

STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 48/23

REVIEW OF WORLD AFFAIRS

Statement of the Right Honourable Louis S. St. Laurent,
Secretary of State for External Affairs, in the House
of Commons on April 29, 1948.

I am glad indeed to have, after several unexpected but inevitable delays, this opportunity to give the House a short review of world affairs as we see them in my department. This review will, of course, be neither exhaustive nor final. Naturally enough, in one statement it is not possible to refer to all the important questions that face us. If some of these questions must be omitted from this review, it is not because I do not appreciate their importance. There will, I hope, be other occasions during the session when these omissions can be repaired.

It is now, I believe, an accepted fact that practically everything of importance that happens in the international sphere is of interest to Canada--often of direct and immediate interest. For us there is no escape, even if we wish to seek one, in isolation or indifference. Recent events have brought home to all of us the increasing threat to our democratic national existence of the rising tide of totalitarian communism. We know that Canada's boundaries against such a threat extend far beyond her physical frontiers. We know also that a line is being drawn which runs through the hearts of free men everywhere, and that on our side of that line are all those in every country who work and fight to preserve the freedom and dignity of the individual against reactionary dictatorship, whether communist or fascist. We know that there can be no neutrality in this conflict, which is as spiritual as it is political.

In the realm of economic and social welfare as well, it is clear as it never was before that we cannot live unto ourselves alone. Opinions may differ--I suppose they do differ--as to whether the economic and trade policies of this government are wise; but there will, I am sure, be no quarrel with the statement that they are now decisively influenced by events far beyond our borders.

Canadian representatives recently discussing the future of Indonesia at Lake Success, the future of international trade at Havana, or the future of a free press at Geneva, all bear witness to the fact that this country is now inevitably and inextricably involved in the full current of international events. The day has long since passed when we did not have to bother about the policies of other countries far away. When the activities of those other countries determine the prosperity, indeed the very existence of our own country, it is merely elementary prudence and common sense to concern ourselves with them.

The Canadian Department of External Affairs, both at home and abroad, exists for that very purpose. It represents a necessary and, I think, useful development, in the progress of this country from colonial status to national maturity. Its expansion--and it has not been allowed to grow carelessly and extravagantly reflects the magnitude and complexity of the relations between nations in this interdependent age and the increasing importance of these relations for Canada. In her participation in international affairs Canada will, I hope, act with resolution, with responsibility, and also with restraint. We should not evade our

international duties; but in discharging them we should not be influenced unduly by national pride and prejudice. I hope that in our foreign relations we can reconcile our first duty to our own people with our ultimate obligations to the international community. In a frightened and suspicious world this is not always easy.

A most cursory survey of international events during the recent months gives one cause for concern, perhaps apprehension. This concern extends even to the very continuance of peace itself, and this less than three years after one atom bomb destroyed 70,000 human beings.

It is possible to recognize this fear and its cause as political realities without giving way to gloomy forebodings about the inevitability of an early war. Ostrich-like optimism and panicky pessimism are equally to be avoided. Both would be a danger to our security. The fact remains, however, that the trend has unfortunately been away from peaceful co-operation and toward the division of one friendly world into two competing worlds.

The picture is much the same all over the world, much the same in Europe and in Asia. Let us look first at the European side. It seems to me that the most dramatic illustration of division and political deterioration in Europe has been the complete failure of the great powers to agree on even the basic problems of a German peace settlement. This failure has poisoned the political atmosphere and it certainly has hindered all movement toward the restoration and recovery of Europe's shattered economy. This failure itself is merely the result of the tragic inability of the western democracies and the eastern totalitarian states, led by the U.S.S.R., to establish any basis for co-operation or even any basis for mutual toleration.

We had hoped for mutual toleration founded on a genuine desire to live and let live. It seems now that we shall have to be content with toleration based on what I hope will be a healthy respect for the determination of each of us to prevent encroachment and resist domination by the other. But whatever may be its basis, without mutual toleration no satisfactory progress can be made in the political or economic rehabilitation of Europe or of the far east, or even in the development of the United Nations into an agency which can maintain peace, guarantee security and effectively promote human welfare.

Most of the troubles and fears of our day spring from this lack of trust, this absence of mutual toleration. The main although perhaps not the sole responsibility for this rests upon the aggressive and imperialistic policies of communism and on outside sponsorship and support of subversive communist fifth columns in many countries, more particularly in the countries of Europe. Even with close and friendly co-operation between the great powers the recovery of western Europe from the war would have been difficult. We must recognize that before 1939 western Europe depended for its efficiency on a very high degree of economic specialization. Long years of war and of enemy occupation have thrown this delicate mechanism almost entirely out of gear. Physical devastation, the depletion of economic resources, prolonged interruption of international trade, the loss of earnings from foreign investments, the loss of earnings from merchant fleets, are some of the factors which have contributed to the present precarious economic conditions in Europe.

To the destruction and dislocations of war - and we are beginning at last to realize how much greater these were than anybody imagined when the guns stopped firing - have been added difficulties of nature. We all know from what we have read that the winter of 1946-47 in Europe and in some parts of Asia was the worst for generations and would have set back the healing work of recovery even if there had not been these forces of division and disorder to which I have referred.

