(4) The U.S. and U.K. would, if the supplies were sold in relief areas receive local currency for goods given by Canada (this argument is answered in part in 4 above).

Weighing the arguments both pro and con, the attitude of Canadian officials in Washington is that, once the State Department has answered the questions asked in your teletype EX-688 of February 17, we should make a more positive approach to the problem of participation in military relief, avoiding on the one hand, any arrangement which would commit us to contributions without conditions, and, on the other, to the accusation that we are shirking our responsibility to do what we can to relieve civilian distress in the military, as well as in the UNRRA period.

I have etc.

L. B. PEARSON For the Ambassador

1030.

DEA/2295-AH-49

L'ambassadeur aux États-Unis au secrétaire d'État aux Affaires extérieures Ambassador in United States to Secretary of State for External Affairs

DESPATCH 541

Washington, March 2, 1944

Sir,

With further reference to your teletype EX-688 of February 17th, 1944, concerning the financing of relief during the military period, I have received from the State Department an oral reply to the points which you raised and which were embodied in my letter to Mr. Dean Acheson of February 19th. Mr. Acheson himself is out of Washington, so the information was given to me by his assistant, Mr. Wayne Jackson, who is the official immediately responsible for these matters in the State Department. Mr. Jackson stated that we had asked very pertinent and difficult questions on which it was quite impossible to give a final and definite reply at the present time. Questions regarding the nature, scope, and extent of military relief and the relations of military relief to UNRRA relief were in a very fluid state, and it was extremely difficult to come to any final decisions concerning them. As a matter of fact, final decisions at present would not be possible or desirable, because relief was bound to present a changing picture and methods for dealing with it would have to remain elastic.

So far as the specific questions you ask were concerned, Mr. Jackson commented on them as follows:

1. He had little to add to my reply to this question contained in our Despatch No. 494 of February 26th. He felt, however, that the United States military authorities were moving to the view that they should make the period of military relief in liberated territories as short as possible. He also felt that relations between the Combined military authorities and UNRRA were developing satisfactorily.