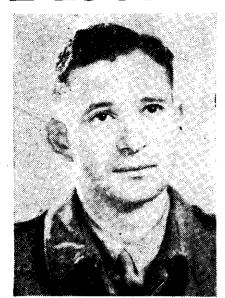
PROFIT AND LOSS - 1946



N. C. PHILLIPS
Great wars leave great sores

CREDIT

(By N. C. PHILLIPS, Lecturer in History at Canterbury University College)

CERTAIN discreet abbé, asked how he had fared during the French Revolution, replied, "I have survived." In 1946 the world has survived-a commonplace achievement, but one that deserves more emphasis than it would in other years. After all, mere survival, the lowest of ambitions, is the first condition of convalescence. Peace rarely gets away to a good start. At the end of a troubled year, it is some consolation to reflect that the long peace which followed the Napoleonic Wars was all but still-born over differences at the Congress of Vienna, and that men in most ages have believed that theirs was the day when heaven was falling. Great wars have always left great sores. The victors bicker over the principles of the settlement or even over the division of the spoils; the losers do their best to profit from the dissension; there is a continent or a world to be repaired; old problems, such as those of arrested nationalism, are brought to sudden maturity. Add to these in 1946 the fear of the atomic bomb and a havoc unequalled in extent, and you will not wonder that peace has been kept imperfectly or precariously, but that it has been kept at all. To say so is not to pitch hopes too low, but only to place the year in its post-war context. The world has been given a respite—whether or not due to exhaustion - and a chance to evolve a more temperate frame of mind, to sit down, as Bishop Butler says, "in a cool hour." At the outset, then, let us firmly chalk up that fact on the credit

IN the future of world order there are three possibilities—a return to the bad old system of the balance of power, domination by one or two great blocs (eventually by one), and free cooperation among equal states. In 1946 there have been signs that the last and the only acceptable solution has begun

EVERY year is a year of destiny. Many have been as charged with crisis as that from which we have this week emerged, but few have been more puzzling and perplexing. We have already made our own assessment of 1946 (and reaffirmed our adherence to the Band of Hope). On this page we present two independent and contrasting viewpoints—but we do so in the knowledge that events customarily have as many interpretations as participants, and that casting up a trial balance cannot properly take into account such intangible assets as goodwill.

to prosper. United Nations, the child of the departing year, has become established as a prime factor in the policies of the Great Powers. To be sure, it has had a rude baptism -- think of Iran, Greece, Spain, Indonesia, Syria-but it has not drowned in the font. With the setting up of the Trusteeship Council, the last of its agencies, U.N. has, within the year, elaborated a structure more comprehensive and richer in technical resources than any previously known. Furthermore, it has anchored itself in the United States, a fact worth any number of Wilsonian "Points." It has also displayed, if somewhat fitfully, the will to work its machinery. The early temptation to smother the Persian complaint against the U.S.S.R. in exchange for the withdrawal of the complaint against British troops in Greece, was manfully resisted, and U.N. did its job of tempering the inequality of bargaining powers between the two parties.

But what of the veto? The question is fundamental. It raises the two great and allied question-marks of the year-the issues of Russian foreign policy and the future of national sovereignty. Let us admit that Russia has been the chief no-co-operator, as witness her reckless use of the veto, her pressure on Persia, Turkey and Greece, her abstention from UNESCO and FAO, her obstruction of the trusteeship drafts, her reluctance to implement the Potsdam agreements. She has pursued a policy which on the face of it is unhelpful, covetous, disingenuous, and irritating from the conviction of its own exclusive righteousness. But there is no shred of evidence that Russia contemplates war or places a low value on her membership of U.N. The abiding impression left by the events of the year is that Russian policy is defensive. Perhaps Russia really believes the Marxist dogma of an inevitable clash between communism and capitalism, but the Marxist time-table is already a little out of joint. The capitalism described by Marx has already been consigned to the museum of antiquities, and I fancy that the explanation is historical rather than philosophical. Three times within the last 30 years, Russia has been invaded through Poland; she has a memory for the White armies and the Archangel expedition and the betrayal of the League of Nations; she is flushed with victory and feels inclined to dictate her own terms, quite apart from her unfamilierity with democratic procedure. Certainly she may be expected to resume the Tsarist drive to the Mediterranean. The Eastern Question, like the poor, is always with us. Russia seeks security and hovers between that afforded by her own strong right arm and that offered by U.N. She has been probing for the limits of concession. There are indications that she has found them and in the last month

