23 A.—6.

Washington Conference.

You were right, Prime Minister, in pointing out what was achieved with regard to the Washington Conference. There is no doubt that the inception of the Washington Conference was brought about in this chamber. It originated here in our deliberations, and owing to the subsequent great initiative of the Government of the United States.

That Conference marked greater advance for peace than any other Conference which has been held after the war. In that way the last Imperial Conference became very fruitful. I hope that this Conference will be as fruitful, and even more fruitful, in the contributions which it will make towards a settlement of the questions which are now districting the world.

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With regard to the Empire questions to which you have referred, I am sure that in one way and another they are all capable of solutions. At least, we can, as Mr. King has said, make an advance towards their solution. The spirit of good will and friendship in which we meet here makes every question soluble. We can register an advance even if we cannot arrive at definite solutions. In saying this, I do not wish to enter into a discussion of details; we will do that as the Conference progresses.

Mr. Baldwin: Yes, on Friday.

Power of the Empire.

General Smuts: Yes, Friday. I await the statements of the Foreign Secretary and other gentlemen who are going to address us. But let me say this here and now: I have the feeling that our Commonwealth is a very great and powerful one. The British Empire can exert a force such as possibly no other agency on earth to-day to pull the world together; and I am anxious, so far as it can be done with good will and firmness, that whatever influence there is in this Empire, this greatest machine on earth, should be used to the full in order to assist the settlement of Europe. We have no reason to speak with bated breath. For centuries this country has, on every critical occasion in the history of Europe, spoken with the voice of authority, and the other nations have always in the end had to listen to that voice.

My feeling and my desire is that on a unique occasion like this, without using threats or violent language, and in a spirit of complete good will, we should once more do what has been done before and speak with a voice that will be listened to in the affairs of the world. I am not going into details now, because we shall come to them later in the course of the week.

Janina Murders and Occupation of Corfu: Position of League of Nations.

You have made reference to the League, and I agree with what you have said. At the same time, I think there is much misunderstanding as to what happened quite recently at Geneva. I have the feeling that the League has strengthened its position. The League has, in the face of what threatened to be a very grave crisis in Europe, acted with moderation and wisdom.

But the general view is that the crisis in southern Europe has constituted a check for the League. The impression is that the League in a first-class crisis has not pulled its weight and has been inefficient, and whatever good work there was was done by other agencies. It is most important to clear up the position and remove this erroneous impression. I hope Lord Robert Cecil, when he comes back, will be able to explain to this Conference what has really happened. It would be lamentable that the impression should gather that the League has been pushed aside. Our object should be to strengthen the League and support it in every way; there is nothing else to do. If there were some other agency holding the nations together and working for peace, I would back that up. It is not a question of any particular form. So far we have devised one form and one form only for holding the nations together in a brotherhood of peace. As the real nature and interest of the British Empire is peace, I think we should support the League to the full, and strengthen her hands as far as possible, and add whatever weight we can to her counsels. I hope the misunderstanding which exists at present will be cleared up, and that people will recognize that the League has really come with credit out of the Italian business.

Debt to United States.

As regards the American debt, I have expressed my cordial agreement with what you have done in funding that debt. The British Empire carries out its contracts. At the same time, I fear that, unless there is a real recovery of the world, unless you can succeed in re-establishing the trade and commerce of the world, you may find that you have undertaken an intolerable burden for this country. What you have done should therefore be followed up with equal decision in a great attempt to restore the trade conditions of Europe; otherwise you may find that what you have undertaken is perhaps more than this nation can bear. Some people seem to regard their debts very lightly nowadays. I am glad that the British Government has been consistent. At the beginning of the war in 1914 it insisted on the fulfilment of international obligations. It staked the existence of the whole Empire on that. Similarly, after the war, you said, "We shall honour our bond and pay." That is right and proper as a policy, but, at the same time, I think it would be almost an intolerable burden to this people unless you can really have peace in the world.

Need for Peace in Europe.

Our duty, therefore, not only to the world, but to this people who are going to carry this obligation, is to move heaven and earth in having peace re-established in Europe. Some people think that Europe does not concern us; that it is mere philanthropy or meddlesomeness to concern ourselves with her affairs; that we should leave Europe alone in her present stress. That attitude seems to me