



## STATEMENTS AND SPEECHES

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REVIEW OF INTERNATIONAL DEVELOPMENTS

Statements by the Secretary of State for External Affairs, Mr. L.B. Pearson, made in the House of Commons, February 5, - 11, and 12, 1953.

...I have had an opportunity ... of studying the text of the statement by the President of the United States .... In that statement, ... the President announced the modification of the Presidential order to the 7th Fleet issued by his predecessor on June 27, 1950. That order which was given, ... shortly after the aggressive attack on South Korea, was in the nature of an instruction to the United States 7th Fleet both to prevent any attack upon Formosa from the mainland, and also to ensure that Formosa should not be used as a base of operations against the Chinese Communist mainland.

The order was issued, of course, before the large-scale intervention by Chinese Communist forces in Korea, and its objective was to neutralize Formosa in order to limit the hostilities arising out of the aggression of June 25, 1950, on the Korean peninsula.

... the original order was an action taken on the sole responsibility of the United States Government, just as the recent action modifying it with respect to what the President has termed the employment of the 7th Fleet to "shield Communist China" was taken on the sole responsibility of the United States Government. That, however, does not make the matter one of little or merely indirect interest to other countries, including Canada.

With respect to the position of the Canadian Government, while we remain resolved to carry out our United Nations obligations in Korea, we do not think that the defence of Formosa, which has not been assumed by the United Nations, should be confused with the defence of Korea, which has. As I have mentioned on several occasions in the House, on May 15, 1951, on May 22, 1951, and on April 1, 1952, our consistent position has been that this island should be neutralized so far as that is possible, while hostilities continue in Korea. Our view has been that the final disposition of Formosa should be a subject to be discussed at a conference on Far Eastern problems which should be held when the fighting ceases in Korea; and we strongly supported the statement of principles approved by the Political Committee of the Fifth United Nations General Assembly which specifically provided for such a conference. In any decision regarding the future of Formosa, the wishes of the people there would naturally be a primary consideration.

In considering the possible effects of this recent action by the United States Government, I should emphasize that on Far Eastern issues, as on other questions in which we are both concerned, the fundamental and long-term aims of Canada and the United States are similar, although naturally we may differ on occasions in our approach to specific issues and as to how these long-term aims can best be achieved.

Canadians of course know President Eisenhower well. They feel a deep gratitude for the services he has already rendered the free world and have full confidence, I am sure, in his peaceful and constructive purposes. And I am convinced that

one of these purposes -- as it is the purpose of this Government and this Parliament and our country, and the purpose of the other governments who are now engaged in Korea -- is to end and not to extend the Korean war.

It should also be noted that in his statement President Eisenhower stated clearly that "this order implies no aggressive intent on our part". Nor should we, I think, assume that because of this order any large scale operations in the near future are likely to be undertaken by Chinese Nationalist forces on the mainland. The order does, however, rescind that part of the original order by which the United States 7th Fleet would prevent any such operations.

The original order did give, I suppose, to the Communist forces in China a feeling of immunity from attack from Formosa. This has become increasingly unacceptable to the people of the United States, as the Chinese Communists have continued their aggression in Korea and only recently rejected a resolution, approved by the present United Nations General Assembly which could have ended the war there on acceptable terms. The United States Government has, therefore, found it necessary to take action to alter a situation which was considered to no longer have its original justification.

It is no doubt hoped that this change may keep more Chinese Communist forces in China and hence have an advantageous effect on United Nations operations in Korea. It would of course be another matter as hon. members will be aware, if Chinese Nationalist raiders or invading forces were escorted or protected in their operations by the armed forces of other United Nations governments. We have no reason to believe, however, on the basis of any information available to us that any such development will take place, the consequences of which would be far-reaching.

We are not of course committed by, though naturally we are concerned with, the action taken in Washington in connection with this matter. The Government will follow developments with the closest possible attention and take appropriate action to make our views known if and when the occasion so warrants. Meanwhile I think it would be unwise and premature to jump to dogmatic or critical conclusions concerning the step taken by the United States Government, and announced in a statement by President Eisenhower which contained so much that was wise and heartening to us all.

