ficiencies in military supply and production among the Parties and to recommend to the Defence Committee how best these deficiencies can be met by self-help and mutual aid. The Permanent Working Staff of the Board was established in London and maintains close liaison with the Standing Group in Washington and with the Regional Planning Groups. A special reason for immediate action by the Board is the importance attached by the United States Congress to the principle of integration of production among the countries which are to receive aid under the Mutual Defence Assistance Act. At its first meeting in London on November 1 the Board agreed upon the objectives that it must reach in order to implement Article 3 of the Treaty and to ensure that the defence planning of the other agencies would be conducted with a realistic appreciation of the problems of production and supply.

The Defence Financial and Economic Committee

This body was established at the second meeting of the Council on November 18 and is responsible for advising the Council on the financial and economic aspects of measures for the defence of the North Atlantic area. It was recognized that the financial requirements of defence planning, especially when undertaken by a group of Nations many of whom are still faced with overwhelming economic and financial problems as an aftermath of the Second World War, required special attention so that the economic recovery of the Parties would not be jeopardized. The Defence Financial and Economic Committee consists of Finance Ministers or their representatives and reports directly to the North Atlantic Council. The day-to-day work of the Committee is carried on by a Permanent Working Staff of experts in London.

NATO

This, then, is the North Atlantic Treaty Organization, or, as it is becoming familiarly known, NATO. It is not yet, of course, in its final form: additional bodies may be needed. While the present structure is concerned with military planning and requirements, it may be observed that Article 2 of the Treaty, which provides for the strengthening of the economic and social ties between the members of the North Atlantic community, implies that the Treaty is more than a mere military alliance. In a speech in the House of Commons on November 16, 1949, the Secretary of State for External Affairs drew the attention of the House to this dual purpose. In speaking of the Treaty organization he said:

We have now, I think we can say, completed the second stage of the organization of our common defence. The first was working out the text of the Treaty; the second was the establishment of the working organizations... But I would not wish to leave the impression, of course, that our task under the North Atlantic arrangement is completed. In fact, it has only begun. The Nations of the North Atlantic now face the problem of implementing their pledges. The Parties to the Treaty have undertaken to strengthen their individual defence by integrating their defence forces and resources. That means that each Nation taking part will be expected to furnish to the common pool that which it can most suitably and effectively contribute.

We have before us a task which will call forth all our reserves of intelligence, good will and imagination. It is not the negative, though vitally important, task of containing Russian imperialism. It is the positive task of creating a free community of free states, strong not only in its military resources, but in the prosperity of its people and the power of its free, progressive institutions.

External Affairs