



## STATEMENTS AND SPEECHES

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CANADA AND NATO

Text of an address by the Under-Secretary of State for External Affairs, Mr. L. D. Wilgress, prepared for delivery to the Vancouver Board of Trade, May 20, 1953, at Vancouver, B.C.

...The last time I visited Vancouver was when I came here from attending the San Francisco Conference. At that time our hopes were placed in the United Nations as the bulwark of our security. We felt that the principles of collective security could be made to work if we could be sure of the peacetime co-operation of the Soviet Union. There were some doubts that this peacetime co-operation would be forthcoming but this was not reflected in the policy of any country. Otherwise we would not have seen such undue haste to disarm in response to the universal desire to have the men in uniform get back to their civilian occupations.

The first real shock to the hopes which we had placed in the United Nations came at the very first meetings of the Security Council. The Soviet Government then belied the assurances they had given us at San Francisco that they would use the veto with discretion and with a due sense of responsibility.

For a while our peoples, bent as they were on repairing the ravages of war, were bewildered as to what policy should be followed. The danger from without was matched in some countries by the danger from within. This became apparent from the strength of the Communist parties in such key countries as France and Italy and from the economic difficulties then being experienced by nearly all the Western European countries.

In 1947, there came the refusal of the Soviet Union to participate or to allow any of its satellites to participate in the Marshall Plan. This made us realize that the Soviet leaders were more bent on disrupting than on co-operating in the restoration of the European economies. The cold war was on. A year later the Soviet blockade of Berlin was to bring the cold war dangerously close to a hot war. In the meantime, in February 1948, there had come the Communist coup in Czechoslovakia. This revealed clearly Soviet imperialism in all its nakedness.

For the Canadian people these developments were a profound shock. Two world wars had brought home to us that we could not be indifferent to what was happening in Europe. The very nature of Soviet Communism with its denial of individual liberty and the history of Russian imperialist expansion made us all acutely aware that the threat to Western Europe was a threat to Canada. This threat confronted us with a crucial problem, a problem that had long been inherent in Canadian foreign policy. The existence of two powerful influences determining that policy, the one from the United Kingdom and the other from the United States, has always given rise to situations calling for skillful reconciliation. In the new situation brought about by the Soviet threat, the problem of reconciling the dual orientation of Canadian foreign policy was more delicate than ever.

With a limited military potential and with heavy obligations to develop the natural resources upon which the buoyancy and vitality of our economy depend, Canada had to consider how to reconcile the claims arising from the dual orientation as applied to defence. On the one hand the United Kingdom looked to Canada, as the next largest member of the Commonwealth, for both material and military support. On the other hand, there was our first obligation to make reasonable provision for the defence of our own territory, and, consistent with our size and strength and sovereignty, so to play an honourable role in partnership with the United States in the achievement of continental security.

Canada found the answer to this vital problem in NATO. In April, 1948, Mr. St. Laurent, who was then Secretary of State for External Affairs, spoke out in favour of an agreement for collective security by those like-minded peace-loving nations, who realized that because the aim of the Soviet Union was for the world domination of Communism directed from Moscow, we could no longer place our hopes for security in the United Nations.

Although he was one of the first to speak out in favour of this wider alliance, I do not wish to claim for Mr. St. Laurent or for Canada the whole credit in bringing about the birth of NATO. A number of others were thinking along the same lines at the same time and making pronouncements which helped to create an atmosphere favourable to the conclusion of the North Atlantic Treaty.

The United Kingdom was also faced with the problem of reconciling a dual orientation in its foreign policy. The Soviet threat had given the impetus to a strong movement for European integration. European Union was seen as the only alternative to the piecemeal succumbing of Western European countries to Soviet domination. The United States Government was lending its powerful support to the movement for political and economic integration of the countries of Western Europe.

In the United Kingdom there were serious misgivings about throwing in their lot exclusively with the Western European countries. If we look at a map of the British Isles we seem to see the United Kingdom with its back to Europe facing the Seven Seas. This is not a correct analogy, but it does illustrate the problem then facing Mr. Bevin. Inevitably the people of the United Kingdom look out towards the Commonwealth and feel that, although they are in Europe, their history and their destiny are determined mainly by their interests overseas.

