

split not only in Europe but between Europe and North America and the rest of the free world should not be allowed to develop. In the Canadian view, which I trust is shared by all, regional economic arrangements should stimulate progress towards the expansion of international trade, freed from the burden of restrictions and discrimination.

We must see to it that our own economic techniques are used in such a way as to increase the economic strength of the free world at the greatest possible rate. Our world economic institutions and our codes of international economic conduct, if properly used and applied, will go a long way toward relieving some of the economic burdens of the under-developed countries. Equally important is a recognition of the need for increased financial and technical assistance from those countries which are now finding themselves in highly improved economic conditions. What I am suggesting, of course, is that the increased financial strength which the European members of our Alliance have been successful in achieving should permit of more liberal commercial policies, increased foreign investment and a more direct participation in plans for the assistance of less-developed countries, whether inside the Alliance, or outside. I am not suggesting that the NATO machinery should be used to develop plans to these ends. There are other organizations designed for economic co-operation and more suited to this purpose. But discussions of political and economic problems in NATO should be carried out against the background of these objectives.

Summit Meeting

With the visit to the U.S.A. of Mr. Khrushchev we have entered a new phase of diplomatic activity and it does present NATO and NATO governments with problems as well as opportunities. While we do well to take stock of those problems, it would, I think, be a great mistake to be so preoccupied with them that we neglect the negotiating opportunities which may be before us. It is equally true, of course, that we must not be so enthusiastic about what we hope will emerge from negotiations that have not yet taken place that we neglect the very real basis of strength which is and will remain a necessary prerequisite for successive negotiations until real disarmament has been achieved.

We now look forward to a summit meeting. The question is no longer whether such a meeting should be held but when and where and on the basis of what Western positions. The Western negotiating powers will be expected to keep the Council in their confidence in the preparation of the questions under consideration. If negotiations are to be fruitful between the Great Powers, the West will have to continue to work together. The Council should become the laboratory of the West in the formulation of its policies.