There is in all this a chain of vicious consequences, and these vicious consequences are exploited by Soviet-inspired communist parties for purposes which have unfortunately become all too familiar. Distress, starvation, even despair are stirred by the communists into political disorder and ideological strife. Every kind of inciting appeal is made, and the highest as well as the lowest motives are fully exploited for the purpose of retarding recovery and preventing progress. Starvation thus becomes a weapon of political warfare and misery, a political platform.

It is not enough, however, to blame the troubles of Europe--or of the rest of the world--on the destruction of war and on the subversive activity of communism. The free governments are themselves at fault if they are hesitant to take the necessary social and political measures, or to show the energy, determination and solidarity required to make democracy into an efficient instrument for recovery and a dynamic political gospel. The ranks of democratic peoples must not be divided. Their energies must not be dissipated in domestic political conflict. The attractions of political manoeuvring become dangerous if they override the virtues of self-discipline and self-sacrifice in the face of national danger. Democratic leaders in all countries must realize that democracy does not mean merely the preservation of the status quo. Too often, the lead in energy, determination and zeal has been given by peoples who live and work in undemocratic regimes. To save democracy in Europe--or indeed anywhere else--we must demonstrate by deeds and not merely by words that democracy is a more dynamic and humanitarian creed than communism. No regime in Europe or anywhere else has the right to assistance merely because it proclaims itself the only barrier against communism. It must do much more than that. It must show that it can act promptly and resolutely to disperse by productive measures the accumulated forces of social discontent which communism so cunningly exploits wherever they exist. It is well for us to remember these things as we view, with justified anxiety, the dark surge from behind the iron curtain.

Taking full advantage of economic misery, of political instability, and in certain cases, of the weak and divided political leadership of its opponents, communism in Europe has extended its authority under Soviet control and direction, over Roumania, Bulgaria, Hungary, Poland, Yugoslavia, Albania, and now Czechoslovakia. Freedom, as we know it, but as most of these peoples have never known it, is now a more remote hope in those countries than it has ever been.

In the whole of southeastern Europe and the Balkans, only Greece and Turkey remain free from communist domination. In Greece, subversive revolutionary forces at home, aided by help from neighbouring communist states, have been held in check. At the moment, Greece is a key point in the struggle against aggressive Soviet-inspired communism, and is recognized as such by the British and United States governments. Turkey is another important sector of this front, and assistance is being given to her also in an effort to put her in a position to defend herself from threats and attacks from outside.

The tragedy of the countries of eastern Europe which have become victims of the dictatorship of the communist minority is that they have lost the great chance that victory gave them to establish free governments based on the popular will. They have sunk back into a different, but deeper, despotism than they have ever known before. They will soon learn that, if they do not know it already.

Czechoslovakia, however, is one country which had earned and deserved a better fate. The sordid details of the process by which the Czechoslovak people were despoiled in a few days of their hard won liberty and exemplary parliament democracy are too well known, too vivid in all our minds, to need recapitulation.

The pattern was already familiar enough. The communists, although a minority, were strong enough to obtain in a national government the ministries which give them control of the police, propaganda and the

army. They then consolidated their position by appointing communists to key posts in the police and by gaining control of the trade unions through infiltration. Then, through the radio and the controlled press they discredited and undermined the influence of their chief opponents by falsely accusing them of treasonable activities. A political crisis was next artificially brought about. The communists then demonstrated beyond all possibility of doubt that they were both ready and willing to use force to solve that crisis by seizing power themselves. The democratic parties and their leaders were faced, so they thought, with a choice between chaos and submission. Indeed, the choice was so influenced by the ominous attitude of a close and powerful neighbour that it could hardly be called choice at all.

Communist action committees, organized well in advance, then took charge of all activities, both national and local from government ministries and the courts to factories and football teams. All the grim mechanism of the totalitarian state was swiftly brought into play-- arrests of political opponents, prostitution of justice, control of the press, and intimidation of all non-communists. Wholesale purges of civil servants, editors, teachers, managers, and all persons of influence or responsibility were carried out. With power secured by such despotic methods, the communist government then made elaborate plans for an "election", an election in which the right to vote is a privilege reserved for those who will vote right--or rather left! Such an election is scheduled for May 30 in Czechoslovakia. Its results can be foretold with accuracy, and they will deceive no one.

The fate of Czechoslovakia is indeed a frightening case history of communist totalitarianism in action. It is well worth careful study. To understand the shock produced by the complete extinction of Czech democracy in a world not altogether unaccustomed to news of this nature, it is necessary to remember the length and the strength of the Czech democratic tradition and the peculiar significance it has long held for world democracy. Nowhere has the struggle for human freedom and liberal democracy been carried on more valiantly or more persistently than in the Bohemian lands. It was as the heirs of this great liberal and humane tradition that the Czech people were able in the twenty years between the two world wars to establish and preserve liberal democratic institutions which were a model to other less fortunate states.

The nazis were well aware that in conquering Czechoslovakia they were striking a formidable blow at world democracy. The communist dictators of today are equally conscious of the importance of the Czech democratic tradition to the western world. When the Czechs were forced by outside pressure to withdraw their acceptance of the invitation to participate in the discussions of the Marshall Plan in Paris last September, it was clear that Czechoslovakia was not to be permitted to act as a bridge between west and east. It has now become apparent to what lengths communist governments will go in preventing co-operation between the free and democratic west and the totalitarian governments of eastern Europe. The Czechs had loyally lived up to their obligations as a member of the Soviet bloc. They were a threat to no one. They were steadily and sturdily rebuilding their economy on a basis of democratic socialism. Yet their liberties have been ruthlessly wiped out by a Soviet-inspired communist fifth column.

