

are prepared to do our part to this end and specifically to support any move designed to bring about the freest possible exchange of goods, with the minimum of obstructions and restrictions between our own two countries. We would welcome any steps that could be taken in that direction or any inter-governmental discussions that would lead to such a result. Surely such a policy makes continental common sense!"

Since I spoke in these terms, efforts have been made at the Commonwealth Prime Ministers' recent meeting in London towards resolving the economic and financial problems of the sterling area with a view to increasing trade and fostering development not only within the Commonwealth, but also between the Commonwealth and other countries. We must persist in such efforts - and others yet to come - to restore a full and freer flow of trade, and to maintain it at as high levels as possible. Rigid control of imports and direction of exports - both forms of protection - cannot increase the wealth of the nations of the free world, but they can make political co-operation between them more difficult.

If free and fair competition is essential within states, surely it is desirable between states who are working together politically in the building of a coalition to defend the peace and prevent war. It is futile to urge European countries to break down political and economic barriers which stand in the way of their own unity and their collective strength, if, across the Atlantic, we erect or maintain similar or greater barriers against their products, or against each other.

We must use our ingenuity and wisdom to devise trading arrangements in harmony with the commercial policies which the United States and other free countries have championed in theory since the war; which will preserve opportunities for our exporters, be fair to our domestic producers and give each of us the benefit of the skill and industry of other peoples. If we cannot do this, there is not much hope for the survival of those collective political arrangements which are essential if we are to face and remove the threat to peace posed by Communist imperialism; a threat which, I do not need to add, remains menacing in spite of the question-and-answer game being played by the Kremlin. It is hard to reconcile mutual aid in defence of peace and security and mutual interference in the promotion of trade and commerce. I would go further and suggest that if we want closer co-operation in the political field we must avoid conflict in the field of economics and trade....