

## CONCLUSION

In conclusion it may be suggested that the foreign policy of the Soviet Union, while pursued by different methods and sponsored by a government which is foreign in its political institutions and social structure, is nevertheless the normal expression of the interests of that country. There have been no indications of undue Soviet interest in North America and politically, therefore, it may be judged that there is an absence of evidence to show the development of any aggressive designs on the part of the Soviet Union against this continent.

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*Le secrétaire d'État aux Affaires extérieures  
au chargé d'affaires de l'Union soviétique*

*Secretary of State for External Affairs  
to Chargé d'Affaires of Soviet Union*

No. 14

Ottawa, September 26, 1946

Sir,

In September of last year, the Commercial Counsellor of the Embassy of the Union of Soviet Socialist Republics requested the Minister of Finance to arrange for the Canadian Government to purchase wheat, flour and certain other products in Canada on behalf of the Government of the U.S.S.R., as these were urgently needed by the U.S.S.R. at the time, and Mr. Krotov assured the Minister of Finance that the Government of the U.S.S.R. would repay the Government of Canada for the costs incurred in making these payments. This repayment was to be made either in cash or on the basis of a long term credit agreement which was then under negotiation.

The necessary measures to implement this requested arrangement were taken by the Government of Canada, and in so far as the supplies requested were available they were purchased by the appropriate agencies of the Canadian Government and made available for shipment to the U.S.S.R. The direct costs incurred in such purchases, apart from interest on borrowed funds and administrative costs, amounted to \$8,819,032.06. The dates on which the various amounts were paid, and further details of the transactions are set forth in a schedule† attached to this letter, and further details and documentation are available in the Department of Trade and Commerce and its purchasing agencies.

On December 28th, 1945, the Minister of Finance wrote to Mr. Krotov concerning the interest charge to be included in this arrangement, as it was then evident there would be a period of some months between the payment of these accounts by Canada and the reimbursement by the U.S.S.R. Mr. Hisley proposed that, if the repayment were on a long term credit basis, the rate of interest agreed for the long term credit should apply from the time the advances were made by Canada, while if the advances were repaid