

*External Affairs*

and their support of the democratic socialist government of West Berlin until such time as an overall settlement is reached.

2. That the Berlin crisis be considered within the framework of the German question as a whole, and that a summit conference, or at least a foreign ministers' conference, be called at the earliest possible date, for this purpose.

3. That the western powers will consider new approaches with respect to at least two matters on which our attitude hitherto has been rigidly inflexible:

(a) proposals for withdrawal of troops and creation of a neutral, demilitarized zone in central Europe.

(b) proposals for a loose federation of the governments of West and East Germany as a first step toward the holding of free elections throughout all Germany.

The C.C.F. firmly believes that a more flexible approach along these lines is the minimum to be expected from the west as an indication of our willingness to negotiate outstanding problems and to seek out every possible path to a peaceful solution.

The minister asked for positive proposals, and that is another positive proposal I present on behalf of the members of the Co-operative Commonwealth Federation who sit in this house at the present time.

Mr. Speaker, I have a word or two to say about the Middle East. A development plan of broad and imaginative scope, using oil revenues and international loans, might yet prove the salvation of the situation, both from the viewpoint of internal Arab needs and the western stake in a peaceful non-communist settlement in that area. But it is likely that at this stage something even more far-reaching is required, something along the lines of the 1958 C.C.F. national convention resolution. This resolution proposes that the Arab peoples should be assisted through the United Nations to take over full ownership and control of their oil resources in a peaceful and orderly way, so that the wealth accruing from oil could be used for the welfare of all the people in the area.

This major step is certainly more far-reaching and imaginative than anything yet suggested. It could serve a multifold purpose. It would enable the United Nations to give much more assistance than has hitherto been possible by the establishment of an international Middle East development commission to assist the economic development of the area and ensure the raising of living standards for the peoples of those areas.

The C.C.F. proposal could serve as a positive step toward wresting the initiative in the Middle East from the soviets. It would help to offset the deep-rooted anti-westernism, anti-imperialism and anti-colonialism, which makes every western move suspect. Properly planned, it could encourage the

[Mr. Herridge.]

Middle East nations to develop along democratic lines and halt the totalitarianism, which is a serious threat to political, economic and social progress. It could turn Arab nationalism to constructive objectives, keeping their peoples so occupied with their own advancement that they would cease to aggravate and be aggravated by the various conflicts in the area, including their bitter feuds with Israel. It could ensure the availability of oil and oil products to all nations which require them at world market or contract prices, without fear that the flow would be cut off. For if the west needs eastern oil, the east needs the west as its customers. One cannot get along very well without the other; and western oil resources and control of oil tankers are good enough to give the western nations reasonable bargaining power in determining the conditions of their petroleum purchases.

I see, Mr. Speaker, that my time has almost expired. I do want to say how disappointed we were to hear the minister say that the government has decided not to recognize China at this time. I listened to the minister's reasons with interest. I thought his legal reasoning was somewhat faulty when he said they refused to recognize all their international obligations. I think the minister will recall that we recognized the Soviet union before it recognized its international financial obligations with respect to foreign loans abroad, and that has happened with one or two other countries. In any event, we are very disappointed because we believe that there is, shall I say, a growing demand from the Canadian people generally for recognition of the government of China and its admission to the United Nations. I could quote from various periodicals, and I have a number of them here, but I will not have time to quote them.

We believe we should recognize the government of China. We should finally arrange with the United Nations to take over the operation of Formosa and have a free vote so that the people of the island of Formosa could determine the form of government under which they wish to live. In Canada labour organizations, industrial leaders and bank managers, particularly Mr. Muir who made a visit to China, and representatives of all groups have urged the recognition of China as being in the interests of world peace and the admission of China into the United Nations.

This afternoon the minister stated that you cannot deal effectively with such problems as disarmament, control of nuclear weapons and so on until they are part of the United Nations and that our efforts in that direction