Just as Canada found the answer to its vital problem in the North Atlantic Treaty, Mr. Bevin found the answer to the problem that was confronting him in the Brussels Pact which was concluded in March, 1948. By this treaty five countries of Western Europe, namely, the United Kingdom, France and the three Benelux countries joined together in an alliance for mutual assistance should any of their countries be the object of armed attack.

In the meantime developments in the United States had been moving favourably in the direction of an alliance wider than that of Brussels. Senator Vandenberg introduced a resolution in the United States Senate which recommended "the association of the United States with such regional and other collective arrangements as are based on continuous self-help and mutual aid, and as affect its national security". When we remember the long tradition of the United States against entangling alliances and the strength of isolationist feeling which had prevented the United States from being in at the beginning of both of the two World Wars, it was obvious that the passing of the Vandenberg resolution in June, 1948, was an event of historical significance. This finally set the stage for the North Atlantic Treaty.

This treaty was signed on April 4, 1949, by twelve countries who declared their determination to safeguard the freedom, common heritage and civilization of their peoples, founded on the principles of democracy, individual liberty and the rule of law. They also declared their intention of seeking to promote stability and well-being in the North Atlantic area. Finally they declared their resolution to unite their efforts for collective defence and for the preservation of peace and security.

You will see from this that the North Atlantic countries banded together for two purposes; the first, the important and urgent purpose of providing for their own security without which they cannot work towards the second, which is the stability and well-being of the members.

The North Atlantic Treaty is not in conflict with the United Nations Charter. Article 51 of the Charter recognizes the right of a country to take collective measures in self-defence if satisfactory arrangements cannot be secured through the machinery of the United Nations. The North Atlantic Treaty is nothing less than the exercise of this right to collective self-defence in the face of a very real threat of aggression. It was an effort to permit the aims of San Francisco to be realized by demonstrating to a potential aggressor that any attempt to take advantage of the power vacuum in Europe would be resisted by a group of nations acting collectively.

For both Canada and the United States the undertakings in the treaty represented marked departures from traditional policy. Yet the treaty was approved by a nearly unanimous vote in Congress and unanimously by the Parliament of Canada. The treaty came into force a few months after it was signed. Since then the North Atlantic countries have been bending their efforts to the realization of the goals set forth in the treaty.

Good progress has been made towards the realization of the first of these goals - the provision of security. The North Atlantic countries are gradually building up their collective strength. Total defence expenditures of the NATO countries have more than tripled since the treaty was signed.

It seems inevitable in the case of rearmament that there should be set-backs here and there. However, I remember very vividly that a little less than three years ago, when I was appointed Canadian representative on the North Atlantic Council Deputies, we had only isolated national units and an insufficiency of them. At that time we were talking about balanced collective forces as the most we could hope for. Now we have a steadily increasing integrated force under a Supreme Allied Commander for Europe.

Last year the number of parties to the North Atlantic Treaty was increased to fourteen through the accession of Greece and Turkey. There is also the potential German contribution to the integrated force. It is proposed that this will be part of the European Defence Force and will come about when the treaty setting up the European Defence Community is approved by the parliaments of the six European countries concerned, namely, Belgium, France, the Federal Republic of Germany, Italy, Luxembourg and the Netherlands.

Canada is making important contributions to the integrated force. Then there is the air division which is based on four airfields, of which two are in France and two in Germany. We are also committed to the contribution of a fairly considerable force which will be under the Supreme Allied Commander for the Atlantic, whose headquarters are at Norfolk, Virginia. Canada is also contributing to the NATO defence effort through mutual aid, for which in each of the last two fiscal years an amount of \$324,000,000 has been appropriated. This is being used to supply end-item military equipment to our allies.

From this you will see that we have become closely associated in a military alliance with the other parties to the North Atlantic Treaty. These countries form the nucleus of that community to which by tradition we belong. All except a small percentage of our population are descended from those who had their origins in the countries comprising the North Atlantic Community. A very large percentage of our trade is conducted with the countries comprising this community of nations. In the negotiations for the treaty, Canada always intended it should be something more than a mere military alliance.

