

GOVERNMENT
OF CANADA



STATEMENTS AND SPEECHES

INFORMATION DIVISION
DEPARTMENT OF EXTERNAL AFFAIRS
OTTAWA - CANADA

No. 47/14

CANADA, THE UNITED NATIONS, AND THE UNITED STATES

An address by Mr. Hume Wrong, Canadian
Ambassador in the United States,
Tarrytown, N.Y., September 15, 1947.

I owe my presence here tonight to my friend, His Honour the Mayor of Tarrytown, Mr. Sterling Fisher. I blame him, however, for concealing from me at previous meetings that his high reputation as a publicist and broadcaster was surpassed by the greater honour conferred on him by the citizens of this progressive and discriminating community in choosing him as mayor. I wonder whether he and the other village fathers still live up to the ancient and amiable custom described by Washington Irving well over a century ago, in explaining the origin of the name Tarrytown, in words which must, I am sure, be familiar to many of you. The name, he wrote, was said to have been given "by the good housewives of the adjacent country from the inveterate propensity of their husbands to linger about the village tavern on market days."

I admire the imagination which has brought about the selection of the two Tarrytowns as a model community for the observance of United Nations Week, and the enthusiasm and energy with which the program has been planned and is being executed. Informed, critical, and vigilant support by the general public is essential if the United Nations is to get through these first dangerous years and to succeed in securing throughout the international community the observance of the purposes and principles of the Charter. It is specially necessary that the people of the democratic countries should retain their faith in the United Nations, and should not falter in that faith. Hence the importance of gatherings such as this and of the work of the Associations for the United Nations in many lands.

Support, I just said, must be informed, critical and vigilant. There is danger in expecting too much of the United Nations and equal danger in expecting too little. It is possible to kill by kindness as well as by neglect. As Emerson said, "Every excess causes a defect; every defect an excess". If too much were expected, hopes would be disappointed and turn to bitterness; if too little, the United Nations, if it survived, might come to be only a forum for oratorical displays and an excuse for junkets.

When tomorrow the Assembly begins its session, do not, I urge you, be too depressed by reports of bickerings and disagreements, and too confused and bored by procedural arguments. Also do not be taken in by the flow of propaganda which has so often hitherto obscured the merits of the issues; but, on the other hand, do not magnify the importance of accomplishments the real value of which can only be assessed later. In short, let us all aim to be hopeful and at the same time to be informed, critical and vigilant.

It is unhappily true today that many important issues which should be handled by the United Nations, particularly by the Security Council, cannot be handled effectively because no decision can be reached. These matters, however, have to be settled in some way. They cannot await the change in the international climate for which we all hope. There is at times a tendency

among warm friends of the United Nations to blame governments in such conditions for taking action outside the United Nations, on the ground that this weakens the organization. But one cannot permit deadlock to persist indefinitely, or allow the Security Council to become, instead of the guardian of the peace, the obstructor of settlement. Members of the United Nations should seek to use its machinery on all proper occasions; but if the machinery sticks, for instance because of the operation of the veto, they should not be blamed, as they have sometimes been blamed, for going ahead on their own. To do otherwise would be to surrender to the will of a minority.

CANADA SUPPORTS THE UNITED NATIONS

I have been asked to say something about the Canadian attitude to the United Nations. There has been no uncertainty about it. The geographic position of Canada, her world-wide trade, and her specially intimate relations with the United Kingdom and the United States have brought home to Canadians the truth that both peace and prosperity are indivisible. Mindful of the weakness of the League of Nations, which was in fact only a league of some nations since it never included the United States, Canadians shared the ardent desire in many countries that the new world organization should include all states of any real importance.

Nowhere more than in Canada was there welcomed the vigorous support of the United States for the establishment of the United Nations and the other specialized international bodies. Canadians are not afraid of the use to which the United States will put its power and its responsibilities in world affairs. The people of no other country will applaud more warmly strong and wise leadership by the United States. In the changing distribution of power throughout the world, Canadians hope against hope that a just basis of agreement will be discovered between the main centres of power, in spite of differences of ideology and aim.

As in the United States, support for the United Nations in Canada is not a party matter. At the San Francisco Conference and at each meeting of the Assembly Canadian delegations have included both Cabinet Ministers and leading members of the opposition parties in Parliament. There would be general agreement in Canada, I think, that the following extract from a recent editorial in the Ottawa Journal summarizes fairly the Canadian view today:

"Scoffers and cynics there are who say that UN is already a spent force. They are wrong. UN has not yet fulfilled all our hopes for it, but those who would write it off had better remember that in history two years is less than a heart-beat, and that man's advance along the path of progress, often retarded but never stopped, has not been won without patience, and not much helped by the timid or the cynical. At any rate, our task, as a people, is to give UN the fullest trial, to devote to it our best brains and heart".

