

## NEW ASPECTS OF INTERNATIONAL COMPETITION

*Excerpts from an address by the Secretary of State for External Affairs, Mr. L. B. Pearson, to the Canadian Red Cross Society, Toronto Branch, Sunnybrook Hospital, March 12, 1956.*

... the Canadian Red Cross Society and its international associates are performing a humanitarian service which could not possibly be supplied by purely governmental action. In their work, whether on a national or an international scale, the Red Cross Societies illustrate strikingly what we are convinced is one of the greatest sources of strength of the democratic system—the voluntary co-operation of public-minded citizens. There is—and there can be—no substitute for this. It is an essential basis of our democracies. It deserves our full and whole-hearted support, in every way.

### The Soviet Challenge

This brief but grateful reference to the work of the Canadian Red Cross Society and to the International Red Cross, which is concerned with aid and assistance in so many parts of the world, brings me to a matter of great international importance which I should like to talk to you for a few moments. This is the entry, with vigour and verbosity, of the Soviet leaders into the field of economic competitive co-existence, one aspect of which—and this is the particular phase of this subject I want to deal with—consists of alluring offers of help to materially under-developed countries, especially in Asia. This reflects a change of Soviet tactics, if not of policy, which is seen also in other fields. There is more emphasis now on “pulling” rather than “pushing” other peoples into the Communist orbit. This should cause us to reappraise our own policies and attitudes especially to those countries of Asia to which the Soviet Union is now directing its attention.

Active Soviet interest in the field of foreign aid and technical assistance is comparatively new. Before 1953, Russia's foreign aid was confined to communist countries, especially China, which had received considerable help in loans and technical assistance. Until 1953, the Soviet Union was too preoccupied with its own domestic development and its militant designs against Western Europe to use technical and economic assistance to Asia as an important instrument of policy. However, toward the end of that year there was a change, and since then Soviet Union offers of help to non-communist under-developed areas in Asia and elsewhere have increased very rapidly. This Soviet economic-political intervention in international affairs has important implications for us in the Western world.

We will not understand this development unless we realize the significance of the emergence since the end of the last war to complete political independence of a group of densely populated former colonies in Asia and Southeast Asia. As a consequence of their new political and international status, these countries have come to realize as never before the great gulf which separates their economies and their standard of living from those of the more technically advanced nations in the Western world. Their leaders, in a new spirit of national pride and confidence, have turned with dedication and determination to the vast problems of eradicating starvation, disease and ignorance which for so long had been the accepted lot of their fellow-countrymen. It is accepted no longer.

### Help Provided

To solve these problems, they needed guidance and help in a wide variety of technical and scientific matters; as well as capital assistance. They could not secure these completely from their own resources. The normal methods of acquiring sufficient capital were not open to them, since the savings from one year to another were either slight or negligible; and, in view of the rapidly rising populations, to withdraw resources from consumption would have imposed severe hardship on standards of living already extremely depressed. So, Canada, together with other member states of the United Nations, have tried to help by providing capital and technical assistance and in other ways. This effort has been strongly supported by most of the nations of the world, with the noteworthy exceptions, until just a little while ago, of the countries of the Soviet bloc. These latter took little interest in the activities of United Nations Social economics and humanitarian agencies in this field, contributed little or nothing to their support, and criticized and depreciated their work. Support for them was left to the free nations of the world. In addition, of course, Canada, together with other members of the Commonwealth, financed the Colombo Plan in which many important countries outside the Commonwealth, notably the United States, now also participate. There were also other arrangements for economic assistance.

It has been upon this stage of international co-operative effort that the Soviet Union and its satellites have somewhat unexpectedly appeared, and have begun to play a role