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...I should say first that the seventh session of the United Nations General Assembly, which is proving to be a momentous Assembly indeed, has already given us cause for some encouragement and for some anxiety. The main subject, of course, as I have indicated, is Korea. The Korean resolution, which I discussed more fully in my statement of last December, has since that time, ... been rejected by Communist China and by North Korea and, therefore, unfortunately has not led to an armistice in the unhappy Korean peninsula. Nevertheless I think that this effort, and the resolution which reflects this effort were of very great significance and importance as a demonstration of unity and solidarity -- unity which included all the Asian members of the United Nations. In fact the effort was led by one of the Asian members, India.

Although this resolution has not brought an end to the fighting in Korea, it has become the starting point, the basis for any future action. Finally, I believe that it is important that this resolution showed very clearly where the will to peace

now lies by exposing the insincerity of Communist declarations that they wish to end the war in Korea.

If the United Nations proposal on Korea, which was a fair compromise, had been accepted by the Communists who talk so much about a cease-fire we would have been able long since to enjoy a cease-fire -- a cease-fire on the basis of an armistice agreed upon, with prisoners of war already exchanged; and we would now be well on the way to a political conference on outstanding Korean and other Far Eastern questions.

Their summary rejection, and it was a summary rejection by the Communists, of this great opportunity for peace exposes the hollowness and hypocrisy of the Communist clamour for a cease-fire without an armistice and without an exchange of prisoners -- matters which, along with others in the Soviet proposals, echoed recently by Peking, are to be left for later disposition to a commission which would be set up after the cease-fire and on whose decisions the Communist members would have had a veto.

On that important question and other important questions, the General Assembly has already shown that even when faced with matters potentially very explosive it is capable of reaching decisions which bear a relation to the present facts and to the possibilities of constructive international action.

It is probable, however, that there will be further far-reaching discussions at later sessions of the General Assembly on the reconciliation of domestic jurisdiction as laid down in the Charter with the claim that the United Nations is competent to consider and to intervene in any question which anyone may wish to put on the agenda. There is probably no more important long-range problem facing the United Nations General Assembly than this.

In the economic, social and legal fields the General Assembly did not strike out on any new paths, but it reviewed and developed the work of its various technical agencies. It is possibly worth special mention that there was a decision to recommend a \$25 million grant for the expanded programme of technical assistance which the Economic and Social Council had already proposed.

Such achievements as the General Assembly has been able to make are I think the more commendable in that they were made under the handicap of the uncertainty attendant upon the Presidential election in the United States. The General Assembly was also faced with serious problems posed for the organization itself by the resignation of the Secretary-General and by certain difficulties which arose over personnel problems in the Secretariat. I shall say no more about these matters now, as they will undoubtedly be discussed at the resumed session.

However, there are some additional subjects on the agenda which promise to give rise to discussion and indeed to opportunities for propaganda. These include, for example, germ warfare, the Polish resolution on "peace" and the Czechoslovak resolution referring to the alleged interference of the United States in the internal affairs of other states. We are now more than half way through the session of the General Assembly, I hope; and while I do not wish to indulge in any idle or unrealistic praise of what it has done or to minimize the difficulties which lie ahead, I think we can take some encouragement from the spirit in which the General Assembly tackled the great issues which faced it last October and the constructive way in which so many delegations sought for solutions to those issues.

At the United Nations the relations of our delegation were particularly close, as they always have been, with the delegations from the other Commonwealth countries and from the United States, and I should like to say a few words at this point about our relations with the United States.

For the past months we in Canada, and indeed the people of the whole world, have followed with mounting interest the constitutional and democratic processes of the United States in connection with the choice of a Federal Administration by the people of the United States. In Canada, and elsewhere, I think people were struck by the way in which, once the elections were over, the tumult had ceased and the television had faded away, the people of the United States closed ranks behind their new Administration and took up once again the gigantic task to which destiny has called them at this time.

To Mr. Truman of Independence, Missouri, Canadians owe much and I think will acknowledge a great debt. He met international challenges during the years he sat in the most important office in the most important state in the world with courage and conviction, and he played an indispensable part in laying the foundations which made collective resistance to aggression a reality and in strengthening the sinews of the free world. Now President Eisenhower is taking up this Herculean burden. We all know the towering contribution he made to victory in war. It is encouraging today to know that his qualities of statesmanship, and his strength of character, his wisdom and experience will be placed at the service not only of the United States, but of all the free world in our search for peace and security.

