

A lecture by Desmond Morton, Hiram Mills Professor of History Emeritus at McGill University to a conference sponsored by the Canadian War Museum on Friday, September 26, 2014 at 1400 hrs.

THE GREAT WAR, 1914-1919: THE POLITICAL CONSEQUENCES FOR CANADA

The war that began a century ago last August was undoubtedly and tragically the greatest war that Canada has so far had to fight. It took more than sixty thousand young lives out of a prewar population of about eight million. Proportionately that was far more than the 44,000 a Second World War would cost and, demonstrably, that second war grew out of the tragically mismanaged and corrupted peace settlement reached at Versailles in the spring of 1919.

Much like the doctrines of imperial citizenship that hardened a majority of Canadians for the sacrifices of the war, we are regularly assured that the Great War involved great achievements for our country. It was the stage on which Canadian soldiers won the battles that earned us recognition for valour and achievement. True, the ten thousand casualties suffered taking Vimy Ridge, added to the 23,000 in the hopeless battles on the Somme brought us to a cruelly divisive issue of conscription whose scars are still visible on the face of our Confederation. I believe and will argue that conscription was necessary in 1917 as it would be in 1944.

Our government had been warned by Sir Willoughby Gwatkin that Canada could not maintain more than two divisions in the field with voluntary recruitment. Gwatkin was a highly intelligent British army officer who commanded our militia in 1914. As such he was despised and ignored by Colonel Sam Hughes, the half-mad Orangeman Borden's Conservative government had trusted with militia and defence. More seriously, unlike every previous military crisis, from the Red River to the Boer War, appointments and units were chosen to give French Canada a sense of participation. Hughes utterly ignored this tradition. When the 31,000 member First Contingent left Canada in early October, 1914, a single company in

a force of 31,000 men was able to function in French. It required forceful lobbying and full backing of La Presse, Canada's largest daily newspaper at the time, to persuade Hughes to accept a French-speaking battalion for his Second Contingent and he insisted that the command be given to an elderly militia officer he had fired for incompetence as manager of the Dominion Arsenal.

The 22nd Battalion proved itself at Courcellette in 1916 and at Cherisy in 1918, and its members earned two Victoria Crosses during the war. I have written elsewhere about successive French Canadian battalions, a sad story of political appointments, corruption and negligence that came close, in 1917, to undermining even the famous Vandoos. Its battlefield leader, Lt. Colonel

Thomas Tremblay left his hospital bed to resume command in 1917 and gave his regiment a taste of the harsh discipline it needed and deserved as sole Great War heir of French Canada's heroic and largely unknown military heritage. After the war, Quebec M.Ps. planned a parliamentary stink that a fifth of the 25 Canadians executed by firing squad had been French-speaking. Their plan collapsed when they learned that Tremblay had recommended the penalty.

Was Conscription necessary for the Canadian Corps in 1917? "What if?" is a question historians prudently ignore. "Why did?" is better value. In the summer of 1916, recruiting for the CEF had sagged and collapsed. The losses at the Somme and at Vimy totalled 33,000 but the depots for reinforcements were virtually empty. A 5th Canadian division sat in England, protecting its shores from invasion but mainly providing a job for Sam Hughes's son, Garnet.

Sir Robert Borden was in England too, summoned by Lloyd George, the new British premier, together with other Dominion leaders to share an insiders' view of the war. It was a grim scene. Yes, the United States had entered the war but Europe's biggest army was crumbling from mutinies and mass desertions. France's army had mutinied after a disastrous offensive in the winter of 1917. The British army's offensive had begun well at Vimy but its broader Arras offensive was collapsing after the new German defensive tactics had hurled back the Tommies with huge losses. Was this a propitious time for Borden to announce that Canada would have to cut its major contribution to the Imperial war effort from four divisions to only two? Instead, under the gaze of his fellow Dominion premiers, he made it clear that, somehow, his government would find the men.

With the Military Service Act, they did. Yes, they broke repeated promises, uttered in every part of Canada, that only volunteers would go to war. Indeed, even men denied permission by mothers, wives and fiancées had been sent home in 1914. To compensate women who lost sons or husbands, Ottawa even designed a sterling silver medal, to be worn with pride as well as sorrow. Now fit men of military age, would have no choice. This was an injustice Quebec's nationalists could cheerfully endorse, and all the more so because the English-Canadian politicians and newspapers who had tried to eliminate French from their public education systems, were loudest in their abuse of alleged French Canadian cowardice and disloyalty to their King and to Britain.

