Bulgaria, Roumania, Yugoslavia, Czechoslovakia and Greece, and at least in the western provinces of the Soviet Union, shortages and suffering exist, while starvation and disease are the potent cause of unrest in Poland.

In Germany and Austria the situation beggars description. I mention all this because plans for the economic rehabilitation of Europe are fundamental to improved political conditions. Unfortunately so far these considerations have not been emphasized in the statements already made, or at any rate not emphasized sufficiently.

The colossal reparations imposed upon Italy indicate that considerations of big-power compromises obscure consideration for European reconstruction. In my opinion the decision of the western democracies—United States, Great Britain and France—to forgo Italian reparations was a real contribution to the cause of peace. To the extent to which these huge reparations are not met, they will contribute to international friction; and if they are met they will make European recovery almost impossible.

Present distrust among the big powers prevents the tackling of the peace settlement on a conference basis. Canada is right when she says that Europe must be treated as a unit. Prosperity for the whole world depends upon the rehabilitation of that continent. Her resources, then, should be viewed as essential to all parts of it. Hence the peace settlement requires the adoption of a comprehensive plan to raise standards of living of the suffering peoples of the continent.

Common justice demands that we should do everything possible to bring peace and hope to the millions who suffer because of Hitler's brutality and oppression. It should be clear, I think, too, that the possibilities of democratic development are threatened when disillusionment, starvation, disease and despair are universal. It is in just such an objective and realistic approach that Canada could make her greatest contribution.

Up to the present time the preparatory meetings have been bedeviled by exhibitions of national rivalries, of selfish considerations, of national security, of arguments over territories and boundaries, when national sovereignty is powerless without international security, and when boundaries are meaningless in an age of atomic energy and universal interdependence.

In the February issue of Harper's, Mr. Henry L. Stimson, former Secretary of State for War in the United States, concludes his article—one which I would recommend to all hon. members, and indeed to the people throughout the country—in which he explains

and defends his recommendation to the president for the use of the atomic bomb against Japan, in these words:

In this last great action of the second world war we were given final proof that war is death. War in the twentieth century has grown steadily more barbarous, more destructive, more debased in all its aspects. Now with the release of atomic energy man's ability to destroy himself is very nearly complete. The bombs dropped on Hiroshima and Nagasaki ended a war; they also made it wholly clear that we must never have another war. This is the lesson men and leaders everywhere must learn, and I believe that when they learn it they will find a way to lasting peace. There is no other choice.

What then should be our attitude towards the peace settlement with Germany and Austria? In the main I find myself in agreement with the views communicated by Canada to the deputies of the foreign ministers, but I feel that in several respects our suggestions should be elucidated. Canada seems, for example, to support the French view that henceforth Germany should be organized as a very loose federation with the principal powers in the individual states and only strictly limited authority in the central government. The Soviet Union, on the other hand, favours a strong unitary state and centralized control. So far the attitude of the United States is far from clear, but an indication of the attitude of the United Kingdom may be found in the Foreign Secretary's speech in October last, when he said this:

Looking further ahead, we contemplate a German constitution which would avoid the two extremes of a loose confederation of autonomous states and a unitary centralized state.

It seems to me that our own experience as a confederation should incline Canada to support what seems to be the British view rather than that of too loose a federation or a highly centralized state. Recently, and particularly in a report carried in the New York Times of February 11, there seemed to be indications of a modification of the Soviet attitude in Mr. Molotov's suggestion that later on a plebiscite or referendum might be allowed to decide the issue. Meantime our government supports the idea that for the time being an international statute should be adopted and imposed on the German people and that the formal signing of any peace treaty should be left in abeyance until political development inside the country evolves a properly elected government. This seems to me, as it did to the hon. member for Peel, an intelligent approach, but it is one which the meeting of the deputies seems to have discarded. A treaty now could only be signed by a German government created for that purpose by the victorious powers. The lessons

[Mr. Coldwell.]