

A. I don't know whether it will be better. That remains to be seen. So much depends upon the future policy of the United States. Our fear has been that the United States was not only faced with immediate problems which required them to take some undesirable and rather drastic steps to redress their balance of payments, but we were concerned, and still are, about the possibility that the United States may be turning inward -- that a protectionist trend may be developing in that country. And if it does, then we would have to adjust ourselves to it and out of this would emerge a situation less desirable than what has prevailed in the post-war period. However, the President of the United States has said that that is not the way his administration intends to take the United States, that after this crisis -- out of which they hope they will emerge with a better alignment of currencies and the reduction of what they consider unfair barriers to United States' exports -- the United States will then revert to its policy of promoting freer trade on a multilateral basis; and if that happens, we would be the first to benefit because we are one of the most important trading nations, and certainly the most important trading partner, of the United States. So I can't really answer your question yet. So much depends, as I say, upon the direction that public opinion takes in the United States.

Q. Now, much of our thrust, or Canadian thrust, in foreign policy latterly seems to have been tied up with trade policy, even to the extent of more or less integration of the trade and diplomatic foreign services. Do you see this policy as working out as well as it was hoped?

A. I think it's inevitable that for a country like Canada which has no great military power but which has some advantages or disadvantages of location -- depending upon which way you look at it -- but has enormous economic resources, that the emphasis in our foreign policy should be upon economic matters. In the first place, we can play a larger role in economic affairs than we can in military affairs. We are in a better position to help the underdeveloped countries of the world economically than we are militarily. We don't interfere in their internal quarrels. For example, the Soviet Union takes side in the India-Pakistan war. We don't take any sides. Our concern is with the humanitarian side, with helping the people of India and Pakistan to develop. So this is our role. It's an economic role, or a humanitarian role very closely linked with economic questions. So it's natural for a country like Canada to emphasize the economic side, and it's not particularly a selfish point of view. It is as important in the promotion of the development of the free world and the increase in the standard of living of the poorer parts of the world as it is in the interests of promoting our own welfare.