

weapon of political warfare. Misery becomes a political platform.

In fact, Communism has, in Europe, extended its control under Soviet leadership and direction over such countries as Rumania, Bulgaria, Hungary, Poland and now Czechoslovakia.

It is only in Greece, of these Eastern European States, that the advance of communism has been checked and that seems to be because Greece has been recognized by both the British and American governments as a keypoint in this struggle against aggressive communism.

There have also been difficulties and delays in respect of the Japanese peace settlement and those difficulties and delays are also resulting in a serious drain upon the economies of the rest of the world.

Of course there are other clouds as well on the international horizon. I mentioned, a few moments ago, Indonesia, the dispute between Indonesia and Pakistan over Kashmir - Palestine, the setting up of a national government in Korea. Not all of these problems are the result of the same ideological warfare; but they are all affected by it and, to a certain degree, overshadowed by it.

On the other hand, there are, however, signs of promising and effective democratic counter-action.

This democratic counter-action has shown itself under three forms which have been given different names, but which are perhaps, after all, only different aspects of the same general plan. They are:

- (1) The European recovery program and the move towards European economic unity;
- (2) The consolidation of Western Germany - and
- (3) Plans for what is called "Western Union".

You will remember that in his Harvard speech, the U.S. Secretary of State, Mr. Marshall, suggested that the European countries should get together and formulate a plan for the economic recovery of Europe. The U.K. and France held a preliminary meeting at Paris in mid-June last and drafted the outline for a conference which opened in Paris on July 12th. The Soviet Union refused to attend and exerted sufficient pressure on her satellites to create an almost solid Eastern block against the proposal.

This Conference set up an Executive Committee through which a report was submitted to the U.S. Secretary of State on September 22nd last. The U.S. Government examined the report and accepted it as reasonable basis to formulate proposals for aid to Europe. It was estimated that the participating countries would require, to balance their payments with the Western Hemisphere, from April 1st, 1948, to June 30th, 1952, something of the order of 20 billion dollars and, as you know, there is now pending before Congress an appropriation bill which would provide something of the order of 5 billion

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