CANADIAN VIEW OF THE VETO

During the weeks to come, we shall be hearing at Lake Success a great deal about the veto, the use of which, and especially its use in ways contrary to the understandings laboriously achieved at San Francisco, has underlined the most serious defect in the Charter. In passing, however, let me note that even if long debate on a major issue before the Security Council ends in deadlock, the time and effort have not necessarily all been wasted; for the public exposure of the issues, and the alignment of Council members into majority and minority, can serve to bring about changes in policy and to impose restraint.

The Canadian Government has never liked the veto. At San Francisco and before, their view was made known. They accepted it with reluctance as the necessary price of agreement. They would now support any practicable improvement. They hope the Charter may be amended before long, but they are not optimistic that this will come about very soon, because the veto applies

to the process of amendment. They would welcome in the meantime, as a stop-gap, some agreement between the powers having a veto which would limit the occasions on which "the unanimity of the great powers" - to use that priceless euphemism - must be secured before a decision can be reached. We must remember that a two-year-old constitution for the international community is a very young constitution. It must be changed sooner or later, and the sooner the better.

It would not be wise to be cocksure about what change should be made. By maximum count there are about seventy sovereign states in the world, of which fifty-five are members of the United Nations already. The population of the member states varies between the 450 millions of China and the 130 thousand of Iceland. There are just as wide variations among members between their military power, economic strength, standard of living, stake in world trade, and capacity to contribute to the fulfilment of the purposes of the United Nations, as there are between their populations. It is sometimes said, nevertheless, that the "democratic" way of settling international issues would be to treat all states, large and small, on the same basis, to make them all equally eligible to serve on any international body, and to arrive at all decisions by giving each state one vote, irrespective of the size and importance of the states in the minority.

It is not as easy as that; and it would be a curious sort of "democracy" that would seek to equate Paraguay with the Soviet Union, or Afghanistan with the United States. Difficult though it will be, we shall have to find some middle way between, on the one hand, the present situation in which any one of five named powers can thwart action desired by a great majority of the international community, and, on the other hand, a simple counting of states, always reckoning each one as one and no one as more than one.

The frustration which afflicts the Security Council, the only organ of the United Nations in which the veto applies, is not confined to that body. The use of the veto is a symptom, not a cause, of that profound division of our single world which baffles the statesmen, the diplomats, the publicists, and the ordinary man in the street.

Almost any constitution, national or international, can be made to work if there is the will to work it. The problem today is much less easily soluble than that of agreeing on some new words to replace the words now in the Charter. We face today, in an acute form, the same central question that faced the League of Nations nearly thirty years ago: Are the member states and the governments that speak for them ready to accept, in judgment on their own actions, "the decent opinion of mankind" expressed through a general international organization? All the countries of the world that possess substantial power are members of the United Nations - and that was never even nearly true of the League of Nations - but the same question hangs ominously over Lake Success that used to haunt the corridors of Geneva: Have they the will to use their power to further the purposes and principles of the Charter?

Canadian representatives at United Nations meetings have been, and are, advocates of patience, of moderation, of seeking to understand the other's point of view. Acting on the maxim that the better is often the enemy of the good, they have not supported ideal but impracticable solutions of differences. They have believed, as all good democrats must believe, in the power of persuasion and reason. They have had few axes of their own to grind. They have been guided by the profound conviction that in one way or another, in this shrunken world of today, means must be found to equip the international community with effective power for international action.

They know it is not easy. I have heard that in this enlightened spot an intense local issue currently is whether the two Tarrytowns should be united in a single Tarrytown. At the risk of wounding local feelings, may I say that their pattern of life is very similar and also their problems of gov-

ernment? Yet I gather that there is strong opposition in some quarters to union, and that the opponents feel that both villages would give up something valuable by it.

Please do not think that I am taking sides over this issue, which is strictly your own affair. But multiply all the arguments against union a thousand fold; translate them into fifty mutually incomprehensible languages; spice them with a score of different ideologies; inflate them with innumerable deep suspicions, old jealousies, and bitter memories of past injustices. That might give a general idea of why all is not light and loving kindness at Lake Success, and of why we must have patience and faith and forbearance, neither expecting too much nor being content with too little.