Those in each free nation who love freedom should draw the clear lesson of the tragedy of Czechoslovakia. That lesson is that it is impossible to co-operate with communists. They do not want co-operation. They want domination. Communists will pretend to co-operate with non-Communists just so long as it is in their interests to do so. But once they are in a position to seize power, they will seize it and will then discard or destroy the non-communist allies. People in Canada, the United States, France, Italy and other countries have been long in learning this lesson. Let us hope that they have now learned it well. The things that divide the democratic parties of the free states, by whatever names they call themselves--Socialists, Liberals, Catholics, Conservatives, Progressive Conservatives--are as nothing compared with the gulf that separates them all from the communists.

Similarly, in international politics the things that divide the free and democratic nations of the world are as nothing compared with the gulf that separates these free and democratic nations from those subjected to the total tyranny of present day communism.

The tragedy of Czechoslovakia in September 1938 and March 1939 was a prelude to war. The tragedy of Czechoslovakia in February 1948 need not be a prelude to war. It does, however, underline the necessity for the free states of the world to unite their material, their political and their moral resources to resist direct and indirect totalitarian aggression.

May I now cross the world to the far east.

The situation in the far east is, in the long run, hardly less menacing than that in Europe. During the years of Japanese aggression in east Asia serious strains were put upon the political economic and social organization of that part of the world. The defeat and withdrawal of Japanese forces have left in the countries of the far east a legacy of political unrest and economic chaos. In circumstances such as these, the danger is particularly great that foreign penetration will be accomplished through local revolutionary forces.

The immediate need in the far east, therefore, is, as in Europe, a general peace settlement and the return of economic stability. As far as peace with Japan is concerned, the views of the Canadian government have already been made clear in the review which I gave the house on December 19 of the discussions that had taken place with regard to a Japanese peace conference. It has since then been made clear that the U.S.S.R. seeks to prevent countries other than the great powers from participating in any effective manner in preparing the Japanese treaty, and that procedures similar to those advocated by the U.S.S.R. for the peace settlement in Europe should, in the Soviet view, be adopted for Asia. These proposals we of course regard as unacceptable. It is the view of the Canadian government that an equitable settlement in the far east, reflecting the views of all the principally interested states, can be prepared only in a broadly representative conference where one or two countries do not have the power to block the wishes of the great majority. It is also the view of the Canadian government that the immediate menace of communism in the far east should not be met by the restoration of Japan to a position of such power that she can once again become a threat to peace.

I pass now to two brighter subjects - Canada's relations with the other nations of the British commonwealth and with the United States. First the British commonwealth.

Our relations with the United Kingdom and the other nations of the commonwealth, will, we always assume, and with good reason, be characterized by what is lacking in the world today, mutual confidence and understanding, frankness and good will. Constitutional issues, one of major importance in commonwealth relations, are now virtually things of the past. The principles of equality and complete autonomy are now the accepted postulates of policy for all member states of the commonwealth. The present status of all members is in fact well described in the phrase, now often used, as "independence within the commonwealth".

The commonwealth relationship has, however, never been and cannot remain static. The dangers and uncertainties of the present world situation have compelled Canada to assume greater responsibilities as a North American nation. For the same reasons the United Kingdom has boldly assumed the leadership in reorganizing the security and increasing the economic stability of western Europe. Australia and New Zealand are likewise greatly concerned about security in the south western Pacific. Yet the assumption of special regional responsibilities by commonwealth nations has not weakened their general and close association.

The strength of this commonwealth association rests not in exclusive defence or economic arrangements among its members. Indeed in time of peace formal defence arrangements have been singularly lacking. The greatest strength of the commonwealth bond is the adherence of its members to its common ideals, their common political heritage which assures mutual understanding without the necessity of formal instruments of association; their common interest in promoting and defending their democratic way of life. These ties persist in spite of all changes in the world situation. Common dangers serve but to strengthen them. The commonwealth has twice proved its worth as a powerful instrument for the preservation of freedom for its members and for mankind. As such it remains.

A most significant change in membership in the commonwealth has occurred during the past year. What was once the empire of India has disappeared. In its place are three new nations of the commonwealth, India, Pakistan and Ceylon; while a dependency of the late Indian empire, Burma, has severed formal tie and become a separate republic. I think the good will relations will continue.

The India Independence Act and the Ceylon Independence Act passed last year, as members know, were but the final steps in the transfer to Indian peoples of the right of self-government which began many years ago. It is a matter of rejoicing among men of good will everywhere that the final stage was accomplished, not only without resort to violence, but with such evident good will and respect on either side. History scarcely affords a parallel of an imperial power abdicating sovereignty over subject peoples so generously and so speedily as Britain has done in India.

It does not detract from the merits of the settlement to note that the Indian peoples are in a very real sense the beneficiaries of a system of political freedom which developed here in North America. The first planting of representative institutions in the new world over three centuries ago in the colony of Virginia, the achievement of responsible government by Canada and Nova Scotia, exactly one hundred years ago; the growth of autonomy in our external affairs which followed the first world war, are milestones in the development of Indian national freedom as in our own. This heritage of freedom within the commonwealth, the people of Canada, I think I may say, are glad to share with the peoples of India.

