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there is to be fully effective co-operation in defence. But the only way in which we in Canada can hope to carry out plans for standardization is to reach an understanding with the authorities of your country on procurement. We cannot undertake to manufacture all the many and complicated and costly items of arms and equipment for modern military forces: many of these things we must obtain from your manufacturers. But, in order to pay for them, we must be in a position to provide you with certain other items for your forces which we can produce efficiently in Canada. That is how we co-operated, under the Hyde Park arrangement, during the war. And both countries benefited."

"It seems to us only common sense to apply the same policy in peacetime; but that is not possible under your present legislation. Such a policy would, however, not mean any loss of business for your manufacturers or of employment for your labour. All it would mean is that you would sell arms and equipment for our forces and we would reciprocate by supplying some of the needs of your forces."

"I might remind you that only last week the principle of integrated defence was accepted as the governing factor in the defence planning of the North Atlantic Treaty Organization. At the meeting of the Defence Committee all agreed that each party must do its part as determined by its position and its resources to contribute to the common security of all. Without some arrangement for reciprocal defence purchases with the United States, Canada cannot make the most effective contribution to the security of this continent and the North Atlantic area. And our aim in Canada is the greatest possible co-operation for our common security consistent with the maintenance of our independence as a nation."

"...We are living in the midst of a great struggle between two conceptions of the political destiny of man. The one is that men should be free individuals, and that political institutions exist to secure the freedom and promote the well-being of individual men and women."

"The other conception is that individual men and women are simply the material out of which to erect a powerful state... That such a conception is a fallacy has been proved for all to see by the increasing despotism and the increasing misery in each successive totalitarian state."

"In this atomic age, the United States has appeared as the foremost champion of the one conception and the Soviet Union of the other. The struggle between these two ideas will not be decided by material power alone. In that struggle, one of the sharpest contrasts is provided by the respective attitudes of the two great powers in the world to their smaller neighbours. Just compare the position of our country with the fate of Czechoslovakia."

"...In the twentieth century the United States has led the world in invention and in

the application of science to the production of wealth, and we in Canada, as your closest neighbour, have shared perhaps more than others in the benefits -- as we have also shared in the achievements themselves."

"The world needs more than ever the scientific knowledge and technical skill of this continent. But in a world dislocated and impoverished by two terrible world wars, we have learned that it is not enough to give leadership in invention, in engineering and in industrial development. The demand upon the statesmanship and political leadership of this continent, and particularly of the United States, is even greater."

"Your leaders have shown remarkable capacity for acts of statesmanship in new and perplexing circumstances. That statesmanship, exemplified in the Marshall Plan, the North Atlantic Treaty, and your President's Point Four, gives us confidence, and the whole world renewed hope."

"We are proud that Canada, of all the nations which signed the North Atlantic Treaty, was the first to ratify it. For both our countries the North Atlantic Treaty represents an almost revolutionary departure from tradition. We have learned that security depends on the strength, economic and social, as well as political and military, which springs from combined endeavour."

"And in these last few months we have been harshly reminded that economic strength is quite as essential as military strength to the security of the free world."

"...To many thoughtful people it appears today that the application of science and engineering to the conservation of the soil, the production of better crops and the more effective and economical use of the products of field and forest may be even more important than the further development of industry to the future of the human race. That is why there are many who feel that no more promising agency of international co-operation has been created since (the) war than the Food and Agriculture Organization of the United Nations."

"...In the establishment of security and peace, in the restoration of devastated regions, in the expansion of world trade, in the development of the resources of backward areas, in the conservation of the soil of the earth, of its forest resources and its water-power, and in the industrialization and diversification of the economies of other continents, there is only one nation with the wealth and the energy and the knowledge and the skill to give real leadership, and that nation is the United States."

"And where your nation is ready to lead in such constructive tasks, I am convinced you will have no difficulty in securing the active co-operation of all other free peoples."