In 1914, close to 70% of the First Contingent had been British-born. Of the Canadian-born, the French-speaking share had been even a little higher, proportionately, than the English-speaking. In 1915, Canada had converted every possible factory to producing artillery shells. Most of those factories were in Quebec and munitions-making jobs paid better than the \$1.10 a day for a private soldier and, the employment ads insisted, were just as vital for an Allied victory. Work with explosives and heavy machinery was also dangerous, not least for the women swept into wartime munition-making.

Why was a torrent of abuse poured on fellow Canadians, contributing to the war effort? Was it a reassurance to a Borden government faced with a general election in 1917? Among the emergency powers it invented and used during the Great War, not least the Military Service Act itself, the Borden government could have risked offending supporters by challenging their Quebec-bashing rhetoric. The failure to do so would have a lasting impact on Conservative party support in Quebec, even a century after the Great War. Twentieth-Century Canada would belong to the Liberal Party. Even its invocation of conscription in 1944 to find men for an overseas army was forgiven by Quebecers as early as 1945, largely because of policies such as Family Allowance, Unemployment Insurance and subsidised housing that met urgent social needs in Quebec and in the rest of Canada. Such policies were unthinkable for Borden and his colleagues in the earlier war.

Canadian historians, myself included, have been negligent in studying the economic impact of the Great War, 1914-18. An American colleague, Eric Rauchway at the Davis Campus of the University of California, makes the point that massive debts accumulated by the combatants in the Great War had their major political impact a decade after the war in an event we know as the Great Depression.

The European-dominated world left by the Napoleonic Wars when they ended in 1815, grew increasingly integrated economically as the Nineteenth Century developed. This was the century when Europe expanded by seizing vast territories in Africa, Asia and the Pacific. Europe also sent millions of emigrants to settle empty areas of North and South America. The receiving states borrowed massive sums to help their immigrants find work and income in their new settlements. What some European thinkers had predicted as a major famine from a modest population explosion never happened because the settlers in new lands concentrated on food production, brought to world markets by canals, roads and especially railways financed by major sources of credit in Europe and the United States. This is Canada's 19th Century history and, with intervals of depression, it explains our prosperity as the prairies were transformed into wheat fields and cattle ranching, brought to market by railways which paid off their bank loans and their investors with interest. Canadians preferred London's Threadneedle Street to New York's Wall Street where costs of borrowing were much higher.

The image of a prospering, economically interconnected world, of merchant ships packed with grain and cattle carcasses racing to European markets and passing immigrant ships packed with Europeans seeking a stable income and dreaming of great wealth in New York or Boston can be adapted to the present, if we lift our eyes from the oceans to the skies, but we know that air travel is no pleasure with its interminable line-ups and its memories of hijacking and mid-air explosions. However the real change in the world economy came with the Great War and the decision by virtually all governments, and certainly Canada's, that wars were such rare catastrophes that they could be financed by debt. In Ottawa's case, could a Conservative government in a country that had known an acute depression since 1909 and uncompensated

unemployment at about 15% across the country even dream of affording a war tax which could only have fallen on its own wealthy supporters?

Of course, as any wartime poster collection reminds us, governments turned to their citizens for voluntary financial contributions - to buy Victory Bonds to pay for the artillery ammunition "Our Boys" needed in their trenches. To provide an allowance to their parents, wives and young families, a revived Canadian Patriotic Fund demanded donations. "Fight or Pay" was its favourite slogan as it spread from Montreal across Canada. A popular poster, expressed in Cree as well as English, reminded Canadians that our First Nations contributed to the welfare of soldiers' families. If native people could find the money, how about you?

Victory Bonds revealed that people whipped into patriotic emotions really could "give 'til it hurts" The first Victory Bond campaign was calculated to bring in \$50 million. That number was doubled to \$100 million, and subsequent campaigns continued to exceed expectations. Of course, a Bond earned interest from the federal treasury, and it incorporated an ultimate promise of repayment. So did serious borrowing in financial markets. The traditional route to London was closed once Britain was seriously engaged in the war and Canadians had to turn to Wall Street.