Under the India Independence Act, India and Pakistan have the right to leave the commonwealth if they so desire. We hope that they will not choose to do so, though the choice is solely theirs. The people of Canada esteem their membership in the commonwealth not merely for reasons of sentiment or tradition, but for its positive advantage. In a world in which the values and virtues of our civilization are in jeopardy, this association of free nations is both a moral and a material bulwark against the forces of disorder and oppression. It is to be hoped that the peoples of India and Pakistan, like the people of Canada, will continue to find the commonwealth a worthwhile club to which to belong. But whatever their decision, and it is theirs, we wish them well, in the great future that is unfolding for them. We wish to be their friends.

I should like to avoid mentioning one painful subject, but it would be unrealistic to do so. I refer to the serious friction which has developed between India and Pakistan over certain territorial areas, and to the dreadful communal rioting which has troubled both countries. Apart from our concern on humanitarian grounds that peace and order should prevail in that subcontinent there is always the danger that others may be tempted to fish in troubled waters. Geographically, India and Pakistan lie on the frontiers of the free world. The freedom of their peoples is not unconnected with that of other freedom-loving peoples.

A course of action by which the Kashmir dispute might be settled has recently been adopted as a recommendation in the Security

Council. The Canadian representative on the Security Council had some part in the preparation of this resolution, and he was associated with the group of members in whose names it was finally presented to the council for adoption. The positions taken by India and Pakistan were found to be so far apart that, in spite of repeated efforts, it was not possible to prepare a recommendation that would be acceptable to both parties. The members of the council who prepared the resolution endeavoured, therefore, to recommend a settlement by which the essential interests of both Pakistan and India, and Kashmir as well, could be protected. In voting for this recommendation the Canadian delegation has not attempted to express a judgment on the circumstances which have led to the present situation in Kashmir, but has merely assisted in formulating an impartial opinion as to procedures by which the Kashmir question might be settled. We are confident that our friends in India and Pakistan, even though they do not consider that the Kashmir resolution fully meets their respective requirements, will nevertheless give weight to the procedure it suggests for resolving the difficulties, and will understand and appreciate the attitude of those states which participated in preparing the resolution.

A word now about our relations with our southern neighbour.

Canada's relations with the United States remain based on frankness, friendliness and good neighbourliness. We have, of course, many common problems, principally of finance, economics and security. We have also had some differences recently over incidents arising out of what we considered somewhat arbitrary United States administrative interference in certain trade and transportation matters. But we talk the same language even when we differ, and so we can always find a way of settling our differences and solving our problems. One source of whatever difficulties we have with our good neighbouring is a flattering, if at times a trifle embarrassing, tendency on their part to consider us so much as one of themselves that, with the best of intentions, they occasionally forget that we are as sensitive as any nation about having control over our own affairs; if any country can be said to have control of its own affairs these days.

I know that we all recognize, however, that in a tense and dangerous world our mutual friendship and solidarity provide a strong foundation for the joint existence of Canada and the United States and for the conduct of our relations with each other. On the big issues we think and we are apt to act alike, because our two peoples have the same ideas and ideals, the same basic way of life. We react in the same way to any threat aimed at that way of life. That by itself would be enough to ensure our friendly co-operation apart from all the other influences that draw us close together.

Strategically we both recognize, I think, our mutual interdependence. Our joint defence measures, are based on that fact. National defence alone, is not enough in this day of new weapons and new methods of warfare. Collective defence is more than ever necessary.

Co-operative defence arrangements with a neighbouring state need not of course be inconsistent with collective defence within the terms of the charter of the United Nations. Such measures are, in the present circumstances that confront our two countries, normal and necessary. They infringe no rights, inside or outside Canada. I can assure the House on this point. There is no threat to the control of our own affairs in our collaboration with the United States on joint defence. The Canadian government is aware of the sensitiveness of our people in this regard. The United States government also is aware of it and respects it. It readily accepts, for instance, the position laid down formally in the joint statement of the two governments of February 12, 1947, that all joint defence undertakings on Canadian territory - and in passing I may say they are of a very limited character with very few United States personnel involved - shall be under Canadian control.

There are some who argue that the mere existence of these arrangements constitutes a provocation to other nations. This is an old and familiar contention often used in the past by aggressors to frighten their victims from joining together for defence. Before the war the nazis used it to confuse and weaken those whom they wished to destroy. Surely in the present international situation, it would be the height of folly not to take, in consultation with our friends, such precautions as reason indicates to be vital to our security and to theirs in an emergency. Surely, too; it is apparent to all that those arrangements constitute a threat to no one, except to those who are deterred by them from committing any aggression. Finally, they are not inconsistent in any way with our obligations under the charter of the United Nations.

This brings me to another and important phase of my review, the present position of the United Nations.

The annual report of the government to parliament on the United Nations is now being printed, and I hope to be able to present it to the House shortly. It will be, as last year, a general review of the activities of the United Nations, with particular reference to the second session of the general assembly in New York. I will not attempt to cover the ground of that report in this statement, but there are two matters on which I feel sure you would wish me to comment without waiting for the report to be tabled. The first of these is the general policy of Canada toward the United Nations; the second is the question of Palestine.

On repeated occasions the government has indicated that collective security through the operations of an effective international organization was a primary objective in the foreign policy of this country. This continues to be our policy. We are fully aware, however, of the inadequacy of the United Nations at the present moment to provide the nations of the world with the security which they require. The realities of this situation must be faced, and the policy of the government in respect of it may be summarized very briefly.