CANADA'S RELATIONS WITH THE UNITED STATES

It is a frequent practice - a practice which is very familiar to Canadian Ambassadors to the United States - to point to the relations between my country and yours as models for the international community as a whole. This has been so often repeated that it is a well-worn platitude; but we should remember that platitudes are frozen truths. I was invited to say something tonight of the nature of these relations and, being an obedient person, I propose to do so.

No one could sever the ties between our two countries. No one could even enumerate them. They are to be found in every field of life. This does not mean that we do not have differences, nor does it mean that the problems which arise are easy to solve. Canada is not a northward extension of the United States except in a geographical sense, and Canadians, because they constantly are aware that their country is far less powerful and wealthy, are often inclined to be touchy about their rights. They are tempted at times to complain that they are subjected to unfair pressure, and Americans are at times moved to complain that Canadian policies are selfish. There have been outbursts of unwisdom in both countries. Throughout, however, on both sides of the boundary it is never questioned that in no circumstances will any differences which may arise be settled by a resort to force. The Canadian people realize that they are very fortunate in their one great neighbour. I think that the people of the United States are not exactly disappointed that it is with Canadians that they share most of the continent.

When people in Canada refer to foreigners, they consciously or unconsciously are likely to exclude Americans from that description. Generally speaking, it is also true, I think, that Americans do not regard Canadians as foreigners. There is so constant a mixture of our two peoples that such a conception does not easily arise. Over the years many Americans have moved north into Canada, starting with the migration after the American Revolution of numbers of those whom you call "royalists" and we call "loyalists". Later on the settlement of southern Ontario and of the prairies was carried out in part by large numbers of Americans who moved west and north. As the frontier of settlement receded to the Northwest, it was followed by pioneers who liked the frontier life and did not bother much about boundaries.

A still greater flow, however, has come from Canada to the United States, a flow which is sometimes too large for Canadian comfort. In the census of 1940 there were about half a million unnaturalized Canadians resident in the United States; and, since Canadians who move south of the line often become quickly naturalized, this was only a fraction of the total number.

The people of the United States have given up the once-popular idea that it is their "manifest destiny" to rule the whole continent. The people of Canada, who started later and have had a harder time building a nation, have given up the idea, which at some periods a number of them held, that they should merge their political destinies with the United States. One of the main reasons why the two nations have so decided is that they have found that with care, goodwill, forethought and perseverance they can work together when they need to work together, and that is very often.

At no time have Canada and the United States worked so closely together as they have done since 1939 and especially since Pearl Harbour. By the end of 1941 Canada had been at war for over two years and had raised substantial forces serving on land, at sea and in the air. Canadian war production was in process of rapid development. The great expansion which was still to come could only be achieved in collaboration with the United States. With the occupation of Western Europe by Germany in 1940, the United Kingdom had become more and more dependent on manpower, munitions and supplies of all sorts from North America. At the same time Canada had been buying essential raw materials, machinery and parts from the United States, and this had strained Canadian dollar resources severely.

It was agreed early in 1942 by President Roosevelt and Prime Minister Mackenzie King that there should be a virtual pooling of the economies of the two countries for war purposes. Canada continued to secure and to pay for the great volume of supplies needed from the United States for her war effort. The United States in return purchased great quantities of Canadian materials of all sorts for use in the prosecution of the war by herself and other members of the great alliance; and roughly speaking the two accounts nearly balanced financially in the later war years.

This integration of the war economies was not done on a basis of lend-lease. Canada received no lend-lease assistance from the United States. Each country paid the other for what it received. There was also developed a Canadian system of mutual aid to the Allies which resulted in the provision of Canadian supplies to these countries to the value of several billions of dollars, without cost to the recipients, and without condition except that the supplies be used to contribute to the winning of the war.

Some public attention is being paid to the plans of the United States and Canada for the future defence of this continent. This is another product of wartime collaboration. In 1940 a Joint Board, called the Permanent Joint Board of Defence, was established, charged with the duty of making recommendations to the two governments for the effective defence of North America. The Board continues to exist and sometimes, in not so friendly quarters, its continued existence as an advisory body is represented as a military alliance which has subjected Canada to that alleged sinister influence, "American imperialism".

