

Hon. Mr. CRERAR: You say that they have to carry out policies of this kind in Europe in order to avoid strengthening Communist influence. I think most people would say "Well, we want the welfare, and whether or not we lose our freedom is a matter of secondary importance to us."

Hon. Mr. HAIG: I do not think they go that far.

Dr. HOPE: I doubt very much if they do that much logical thinking about it.

Hon. Mr. HAIG: I think what you said originally is correct. It is the political opposition that proposes something which forces the government, whatever it happens to be, to make concessions which maybe it would not make if it were not for the pressure of the other side.

Dr. HOPE: We have a classical example in France. France has had more inflation in the post-war world than probably any country in Europe. Its situation has been the most unsettled. For a while the Communist vote amounted to about 30 per cent; and any suggestion to increase the income tax or corporation taxes or do anything which might tend a little to cramp the style of this or that interest was not done. So the people rise in rebellion, throw out the government, and cabinet changes occur almost every week. So the government tends not to balance the budget, and to be soft and easy, to keep in power. At present the price level is almost astronomical. There are the de Gaullist and the Communist parties always trying to get in and playing on the prejudices of the people, promising them heaven and earth, and they listen to this kind of thing. There is the trouble.

Hon. Mr. HAIG: We are trying to listen to what Dr. Hope is saying, but there are two people over here who are engaged in conversation. I cannot hear, and I object to the conversation.

Dr. HOPE: Mind you, I may sound pretty pessimistic, but I would not like to leave that impression. I think there are a lot of thinking people in the world—in Great Britain, Canada, United States, all our countries—that are perhaps realizing more clearly today the dangers of what we have been talking about than they did, say, ten years ago. I feel very confident that there is now a little more knowledge as to how far we can go in some of these measures, and possibly people are getting a little more sensible and are not swayed too much by what oppositions say of the governments of the day. And those of us who have a little more education than the rest of the fellows have should try to point some of these things out. It helps a little, anyway. I think the Americans are beginning to see the light of day.

Hon. Mr. CRERAR: That means that you have a great deal of faith in the common sense of the people.

Dr. HOPE: Yes.

Hon. Mr. CRERAR: I have, too.

Dr. HOPE: And I think with wider knowledge, more discretion, more talk, more writing, we will get out of this without too serious results.

Hon. Mr. EULER: A little more publicity of the common-sense ideas that are expressed in the Senate of Canada might be good!

Dr. HOPE: This report which I quoted from, the O.E.C. Report for 1952, does not mince matters. The representatives of the various countries tell them bluntly what to expect. That report has had quite widespread reading in Europe. So I think possibly we have a chance of moving in the right direction, and of facing successfully these impending crises.

Hon. Mr. CRERAR: A little more courageous leadership in Europe might help.

Hon. Mr. EULER: Anywhere.

Dr. HOPE: Yes. I suppose if a man is very influential, and can swing people like Roosevelt did one time.