That brings me to the second of the goals set forth in the treaty - the promotion of stability and well-being in the North Atlantic area. These so-called non-military objectives are dealt with more specifically in Article 2 of the treaty, which provides that the parties "will contribute towards the development of peaceful and friendly international relations by strengthening their free institutions, by bringing about a better understanding of the principles upon which these institutions are founded, and by promoting conditions of stability and well-being". The article then goes on to state that the parties "will seek to eliminate conflict in their international economic policies and will encourage economic collaboration between any or all of them". This provision was inserted in the treaty on Canadian initiative.

Economic collaboration is the aspect of the non-military side of NATO that is of most interest to the members of the Vancouver Board of Trade. I shall confine myself to this aspect because what is applicable to economic co-operation applies equally to co-operation in the social and cultural

fields. In all of these fields there are other agencies already at work. We must avoid duplicating their efforts. These agencies have memberships wider than that of NATO. It is desirable that the approach to all of the economic, social and cultural problems should be on as universal a basis as possible.

Yesterday in an address I delivered to the University of British Columbia, I drew attention to the importance of maintaining the unity of the free world. One of the greatest threats to this unity is the possible splitting up of the free nations into a number of economic blocs each of which would be discriminating against the others. This possibility has always been present but will become inevitable if we are not able to make progress along the lines of a collective approach to multi-lateral trade and payments. Such a collective approach is embraced by the proposals of the United Kingdom Government which emerged from the Commonwealth Economic Conference held in London towards the end of last year. An essential part of these proposals is that there should be a reduction in tariffs and other barriers to trade. In particular, the United States should make it possible for the other nations of the free world to sell more of their products in the markets of the United States and thereby earn the dollars which are required in order to maintain the viability of their economies.

The people of the United States have been brought up to believe that their prosperity and their high standard of living are based upon the protection afforded against imports from abroad. It is difficult to convert them all at once to the realization that both their prosperity and their security are dependent upon a more liberal attitude towards imports. If they are not so converted we shall not have that contribution by the United States which is essential to the success of a collective approach. The alternative, as I have mentioned, would be the splitting up of the free nations into a number of economic blocs. Such a chaotic state of affairs would be the reverse of the economic collaboration envisaged in Article 2 of the North Atlantic Treaty. It is important, therefore, that the NATO countries, through their Council, should direct attention to these possibilities. Action, however, to bring about a collective approach must be left to other agencies because it has to be on a broader basis than that of NATO.

In the address I delivered yesterday, I also mentioned two of the other cleavages that are threatening to disrupt the unity of the free world. One of these is the division between developed and undeveloped countries, or between the "haves" and the "have nots". The other is the division between the anti-colonial countries and those with dependent territories. It so happens that the most highly developed countries are members of NATO. All the colonial powers also are members of NATO. Consequently, we must be careful to assure that the North Atlantic countries do not assume positions which will be resented by the rest of the free world. Being the most advanced countries they are in the best position to give leadership but this leadership must take the form of the extension of co-operation and must be free of any implication of a desire to dominate.

You can see from all this that it is very desirable that NATO should not seek to duplicate the agencies which are already available and which have memberships wider than the

North Atlantic countries. For example, getting back to the subject of economic collaboration, we find that, first of all, there is in Paris the Organization for European Economic Co-operation, usually known as the OEEC. All the European members of NATO are active members of this organization and Canada and the United States are associate members. In the OEEC there are other European countries who are not members of NATO but whose co-operation is essential if economic collaboration is to be truly effective. I refer in this connection to such countries as the Federal Republic of Germany, Ireland, Sweden and Switzerland. It is to such an organization that we can most appropriately refer the short-term economic questions which are of concern to the North Atlantic community.

