who have designated the British Empire as a unique family system of freely associated states, equal in status though not in stature, have not been far wrong. It has many characteristics of a family. Nations, after all, are composed of groups of human beings, and the characteristics of nations are akin to those of human beings. They are often dissatisfied with one another, but if anyone outside ventures on criticism of the family he finds that the quarrels are purely domestic. Family relationship is not a chance group of individuals; a family cannot be made by contract or convention or constitution, nor can a family be unmade by mere agreement. It is true that members of a family grow up and become able to shape the destinies of their own lives; and that is just what has occurred to many members of the British Empire family. But the family ties are still there, and they are all the stronger, perhaps, for being seen less in mature life. This relation of the members of the Empire to one another is not a mere analogy, but a living reality, and this part at least of the Empire story is easily understood. Settlers from England, Scotland, Wales and Ireland went to new lands, carrying with them certain common ideals, ideas, traditions and loyalties. These are the things which make up the character of a people, and upon these bases the overseas possessions developed their adolescence, with a feeling of increasing independence and self-reliance. Perhaps in that stage of their growth they

over-emphasized self-assertion and status, while at the same time they were incapable of accepting the full responsibilities of autonomy. Today, they are in the third stage, characterized by adult willingness and ability to take responsibility, and a commensurate unwillingness to remain dependent.

How the British Empire grew out of one status into another takes volumes to describe. When Nelson approached the battle of Trafalgar, the American Colonies had already declared their independence, and Britain's dream of world influence seemed to be shattered forever. What are now the British Dominions were remote outposts inhabited by handfuls of pioneers, the British foothold in India was precarious, and the issue of the struggle between France and England trembled in the balance. What a striking contrast with the situation in 1940, when Britain stood alone in Europe against Germany and Italy. Those days of the evacuation from Dunkirk formed a critical period. "We have fully informed all the self-governing dominions," said Prime Minister Winston Churchill to the British House of Commons, "and we have received from all Prime Ministers messages couched in the most moving terms, in which they endorse our decision and declare themselves ready to share our fortunes and persevere to the end."

How did the Empire reach a stage where there was such a rallying of diverse and powerful nations behind a decision of the United Kingdom, which seemed to await invasion and destruction at a dictator's whim? It was not by any route followed by great empires of the past. The British Empire of today is the outcome of evolution, and has developed great capacity to absorb shocks. Such an Empire could not be created by logic or planning, but only by a living political organism, capable of adapting itself to circumstances and possessing the flexibility needed for survival.

All of today's expansion is based upon development of the island kingdom of Great Britain, constituted by the union of the English and Scottish crowns in 1603, at a time when their combined population was seven million. In the last three centuries millions of people have gone out from those islands to overseas possessions. In some territories they have set up European states; in others they have established themselves as a

ruling class, though greatly outnumbered by native peoples, while in still others they are few in number, and remain perhaps only temporarily as officials, managers, engineers or traders. Some parts of the Empire were acquired by traders who found uninhabited places; others accrued through European conquest, in which the possession of distant domains was a minor issue; in other cases, provinces were seized because their pacification was necessary to the safety of settlers or missionaries or trading companies; some were absorbed at request of their inhabitants, and others were appropriated because of their strategic value.

There have not been lacking, in all periods, some who think it unnatural or unfair that so vast an empire should be "owned" by a small island. The Nazi leader whipped up enthusiasm for war in his nation by describing the British Empire as a system in which a mere 44 million people living in the British Isles own more than a quarter of the world's territory. But ask any Canadian, Australian, New Zealander or South African how much of his country the United Kingdom owns and he will answer promptly: "Nothing at all . . . except our friendship." Britain does not "own" Dominions, which are her political equals; she does not "own" India, which is steadily advancing toward independent sovereignty; she does not "own" the colonies, in relation to which she acts as a trustee. This combination of peoples in the British Empire is not controlled in her own interests by a mistress state. It is a fraternity of nations, at different stages of development, advancing in comradeship toward the highest degree of civilized freedom of which they are capable.

