

Currency Devaluation

keep the dollar from going down. But the worst sin of all was to raise the bank rate seven times in less than a year, to raise interest rates, as if that would keep our dollar from going down. Quantitative evidence shows, as the hon. member for Don Valley mentioned this afternoon, that raising interest rates as part of the theory to hold the dollar up has had no effect. That same sort of evidence has been produced in country after country. I am thinking specifically of the United Kingdom. That country has tried raising rates and raising rates, but to no avail.

We as parliamentarians have a responsibility to the people of this country that goes beyond the winning of elections by our party against another party. You would think from the debate in the House this afternoon—from the heckling that we received when our leader was speaking, making a simple request—that this was a ball game. It is not a ball game. This is a matter of serious impact to all the people of country, and I might say to all nations of the west. No one knows the truth for sure. That is why we called for a detailed look.

We congratulate the governor of the Bank of Canada for having the courage to come forward and defend his policies. We know he is worried. We know that he knows about this theory they are debating in the United States. The Economic Council knew about this theory being debated in the United States, as if it were God's word anew. But never is it mentioned by the governor of the Bank of Canada. Never is it mentioned by the Economic Council of Canada, because the big thumb of big brother is on them. Everyone in this House should know who big brother is.

A few years ago in 1972 the battle between the Prime Minister's office and others was lost, but it has been restored in a new way. Big brother now works through a secret gestapo type of organization based on commissars. Each department of government has a commissar that goes past the minister, by the deputy minister, and reports directly back to the Privy Council office to big brother. That is why the civil servants in this city are demoralized and fearful. That is why they are determined in this capital city, where they have always voted Liberal as a matter of faith in their bosses, they are not going to vote Liberal for a long time in view of this type of commissar who is watching over every move made.

Mr. Paproski: Romeo knows about it.

Mr. Hamilton (Qu'Appelle-Moose Mountain): We have a right and duty in this House to be able to draw some advice from people who each have a little to offer. We suspect that the theory that has been operating behind the advisers for government for the last 30 years has been wrong. I know it is wrong because I can add and subtract. It was a Canadian by the name of Mundell who produced this alternative theory. To my knowledge only two members of parliament during the last six years have ever mentioned his name in this House, the hon. member for Don Valley and myself. I recommend to Canadians, speaking for the people of Canada, not for political parties, that they read the efforts that we made in all humility, admitting that we did not know the final answers, in speeches

[Mr. Hamilton (Qu'Appelle-Moose Mountain).]

made by myself on July 8 and by the hon. member for Don Valley on July 9. He dealt with the international posture and I tried to deal with the domestic posture. The speech shows four alternative courses which the new Minister of Finance should have considered. I knew in my heart that the chance of having him consider this was very small.

I knew from bitter experience of my own, in government and in opposition, that we were facing a monolithic pyramid which did not allow any difference of opinion. It refused and rejected the advice of the Economic Council of Canada, it looked askance at the Conference Board, it looked down its nose at the C. D. Howe Institute, and it looked down at this new institute of Walter Gordon's two weeks ago. They believe that God created wisdom and he put it into the hands of the 250 professionals who work in the Department of Finance, and God help any economic council or anything else. That is the situation.

We as members of parliament are responsible to the people of our constituencies and to the country as a whole. Are we going to stand by and see ourselves dominated and ruled by a group who have been proven wrong for 30 years?

Mr. Railton: Prove it.

Mr. Hamilton (Qu'Appelle-Moose Mountain): At least in the government that I belonged to we took it up face to face with those who approached us, and we are the only government over the last 30 years that challenged this concept of monopoly of wisdom. We went the full route and fired the governor of the Bank of Canada because he would not consider our views as being worthy.

I speak to you chaps who sit on the government benches. You should have seen what happened on this side then. You should have seen how the scenario worked out; of going to an advertising agency, of getting the cameras all set up, of having a committee of the Senate, getting certain arguments made, and then to bring out the victim who was fired by this great majority of 200 conservative members. A loyal public servant wanted to restrict this economy, stop all goods coming into Canada and raise taxes 25 per cent. They destroyed us as a political party by the techniques of public relations. However, this time the people sitting on the hot griddle are right over there. They have to face the whirlwind. They have to face the fact that they have indoctrinated the people of the big cities to believe that only the Liberals can rule, that God only speaks to the Liberal party.

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More and more people are learning it is not the Liberal party that runs this country. It is a group of mandarins who seized control during the war years, and they have extended that control into a complete monopoly. The only way the Liberals can try to control is through the Prime Minister's staff in the Privy Council office, using the technique of a commissar, a gestapo. It is not working, Mr. Speaker, because you can't win unless you know something. What you need is an alternative.