

# The State and The Business Man

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**U**NPARALLELED unrest exists throughout the world today. There is an air of uneasiness. Fear and distrust are rampant.

We, in the New World, seem to be the holders of one of the last bastions of freedom. But even here the things that we hold dear are being threatened as never before. We stand alerted to some of the dangers which threaten us, but we appear unmindful of others. It is time to examine our position.

In the first place, it is useless to fight communism, which is a many-sided and sinister monster, unless we fight it on all fronts. In the second place, we must never find ourselves so busy fighting communism that we overlook correcting the conditions that breed it, or, through diffidence or delusion, invite conditions that create and keep alive some of its worst evils.

## II

**I**F the society we want is one in which the state is the servant of the people—and not the master—then we must not only guard ourselves against communism, whose evils are apparent, but also against all other social experiments or developments which serve to build up the state at the expense of the individual.

So far as the direct dangers of communism are concerned, we seem awakened at last to its aggressive designs, and with

the rest of the democratic world are building ourselves into a position where we hope the enemy dare not attack us. But this is not enough. Over and above armed preparedness there are other steps of ranking importance to which we should not overlook directing careful attention.

The first thing to be borne in mind is that while we are preparing for war, we must continue to work for peace. We must keep the goal of collective security before us. We must work for it even though at times we feel disheartened by what is occurring in the United Nations. We must continue to breathe support into the United Nations, for in its collective action lies our last chance to save civilization.

We should regard communism as a contagious disease which may eventually envelop us as it comes ever closer to us and, accordingly, we should try to halt the spread of this disease and keep it localized—as far away from us as possible. Further, because of its deadliness, we should never give up trying to cure it, even at its geographical sources—hopeless though this may appear today. The pages of history are filled with accomplishments of the impossible.

## III

**I**T behoves us, therefore, with a singleness of purpose, to show the world that only in a free democracy will the basic needs

of mankind be met, not alone its material needs, but more important still, its spiritual needs as well. If we make sure that our system of government works well at home—if we maintain at home a strong, healthy and free community—and if we take all possible steps, through constant effort, to see that this information reaches those hemmed in behind the Iron Curtain, and also the masses in other parts of the world who today are filled with indecision and bewilderment and can very easily be the next victims of communism, we will have done a great job, and one very much in our self-interest.

Another effective way to counter communism's spread is to furnish aid of a material nature to the backward and less fortunate countries of the world, and to help the people of these countries to help themselves. Most of Asia today, and not a little of Europe, are real danger spots, and unless we are willing to make sacrifices and share with our fellow men in these countries some of the bounty that God has been good enough to give us, they are going to become the ready prey of communism.

More than half the people of the world are Asiatics. Very few of them can read or write; few of them have ever seen a doctor; many of them go to bed hungry each night. If effectively carried out, the Colombo Plan, in the organization of which Canada, to her credit, has played an important role, promises to give economic and social aid of substance to backward Asiatic countries. The early fulfilment of this project should be impressed upon our Government and should receive our utmost support. If we do not make this sacrifice, and make it soon, then communism will be able to do a great deal more than it has been able to do so far in Asia—and then it will be too late.

A world traveller like William O. Douglas, of the United States Supreme Court, who has recently returned from visiting Asia and other parts of the globe, is convinced that the world is in for a revolution, unless immediate action is taken. He finds "rumblings in every village from the Mediterranean to the Pacific". The people are disillusioned and unhappy. We

must offer them something better than they have, and show them the benefits of democracy in action.

**A** GAIN, we must never overlook the fact that besides being a disease, communism is an international disease and those who belong to the party have but one allegiance. We have to be constantly on guard, therefore, against the dangers from within. This makes it ever important that while we are building up our military strength we keep our internal house in order; that we maintain our social and economic progress; and that we ensure that our peoples continue to find that our civilization is worth the effort we are making to save it. Any abuses that occur at home, any racial discrimination, any oppression of the weak, can be a powerful weapon in the hands of the enemy. Unfairness and distress provide the communists with fertile ground for sowing seeds of discontent. We must see to it that we avoid such conditions, or if they do occur that they are at once corrected. One of the virtues of democracy lies in the fact that faults can be corrected and reforms effected.

As we learn of things which seem to make our system vulnerable to assault, we should see to it that they are corrected. Whatever we do, let us not be afraid to face any imperfections and to make earnest efforts to straighten them out. Inertia spells doom in any free society because such a society needs to be dynamic.

There seems little doubt that we will have to maintain for some long time a mighty defence effort as a normal part of our national life. This means sacrifices, and if we are not prepared to make them then much of what we are trying to do is in vain.