In the end, Ottawa conceded its financial state and introduced income tax in 1917, a burden the British had imposed on the population in the wake of the Napoleonic wars and in similar circumstances. Still prudent about offending their supporters, the tax only touched incomes at or above \$6,000 – which just happened to be the Prime Minister's rate of pay, and, quite insistently, the government pledged to terminate the tax when the war was won. It was a promise broken almost as inevitably as the pledge to limit soldiering to volunteers.

Given our location, we might have expected some special favours but, in war as in peace, "Business in business". In 1913, Canada's National Debt had been reported as \$479 million; by 1918, it was 2.24 billion, an unimaginable sum at a time when the federal governments' annual spending was about \$225 million a year.

There was a British debt factor too. Canada's soldiers might fight in France but under British auspices. Untrained reinforcements completed their training in England. Canada had readily agreed to pay the cost in full but it was 1916 before negotiations became serious. Canada accepted that food, water, clothing and other basic necessities cost 5/ per soldier per day. The British then remembered that artillery ammunition cost money too, and added a further shilling to the per diem cost. That summer saw the Battle of the Somme and the start of massive artillery barrages by both sides. The cost of artillery support soared from one to six shillings per day. Canada's negotiators, the newly-created Ministry of Overseas Military Forces of Canada (OMFC) refused any back payments before the notification of the higher cost had reached them early in 1917, and they kept on bargaining in a spirit of somewhat less than patriotic Imperial solidarity.

After all, a war that was supposed to be over and won by Christmas of 1914, had continued for four years already and the debt load was now literally inconceivable for a conscientious Conservative government. It took until the summer of 1919 to finalize a British-Canadian agreement and tempers on both sides had been severely ruffled. The commitment added \$252,567,942 to Canada's war debt.

Canada was not alone. In contrast to prewar borrowing, there was no compensating revenue stream. Instead huge sums were spent destroying enemy weapons and personnel. Canada's 60,000 dead would require cemeteries and elaborate memorials and lifelong pensions for widows unless they could be pressed to re-marry. As many more soldiers, disabled by wounds, physical and mental, survived for years in hospitals and convalescent centres, unable to support themselves or their families. In earlier wars, such victims had usually been abandoned by society and died early from their disabilities. That would still happen despite the echoes of a 1917 election promise of "full re-establishment". A Department of Soldiers' Civil Re-establishment and a Board of Pension Commissioners, presided over by a wartime colonel, the austere son of Prime Minister Sir John Thompson, would do their utmost to review, reject or reduce disability pension claims. In Parliament, as I have recorded in my book on this topic, the Liberal majority in the House would do its best to liberalize the legislation for veterans' benefits while their government would wait for the Senate to defeat the amendments with a haste appropriate to the cause and the approaching end of the parliamentary session.

Postwar Canada was a country in serious debt. So were most of the belligerents, victors and losers alike. The losers, specifically Germany, also faced reparation payments claimed by the victors and entrenched in the Versailles peace settlement. That, in turn, explained a crippled a German economy struggling with far larger tolls of death and disability from the war than Canada. At Versailles, the U.S. President, Woodrow Wilson, had pleaded for a forgiving, not a vengeful settlement, and had lost to Clemenceau, David Lloyd George and their lesser victorious allies. The Kaiser had promised German youth that they, as the finest specimens of the white, Christian and Protestant world, would rule the world. Instead, they saw themselves as a "lost generation", conceived in wartime and now robbed by inferior races of any hopeful future. Versailles left a generation bred to listen to Adolf Hitler, and to believe his vicious legends of how Germany had been destroyed by vile and inferior races of any hopeful future. It was the same education Georges Clemenceau and his generation had received after the Franco-Prussian War of 1870, and it would bring Germany into a second, even more appalling war than Kaiser Wilhelm and his generals had managed to lose in 1918.

Paradoxically, the Americans had proposed an alternative bound up in Woodrow Wilson's Fourteen Points. Wilson sacrificed all of them as the price of agreement on a League of Nations which in turn a Republican Congress rejected. As Margaret Macmillan has observed, the Japanese had elected the first liberal government in its history; its delegates came to Versailles with a single demand: that all human races be treated as equals. As cynical political veterans,

Lloyd George and Clemenceau had no objection. Nor did Wilson, until his advisors reminded him that he had been elected by a solid but racist American South. He promptly vetoed the Japanese notion, humiliating Japan's liberals, promptly wiped out by their countrymen. Japan's generals now felt free to press deeper into mainland China. The Pacific War would follow. The League survived; its peace-making potential did not. The lessons of Versailles required a second appalling world war to assimilate.