The inaugural speech of the new President breathed, I think, both humility and strength. It was an inspiration to all those who were able to hear or read it.

There are no two countries in the world, ... whose relations are closer and more intimate than those of Canada and the United States. We have our problems and our differences and will continue to have them, problems which arise not only from strictly bilateral questions but also from the position of the United States as the leader of the free world coalition of which Canada is a part. Naturally, as the United States possesses so much the greatest power in that coalition and as its influence is correspondingly, and rightly, greater than others, we others are preoccupied -- and at times intensely so -- as to how that power will be used and how that leadership will be exercised.

One problem for any Canadian Government in its relations with the United States as the leader of our coalition -- and it is sometimes a difficult problem to solve -- is to know when we should give up our own particular view in the interests of general agreement and when we should persist in our own policy even if it means disagreement of the kind which gives so much aid and comfort to the Communists.

In seeking for the right answer to this question, on the occasions when it is presented to us, there are various factors which I suggest we should always take into consideration. The first is our responsibility to our own people which means, when necessary, stating our own views to our friends frankly but responsibly. Second, it means an understanding of the desirability, indeed the necessity, in the face of the menace that confronts us, of maintaining the maximum degree of unity that is possible. Third, it means a recognition of the special responsibility that the United States is bearing in the effort for peace. All this, I suggest, makes it desirable not only that the Canadian voice in international affairs should be frank and clear and in

a recognizable Canadian accent, and also that there should be the greatest possible harmony between that voice and the other members of the chorus, especially the leader.

So far as our strictly bilateral relations with the United States are concerned, if it is possible to separate them from the collective problems which we share with others, they are closer, more complex and more varied than ever before. Take trade for instance. The currents of trade now criss-cross our boundary with the United States until trade between our two countries has become greater than that between any two countries in the world and, indeed, I believe is greater than trade between the United States and the whole of South America. Every state in the United States and every province in Canada has a part in that trade which reaches farther into Canada as our northern frontiers assume greater importance in the industrial development of both countries.

So ... we were glad to hear President Eisenhower, in his State-of-the-Union message, urge upon the United States Congress the need for basing foreign trade securely on fair and equitable arrangements, and in particular to hear his recommendation regarding the reciprocal trade agreements act and the revision of customs regulations aimed at reducing obstacles to trade. We hope that this will soon result in enhancing the economic strength of the whole free world by securing its foundation in rational trading policies which will benefit us all. Political co-operation and economic conflict are difficult at times to reconcile.

In joint defence, if I may turn to another field, our partnership with the United States is also becoming closer and more complex. Today our common defence requirements are greater than ever before, so great, for instance, that it has been necessary for Canadians, and Americans to take their places side by side at lonely northern outposts in Canada as protection against possible aggression which, if it occurred, would not be aggression against a nation but aggression against a continent. It must be expected, that as the advances of modern science and technology increase the speed with which an enemy could strike, so it will be necessary to push our continental defences and our continental development farther and farther north.

In this increasing preoccupation with common defence there is ground for satisfaction on two counts. First, Canadians know that the United States Government respects our rights and our natural desire to retain in our own hands the responsibility for administration over all our territory, subject of course to the requirements of collective security. Second, the increasing need for northern defence arrangements in turn requires a further development of transportation, communications and other facilities which are making a material contribution to opening up the wealth and resources of our last remaining frontier, the north.

There is one matter, however, in which our American friends have not been able to co-operate with us at the pace we feel the requirements of the situation demand. I am speaking of the St. Lawrence Seaway. We have made great progress during the last few months toward the completion of arrangements for the joint development of the power works in the International Section of the river, which are essential before we can proceed with the development of the navigation works, either alone or in co-operation with the United States. All arrangements in Canada have now long since been completed. It remains only for the Federal Power Commission of the United States to issue a licence to an

appropriate agency to construct the United States share of the power works for this whole project to get under way. We are waiting for the Federal Power Commission to reach a decision on this matter. We hope that it will be soon, and we are disappointed that that decision has not already been reached.

As arrangements for this Canadian project approach completion, there has been renewed interest in the United States in participating in the construction, the operation and the control of the waterway. Our position, which has already been made public, is simply that we must get on with the entire development just as quickly as we can. The need for power has long been urgent. It must be met, and the St. Lawrence River is the last important source of low cost hydro-electric power available to serve this particular area. Once the arrangements for the development of this power have been completed, and only then, we can discuss whatever new proposal the United States may wish to make for participating in the Seaway. It has been made clear, however, that the discussion of any new proposal for sharing this task must not delay any longer the whole project.