Inflation, for example, if it continues to make its advances, independently of any other damage, can create a great deal of harm by raising questions in the minds of those most adversely affected—widows, pensioners and others. They may begin to feel that maybe after all this system of ours is not as good as we think it is. We should be directing more attention to this. We should be doing our part, through

thrift and economy and greater production, to hold the fort against any further inroads of inflation. Our boards of trade, labour unions and other organized groups can here perform a patriotic service by educating their members and others, with regard to the importance of this task.

As we pour out money for defence and security and for the aid of countries and peoples not so richly endowed as we are, we must at the same time tighten the belt line. Otherwise we will play right into the hands of the Russians by moving in a direction that sooner or later can wreck our economy. Should we permit this to happen, we will, of course, give the Russians every bit as effective a victory as if they had won it on the battlefield. Make no mistake about it; this is well known to the Russians. Lenin is reputed to have said publicly that there was a no more subtle nor a surer way to destroy the capitalistic system than to have it debase its currency.

While our system would never be doomed to defeat on its own merits, because its merits outweigh anything that communism has to offer, it can, however, be lost through diffidence and it can be lost through selfishness and materialism.

#### IV

**I**N the light of this it might not be inappropriate to take time out once in a while to re-examine some of our outlook on life today. For we cannot be so shortsighted or indeed blind as to place comfort and the material things of life above survival. Somerset Maugham draws our attention to this very well when he says "If a country values anything more than freedom, it will lose its freedom; and the irony of it is that if it is comfort or money that it values more, it will lose that too." We seem to have drifted today away from values that in former years were more important than materialistic things. That this is so is not going to make the task we have before us any easier.

We who are accustomed to ease and comfort, must by free choice embrace deprivations to match the enforced ac-

complishments brought about by an enslaved people. And being free, we have to do it through the exercise of our own self-restraint and self-discipline, rather than through the force of the tyrant. We have a big job ahead of us but the stakes are large—our very life and freedom.

Communism is not the only vehicle through which loss of freedom may be effected, even though today it is the one most widely recognized. The assumption of increasing authority by governments embarking upon social experiments of varying degrees or otherwise assuming responsibilities that belong to the individual achieves similar results. More and more we are drifting in this direction because of public indifference and apathy and a non-realization of what actually is occurring.

Whatever we do, let us never become foolhardy enough to believe that results similar to those happening in some other countries of the world cannot occur here, because they can occur either through this continued drifting or through constant, powerful and well-organized design. There are still many in this country preaching the philosophy that government can do a better job of running our lives than we can do ourselves, and there are still many misdirected and uninformed citizens who are easy prey to this preaching.

Australia, Britain and New Zealand, each English-speaking and each a part of the Commonwealth, have had a taste of governments dedicated to state control. After giving them a fair but unproductive trial, each of them has thrown its government overboard because the people learned at first hand that government control was incompatible with personal freedom.

On this side, a short time ago, when the newspaper *LaPrensa* was liquidated in the Argentine, we were given a view of what can happen in the Americas when the principles of responsible government perish. Although this incident occurred many miles away, in the Argentine, it is very important for it stood for the demolition of one of the primary principles, freedom of speech, upon which the governments in the Americas have been built.

What should serve as a warning to all

free peoples, however, is the ease with which the Government achieved its position of totalitarian power. It was not by bloody insurrection nor by armed conquest. It was with the popular support of the people. It was achieved by the modern day political custom of promising the people more and more. Anxious to grasp at the tinsel gifts offered by their government, the people in their delusion surrendered almost overnight the hard won liberties for which they had fought through the years.

## V

**P**ROBABLY the most dangerous development of all occurring today is the growth of state control under our free enterprise governments—Dominion, Provincial and Municipal. I refer to it as the most dangerous because we seem, at least in some measure, to be aware of the evils of communism and the fallacies of socialism, but I do not believe we have yet awakened to a realization of what actually is occurring and just how much it affects us, in the constant and continuous growth of our governments. For this I do not so much criticize our governments, even though it is a not unpopular pastime to blame everything on them, as I do many business men and a large section of the public with whom I feel a real measure of blame rests.

Scarcely a week passes without some group of people or some organization pressing one or other of our governments somewhere in Canada to undertake some new project for spending public moneys or to embark upon some other form of paternalism. Business men have been as imprudent as anybody else in this respect and all too frequently have gone running to government to seek some redress or some remedy when the answer, if the problem were tackled with enterprise, could well have been found in the hands of business itself.

Certainly this was not the attitude with which the founders of our many successful businesses of today approached their prob-

lems, for had it been these businesses would never have come into being. Nor could this be said to have been the attitude of our forebears when they faced the forests and wilds of the Canada of yesterday, for had it been they never would have been able to pass on to us the Canada of today.

