

more than that to prove that foreign policy - even on the material level of dollars and cents - is something that is close to home, and deserves as much attention as any other aspect of our domestic affairs.

When, for instance, we help in the work of European recovery, we are not merely being generous and altruistic; we are trying to preserve Canadian markets and Canadian incomes. The collapse of these markets would mean the loss of jobs for some and less money in the pockets of many more. The relation of external markets to our economy is, in fact, almost exactly the same kind of relation as a crop failure or a famine in more primitive societies. The members of a tribe, 5,000 years ago could not do much about the weather, but that does not mean that a drought had nothing to do with them. We would be pretty foolish today if we tried to act in Canada on the assumption that the international political and economic climate is none of our business and equally foolish if we did not try to do something about it.

Common prudence demands that Canada, the third trading nation in the world, seek and support long-term economic co-operation for international stability and prosperity.

At the same time, common prudence equally demands that we should not do more, or be expected to do more, than our economic and financial strength makes possible. Furthermore, it should not be forgotten that our assistance to Europe is for the purpose of restoring the pre-war multilateral pattern of trade. It would be of little value to Canada - and indeed in the long run to Europe itself - if, at the end of the period of North American help, European trade was frozen into patterns and policies which left us in a position where, in self-defence, we were forced to recast our own pattern of trade and make our own bilateral bargains with other states individually. That is not the kind of brave post-Marshall-plan world that we hope to see. There would be grave disappointment here if that were the only result of the efforts now being made. We wish to help put Europe back on its multilateral feet, not on bilateral feet; we want to get away from the ill-omened trading deals and practices of pre-war days; aspirins and mouthorgans for food and raw materials; wheat grown at any cost; self-sufficiency at any price.

But if one objective of our external policy is prosperity, the other and more important one - without which there can be no prosperity or anything else - is peace. What can or should a country like Canada do to help maintain, or rather establish peace in a world divided into the two concepts of life and society to which I have referred?

In the first place, Canada and the other democracies, while making no compromise over their fundamental freedoms, must try to find some basis of co-existence with totalitarian governments, if only on that of mutual toleration. The best way to do that, I suggest, is to broaden the areas of democratic freedom and deepen the sources of democratic strength. The human spirit cannot permanently be enslaved even by the most ruthless despotism. Freedom will be sought, even if it means jumping out of windows! Without intervening in the domestic affairs of any country, the democracies must, by precept and example, encourage freedom everywhere. The democracies must also stand firmly together against every Communist aggressive action or demand. We must do our best - as Canada has done along with other peaceloving states - to make the United Nations an effective agency for international co-operation and understanding; and prevent it becoming - as the communist

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