Canada and the United States has solved many problems together in a spirit of good will and good neighbourliness, with faith in each other's intentions and purposes. Surely they will be able to solve this one, and soon.

I should like to turn for a moment ... if I may, to our relations with Latin America, which are growing in importance, both politically and commercially. It has been the policy of this Government to do everything it can to foster that growth and to strengthen our relations with this increasingly important part of the world. The importance and influence of the Latin American countries is evidenced not only by their growing trade but also by their growing influence in the world's councils, especially at the United Nations.

So far as trade is concerned, Latin America has become the third largest trading area for Canada, our total trade with it having risen from \$33 million in 1938 to well over \$500 million in 1952, almost equally divided between imports and exports. Although our trade with Latin America averages only about 6 per cent of our commerce with the world in general, it accounts for about one-quarter of our trade with all countries other than the United States and the United Kingdom. So one of the principal aims of Latin America and Canada in recent years in particular has been to increase trade in both directions.

We are especially glad ... to welcome back to the House our colleague the Minister of Trade and Commerce (Mr. Howe), who has recently made such a distinguished contribution toward strengthening our political and our commercial relationships with Latin America. From all accounts we have received, his mission was greeted with quite exceptional cordiality in the countries which it visited, and this gives real hope of fruitful results of the kind we are accustomed to securing from the Minister of Trade and Commerce. ...

... Now, I would like to say a few words about our relations with the Commonwealth. It is not easy, of course, to bring the Commonwealth neatly into any geographical tour since it is as scattered on the map as it is varied in its peoples. It remains one of the most important associations through which Canadian foreign policy is worked out collectively with our friends. It is an association deep-rooted in our history but sensitive to political evolution, as was pointed out so eloquently in this House the other day. Unlike the United Nations and unlike NATO, it has no formal treaty between its members, no formal machinery or firm commitments of any kind; but it is a source of

political, economic and moral strength to all of its members and it is of value indeed to the free world which not so long ago it saved from disaster and defeat. Its tried methods of consultation have survived many perils and are always followed by decisions taken by the respective member governments and by agreement on the part of its respective member governments, if only agreements to disagree, which occasionally happens.

The relations, for instance, among the Commonwealth delegations at the United Nations are very close and important and it is significant, I think, to realize that at the recent General Assembly of the United Nations there were members of the Commonwealth who were in what might be termed almost violent disagreement in their approach to certain items on the agenda; but that that never at any time prevented those members of the Commonwealth in such disagreement from meeting around the table at a Commonwealth meeting to try to iron out their difficulties in private before they were expressed in public.

May I, while I am on Commonwealth relationships, mention one other recent consultation, the Conference of Commonwealth Prime Ministers held in London last November. It will be recalled that this conference concluded that -- and I quote from its communiqué --

---a more positive policy can now be adopted both by the Commonwealth countries themselves, and in concert with other friendly countries, to promote the expansion of world production and trade.

And it emphasized that Commonwealth countries -- and again I quote --

-- have no intention of seeking the creation of a discriminatory economic bloc; rather their object is by strengthening themselves to benefit the world economy generally ... the Commonwealth countries look outward to ... co-operation with others, not inward to a closed association ...

That is from the communiqué at the end of that conference. This conference was no narrow group aiming to improve its position at the expense of or without consideration for others. It was a widely representative meeting seeking to find some basis on which beneficial national action could be taken and from which international co-operation could proceed, but fully aware that such co-operation, to be effective, must have a broader basis than even the Commonwealth association.

The effectiveness of this Commonwealth conference cannot of course, be judged finally until more is known of the measures adopted by individual governments following it, and until further discussions have taken place between its members and other governments, particularly the Government of the United States, and with various international organizations, particularly the Organization for European Economic Co-operation. The Commonwealth countries have, however, taken a useful initiative. In following it up there will have to be co-operation on the broadest possible basis to ease the necessary but not easy adjustments which may have to be made, especially by some of the members of the Commonwealth. In this process the Canadian Government will naturally wish to play a full and, I hope, constructive part.

