

In response to a Canadian inquiry comparing the U.S. role in Panama with its role in the Suez situation, it was pointed out that the Suez canal had been privately owned, whereas the U.S. has treaty rights agreed to by two sovereign governments. The Panama canal, unlike the Suez canal, is not a sea level canal and requires the presence of highly skilled and efficient personnel for its successful operation. Moreover, the cost of the canal was borne entirely by the U.S. The gross investment by the U.S. in the canal, exclusive of investment in military facilities is about \$1.7 billion. Of this amount, \$1.1 billion has been recovered from revenues, leaving an unrecovered net investment of \$600 million. For the last fiscal year the net revenue to the U.S. from the canal was only \$2.3 million. Ancillary work in connection with the construction of the canal, such as health measures, made the isthmus a habitable piece of territory; economic improvements have accrued to the advantage of the Panamanian citizens. It was noted that Panama itself has not advocated internationalization of the canal.

#### Canada and the Organization of American States

The discussion of the present troubled situation in Panama led into consideration of the question of Canada's joining the organization of American states (O.A.S.). Several United States delegates expressed the strong belief that it would be very desirable that Canada join without further delay. The statements of Canadian delegates reflected the complexity, from the Canadian viewpoint, of the question of Canadian membership in the O.A.S. On the other hand, it was pointed out that for a relatively small country Canada was already well extended in international affairs, with commitments in many areas of the world. In addition, unlike the United States, Canada has no history and tradition of close association with Latin America but has looked to Europe and the commonwealth connection, and there are some who maintain that joining the O.A.S. would be inconsistent with these historical ties and attitudes. Further, it could be anticipated that difficult problems would confront Canada from time to time as the second North American country in the organization. On the other hand, several Canadian delegates expressed the opinion that too much weight has been given to these negative considerations and that the time has come for Canada to give most serious consideration to joining the O.A.S. It was suggested that there is a need for Canada, with its skills and resources, to contribute more directly to the development of Latin America, bearing in mind the constant danger of social unrest and subversion arising from low living standards.

It was also recognized that Canada could and should take an active interest in the progress and development of the newly emerging countries in the Caribbean. It was noted that the fact that many Canadians are of French origin and tradition is a great asset in relations with Latin America. United States delegates stressed that Canadian membership in the O.A.S. would in itself be a great asset to the organization and would add to it a further measure of dedication to democratic principles. Canada's basic philosophy of government is little different from that of the United States and both, along with all Latin American countries, have in common a spirit of independence and recognize the need for mutual security of the hemisphere. Sharing of North American Defence and the NATO Alliance

The committee noted the mutual responsibilities of the United States and Canada for North American defence and reviewed their respective commitments to NATO in the light of changing economic, military and political considerations.

The new special committee on defence of the Canadian parliament recently visited NATO Europe and members recalled European concern about future United States and Canadian intentions with regard to maintaining forces in Europe. Such concern is leading France, for example, to develop her own independent nuclear deterrent in the face of continued communist threats to world peace. As European defence resources and power increase, the question arises whether Canada and the United States, being the two non-European countries in NATO, should review their changing role. Is it normal and desirable for North American forces to be stationed indefinitely in Europe? The newly established special committee on defence of the Canadian parliament has in effect endorsed Canada-United States defence arrangements, and the United States delegates welcomed this evidence of continued Canadian interest in co-operation in defence matters.

In the light of the heavy burden of defence costs and such new strategic developments as the ICBM, it was debated whether Canada should continue to contribute some small fraction to the now massive western deterrent forces or should develop a new and different role. One approach might envisage the Canadian contribution as a small but well equipped mobile force available for any appropriate world peace keeping mission.

Much discussion concerned the problem of control of nuclear weapons within the western alliance and the position of some members of NATO with respect to the development and maintenance of independent national