In the first place we shall not encourage or foster any activity which at this moment might provide any state with a legitimate - I emphasize the word "legitimate" - excuse to withdraw from the United Nations. On the other hand, we shall not refrain from action which we know to be right merely because it displeases certain other members of the United Nations. We shall continue to give every assistance to constructive efforts to make the United Nations into the instrument for security and co-operation which it was originally designed to be, and in the meantime utilize its present possibilities to the fullest extent.

We will also oppose demands on the United Nations which at the moment are too heavy for its resources. It should not, for instance, attempt to undertake administrative responsibilities and police activities in various parts of the world before it has been given the means which may be required for carrying out those responsibilities.

We must realize also that the effectiveness of the United Nations is at the moment greatly reduced by the divisions which have grown up between the countries of eastern Europe and the countries of the rest of the world. Until there has been some measure of settlement of the issues that appear to divide the world, we should not expect too much from the United Nations in its present form and organization. No one should expect, for instance, the machinery of the United Nations to produce a solution for problems on which the two most powerful nations of the world may have diametrically opposed views that cannot be reconciled.

During the last two years our faith in the United Nations as an effective organization for peace and security has been pretty severely shaken. What is unshaken is our determination to make of it, or within it, an effective organization for these purposes. Unshaken also is our faith that this can be achieved. It is therefore important that

the United Nations be kept in existence, and that we make every possible use of the very high degree of vitality which, in spite of these divergent opinions, it has shown. There are, for example, subjects such as the dispute in Kashmir, to which I have referred, and the difficulties which have arisen in Indonesia, which are not directly within the area of conflict between the eastern European states and the rest of the world, and where the machinery of the United Nations has been used very effectively.

Our willingness to stand for, and our ability to secure. election to the Security Council last September was an earnest of our desire to play our full part in the United Nations. That part involves us in discussions and decisions on matters which once may have seemed to be remote from our interests. Although we know, as I have already said, that this remoteness is illusory, nevertheless, this does not alter the fact that during the next year and a half Canada, as a member of the Security Council, will, at times have to declare its position publicly on certain matters which previously might not have come to the attention of the government at all, or might have been dealt with confidentially through diplomatic channels.

The position of a power of the middle rank on the Security Council is under any circumstances a difficult one. A small power is in a sense by its very smallness relieved from much of the responsibility which participation in decisions involves, and which the implementations of such decisions requires. At the other extreme the great powers can protect their positions with the veto. A "middle country" such as Canada, however, is in a different position. Its economic strength and political influence are of importance, and its prestige is high. The material and moral contribution which Canada can make to collective action, as the last two wars have shown, is significant. The judgments which the Canadian Government express on United Nations matters must therefore be made with care and a sense of responsibility, especially since Canada is a country the views of which are taken seriously and which has the reputation of conscientiously carrying out the commitments into which it has entered.

Canada's position on the Security Council, as a middle power, would be an important one in any circumstances. The special nature of our relationship to the United Kingdom and the United States complicates our responsibilities, though it also enlarges our opportunities for influencing developments. Canada will be expected by some to follow the lead of the United Kingdom; by others to follow the lead of the United States. The fact that these two states are now in general agreement on fundamental questions eases but does not remove our particular difficulties. Unfriendly observers will write us off as a satellite of both, hoping in this way to minimize the effect of our independent action. More objective observers will tend to assume that it will be hard for Canada to follow a policy of its own. The fact that Canadian interests will often naturally be identical with those of the United Kingdom and the United States, without any suggestion or influence from these states, in a sense makes Canada's position more ambiguous. It will not be easy to secure credit for independence and honesty of argument and decision. Nevertheless we will continue to make our decisions objectively, in the light of our obligations to our own people and their interest in the welfare of the international community.

I come now to the question of Palestine.

There is not time for me now to discuss this question at length, and honorable members may wish to examine the more detailed account of the discussions in the general assembly which will be included in our report to parliament on the United Nations. I should like, however, to summarize a few of the principal considerations which have influenced Canadian policy on this subject since it came before the United Nations.

The special assembly on Palestine, which met a year ago, was summoned, we should not forget, at the request of the United Kingdom to make recommendations for the future government of Palestine.

This special assembly established a committee which went to Palestine, investigated the position and reported to the regular assembly which met last September. In preparing its report the committee does not appear to have had any reason to assume that the United Kingdom intended to withdraw from Palestine in the immediate future.

Thus when the general assembly began in the autumn to consider the report of the special committee, the majority of whose members had recommended a plan of partition with economic union, it was found that an important feature of the plan was a suggestion that the mandatory power should continue to administer the territory during a two-year transitional period. The assembly also had before it, however, an announcement greatly altering the situation, but the reasons for which I am sure we all appreciate, that the United Kingdom government would terminate the mandate and withdraw from Palestine at the earliest possible date.

The general assembly, after a long discussion of the problem, recommended by more than a two-thirds majority that a plan based on the proposal of the special committee for partition with economic union should be adopted. It put the responsibility for implementing that recommendation on the Security Council if the two parties, the Arabs and the Jews, were unable to agree on it. Implementation from outside seems very much like leading a horse to water. You cannot have economic union without agreement between the two parties.