Another Commonwealth initiative on which I can only touch at this time, but which I am sure will be given consideration later, is the Colombo Plan which likewise was framed in full awareness of the interests of other countries and other organizations, particularly the United Nations. That plan is now nearing



the end of its second year and it continues to be one of the most important and constructive elements in our foreign economic policy.

The significance of the Commonwealth, however, rests on more than trade and economic development factors. In today's world the effort to bring the condition of men a little closer to the ideal of brotherhood, though an aim which we share with many others outside the Commonwealth, can be felt and understood within the Commonwealth as something with a special and I think a deeper meaning.

Today the Commonwealth, including its Asian nation members, is able to do much in promoting this understanding and co-operation, especially between the West and Asia. The presence at Her Majesty's coronation next June of representatives of all nations of the Commonwealth, whether monarchy or republic, from East and West, will be a striking demonstration of this free world-wide association of which our young Queen is the gracious symbol. Furthermore, since the Commonwealth embraces territories which, though not yet qualified for membership, are nevertheless advancing toward self-government, it may before long be faced with proposals for the inclusion of new members. The old Empire gave way to the new Commonwealth, and that new Commonwealth in its turn is developing and changing and gathering, I hope, new opportunities of service and usefulness in the process.

This influence of the Commonwealth with its Asian members is one reason Canadians think more about Asia and the Far East than they did a few years ago. Today the Far East is also close to our interest because fighting is actually going on there in Korea, in Indo-China and in Malaya, and it threatens in other places. We continue to do what we can to end this fighting, especially in Korea, as a prelude to a general settlement in that area.

As I said a few moments ago the most recent attempt at the United Nations General Assembly to end the war in Korea has failed. But the effort to that end must not stop, and I am sure it will not stop. The guiding principle of Canadian policy in Korea is to continue to do everything possible to limit the present hostilities to the Korean peninsula, and to take advantage of any opportunity for an early settlement of these hostilities by peaceful negotiation. It follows from this that our general attitude in the United Nations General Assembly, as elsewhere, is to support proposals designed to facilitate an armistice agreement, and to oppose proposals which, in our judgment, would impede such an armistice.

On the specific question, for instance, of the disposition of prisoners of war, the Canadian position has been quite clear and consistent. We do not believe that any prisoner should be compelled by force to return to what was once his homeland or should be prevented, through any kind of moral or physical force, from so returning.

We consider also that the purpose of the United Nations in Korea remains the defeat of aggression there, and does not include intervention in the civil war in China. So long as Chinese troops act as aggressors in Korea they must be opposed and that aggression, if possible, defeated. This does not mean that we who oppose them, by so doing, are committed to the overthrow by force of the government now in effective control of the mainland of China. As we see it we are engaged not in a national war against Communist China or in intervening in a Chinese civil war, but as a member of the United Nations in a police action against aggression.



Such action may be, and in this case is, just as bloody and dangerous and as hard to bear for those who are engaged in it, as any war of old. But it does embody a new and heartening concept of arms used to defend international order and law rather than to defend national interests alone. ...

On this point ... I should like to quote a few words from a magazine which will be familiar to hon. members, though possibly not on account of its comment on international affairs so much as its humour. I refer to the New Yorker. In an editorial in its issue of November 8, 1952, I find these words:

Korea was undertaken, and stands at this date, as an attempt to honour a prior commitment among nations; that is, the United Nations Charter agreement about armed aggression. This fact, without making Korea less bloody, make Korea unique and distinguishes it from wars this nation --

The editorial is referring to the United States.

--has known and fought in the past. ...

When a policeman chases a thief, he does so because of a prior decision of the community regarding felony. The community of the United Nations, new and shaky and divided against itself, made a decision about aggression, and a bloc of non-Communist armies, egged on principally by us Americans, rushed in to enforce the global ordinance in the name of collective security. It may be a mess, and the events leading up to it may lack clarity, but nobody need apologize for police action in support of world belief, and nobody should belittle the word "police". It is a good word, and cannot be dissociated from justice and peace. ...

Another point of importance in the policy Canada holds towards Korea and the Far East generally is our belief that it is essential that Western and Asian democracies should maintain in this matter the highest possible degree of unity of purpose and action. We do not believe, accordingly, that the Western powers should press for military or economic measures, at the United Nations or elsewhere, which would certainly not be supported and indeed might be actively opposed by important non-Communist Asian states, and which without such support would be less effective in ending the Korean war than in extending it.

