

Furthermore, except from the most short-sighted point of view, it is not in the interest of the farmer in either exporting or importing countries to produce at prices - supported by government action - which will discourage consumption and involve subsidies at a level which cannot be sustained indefinitely. This is not the road to real and lasting prosperity for agricultural producers.

Some of the measures resorted to recently in several countries are essentially expedients to meet temporary problems. They should not divert attention from, or postpone action on, the more fundamental problem of encouraging normal exports, particularly to the food deficient areas of the world, through a healthy expansion of international trade in all directions. Any measures which tend to distort ordinary trade patterns - by import restrictions, by the encouragement of uneconomic production at the expense of the more economic, or by the movement of large surpluses through artificial means - should therefore be examined very critically. That is not to say that we deny the necessity for emergency measures to relieve distress or famine or that we consider foreign aid programmes to have no place. Far from it. As I believe our record clearly shows, we are very mindful of the special needs of other countries.

In the light of the record, no one can have any doubts about our deep interest in the welfare of people less fortunately placed than ourselves. We realize full well that, unless these people can look forward to improvements in their standard of living, they can hardly be expected to hold steadfastly to democratic ideals in the face of Communist blandishments. We are anxious, however, that emergency relief or economic assistance should be provided in a manner which will achieve the most durable results and will not compromise objectives which are to the long-run advantage of all countries.

So far as the prospects for international trade are concerned, much depends on the line which U.S. policies will take. This is inevitable because of the important position occupied by the United States in the world economy. For the past year, an effort has been made by most countries to "hold the line" while U.S. trade and agricultural policies were being formulated. Many countries will now be anxious to learn the form these United States policies are likely to take. That form is taking shape - so far as the administration is concerned. The report of the Randall Commission, which was set up to review the foreign economic policies of the United States, has now been made and it will be read with great care. Its recommendations are important. But more important is the question of what will be done with them. The President's various messages to Congress will be studied thoroughly, but again, more important, is the response of Congress to them. The day-to-day activities of the Tariff Commission and other bodies concerned with United States trade will be watched intently and in no place more than in Canada.

Policies cannot be re-made overnight - or even over-year. We must appreciate the difficulties involved in the laborious process of re-shaping agricultural and commercial policies. At the same time, the need for action is urgent and the danger of missing opportunities which may not return is great.