

Supply—External Affairs

the house, from a trip or visit—I do not use another word which I have seen used in the press—to Europe, during which we saw the massive array of military power with which each side in the cold war confronts the other. It is true that this massive confrontation of power creates, by reason of its deterrent effect, a sort of uneasy stability. It is true also, however, that while Germany remains divided and Berlin remains a democratic island behind the iron curtain, no assurance of final pacification in this key section of the world is possible. This is the reason that we, in this party, urge serious consideration of a demilitarized zone in Europe and the mutual withdrawal of nuclear striking power and other weapons as a step towards the eventual disbandment of opposing military blocs in Europe.

A companion step which might have great psychological value would be the negotiation of a non-aggression pact between NATO and the Warsaw pact countries. No one who has visited Europe and who has spoken to the leaders of the European countries thinks that the demilitarization of central Europe is an easy task, or one that will be accomplished overnight. It involves the preservation of balances and it involves a step by step approach. But we believe Canadian policies within the alliance should be directed to actively encouraging within Europe those who do not take a rigid stand and are prepared to start now on the road towards building eventual mutual confidence, which is essential for lasting peace if this important area is to be secure. But, Mr. Chairman, it is our view that the major areas of instability throughout the world are not in Europe, where the balance of nuclear power makes war of any sort an insane gamble on either side. The danger of instability throughout the world lies rather in Asia, in Africa and South America, where the tremendous revolutions of our times are creating new states and also new stresses.

Peace cannot be secured until the striking inequalities between rich and poor nations are reduced. Today as we see it—and it is true—the danger of conflict arises out of the cold war and the menace of communism; but this menace does not arise entirely from the massive military power of the Soviet union, real though that is, because it is effectively balanced by the equal and more massive power of the western alliance. It arises rather from the power of communism to exploit the urgent desire of the poverty stricken two thirds of the world to raise their living standards, even if this appears to require the acceptance of the coercive methods of communism. That is the

real danger to the world, and that is the danger to which we should be paying more attention.

Social and political changes are pressing forward in the world today with increasing force. The big question is whether or not these forces will be channelled into the mould of communism, with its suppression of the individual, or whether these changes will find their expression within the framework of democratic systems which concern themselves with the rights and the worth of the individual. We believe a generous and effective international plan, on the same scale of generosity as the Marshall plan, which would enable countries such as India to take off on the way to expanding and self-sustaining economies, would be a contribution to defence and security just as important, if not more important, than the contribution to traditional methods of defence.

It does not seem to me that we in this house, in this country, or in the western world have begun to take this problem seriously. Only recently we had the opportunity to hear Mrs. Myrdal, a distinguished Swedish ambassador, talking to us about Sweden. She said that Sweden, with an average annual income of \$2,000 per year, proposes during the next 10 years to increase its national income by 5 per cent per year, which would mean that in 20 years the average income would exceed \$4,000 per year.

Most of the western democracies, although many of them lack the political and economic wisdom of the Swedes, are aiming at similar objectives, which they will achieve with varying degrees of success, as no doubt we shall in Canada, but take the contrast with India. Mrs. Myrdal pointed out to us that India, despite its high level of potential skill, and its plans for an expanded economy and a measure of international economic aid, is only able to increase its average annual income of \$100 by approximately 1 per cent per annum, which would achieve a level of \$120 per annum in 20 years. Therefore this grave disparity which now exists is accelerating at a tremendous pace.

We say it is necessary to plan internationally for an abundant world. It is necessary to make an effort on a scale far greater than we have done so far. This matter was discussed by the United Nations general assembly at its fifteenth session in 1962. The assembly expressed its hope that the flow of international assistance and capital to developing countries would be increased substantially, so as to reach as soon as possible