An article last August in Maclean's suggested that contemporary Canadians have lost the British ethnic solidarity and self-sacrifice that underlay their ancestors' endurance of the costs and deprivations of the Great War era. Professor Raudway makes the same point for post-war Americans. Though a majority of Canadians earned too little to afford even the lifestyle the government's Labour Gazette considered minimal to supply food, clothing and shelter, most Canadians lived with a modest debt to friends, neighbours, parents or a credit agency. Paying what was owed was often a family's biggest preoccupation. One consequence of the postwar economy was a dramatic growth in family debt as people felt entitled to share the new inventions the war had fostered such as a radio, a refrigerator and, most conspicuously, an automobile. A man of principles, some of them repellent, Henry Ford paid his workers well enough to make them customers for his mass-produced Model-T. Assembly line economies dropped the price of his car from \$950 in 1909 to \$290 in 1926. Ford's chief rival, General Motors, surpassed him by the shrewd device of planned obsolescence, rendering today's purchase shamefully outdated when the next model appeared. General Motors Acceptance Corporation (GMAC) existed to help buyers borrow the cash for the latest model. One result was a dramatic increase in U.S. corporate wealth and lower-income family debt.

Postwar Canadians imitated their neighbours. In the Twenties, facing a newly protectionist world, Canada quietly abandoned the notion that it needed three trans-continental railways for its exports. Instead, American companies made Canada the second largest automobile producer in the world. Here, as in the U.S., family debt-loads reflected the massive increase in car ownership. While few families had been patriotic enough to borrow the money for a Victory Bond, few people in postwar Canada refused to go into debt to own a Canadian-built motor car. Nor could provinces postpone constructing roads and bridges to attract U.S. tourists across the border.

As Professor Raudway argues, wartime sacrifices bred a sense of entitlement. In the United States, family debt levels tripled. Prewar borrowing in North America had financed getting profitable products to a hungry market. Wartime borrowing financed destruction and death. The war changed the United States from the world's greatest debtor to its wealthiest creditor. Should they help their fellow belligerents? "They borrowed the money, didn't they?", responded President Calvin Coolidge. They would pay it back. Among the "they" was Canada. In 1928, exasperated by appeals for delay or sharing the debt load, a sternly protectionist United States solemnly cut off its heaviest debtors from any further credit. The list included former enemies like Germany, wartime neutrals like Brazil and Argentina, and allies and

neighbours like Australia and Canada. Americans hardly noticed but the Great War had just launched the Great Depression.

Most of our history books still identify the economic depression of the 1930s with the crash of share values on Wall Street in October, 1929. Some Canadians have blamed it on the collapse of Canadian grain sales in the autumn of 1928, itself a reflection of the economic ruin of postwar European economies. The war had left Canada and individual Canadians sharing massive debts the world did not believe that we could ever repay. This was the greatest political consequence of the Great War.

By pure chance, Canadians in 1930 chose to give political power back to the people whose policies had led Canada into massive debt during the Great War. Not even R.B. Bennett's promised "New Deal" would save the Conservatives from a massive rout after five years of Depression. It would take over a generation to restore them even as a minority government in 1957. In the interval, Canadians fought another Great War on a pay-as-you-go basis that left the country richer than it had ever been. Ever since income questions had invaded the decennial census in 1911, most Canadians had lived below the accepted poverty line.

In 1951, the first postwar census found that poverty in Canada was now a minority experience. By 1961, only 15 per cent of our population fell below the poverty line. Briefly we even considered a "War on Poverty" to end this shameful state, though governments, provincial and federal, balked at the cost. Instead, we settled at the time on improving the income of seniors and of the generation that would have fought and died had the Cold War turned hot. We made it easier for the young and the middle-aged to access higher education. And in our latest census, we removed any income-related questions, so that we now have no idea whether the poor are fewer or more numerous than before.

Knowledge IS a dangerous thing.

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