This principle has guided our policy in this matter in the past, and it will continue to guide us in considering any such proposals which may be made in the future. We think that such proposals should be considered, not emotionally or from the standpoint of our feelings about the Communist regime in Peking, which we detest, but in the light of our United Nations obligation to stop aggression in Korea, and from the point of view of whether their value in that respect is more than offset by the risk of precipitating a war on the mainland of China which, it is clear, would not stop there. It is, of course, very natural indeed to desire to hit the aggressor in new places and with new weapons, but it is also wise to realize that in consequence he may also hit us somewhere else and with new weapons. There are, for instance, about two million people on the very small and rocky island of Hong Kong.

...I should like to say a few words about the concept of a security arrangement in the Pacific along the lines of the Atlantic Pact -- a concept which we usually embody in the words Pacific Security Pact.

I have told the House on a number of occasions that, in my view, the time was not yet ripe for a Pacific pact along those lines. I believe that that is still the case. On June 20, 1952, when I last mentioned the subject in this House, I said we were in agreement with the views of Mr. John Foster Dulles, who had said that he did not think it feasible on any quick time-table to associate the countries of Asia in a security pact in the same way as the countries of the Atlantic were associated. Mr. Dulles is of course, now the United States Secretary of State. We continue to agree with these views which he then expressed and which I believe he still holds. I hope those who hold other views on this subject will produce concrete and impressive evidence in support of them, so we may be given an opportunity, on the basis of that evidence, to consider whether we should change our minds and not merely reiterate that we should have a Pacific pact and that we should do more in that respect in the Pacific.

As I see it, there are three fundamental difficulties which remain -- and I have mentioned them before -- in the way of the early realization of a Pacific pact on a multilateral basis. The first difficulty -- and it is a basic one -- is which Pacific states should be included and which should be left out; the second is how to get the various countries which might participate to agree to team up with other potential members; and finally there is the lack of community of interest and purpose and policy among some of the potential members.

Until these problems are solved, and they are certainly not solved yet, a Pacific pact which attempted to be the counterpart of the North Atlantic Pact would, I think, inevitably be an artificial creation and might well do more harm than good.

The Pacific, however, is by no means a security vacuum. The United States has security arrangements with Canada, of course, but also with Japan, with the Philippines, with Australia and with New Zealand.

... It has been suggested by some ... that Canada might adhere to the tripartite security treaty, now known as the ANZUS Pact, between the United States, Australia and New Zealand. On April 1, 1952, I expressed ... the opinion that the objections to broadening this arrangement at this time into a general Pacific pact, or indeed the objections to including any additional states in this arrangement, were accepted as overriding by certain countries whose support for such broadening would be essential; and that certainly means first of all the United States. That opinion, has subsequently been reinforced by the communiqué issued on August 7, 1952, by the ANZUS Council itself, at the conclusion of its first meeting. That communiqué reads in part as follows:

It would be premature at this early stage in its own development --

(that is the development of ANZUS)

-- to establish relationships with other states ...

As the ANZUS Council itself has taken that attitude not particularly or especially in relation to Canada but in relation to other countries as well, including countries which have a deep and abiding interest in such a pact, I do not think it would be appropriate for us to press for membership at this time ...

We obtained, I think, quite adequate information on which to base the policy which we have followed. So I repeat, ... that while we are not members of a Pacific Security Pact along the lines of the North Atlantic Pact, and while we are not now members of the ANZUS association, we are just as much concerned with security in the Pacific as we are with security in the Atlantic; because security, like peace itself, is indivisible. But that does not mean, as I see it, that the expression of this concern must be through the same type of collective security machinery everywhere.

When talking about a Pacific pact it is natural, I think, to say a few words about our relations with Japan which would have to play an important part in any collective security arrangement in the Pacific, and this indicates one of the reasons it is not easy at this time to broaden the more limited association into a wider one.

Earlier last month our colleague, the former Minister of Fisheries, Mr. Mayhew, took up his new duties as first Canadian Ambassador to post-war Japan... He has got down to work at once, as one would expect of him. His arrival in Japan and indeed the exchange of ambassadors with that country not only reflects the developing significance of Canada as a Pacific power, but it also points up the increased importance which both countries, Japan and Canada, attach to their relations with each other.

