

in the North American market, then there is reason to hope that our friends in Europe and elsewhere will be prepared to take the measures necessary on their part and accept the risks which convertibility and freer trade and payments involve for them. And we will all benefit.

There is a direct relationship between this problem and that posed by current efforts being made by Russia and its satellite countries to increase East-West trade. The motives behind these efforts need not be gone into here. We can be sure that they have a large political and propaganda content, and that they are not designed to benefit us. But that does not mean that they should be rejected summarily and automatically, as some would advocate. It would, of course, be folly to strengthen potential aggressors in a period of international tension by exporting military or strategic goods. But apart from such goods, proposals which might increase East-West trade should be considered with a view to finding out whether they would benefit us. Such consideration, of course, would include the experiences of the past in trading with communist states, and also the risk of having too many trade eggs in any communist basket.

The Randall Commission, in its report, had this to say on East-West trade: "It may well be, moreover, that more trade in goods for peaceful purposes would in itself serve to penetrate the Iron Curtain and advance the day when normal relationships with the peoples of Eastern Europe may be resumed".

Whatever views may be held on this matter, it is obvious that the pressure to take advantage of any opportunity for profitable East-West trade will be very greatly increased, if trade with the greatest market in the world, the United States, becomes not easier, but more difficult. Economic and industrial strength is all-important in modern war. For countries which depend substantially on foreign trade to gain that strength, any political or other disadvantages from non-strategic trade with the U.S.S.R. may be outweighed by increased strength to their own economies which might result, especially if their exports in question are shut out of other and friendly countries.

In any event, the problem of such trade will not be solved by emotional or demagogic appeals to international morality. Trade, in non-strategic goods, with communist countries is a matter to be considered, coolly and objectively, from the point of view of national interest, which, in the case of countries of the free world coalition, cannot be dissociated from the collective interest of us all.

In these two matters - collective security and international trade - and in many others, we in Canada desire to work with you closely.

Our destinies are parallel and our fortunes are interdependent. As Canada grows in strength, and I assure you we are doing that, our importance to you grows. You should get to know us better and study us below the surface of the "unguarded boundary" and the "140 years of peace".

As for us, we know all about you, because we live under your friendly, if at times overwhelming shadow. Because of this - and because of our close relationship - Canadians watch with a very special interest everything that you do; with a mixture of admiration, anxiety and awe; but always, I hope,