What is it that keeps the Empire from falling apart under such pressure as has been put upon it? Free institutions are its life-blood, free co-operation is its instrument, and peace, security and progress are among its objects. These things stem from Magna Charta, signed five hundred and eighty years before the liberty-vaunting French Revolution. That rule of law, opposed to arbitrary power, is the foundation stone of the liberties of English-speaking peoples everywhere.

For several centuries the Empire has been moving toward ever wider freedom, and in recent years two prime ministers from sections where race difficulties had raised their heads in other days were able to point with pride to great achievements. Sir Wilfrid Laurier, famous Canadian Prime Minister, declared: "Since the proud day of Rome there has been no title prouder than the title of one who can say, 'I am a British citizen,'" and the Boer world-statesman, General Smuts, Prime Minister of South Africa, described the Commonwealth as "this great human experiment in political organization, this proudest political structure of time, this precedent and anticipation of what one hopes may be in store for human society in the years to come." These men, versed in Empire affairs, saw strength and unity, whereas an outside critic who applied purely logical standards could see only the frailest of political structures. Countries thrive and develop in the Empire because they are not checked

and distorted by forces of fear, insecurity and traditional antagonisms. As an example to the world, the Empire is not so significant of what Britishers are, as of what mankind can become.

For convenience in analysis, the Empire may be divided into three parts. The great dominions are extensive but sparsely populated lands inhabited principally by people predominantly of British origin, and enjoying the widest possible kind of self-government. India is representative of the second group, consisting of lands of ancient civilization which had fallen into stagnation until they were awakened by contact with the restless energy of the west. Finally, there are lands inhabited by primitive or backward people not yet prepared to assume self-government. These take in every gradation of development, all moving toward the same high standards of government as Britain herself, though not necessarily the same form.

It is remarkable that an Empire so wide and strong should have stemmed from an island so small. Great Britain has only one-fifth of one per cent of the land area of the planet, with two and three-tenths per cent of the world's population. The Empire created under this small head represents 27 per cent of the land and 23 per cent of the population of the world. Domination might have created, but it could never have retained, an empire so large. The British, who have wandered so widely over the earth's surface, are a kindly-hearted folk, seeking peace and unable to hold hatred for long. Their tenacity, when they have to fight, is unbreakable, but when the fight is over they are ready to make friends. Even in the height of battle — and this is something for which they have been criticized — they are eager to make allowances for their enemy, and give him the benefit of every doubt. They have a peculiar sense of humour, one that delights in picking the bad spots in national and individual history to deride. England is probably the only country in the world in which the one historical date everybody remembers is that of a great national defeat, 1066, while the dates of the Armada and of Waterloo are far less familiar.

The Empire's prize puzzles, so far as the outsider is concerned, are the dominions. It is at Ottawa, not London, that the course and character of the Canadian people are shaped. Canada, Australia, New Zealand and South Africa control their own political and commercial systems. They are under no compulsion, even to remain in the Empire. They are part of and remain in it because they wish to do so, because the empire expresses the type of political society in which they desire to live. The Imperial Conference of 1926 had its findings embodied in the Statute of Westminster (1931), formally recognizing the United Kingdom and the Dominions to be "autonomous communities within the British Empire, equal in status, in no way subordinate one to another in any aspect of their domestic or external affairs, though united by a common allegiance to the Crown and freely associated as members of the British Commonwealth of Nations."

The general effect of this statute was to render the parliaments of the several dominions formally supreme in their own jurisdictions, including the extra-territorial field, and thus to confirm them on a footing of equality with the parliament of the United Kingdom. The two outstanding features are: emphasis on the voluntary character of the relations between the Dominions, and the control given them of their external affairs.

When the King visited this country he came as King of Canada. On his return to England he said: "In person, I presided over the Canadian Parliament, and assented to legislation; in person I received the credentials of the new Minister of Canada's great and friendly neighbour, the United States; in person I signed the Trade Treaty between the two countries." The King was not accompanied by his United Kingdom Ministers, because in Canada his First Minister is the Prime Minister of this Dominion.

