

ant, I do not know. I am quite prepared to concede that perhaps the economists, the bankers and the accountants do not know either. All the other sciences have outrun their exponents to such an extent that the leading men of science have little or no idea how they accomplish the marvels of science which they do accomplish. I read the other day that no one in the medical world really knows how penicillin and the sulpha drugs accomplish their wonders. They only know that they do. As good old Galileo said: "Se muove." It may be contrary to all sense and reason, but it works. And I suspect that the science of economics has also progressed so far ahead of the economists that they do not know how it works, and are having a hard time realizing that it does work.

It is, of course, an interesting point, that the annual billion dollars was never given in money and that the \$70,000,000, or \$90,000,000 will also never be given in money. According to the Atlantic City agreement, the contributing nations are supposed to provide only ten per cent of their contribution in available foreign exchange. The remainder will be spent in the contributing country, buying the goods which that country produces and which UNRRA will need for the relief of newly-delivered nations. That means that a great deal of Canada's contribution will in reality be in grain and flour. Now the grain is already in the elevators. It is only a few years ago that farmers in the west were going bankrupt and stevedores in Montreal were on relief because we could not get rid of this grain. All right; now we are going to get rid of it. Should we not be happy? The farmers do not have to get the money for the grain; they have it already, or at least, if not money, they received its equivalent in credit when they sent their grain to the elevators. No doubt the government may have to strike from the credit side of its books an entry concerning millions of dollars which it credited to the farmers for having delivered the grain. Of course the government has to pay interest on that money, because when it gave credit to the farmers somebody gave credit to the government and now holds government bonds. But does anyone suggest that the government will be any less able to pay three per cent interest on \$90,000,000 because it blacked out a debit entry in that amount in its books as against a number of farmers?

Without knowing all the technique of the science of economics, nevertheless I have a shrewd suspicion that disaster is more likely to hit the Canadian economic equilibrium through a too sudden cessation of gifts of two billion dollars a year than through the introduction of any single \$90,000,000 gift into the

dominion budget. Let me point out in more serious vein, however, that this is a measure of immediate military necessity, a contribution toward winning the war now as well as a step toward winning the peace afterwards. A high official of the organization has explained the military needs in this way:

The advancing United States armies must have stable civilian conditions in their rear. Troops must be protected from epidemics of disease, which can originate in a malnourished population lacking adequate clothing, soap, medicines or means of repairing and restarting their own equipment for producing those things. The more quickly local production can be revived in liberated areas, the less will be the strain on military supply lines and the more adequate will be the materials and equipment that can be made available to our men at the fighting front. This will save the lives of our soldiers and shorten the war. Also the fact that prompt aid is known to be forthcoming to liberated peoples will encourage and inspire those still unliberated, increase their resistance and further weaken the enemy, hastening his ultimate military collapse. If a well planned and well organized and previously announced programme of relief and rehabilitation helped to shorten the war by only one week, the straight dollars and cents savings would be a tremendous return on the investment, not to speak of the much more important matter of the lives of our soldiers and of civilians that would be spared.

Then there is the long-range economic effect on supplying countries of helping people to help themselves. People always forget that helping other people to produce helps them to consume. In the long run, helping the farmer in central Europe to grow his own wheat again may make him independent of Canada's wheat, but by that time he will have become a considerable purchaser of Canada's newsprint, automobiles, farm machinery and heaven knows what else. Helping the people of central China to get on their feet and produce goods of world marketability will enable them to vary their rice diet with wheat bread and other cereals, and to buy from us the surplus wheat which central Europe perhaps will not want. The more every single part of the world is prosperous, producing and consequently consuming, the happier, busier and more prosperous every other part of the world must be in consequence.

I would not venture to offer advice, because I do not care to give advice or make suggestions to my betters, but my own reaction to this problem would be that never again can we take the attitude that if one wheel of the watch breaks down we must make all the rest of the watch go slow in order to accommodate it, and must concentrate on preventing the broken wheel from being repaired. If we want the mechanism of the world to work efficiently we must all cooperate to the limit in helping to rectify anything