And too often these self-same businessmen are among the first to shout from the housetops the principles of free enterprise and among the first to join in criticism of our governments for usurping powers. If we do not want our governments in business, and if we want them to govern only to the minimum extent necessary or desirable, we should not be developing state control by a backdoor method by catching hold of government coat-tails every time we want something instead of fending for ourselves. One of the richest satisfactions in life is still self-achievement.

The state cannot undertake to do anything without imposing conditions and restrictions. There is no other way in which it can work. As it assumes more and more control it of necessity has to exercise more and more power, thus affecting our daily life to the point where we may awaken too late and find that we have lost that which is our most precious heritage.

This steady dependence upon the state, which has been apparent now for some years, can only lead to the undermining of individual self-reliance and self-respect. This country, today on the threshold of its greatest development, least of any country in the world can afford to have this take place.

We have grown so accustomed to our free way of living that we may be inclined to overlook that it can only exist because the control of our lives is still in our own hands. If much of this control were in the hands of government our freedom would be curtailed and ultimately would vanish.

We have to realize that society can be built either around the sovereign individual or around the sovereign state, in which case the individual as such ceases to exist. We should plainly keep before us every hour of every day the lesson that history has taught—that the all-powerful state is the

easiest to create, and once created the hardest to destroy.

## VI

**T**OO few of us have stopped to analyze the extent of the growth of government in this country. In the Dominion Government alone the number of people on the payroll as of March of 1951 was 156,000 compared to 46,000 in 1939. While it was to be expected that the number of employees would increase in the war years, two years after the end of the war, in 1948, we find the number of government employees had reached a total of 118,000, two and one-half times as many as before the war. And in the succeeding three years, they have taken an additional jump of nearly 40,000. In other words, from 1948 to 1951, the increase in the number of Dominion Government employees alone has been almost equal to the total number of such employees in 1939.

I have not seen any corresponding figures of other governments in the country, that is provincial and municipal, but I do not doubt that similar increases have occurred there as well.

We might take one other approach to drive home the great growth of government in this country. The average worker in Canada has to labour 58 days each year to satisfy the tax gatherer alone. Taking out holidays, Sundays and average vacations there are only about 243 working days in the year. It follows, therefore, that almost one day's work out of every four has to be applied in paying taxes—in working for the Government. When we further reflect that after the necessities of life are met how little this leaves for savings, life insurance and the other evidences of thrift and independence required today to help build a strong and self-reliant people, we can see how far we have gone already in placing our lives in the hands of government.

And if further evidence were needed that the growth of government is alarming, I can do no better than quote from the report of June of last year of a very important Committee of government, the

Standing Committee on Finance of the Senate, in which it is stated “. . . . The steady growth that has been apparent now for quite a number of years, of dependence upon the state, can lead to only one of two results: either in a steady increase in the power of the state over the right of the citizens, or the breakdown of democratic representative government as we have understood it and practiced it in the past. The lessons in history in this respect are clear for all to read”.

## VII

**O**NE way, among others, in which we are bringing ourselves within the orbit of state control, more and more, is by making the state the responsible agent for taking care of our future and that of our family, almost to the extent of making it a benevolent welfare state. We cannot give to the state the responsibility of providing our security without surrendering to it at the same time much of our freedom of action. Herein lies the danger, for no matter how well meaning and benevolent the state may be, it nevertheless would have the regulation of our lives and our future in its hands and we would no longer be free.

I am not opposed to the state taking an interest in the welfare of its citizens. Quite the contrary. I believe it is the duty of the state, under proper circumstances, to look out for the unfortunate and in general to help our citizens to help themselves. I do not believe, however, that it is in the best interests of our citizens, when they can, by exercising self-reliance, hard work and thrift, look after their own welfare and that of their dependents, to get into the habit of always looking to government for help. Further, I believe one way to avoid this is for business to share with the individual the responsibility for welfare instead of seeing it placed by default in the hands of government. Enlightened business is already doing this in a satisfying measure, but there remains work to be done.

As men in business continue to attain greater and greater social-mindedness there

will be less social legislation. There is every reason for business to be thoroughly proud of its social-mindedness today compared with that of even fifteen years ago, but there continue to exist real opportunities to find new ways to spread the benefits of responsible enterprise among more people. Business men have to face

up to the problems of a changing society. They must be social minded in their thinking because the public are seeking economic security today as never before, and unless this is supplied by business in partnership with the individual, it is going to be supplied by the government with all the resultant evils of a welfare state.

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