

So far as Europe is concerned, it is not visionary to foresee that something like this may happen. There are many strands. Some pass through the Vienna talks on Mutual and Balanced Force Reductions; others through the machinery of the Conference on Security and Co-operation in Europe; still others through the machinery of the two military alliances. We may see further channels opened yet to deal with all the aspects of arms control and disarmament in Europe. At present, the prospects are confused and obscure.

Two things, however, stand out: there is general agreement that a stable balance of security could be established in Europe at lower levels of force; and in recent months there has been an extraordinary proliferation of proposals from both sides as to how such a balance might be achieved. Does this mean, some appearances notwithstanding, that there will be a better chance to make progress in arms control and disarmament in Europe than at any time in the past generation? Perhaps so. We must certainly lose no reasonable chance to test the possibility. These are the issues that will underlie the debates in the North Atlantic Council in which I will be participating next week.

But the process will be neither short nor simple, and while it continues we shall have to see to it that our own forces meet the requirements of a balance at existing levels in both quality and number.

It is here that we must take some time to examine our national contribution. The question as to our appropriate contribution to NATO is an old one, but not for that reason irrelevant to the present situation. I suggest that three principles should guide our discussion. First, our contribution must be relevant to the needs of NATO as perceived by our allies, as well as by ourselves. Second, it must be compatible with our overall perception of our needs in defence policy. Third, it must be an effective reminder that the security and economic fields are intertwined. While we fulfil our responsibilities in one, we must be sure that our European allies are fully sensitive to our needs in the other.

Meanwhile, what can we hope for in other aspects of our relations with the countries of Eastern Europe? Since the Soviet bloc clings to the view that an ideological struggle between East and West is in the nature of things, there will presumably continue to be an underlying element of tension in all these relationships, whether Western countries want it or not. But there is no reason why this tension cannot find its release in civilized competition. I do not myself share the view that the communist and non-communist societies of Europe are fated to converge. Some of them, at least, simply have histories too divergent for that. Yet it is possible to see ways in which many of the same problems — energy shortages, inflation, consumer expectations, protection of the environment — press on any society, regardless of ideological bent.

In this sense, new opportunities for co-operation with the countries of Eastern Europe will arise, ideological differences notwithstanding. Indeed, as relations with these countries have acquired substance, it has already become difficult to generalize about them. For the first time, Canada has recently made major sales of high technology products in Eastern Europe: nuclear equipment to Romania and pulp and

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