

"... I think it is fair to say that the new regime in Russia, and it is a new regime, has shown strength and ability in developing new policies suitable for the present circumstances. I think also that in their tactics, words, and policies, there are indications of a certain stability in the Soviet political system. ... Changes have taken place, and they may result in other changes which will be to our benefit and to the benefit of peace. I feel myself that the menace of the Soviet Union, while it has changed in character, remains strong. In some respects it is a more dangerous one than that provided by the nakedly aggressive policy of Stalin himself.

"Yet there are some ... encouraging features. I cannot help, for instance, but think of the effect of this exhumation of Stalin on opinion in Russia, how it must be unsettling and disturbing. ... And I think also that this process of dethronement is bound to have an effect on the Communist parties in other countries. ... However, I suppose they will toe the line. They are getting around to doing that now. ... I think also that the process of restoring to respectability some of Stalin's victims must have an unsettling effect and provoke some questioning even amongst the most disciplined minds. ... Yet the Soviet leaders do not seem to be too worried about these implications of their new tactics.

"These leaders seem convinced that in the long haul their system has a better chance of survival than ours; that the lack of discipline in the West will make it impossible for our people to stand up to a long period of competitive co-existence. They are pretty sure that time is on their side, especially that a time of relaxation of tension will cause the West to slacken its defence effort, will afford new opportunities for dividing the Western powers and will permit of greater Communist penetration of the free world.

"In brief, the Soviet's basic position on major issues remains unmodified but the manner of conducting its foreign relations has undergone a notable change, one which may persist for a considerable time, one which may be able to exploit to our own advantage and to strengthen the chances of peace, but one which also has considerable danger for us because it is based on tactics more flexible than the ones which Stalin so rigidly and tyrannically enforced."

#### NATO and Foreign Aid

On NATO and on foreign aid, Mr. Pearson said:

"... The North Atlantic Treaty Organization is, or should be, far more than a mere agency of defence policy. I think the feeling is growing that if this is not recognized and acted upon, NATO may not survive at all. Now as I said, the Soviet Union certainly realizes this and that is why they are working so hard to remove our fears. They assume that