It is important that the Canadian attitude towards this issue should be made clear. This plan for partition with economic union was not initiated by the Canadian government. It was proposed by a United Nations special committee on Palestine. When the report of that Committee came up for discussion at Lake Success last autumn, it soon became clear that a plan based on partition with economic union was regardless of its merits the only one that could possibly secure the necessary majority at the general assembly. At various times the Canadian delegation intervened in the discussions for the purpose of endeavouring to make the plan as practicable and as realistic as possible. Above all, we tried to ensure that there would be some provision for implementation included in the assembly recommendation.

It was, and still is, the Canadian attitude that the United Nations should not make recommendations in regard to Palestine without taking into account the problem of whether their acceptance could be secured. In the past the world as a whole has been spared the necessity of concerning itself with the problem of Palestine because of the willingness of the United Kingdom to administer that country. The inability of the mandatory power to continue to carry this burden, presented, and still presents, the question of whether the responsibility which the United Kingdom is laying down will be picked up by the United Nations; or, if not, by whom?

By the United Nations in the form of a trusteeship? That was considered by the special committee and by assembly delegations last autumn and rejected. By the people of Palestine through the establishment of a unitary state with an Arab majority? That would not, so most delegations felt, fulfill the promises made, and so often confirmed, to the Jews that they should have a national home in Palestine. Or by the formation of Jewish and Arab states, with the majority of the inhabitants Jewish and Arab respectively, but joined together by economic union and free communication?

The Canadian delegation supported this last solution, as the least unsatisfactory of the alternatives which had at one time or another been considered; as the least unjust and least impracticable solution to a problem where, honorable members must realize, justice and practicality are so difficult to reconcile or even to discover.

As all of you are aware, the United States has modified the position it took in relation to the Palestine question last November. For reasons which have been given wide publicity and which were discussed by Canada in the Security Council on March 24, it is evident that immediate implementation of the partition plan is not practicable. You cannot have two states set up and get them to act as an economic union. Necessary adjustments have now to be considered. On March 19 the United States drew the attention of the Security Council to the fact that if the assembly plan were not put into effect by May 15 the United Nations would have no administrative responsibility in Palestine after the mandate ended. In order that this responsibility might now be definitely assumed, the United States proposed formally on March 30 that a second special session of the general assembly should be summoned. It indicated that it would suggest to the assembly the creation of a temporary United Nations trusteeship, without prejudice -- I emphasize those words "without prejudice" -- to the final political settlement in Palestine. This would, it was hoped, serve as a suitable medium through which the United Nations might fulfill its responsibility. The United Kingdom supported the proposal for summoning a special session of the assembly, as well as the United States motion calling for an immediate truce in Palestine. The Canadian government also gave its support to both proposals. In voting for the calling of a special session we had in mind the desirability of enabling the assembly to consider whether in this new and changed circumstance, alternative plans should be made for Palestine, particularly if there is hope that by these means processes of mediation and conciliation may be initiated and peace restored.

This special session is now meeting at Lake Success. A specific proposal has been made to it that responsibility for the administration of Palestine now be placed under a United Nations trusteeship. An arrangement of this nature, however, unless it were accepted by both parties, might create even greater difficulties of enforcement than partition with economic union. Before such a plan could be put into effect, therefore, it would be necessary to have the concurrence of a decisive majority of the members of the United Nations and particularly those members who would be expected to play a leading part in the implementation of the plan. For this reason, the Canadian government, before it expresses a judgment on these proposals, will await some clear indication that the plans which have been placed before the assembly will produce a constructive result which can and will be put into effect. In the meantime, the Canadian delegation, to the special assembly, and to the Security Council will use its best efforts to support the truce agreement which was carried in the Security Council during the session of April 16 and by which methods were recommended to the two parties for avoiding further widespread violence in Palestine.

Apart from the references which I have made to our relations with our fellow members of the British commonwealth and with the United States, the picture which I have presented to the House had been gloomy. The cause of freedom, of democracy and of peace has had setbacks -- in Europe, in the far east, in the United Nations. But these setbacks have resulted in a strong democratic reaction.

In Italy, for instance, the communists have been waging a ruthless, determined and skilful fight for power. They have, however, been rejected by the Italian electorate in the kind of free election which they would never have permitted if they had been in power. The free people of Italy have declared that they want to remain free, to remain a part of western civilization and not to become a province of a new totalitarian slave empire. Their decision has been welcomed by free men in every country.

The Italian elections have once again proved the truth of the thesis that no nation by an honest vote has ever put the communists in power. It is well to remember, however, that once in power, the people will not be allowed to vote them out. The communists have only to win one election, because it will be the last of elections as we know them.

Difficult days lie ahead for Italy. The communists, having failed to get power by constitutional means, may resort to the threat and use of force. But we are confident that Italy will prove as successful in dealing with these threats as it has been in dealing with the communist attempt to gain power by using the democratic process of an election.

I would also like to mention three other important, indeed historic steps which have been taken recently, in the organization of democratic action. The first was the passage by the United States Congress of the Foreign Assistance Act of 1948, authorizing an appropriation of \$5,300 million for the first twelve months of a European recovery program designed to last some four years. The second was the adoption on April 16 by the sixteen free nations of Europe and by representatives of the three western zones of Germany of the convention for European economic co-operation. The third was the signing of the Brussels pact. As to the first, on behalf of the government of Canada I hope I can say even the people of Canada would like to pay tribute to this generous and imaginative act of high statesmanship by the government of the United States. By the enactment of the Foreign Assistance Act, the most powerful democratic state of our day has given new confidence and vigour to all the free peoples of the world.

