During the last war our three great allies - the United Kingdom, the United States and the Soviet Union - reserved to themselves the sole right to make the big strategic and political decisions of the war. It was the two great Western powers, and not all the Western belligerents, which appointed, for instance, the supreme Commanders in Chief. That arrogation of power by the United Kingdom and the United States may have been necessary during the critical emergency of war, especially as before the war no steps had been taken to organize for collective defence. However, it might be argued on the other hand that, even during the war, the total military, economic and moral strength of the alliance against Germany and Japan would have been the allies had a fair share in the determination of policy and under which the organs of the alliance were created by the allies as a whole and owed their authority to the allies as a whole.

In any event, I feel sure that it would not be possible in any effective peacetime organization of collective security to accept the procedures which were adopted in the war-time organization of the grand alliance.

It is, for instance, one thing for a group of states to accept common responsibilities, each taking its fair share in discharging them, and indeed, in adding or subtracting from them. It is, however, quita different thing for one, two, or three states to make decisions which may have far-reaching consequences for all countries and all peoples, and then, one, two, or three of them ask other countries to jump in and help in solving the problems which those decisions have raised. There are times no doubt, when the requirements for consultation and for co-operative decisions must be subordinated to the necessities of a grave emergency. But those occasions must be reduced to a minimum, before there can be any genuine collective action. That is one reason why I hope that the North Atlantic Regional System for security and progress will soon be formed so that within its framework the decisions which affect all will be taken by all. Only then will the common responsibility for carrying out those decisions be clear and unequivocal.

Canada is facing today the necessity of making grave decisions on its political and military relations with the other North Atlantic democracies. Canada is also facing the necessity of making decisions concerning its financial and economic relations with the United Kingdom and the other North Atlantic democracies. These decisions cannot wisely be considered in isolation from each other.

Each of the specific questions which arises is neither purely economic, nor purely military nor purely strategic. In making decisions on any one of the related questions, it is necessary to weigh the political, economic, strategic and psychological factors.

If the decision is to be a wise one. it must therefore follow a very careful balancing of such political, economic. strategic and psychological factors. All of these factors are difficult to calculate; many of them are intangible.

The problems also involve a weighing of short run against long run considerations. In the short run, certain decisions may be preferable to others either because they do not disturb an economy too much or because they produce results immediately. However, these decisions, though preferable if one is looking forward only one or two years, may not be as beneficial as other possible decisions if one is looking forward five, six or seven years.

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