

Once we appear to have sufficient strength to prevent a sudden knock-out blow, the calculations of any potential aggressor are apt to turn from arms-in-being to estimates of respective staying power. Important though it may be not to lose the first battle, it is far more important to remain able to win the last one. And staying power in the final analysis depends on whether we can maintain - not just in the United States, not just in North America, but in the whole North Atlantic community - a healthy, progressive and dynamic society.

Almost all of us in North America believe that free economies, like ours, can produce greater wealth - and distribute it more fairly - than totalitarian societies. But the mere conviction will not be enough; we must continue to demonstrate that the facts justify our belief.

Now I am convinced that all the North Atlantic Nations signed the Treaty in good faith and that all wish to do their part to give it reality. It is obvious however that European nations, with economies still shaky from the dislocation and devastation of aerial bombardment, prolonged enemy occupation, cannot yet give the same response as the relatively sheltered economies of North America. And the restoration of genuine economic security to the European partners in the North Atlantic alliance is one of the most effective means of achieving military security and ultimately of reducing the burden of providing that security.

Looking no farther than this continent, there is naturally bound to be considerable difference between what a great power like the United States and a nation like Canada, with a much smaller population, can do to give reality to North Atlantic security. In many ways the two countries are similar; but in many ways they are quite different. And I believe it is quite as important to understand the differences as it is to appreciate the similarities, if we expect to maintain that mutual feeling that we are all of us being absolutely fair to each other.

As the most powerful nation on earth, the United States has world-wide interests and responsibilities that Canada does not share. Moreover, in population the United States is about 150 millions to our thirteen and a half; in developed wealth and in annual national income the difference is considerably greater. On the other hand, Canada is physically a larger country than the United States - a good deal larger in square miles.

Now that means we have a very heavy national overhead. Take railways as an example. There are more than twice as many Americans as there are Canadians to provide traffic for each mile of railway in our respective countries. And while there are, I suppose, at least half a dozen coast-to-coast highways in the United States, we have yet to complete our first transcontinental highway in Canada. And so it goes, all through the Canadian economy. Compared with the United States, we have to use a far larger proportion of our national wealth to maintain those essential services which keep a country going. As a result we in Canada have never been able to equal the American standard of living, though by dint of hard work we have kept not too far behind.

Then there is another great difference between Canada and the United States. The United States, it is true, has vast