

## V

### THE AMERICAS

#### 1. THE UNITED STATES

The close relations between Canada and the United States involved constant consultation throughout the year between the authorities of both countries on a wide variety of problems, many of which are discussed elsewhere in this report. Matters of special interest to the two countries, as well as those of multilateral interest, were worked out against a background darkened by international dissensions and by hostilities in Korea and lightened by increasing co-operation and achievement in the strengthening of the free world.

During the greater part of the year, the preoccupation of the Government of the United States and, indeed, of the whole nation, with the election campaign, was a dominant factor in the world situation. The contest was followed with unusual interest in all countries but especially by Canadians, not only because they could follow the campaign closely by radio and other means, but also because Canadians know that their own affairs will always be profoundly affected by those of their ally in the free world coalition, their biggest and closest neighbour, their biggest customer and source of supply.

Through our embassy in Washington, consultation was maintained on the general conduct by the United Nations Command of the campaign to contain communist aggression in Korea and of the armistice negotiations in Panmunjom. These matters are discussed in some detail in Chapter VI.

The embassy was also engaged in many aspects of our economic affairs which require consultation with the United States Government, or with international bodies established in Washington. The latter include the International Monetary Fund, the International Bank for Reconstruction and Development and the International Materials Conference, which are dealt with in Chapter VIII (Economic Affairs). The activities of the embassy and of other Canadian consular posts in the United States are reflected in Chapters IX (Legal Affairs), XI (Information), and XII (Consular Affairs).

#### Joint Defence Arrangements

Encouraging progress was made in arrangements for the joint defence of the two countries. These arrangements are being fashioned in accordance with the statement of principles of co-operation for North American defence agreed upon by Canada and the United States in 1947, and announced in the House of Commons on February 12 of that year.

Construction of the co-ordinated radar network has advanced according to plan. Some of the new permanent radar installations were incorporated into the Air Defence System in time to play a part in Exercise "Signpost", the first large-scale test of the joint Canadian-United States Air Defence Systems to be carried out.