Canada is a huge country. If it could be turned over, using the Maritime Provinces as a hinge, Canada would stretch across the Atlantic and cover the British Isles, France, Germany and part of Russia. It was conquered from the French in 1763, and the French inhabitants were treated with the greatest consideration. Their property was not impaired; religious freedom was established, the privileges and rights of the Roman Catholic Church were preserved, and the French laws and customs were not interfered with, except that English criminal law and trial by jury were introduced. When the Dominion was formed in 1867, the British North America Act continued preservation of the rights of the minority race. As an example, the composition of the Canadian House of Commons is based upon the population of Quebec, the French Canadian province. Both French and English are official languages, and there is no discrimination on racial grounds in any public elective or appointive office.

How supreme each dominion is in the field of trade is indicated by Canada's broadening business relations with the United States:

	<i>British Empire</i>		<i>United States</i>	
	1886	1932	1886	1932
	<i>per cent</i>		<i>per cent</i>	
Canada's total imports. . . .	43.15	25.55	44.61	60.79
Canada's total domestic exports.	51.39	37.97	44.09	40.83

Australia, isolated in the South Pacific, has had a different history. After various experiments in government, the Australian colonies were invited to draw up their own constitutions. They based their drafts upon the system of government in the mother country, and the six colonies started on their career as free and self-governing states in 1855. It was not until the opening of this century that they found their way into a federal system, and became the Commonwealth of Australia. Much of Australia's trade and other contact has been with Great Britain, and it was not until this war that the influence of the United States was felt in the far-off dominion.

Only a few square miles larger than the United Kingdom, New Zealand is the most isolated country in the world. It is 6,000 miles from Chile, its nearest eastern neighbour, and 1,200 miles from Australia on the west; the first land mass to the north is Siberia, and the first point of contact southward is the south pole. Its founders left Britain with the deliberate intention of building a new Britain overseas, and there is no part of the Empire more British-minded. New Zealand had no desire for autonomy, but joined in the Westminster formula to preserve unanimity among the dominions. In January this year Australia and New Zealand signed a pact safeguarding British Commonwealth interests in the South Pacific.

Africa is the scene of most interesting experiments in various kinds of government. The dominion called the Union of South Africa occupies the southern part of the continent, and embraces Dutch, British and natives. Cape Colony was acquired by Britain through purchase in 1814, when there were about 30,000 Dutch settlers within its confines. These were slaveholders on a large scale, and when the emancipation of slaves was proclaimed by Britain twenty years later the Boers moved out to the north and east. They dispossessed the Kaffirs, driving them into the hinterland or forcing them into slavery, and attempted to set up Bible Commonwealths, ruled by the principles of the Old Testament. The clash of national ideologies went on until 1901, and it was 1910 before the provinces became united. The Union of South Africa is now co-operating with the home government in great experiments in various forms of government in tropical Africa.

Newfoundland, sixteenth in size amid the islands of the world, became England's oldest colony by John Cabot's discovery in 1497, and was granted responsible government in 1855. Talk of uniting Newfoundland with the Canadian federation has cropped up intermittently, the most recent occasion being 1933, when financial difficulties forced Newfoundland to suspend its status as a Dominion, and place itself under government of a Royal Commission. Distance, tradition and diversity of ideas make an early fusion improbable.

Eire, the official name of the Irish Free State set up under Act of the British Parliament in 1922, was given status equal to the other dominions. Its decision to stand aside from the present war is a drastic demonstration of the reality of independent nationhood which dominion status confers. Every dominion was free to decide for itself whether it should fight or not, and four of them lined up immediately with Great Britain. Eire decided to remain neutral, and though this neutrality exposed Britain to great dangers, no one has ever made the slightest attempt to bring Eire into the struggle against her own will. Only as the invasion of Europe approached was it necessary to draw a cordon around this neutral state, to prevent the leakage of information to Axis powers. In foregoing the use of Eire ports, whose availability would have helped so much to

combat the U-boats, Britain showed a devoted loyalty to the principle of freedom seldom equalled in the world's history.