This is a travesty of the facts. Our countries share between them most of a great continent. They have a common frontier of enormous length. If there is any danger from outside, the effective defence of either of them can only be secured by co-operation. Because of the staggering achievements of our generation in the development of weapons, there is no inhabited part of the world today that is completely safe from possible attack. The Atlantic, Pacific and Arctic Oceans are no longer the natural fortifications they once were. No state, however powerful, can defend itself effectively alone.

What the United States and Canada have done has been, as loyal members of the United Nations, to enter into a partnership in planning for their security. Their security contributes to that of the rest of the world. They have made no alliance, nor concluded any treaty. But it is obvious that, in case of attack or serious danger of attack on North America, our forces would have to work together and to work in each other's territory. Is it unreasonable that they should plan in peacetime to work together, exchange information, and so on? Of course not. But this does not mean that great bases are being built in the far North, or that American troops are garrisoning Canada, for that is emphatically not the case.

I mentioned that the problems which arise in the relations between our two countries are not easy to settle, in spite of the goodwill and friendliness that prevail. The most difficult of these problems is that of trade. In the past, trade difficulties have become most acute only in times of de-

pression, when both countries were suffering from unemployment and lack of markets. Today, however, we have a different situation. The economies of Canada and the United States are both going full blast. Production in both countries is much higher than ever before in peacetime. Next after the United States, Canada is the chief supplier of the goods so desperately needed in Europe. Like the United States, the Canadian Government has extended large credits to the United Kingdom and European countries, to enable them to import needed goods without current payment while the dislocation and destruction of war are being repaired. While in dollar volume Canadian aid of this sort is, of course, a lot smaller than that given by the United States, relatively it has been larger. The national income of Canada is about one-eighteenth or so that of the United States, but the Canadian credit to the United Kingdom was one-third the size of the British loan here.

As producers and exporters of what other countries want, the position of the two countries looks similar, but when one examines the internal North American balance one gets a different result, in which a recurring historical pattern is evident. It is often noted, quite truthfully, that the United States and Canada are each other's best customers, which means that the value of the exports of each country to the other exceeds that of exports to any other country. The trouble is, however, that for a great many years Canada has bought from the United States far more than she has sold to the United States. In the first six months of this year, Canada sent less than 40% of her exports to this country and bought nearly 80% of her imports here. The difference between the value of the sales and the purchases amounted to a figure just short of half a billion dollars - dollars which had to be found for immediate payment from some source or other. I have heard it said that never before in peacetime has any country bought from any other country as much merchandise in six months as the billion dollars worth which was bought by Canada this year from the United States.

The volume of the Canadian deficit on trading account this year is unprecedented, but such deficits have for a great many years been normal features of trade between the two countries. In the past we carried on in Canada without much difficulty, except in bad times, because we sold much more to the rest of the world, and especially to the United Kingdom, than we bought from them. We turned the currency we got for these surplus sales into U.S. dollars, and we used these dollars to meet the deficit with the United States. That can be done no longer in the distracted and dislocated state of the rest of the world, except on far too small a scale to meet the need.

Canadians had hoped that by this time European recovery would be well under way, so that they would be receiving, in return for the goods sent to Europe, more goods from Europe that they need, and more currency of a sort that could be turned into dollars to pay their debts here. They took a chance on using up a substantial part of their reserves of U.S. dollars to pay for the things they needed from the United States. This cannot go on very much longer. Thus, although from one point of view Canada and the United States are in the similar strong position of producing more than they can consume, and of being able to supply the rest of the world with great quantities of sorely needed goods, from another point of view the situation is not so rosy, because Canadian means of paying for what Canada gets from the United States are running short - and we must get a great deal to maintain our economy and keep up the flow of supplies abroad.

The cure, the only effective cure, is the revival of the production of the countries devastated by war, so that they will cease to consume far more than they produce and will be able to pay their way by the provision of goods and services to the rest of the world. This was the great problem which was set forth so clearly by General Marshall in his speech at Harvard University on June 5th.

.....

Let me return, for a moment, to the United Nations. What I have just said shows that no matter how well countries get along together, and how anxious they are to reach a friendly solution of every issue, their rela-

tions, nevertheless, give rise to problems which at times seem almost insoluble. Certainly this particular problem cannot be solved without international action on a large scale. Thus, even if all the countries of the world were on as good terms with each other as Canada and the United States, there would still be an imperative need for an effective United Nations. It would, however, be a very different world and a very different United Nations. In such a world the place of the Security Council would sink to comparative insignificance. Certainly in such a world the energies of all peoples could be directed to the arts of peace, armies and navies could be disbanded, and atomic bombs could be forgotten.

29/9/47