In their turn, the western European nations have given proof of their ability to respond to the challenge of the Foreign Assistance Act by the adoption of the convention establishing an organization for European economic co-operation. They have established an organization for self help and mutual aid in economic matters. The purpose of the organization, as set forth in the preamble of the convention, is the --

speedy establishment of sound economic conditions enabling the contracting parties as soon as possible to achieve and maintain a satisfactory level of economic activity without extraordinary outside assistance, and to make their full contribution to world economic stability.

This signature of the Paris Convention took place less than a month after a third great historic event -- the signature on March 17 in Brussels of the five power treaty of mutual assistance by the United Kingdom, France, Belgium, The Netherlands and Luxembourg. The convention agreed to in Paris is a long step towards economic unity in western Europe. The treaty signed in Brussels is a long step towards closer political and cultural unity as well.

This "western union", proposed by Mr. Bevin in his great speech of January 22, the nucleus of which has now been created by the Brussels treaty, is no mere military alliance directed against a possible aggressor from the east. It goes further and deeper and seeks to mobilize the moral as well as the military and economic resources of western Europe. It seeks to restrain the aggressive forces of communism, not by a Maginot line but by building up in the liberal, democratic and Christian states of western Europe a dynamic counter-attraction to them.

The difficulties which the governments and peoples of western Europe will have to overcome in order to create a western European community are formidable. To fail to comprehend their magnitude would be to demonstrate a lack of understanding towards the peoples of that part of the world. To us in this continent of vast spaces, western Europe may seem small and compact, but it is composed of many great nations, each with a long and splendid separate national tradition; each proud of its distinctive character, its peculiar institutions, its national independence. These difficulties are inherent in the rich diversity of the great European tradition. But the move towards the creation of a union of all the peoples of western Europe has been successfully started. We welcome that move and

we are confident that the peoples of western Europe will continue to respond successfully to the challenge presented to them by the threat to everything they cherish in the remorseless advance of communist totalitarianism.

It is not only in the European recovery program, the Paris convention and the Brussels treaty that the democratic states have given proof of their ability to work together. They have also demonstrated this by the progress which they have made in bringing about administrative and other reforms in western Germany.

The internal state of affairs in Germany, even before the European recovery program was put forward, was a cause of concern to the three western occupying powers. These powers, already overburdened, were carrying a heavy additional load as a result of their resolve that Germany should not become a vast slum area and a menace to the physical and political health of the world.

From time to time all four occupying powers in Germany have been obliged to take measures for the efficient administration of their respective zones. Until the failure of the meeting of the council of foreign ministers in December last, these measures were largely of a transitory nature and, in general, have been based on the assumption that a German peace treaty would shortly be concluded. But the failure of the last foreign ministers meeting and the non-co-operative policy adopted by the U.S.S.R. in German matters, demonstrated that this assumption was no longer a reasonable one to make. Moreover, conditions in the countries occupying Germany, in the countries bordering on Germany, and in Germany itself did not permit indefinite delay.

Early in February, therefore, the United Kingdom and the United States promulgated a new constitution for their united zones, which placed upon the Germans a necessary degree of responsibility for their own public business. This responsibility should contribute to the re-education of the Germans in democratic and peaceful processes of government. Care, however, must be taken to see that it does not contribute to the re-emergence of Germany as a potential aggressor.

Following the promulgation of this constitution, talks were held in London from February 23 to March 6, in order to secure as great a measure of co-operation as possible in Germany between the United Kingdom, the United States and France. These talks have been resumed in the last few days.

Three of Germany's neighbours--Belgium, the Netherlands and Luxembourg--have a specially direct and urgent interest in a number of the problems under discussion. Western Germany has long been their normal source of supply for many essential goods, especially coal and iron, and their economic welfare depends to a very great extent on that of the western zones of occupation. It can therefore be understood that a discussion of administrative and practical arrangements for inter-zonal co-operation, especially in economic matters, should take into consideration this special position of the Benelux states. They were accordingly invited to take part in some of the discussions at London.

It was the Canadian Government's attitude that the special association of the Benelux countries with the occupying powers in the London talks was a reasonable and necessary stage in the effort to bring about closer economic co-operation between the countries of western Europe. We regarded the participation of the Benelux countries in these talks as a step toward the realization of the European recovery program which we had already welcomed. We continue to insist that we have the right to effective participation in any general German peace settlement, when it comes to be made.

It is hoped that these London talks will end much of the enervating uncertainty which has beset Germany since her defeat; and that western Europe generally will profit from the stability which three-power

decisions can and must give in the absence of four-power or multilateral agreement. To the extent that this end is achieved, communist propaganda and conditions which produce communist action committees, will be counteracted in western Europe.

Before concluding, I should like to say something about Canada's relations to these questions first, to the European Recovery Program and, secondly, to the developments towards western European economic and political unity, which I have just mentioned.

As to the first; in the United States program for European recovery, provision is made for purchases outside the United States. A sizeable proportion of the funds which the Congress has authorized for the program has been set aside for this purpose. It is not expected, however, that either the volume or direction of Canadian trade will be significantly altered by this development from that of recent years. The "off-shore" purchases provision of the Foreign Assistance Act can, however, enable us to continue to send to western Europe commodities which otherwise, because of our own dollar difficulties, we would have had to direct to countries which could provide us with dollars or goods in return.