Canadian interests in Japan are important and varied. In trade, for instance, Japan has again become one of our best customers. The question of our trading relations with her is a difficult one; and some of us may find it hard to approach the problem entirely dispassionately. But I suggest that we cannot afford to ignore it, for Japan is at present our fourth largest market. Last year we sold Japan \$102 million worth of goods, about eight times as much as we bought from her.

Political considerations reinforce these economic reasons for reasonable trading relations with Japan. If she is to be retained as a healthy and reliable friend and ally in that critical part of the world, we and the other free countries must be prepared to join with her in working out satisfactory arrangements for maintaining and expanding the trade on which we are both so dependent, and on which she is especially dependent, and she sees her markets on the mainland of Asia being curtailed or possibly being lost because of political difficulties.

As an associate in the free world community, we look to Japan to adhere to her new-found democratic way of life, and we expect her to make a constructive contribution to collective security in the Pacific. On the other hand, I suppose Japan has the right to look to us to do our part -- and by "our" I mean the nations of the Western world, including Canada -- to show that her choice of friendly association with us is wise from the point of view of enlightened self-interest.

May I say a word now about another part of Asia which has great strategic and political significance at the present time. I refer to Southeast Asia, where the situation in some places has taken a turn for the better during the past year. Burma, for instance, has made considerable strides towards the restoration of internal order, and in Malaya the tide of Communist terrorism has receded. But in Indo-China which, in some ways, is the most important part of this Southeast Asian area, bitter fighting is still going on to keep this territory under nationalist but out of Communist control.

In a resolution adopted December 17, 1952, the North Atlantic Council expressed its wholehearted admiration for these efforts and acknowledged that the resistance of the free nations of Southeast Asia was in fullest harmony with the aims and ideals of the Atlantic community, and agreed that the campaign waged by French Union forces in Indo-China merited support from NATO members. Indeed there is a close strategic relationship not only between events in Korea and Indo-China, but also between events in Indo-China and in Western Europe, because events in Indo-China have a very important bearing on France's contribution to the defence of Western Europe. . . .

In this tour I have reached Southeast Asia, and it is interesting to note that there is now only a relatively small geographical gap between Southeast Asia and the area covered by the North Atlantic Treaty, which goes to the Eastern boundaries of Turkey. And so in a debate of this kind, it is possibly not as inappropriate as it might seem to jump from Southeast Asia to the North Atlantic Treaty Organization.

. . . All members of the North Atlantic Treaty Organization and all members of the Commonwealth, I think except Asian members, have recognized Viet Nam, Laos and Cambodia.

So far as the North Atlantic Treaty Organization is concerned, the feeling has recently developed that the high hopes which we placed in NATO not so long ago are not being realized. The claim is being put forward on the one hand that NATO defence plans are inadequate and are being implemented too slowly to meet the threat which Soviet military strength still poses in Europe. On the other hand, some people feel that the effort to achieve the military targets agreed to at Lisbon is resulting in economic weakness and social and political division, and that economic and political co-operation is being subordinated to excessive military planning.

Well, I think myself that both these criticisms are somewhat exaggerated. If NATO has lost some of the momentum of its earliest days and some of the appeal of those days -- and I am not denying that that might be the case -- it is due, I suggest, to a certain recent tendency, which is a natural one in the circumstances to mark time during the longish period while the leader of the coalition was changing the guard, and the period between the changing and the mounting of that guard. There was a certain hesitation in NATO activity which extended over some months.

It might also be due to a feeling of lessening tension as the years go by without attack, and with growing strength on our side which, of course, means heavy defence burdens. That feeling can be dangerous by lulling us into a sense of false security and, indeed, complacency. On the other hand I suggest that it should not be permitted to obscure the fact that the founding and building up of this NATO coalition of 14 nations is itself, one of the greatest achievements of history in our time. People already tend to take for granted this really revolutionary development which has taken place in less than four years. And so it should be a source of sober satisfaction, though certainly not of complacency, that by the end of 1952 in Western Europe, largely because of NATO, the temptation to easy and victorious aggression has been removed, that temptation which is the greatest threat to peace when totalitarian governments are around.