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DEBIT

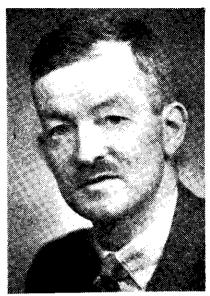
(By H. G. MILLER, Librarian, Victoria University College)

HE year 1946, the first year of peace, at last is over and few will be sorry to see it go. It is hard to see how any but Communists can get much comfort from the condition of Europe in 1946. From Finland to Yugoslavia, Eastern Europe, including Czechoslovakia, is ruled by governments dominated by the Communist Party. France and Italy are deeply divided, Spain is threatened with a renewal of foreign intervention, Germany is held firmly down by Allied armies of occupation, Greece and Turkey are preparing to resist invasion, and Palestine is in the thick of something that can hardly be distinguished from civil war. Everywhere the friends of the western democracies are nervous and their enemies truculent: even the wretched Albanians have summoned up the courage to have a crack at the British Navy. Everywhere there is division and hate, industriously promoted; and nearly everywhere there is cold and hunger, not very strenuously resisted. The plain fact is that most of Europe is divided into two hostile camps and that many are beginning to say that sooner or later they will have to fight it out. There is not much comfort to be got from that.

It is not much better in Asia. The Communists are not so prominent in the East, but even there they play their part. Persia has been bullied into parting with control of her Northern oilfields; China has reverted to civil war and India is threatened with something that will make the Wars of Religion look like a picnic. There is not much comfort in that.

Nor can comfort be got from the fact that the Russian Communists have encountered trouble on their home ground, and that to all the horrors of a long and terrible war has been added in 1946 the shock of a great new "purge" and a growing uncertainty about the leadership of the state. There are, indeed, those that squeeze comfort out of all this; but one needs to be more hardened in hopefulness than I can pretend to be to take pleasure in the possibility that a sixth of the surface of the globe is about to be plunged into civil war.

AND what about the Anglo-Saxon world? Well, in one important aspect things could easily in 1946 have turned out worse than they did; and that is in the matter of foreign policy. There are powerful forces in U.S.A. which have been working for a deal with Russia at the expense of Britain; and it looked for



Spencer Digby photograph
H. G. MILLER
All's Left with the world?

a bit as if they might succeed. Happily, for the present they have been defeated; and Mr. Byrnes and Mr. Bevin continue to talk the only language that the Russians understand.

In other respects the condition of things in the Anglo-Saxon world is not so good; indeed, some whose opinions are entitled to respect regard it as very alarming. I am thinking here of the American loan to Britain that came into effect at the very beginning of the year. There were many who hoped that the American people, who had kept out of the war as long as they could and before they came in acquired a large part of our overseas investments, would agree to a very generous financial settlement when all the fighting was over; but this hope has proved to be illusory. The American people, who are in fact-in spite of all the appearances to the contrary - a generous-hearted people, suffer from the very disabling weakness that they are perpetually haunted by the idea that the simple-seeming English are laughing at them up their sleeve. It was eating into them in 1946 and made them drive a very hard bargain. The result appears to be that, large as is the amount of the loan, it is not enough and that inflation has already robbed it of some of its value and that the conditions governing its use impose crippling restrictions upon the British exporter.

ALL this is rather general; so I will close with two specific mistakes of 1946.

The first is the Nuremberg Trials, I have not the slightest sympathy with Germans convicted of particular crimes against common humanity and the rules of war, and I think that with regard to all such, probably substantial justice has been done; but the political offences are another matter. To try men for planning an "offensive war" was to try them by a law that did not exist when the offences were committed. To try them for offences that our Russian allies had themselves committed in Finland and

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