In view of the expected extent of United States dollar purchases in Canada under R.R.P., it has been suggested that we might now be expected to contribute further substantial direct financial assistance to western Europe. However, our United States dollar reserves are still lower than they should be. Nor can these reserves be increased to a satisfactory level simply by selling wholly for United States dollars those commodities which have in the past been paid for only partly in United States dollars. We must not forget or allow others to forget that since the end of the war we have extended to the European nations, in the form of loans, credits and grants, an amount which, relative to the size of our population, and our national income, is second to none. We must, however, have a surplus in our international balance of payments before we can consider the extension of any further financial aid to western Europe.

In order to secure such a surplus we must, among other things, expand our exports, continue to do without many of our traditional imports from dollar countries, and secure more of our imports from countries in the sterling area.

What of the second question, Canada's relations to the developments towards western European economic unity and western union? The development and rehabilitation of a sound system of international trade, a matter of first importance for Canada, is inseparably linked with European recovery. It must not be forgotten that the United Kingdom and the western European countries have in the past provided valuable markets for Canadian exports. Should the economies of these countries collapse, our own economy would suffer a severe blow. In addition, such a collapse would provide a favourable environment for communism which feeds on insecurity, unrest and political instability. For these reasons we welcome any development towards European economic unity, which will in the long run be of great advantage to Canada by increasing political security and by widening the area of freer trade.

In so far as widening the area of political security is concerned, the Prime Minister (Mr. Mackenzie King) has already outlined in this house on March 17 the government's attitude to the Brussels five-power treaty. I think I might repeat here what he then said, to place it in the context of the world picture. Speaking of the Brussels five-power treaty the Prime Minister said:

This pact is far more than an alliance of the old kind. It is a partial realization of the idea of collective security by an arrangement made under the charter of the United Nations. As such it is a step towards peace, which may well be followed by other

similar steps until there is built up an association of all free states which are willing to accept responsibilities of mutual assistance to prevent aggression and preserve peace....

The Canadian government has been closely following recent developments in the international sphere. The peoples of all free countries may be assured that Canada will play her full part in every movement to give substance to the conception of an effective system of collective security by the development of regional pacts under the charter of the United Nations.

The time has not yet come when it would be wise or useful for the government to go much beyond that considered and, I think, important statement of government policy.

I referred to one possible line of development when I spoke seven months ago at the general Assembly. I stated then that it was not necessary to contemplate the break-up of the United Nations or the secession from it of the Soviet group in order to build up a stronger security system within the organization. Without sacrificing the universality of the United Nations, it is possible for the free nations of the world to form their own closer association for collective self-defence under article 51 of the charter of the United Nations. Such an association could be created within the United Nations by those free states which are willing to accept more specific and onerous obligations than those contained in the charter in return for greater national security than the United Nations can now give its members.

It may be that the free states, or some of them, will soon find it necessary to consult together on how best to establish such a collective security league. It might grow out of the plans for "western union" now maturing in Europe. Its purpose, like that of "western union," would not be merely negative; it would create a dynamic counter-attraction to communism -- the dynamic counter-attraction of a free, prosperous and progressive society as opposed to the totalitarian and reactionary society of the communist world. The formation of such a defensive group of free states would not be a counsel of despair but a message of hope. It would not mean that we regarded a third world war as inevitable; but that the free democracies had decided that to prevent such a war they would organize so as to confront the forces of communist expansionism with an overwhelming preponderance of moral, economic and military force and with sufficient degree of unity to ensure that this preponderance of force is so used that the free nations cannot be defeated one by one. No measure less than this will do. We must at all costs avoid the fatal repetition of the history of the pre-war years when the nazi aggressor picked off its victims one by one. Such a process does not end at the Atlantic.

I am sure that it is the desire of the people of Canada that Canada should play its full part in creating and maintaining this overwhelming preponderance of moral, economic and military force and the necessary unity for its effective use.

One thing we must constantly keep in mind as we approach this fateful decision is that the western European democracies are not beggars asking for our charity. They are allies whose assistance we need in order to be able successfully to defend ourselves and our beliefs. Canada and the United States need the assistance of the western European democracies just as they need ours. The spread of aggressive communist despotism over western Europe would ultimately almost certainly mean for us war, and war on most unfavourable terms. It is in our national interest to see to it that the flood of communist expansion is held back.

Our foreign policy today must, therefore, I suggest be based on a recognition of the fact that totalitarian communist aggression, endangers the freedom and peace of every democratic country, including Canada. On

this basis and pending the strengthening of the United Nations, we should be willing to associate ourselves with other free states in any appropriate collective security arrangements which may be worked out under articles 51 or 52 of the charter.

In the circumstances of the present the organization of collective defence in this way is the most effective guarantee of peace. The pursuit of this course, steadfastly, unprovocatively, and constructively is our best hope for disproving the gloomy predictions of inevitable war.

The burden of maintaining peace, however, will not be easy. We must constantly remember that the union of the free world which is now "painfully struggling to be born" will possess overwhelming strength only if it is based on moral as well as material force; if its citizens are bound together not merely by a hatred of communism but by their love of free democracy and their determination to make it work for the promotion of welfare and the preservation of peace.