

began before the end of the war and have been carried on since then by various methods. These methods include the work of UNRRA, together with the provision of loans and credits by a few of the more fortunate countries to the less fortunate whose economies were shattered or dislocated by the war. I need not say here that so far Canada has done its full share, or add that our own difficulties for the time being make it impossible for us to continue on the same scale.

It would have been a rash prophet who predicted in 1946, when the loan to the United Kingdom was before the Congress of the United States, that less than two years later the Senate of the United States would have adopted by a vote of 69-17 a measure authorizing the granting in the next year of further assistance to Western Europe of \$5,300,000,000, most of it to be expended as direct grants in aid and not in the form of loans. If one includes in the vote the Senators whose position was announced but who were absent from the division, the total poll would have been 76 in favour and only 20 against - a majority of nearly 4 to 1. I mentioned that there were some bright spots in the gloomy sky. This is the chief of them - that the United States has shed its old armour of isolation, which used to seem so safe and satisfactory in peacetime and proved so antiquated and useless in time of war. The United States is in truth the most powerful country in the world, and one cannot but be relieved and heartened that its people are realizing the sobering responsibilities of power.

The House of Representatives will also approve the European Recovery Program within a few days, and the great project launched by General Marshall on June 5th last year will very shortly become a reality. There will undoubtedly be difficulties in getting it going. There will be further argument over the exact sum to be appropriated by the Congress, since under the procedures of Congress both an authorization act and an appropriation act are required to make funds available, and the second need not carry the full amount authorized by the first. Delay in the passage of the appropriation, however, does not mean that operations cannot begin soon after the President signs the present measure, as it carries a special provision making available a billion dollars to get the program started.

I am not going to discuss the possible effects on Canada of the operation of the European Recovery Program beyond saying that it contemplates that the Administrator will make available to the governments of the United Kingdom and the other participating countries dollars which they can use to assist in financing their purchases of essential supplies from Canada and Latin America. We cannot yet tell exactly how this aspect will work out in practice, or what proportion of the trading deficit of Western Europe with Canada and Latin America may be financed in this way. I am sure that it will be in our interest to continue to carry as much of the load as we can.

No matter in what measure Canada may be helped by the operation of the European Recovery Program, there can be no doubt of our stake in its success. If, through outside aid and self-help, economic stability can be restored in Western Europe, the world will be a much pleasanter and safer place for us all. Economic security and political security go hand in hand; you cannot have one without the other. You cannot have either today without the United States undertaking the responsibilities of the strongest power in the world. That is why the European Recovery Program, together with the recent evidence that the old fear in the United States of entangling alliances is past, counterbalances the gloomy events in Central and Eastern Europe which are so vivid in our minds.

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