

In general I would expect this to be substantially the philosophy which animates the monetary authorities in your country and in the United Kingdom.

In conclusion, I might merely mention that the remaining type of remedial influence on which we have placed some reliance is that of information and moral suasion. Those of us who have some responsibility in these matters have tried to disseminate information and understanding as to the nature and significance of prevailing economic trends. Probably of greatest importance in this connection is the influence of our central banking authorities. The annual reports of the Bank of Canada are models of penetrating economic analysis and replete with fruitful suggestion, express or implied. I know also that officials of the Bank are in frequent consultation with the management of the chartered banks and I am sure there is a continuing exchange of views as to changing developments and the actions and policies appropriate to each new development. Such exchange of information and opinion between central bank and commercial bank officials and between bank officials and business men is, it seems to me, exceedingly valuable.

It may not be wholly effective at a time when the prevailing psychology of business men and the public is expansive. But it is most in accordance with our democratic way of doing things, it is flexible and it may indeed be effective if all the relevant facts are made available and their meaning discussed by a sufficient number of the leaders of business and of public opinion. The Academy of Political Science is helping to do that by devoting this semi-annual meeting to a discussion of what is probably the most important of our current economic problems.