When we come to deal with longer-term economic questions we find that it is desirable to refer them to agencies having a still wider membership than the OEEC because such problems need to be handled on a broad basis. I think I can illustrate what I mean if I describe briefly what has been taking place in connection with the proposals of the United Kingdom Government to which I have already referred. First of all, there was a discussion in the Conference of Commonwealth Prime Ministers. Then, when the United Kingdom Government found that the objective of their proposals had the support of the other Commonwealth countries, Mr. Eden and Mr. Butler went to Washington in March and discussed these objectives with the Government of the United States. The next step was to report to the OEEC and in this way acquaint the other countries of Western Europe with the general outline of what the United Kingdom is seeking to attain. When, however, the time comes for action directed towards these objectives, the short-term measures which may be adopted by the OEEC will have to be supplemented by long-term action through the medium of other economic organizations. Of these the most important are the International Monetary Fund, the International Bank for Reconstruction and Development and the General Agreement on Tariffs and Trade, which is more usually known as the GATT. The Fund deals with matters pertaining to currencies and international exchanges, the Bank with investment programmes and GATT with commercial policy and tariff questions.

Enough has been said about the United Kingdom objectives for us to know that they relate to the convertibility of currencies and the conduct of world trade on a broad multilateral basis. Objectives such as these can be attained if use is made of existing facilities. For instance it would be through the machinery of GATT that we could best bring about the further reductions in tariffs and the formulation of new trade rules which are necessary before world trade can be conducted on a broad multilateral basis.

Thus, we find that, in pursuit of the non-military objectives outlined in Article 2 of the North Atlantic Treaty, NATO has a watching brief over these forms of activity rather than an opportunity for executive action. It is the task of NATO to see that its members follow harmonious policies in these fields. The implementation of these policies can best be left to action through the medium of the Specialized Agencies.

It is obvious that military strength is dependent on economic strength. This important fact alone makes it necessary for NATO constantly to keep before it the economic objectives of the treaty. It is the task of NATO to see that the members through their participation in other organizations are furthering the desired objectives. This can be effected through the machinery of the organization which has already been created. The North Atlantic Council meets on the ministerial level about twice a year. On these occasions the countries usually are represented by their foreign, defence and finance ministers. The meetings are presided over by the Chairman, who is the foreign minister of one of the NATO countries. Apart from these meetings on the ministerial level, the Council is in continuous session. This is the result of the reorganization which was approved at the Lisbon meeting last year. Each of the NATO countries has a permanent representative in Paris. When the Council meets on the level of the permanent representatives, the meetings are presided over by the Vice-Chairman, who is also the Secretary-General of the Organization. In the latter capacity he is head of a Secretariat which has now become firmly established. With such a set-up, NATO is in a position to survey continuously not only the military build-up but also the progress which is being made towards the realization of the non-military objectives.

If a great deal of attention has not been paid to these objectives until now, it is because the North Atlantic countries have had to concentrate first of all on the building up of military strength. When they reach that plateau of re-armament upon which real security is found, they should be able to broaden out their efforts to embrace all of the objectives incorporated in the treaty. In the meantime, they are acquiring valuable experience by co-operating together in the defence field and by consulting with one another upon important political questions. This experience will stand them in good stead when they are able to devote more attention to co-operation in the economic, social and cultural fields.

We must remember that nationalism is still a very potent force. It is unrealistic to think that the force which set the pattern for the history of the last one hundred and fifty years should cease to be a predominating influence simply because some of us now see the need for closer political and economic integration. All of our countries are reluctant to forego any of their sovereignty. Nevertheless, the reality of the threat to their security and the growing realization of the many drawbacks of excessive nationalism are compelling the North Atlantic nations to work together. These countries are conscious that they belong to a group with common ideals, a common culture, and a common share in the fate of a well-defined geographical region. This region has provided the stage on which have been enacted most of the significant events in world history. The peoples of the North Atlantic community have fashioned the civilization that has spread throughout the now contracted world. We can be confident that they will find the solution of the problem presented by the disadvantages of excessive nationalism.

There are some who believe that the solution of this problem will be found in Atlantic Union rather than in European Union. It is possible that the answer may be a combination of both concepts. The North American partners of NATO may be necessary to redress the balance which is upset by the varying strengths and diverse temperaments of the European partners. In any event we know that European Union, if and when it comes about, will be within the framework of the North Atlantic community. Whatever the future may hold we can also be certain that the North Atlantic Treaty has become and will remain the main basis of Canadian foreign policy. I trust, therefore, that you will have found of interest this necessarily cursory review of the important subject of "Canada and NATO".

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