

and to the status of Canada in the international community. Whether we like it or not, we live in a very small world today, particularly when one considers the speed of communications.

I noted that Senator Flynn talked about the structure of the Council of Europe being fashioned by the structure of NATO. I think I am paraphrasing him correctly in that. The prime purpose of NATO was of course the defence of Northern Europe, which was then considered to be the difficult place for defence for the western world. It had to expand into NORAD, because those who were working in Northern Europe, like the Americans and the Canadians, began to realize there was a problem in America too that involved the defence of the West. Indeed, there was one in Canada, because in a sense it was the ham in the sandwich, being between Russia on the north and the United States on the south, and if an explosion took place we would certainly suffer. I think the developments of the NORAD arrangements were very salutary for this country because, say what you will, with the size of our population and the immensity of our territory, it is virtually impossible for this country alone to defend its integrity. So we must have help; we must get to be part of international organizations.

That, of course, might immediately lead to the question, which I am sure suggests itself to a great many senators: Why then are we looking at NATO and wondering whether we should not reduce our commitments there? The answer to this is not easy, but perhaps Senator Flynn has contributed a bit to it in his remarks about Czechoslovakia. If he sees there, in a country that is dominated by the Soviet power, if you will, because of events, an idea that a lessening of the size of the conventional forces and of the nuclear power and the nuclear capability in Europe on both sides might bring about a better *modus vivendi* for the countries that are so closely located together there, then I think perhaps there may be some merit in considering the idea whether or not there should be some readjustment in the NATO position.

However, I prefer to talk about the relation of the Council of Europe to the political and economic problems, perhaps primarily of Europe but ultimately of the Atlantic basin.

It is common knowledge that Article II of the NATO Treaty, which recommended that there should be economic co-operation between the NATO countries, has really never been implemented. I have been at

NATO parliamentarians' meetings; I have sat upon the Economic Committee of that group, under the chairmanship of Senator Javitz. Ideas and views were expressed about what might be done in trade not only between developed countries but particularly as to what might be done about the underdeveloped world, about the "third world," about the dangers that can arise if the "third world" goes awry—and it can go awry if it is neglected by the developed world. I say that because the communist powers, whether they be Russian or Chinese, can very readily make their influence felt in those countries. The reason is very simple. These countries are poverty stricken; the gap between them and the developed countries is growing, and in desperation they will take help from almost any country which will give it to them. We try to do it in a way which will not influence their domestic politics. In this respect I think our hands are quite clean, if not completely clean. I am not too sure about the position on the communist side, when they come along with help for these countries.

Coming back to the Council of Europe, I would like to see some influence brought to bear by Canada upon that group to emphasize the importance of seeking political and economic solutions for their problems.

I know that the European Economic Community is a practical instrument for the working out of the economic problems that beset Europe. It has done a great deal to raise the standards of living in those countries—so high that in West Germany the standard, measured in terms of foreign exchange, is perhaps higher than it is anywhere else in the world. This is the result of work. This is the result of keeping the nose of the people to the grindstone, and of the willingness of people to do so to rebuild their country.

Hon. Mr. Thorvaldson: How about Japan in that regard?

Hon. Mr. Connolly (Ottawa West): I am glad Senator Thorvaldson has mentioned that country. Japan did it, and perhaps with even less help than West Germany received. West Germany was one of the beneficiaries of the Marshall Plan, and Japan did not receive anything equivalent to the Marshall Plan. In that regard, it is my humble opinion that the greatest act of international statesmanship in our generation was the concoction and implementation of the Marshall Plan, not by the Americans who put up the money, but by the Europeans who made it function.