

greater amount than the preceding year. Our Gross National Product could be growing at least as rapidly as in the past, though some parts of the pattern of production and employment would be different.

### Progress and Prudence

The object of economic policy on a self-sustaining, self-respecting basis is growth not stagnation, progress without recurrent chills and fevers, and the greatest possible measure of the good things of life for the greatest number of people. But in pursuit of these objectives prudence and moderation and putting saving before spending can do more for us, as they have for others, than overreaching and undue haste, and prolonged reliance on the crutch of rapidly rising foreign debt.

Last October I attended the annual meetings of the World Bank and International Monetary Fund, two institutions which are dedicated to the promotion of sound economic growth, monetary stability, and the expansion of international trade. I heard the President of the World Bank congratulate a European country for having overcome its postwar inflationary pressures, which were much worse and much more difficult to deal with--because of the destruction and dislocation arising from the War--than the pressures in Canada with which we have been faced and which we have not yet succeeded in containing.

He attributed their success not to the possession of rich natural resources, of which indeed they have none, but to qualities of personal character and community morale, namely, hard work, self-discipline and financial statesmanship.

With these qualities, and assisted in the early days of post-war rehabilitation by some foreign loans -- including loans from Canada, it is strange to recall that for a time after the war we were a lender rather than a borrower -- with these, they set their house in order, overcame great hardships and handicaps, and succeeded in living within their means, and paying off gradually their post-war foreign debt. They did this, and a number of other European nations pursued much the same course, because they knew it was in their interest as an independent, industrious and self-respecting nation.

Who will say it is beyond the power of Canadians to do the same?