Next in order after the dominions comes the Empire of India, about which not a great deal need be written because India formed the topic of discussion in this Letter last December. British governments have sought for some years to prepare India for self-government. The Indian people can gain their freedom either as a dominion inside the British Commonwealth, or, if they prefer it, as an independent nation outside. The whole Empire hopes that just as the Crown helped to unify different races in Canada and South Africa, and to symbolize the unity of Great Britain and the Dominions, in the same way it may bridge the gulf between Hindus and Moslems, the India of the provinces and the India of the Princes, and form a rallying point around which all discordant elements of race, religion and language may form a union.

Following this brief review of some features of the Empire it is pertinent to discuss what holds it all together. The Empire is an association of people, as well as of countries. There are spiritual, psychological and intellectual forces pulling them together despite their differences of race, language, religion, literature, law, climate and economic influences. The one tangible link is the Crown. It is more profound than profit-making, self interest, and trade. It symbolizes for all the diversity of peoples, the sharing of common ideals, love of freedom in its highest sense, and the pursuit of peace.

Yet the position and power of the Crown is one of the most difficult features of the organization of the Empire to explain. In the course of political development the Crown has been shorn of most of its prerogatives, but never did it stand for more than it does today. The parliamentary institutions of the Commonwealth are the guarantee of democratic strength, and it is a tremendous stabilizing influence to have at the head of the state a man who is independent of, and outside, politics. The coronation in 1937 itself was of great political and psychological importance. Broadcast for the first time, the ceremony was a vast family rededication to the high purposes the Empire serves in the world. The important feature about the coronation oath is its emphasis on the self-determining qualities appertaining to the parts of the Empire. In the sphere of government the Sovereign acts only upon the advice of his constitutional advisers. In Great Britain, these advisers are responsible to the Parliament of the United Kingdom; in Canada the Ministry is responsible to the Canadian Parliament, and similarly in all the self-governing Dominions. In

regard to the parts of the Empire which are not self-governing, or insofar as they are not self-governing, the King acts upon the advice of his British Ministers, whose decisions and proposals are arrived at after consultation with responsible bodies and persons in the territories affected. Here is no spider-web of contractual relations. The Empire is held in no parchment bonds or hard steel shackles. It is the unique relation of the Crown to all the self-governing Dominions which makes possible their full equality of status, and which enables other member states to advance toward self-government as rapidly as they show their capacity for it, without any violent constitutional change.

It seems difficult for non-Britishers to understand that the Empire functions without a constitution, parliament, cabinet, central defence force, or other executive authority. All powers affecting them have been transferred to territories as they matured, and of these powers there are three which have never been decentralized in any other state in the world's history: framing tariffs, controlling immigration, and creating and maintaining navies. While some other nations have thrown away the hard-won progress of generations, yielding to inside or outside power all effective voice in their government, the Empire countries have gone on expanding their individual rights, with fullest concurrence of Great Britain. This British conception of the social contract of government, developed by many generations with painstaking effort, much debate, much trial and error, and some conflict, is not fixed, but is being improved continuously. Of relatively recent origin are the conferences, where Empire representatives meet to exchange ideas. These conferences are an expression of the policy of "consultative co-operation" among the King's ministers, by which the Empire handles its concerns and coordinates its action. It cannot be emphasized too strongly that an Imperial Conference is not a parliament, but only a round-table meeting. It has no executive power of its own. Its reports can be implemented only by the separate and independent action of the participating governments.

These Empire Conferences are irregularly-spaced affairs, and in the intervals the Secretary of State for the Dominions in London is responsible for maintaining constant communication between the nations. The High Commissioners of the Dominions in London and the United Kingdom High Commissioners in the Dominions have close contact with the various governments. No important step with relation to external affairs is taken by the United Kingdom without consulting the Dominion Governments.

(Next month's Letter will continue discussion of the British Empire with special attention to the colonies, Empire trade, and the post-war prospects of Empire and world co-operation.)