Canada's contribution to NATO forces remains in accordance with the commitments which we accepted at Lisbon. They include 24 warships being made available by the Royal Canadian Navy for anti-submarine and coastal service as part of the Atlantic

force, the 27th Canadian Infantry Brigade, which is stationed in Germany as part of General Ridgway's forces, and the two F-86 jet-fighter wings already overseas, which will be part of the R.C.A.F. division to be stationed in France and Germany when airfields become available. Canada has also provided, during the past year, considerable help to other member countries by means of our Mutual Aid Programme, under which substantial quantities of arms and ancillary equipment have been supplied.

A ministerial meeting of the Council was held in Paris in December, not to make momentous decisions but rather to review the progress made since Lisbon on both the civilian and military sides. And there will be another meeting of the North Atlantic Council, under present plans, toward the end of April. At that meeting we will consider the 1952 annual review, which was not completed in December. We will also consider steps to be recommended for the rest of 1953.

On the civilian side, the Secretary-General's report last December described the work, constructive but still in its initial stages, which has been done in the non-military fields of co-operation, although it has not proceeded as far as some of us had hoped when we signed the North Atlantic Pact. Work has proceeded in the field of political consultation through the Council, which is now in permanent session, work dealing with population problems, civil defence in wartime, food plans and ship production and supply.

In this connection I think it possibly appropriate for me to refer to the problem posed by the floods which have devastated three of the member states of NATO. The North Atlantic Treaty Organization is the formal expression of the North Atlantic community. A community is a group of people who act together in a crisis, and it is in moments of emergency and crisis that each of us is made aware of the reality of the community which links the peoples which compose it.

The flood disasters which have recently struck at Britain, the Netherlands and Belgium aroused throughout Canada and the whole community instant sympathy and concern, coupled with a desire to speed aid to the victims. I think this disaster might well be a matter for consideration by our North Atlantic Treaty Organization. ...

It has been brought to the attention of the Council by several members. I should like to say a word on the military side before I sit down. The progress report of the Military Committee in December showed that great advances had been made in training and increasing the effectiveness of the various national forces assigned to the supreme commander, and in the co-operation between national units and staffs. Substantial advances have also been made in the standardization of international military procedures, notably in signals and in the provision of airfields. At their December meeting the ministers were able to complete the European Command structure by approving the Military Committee's proposal for the establishment of a Mediterranean Command. So on the whole there has been a steady advance.

It seems to me rather unfortunate therefore that the tone of the publicity which came out of the Ministerial meeting in Paris in December seemed to reinforce this talk of loss of momentum and indeed defeatism. The picture painted in some of the press dispatches emanating from Paris was that of reluctant member countries falling short of the minimum effort required to guard against aggression in spite of dire warnings from various quarters of the consequences of such aggression. If NATO has not done everything

that everyone expects of it we should remember that, as in national affairs, an international undertaking of this sort has constantly to fit its plans not only to the capabilities but to the policies and wills of its member states.

It has also to deal first with the most urgent tasks. It was in recognition of this that the Ministerial meeting in December directed that more emphasis should be given to increasing the quality of the strength and effectiveness of the NATO forces and the units necessary for their support rather than to the provision of greater numbers of troops at this time.

It has also been recognized that the impact of a collective undertaking of this kind and of this magnitude is bound to have important and sometimes unforeseen results on the economies of member countries, and that political and economic stability must co-exist with defensive strength or else the strongest military force would be but an illusion of security, weakening the very substance which society itself intended to protect.

This does not mean that the governments of NATO countries should forget for a moment that the danger posed by Soviet imperialism to their common heritage of freedom still remains. As I have said, if the threatening cloud of aggression seems now to be less dark in certain parts of the sky over Europe, it is due to the efforts which its members have made to increase their collective strength and unity since the inception of this NATO alliance. The maintenance of the unity and strength of its members and the extension of their joint action into other fields depends, as I see it, in large part on the preservation of our peace and security. ....

(On motion of Mr. Pearson the debate was adjourned.)

...I think it is clear that there is one important area of the world where collective security arrangements are most conspicuous by their absence. I am referring to the Middle East. That is a gap, and an important one in our efforts to defend ourselves and the free world collectively.

It is, I think, clear that the gap is not likely to be closed by Middle East defence and security arrangements until the political relationships between some of the countries in the Middle East are happier than they are, unfortunately, at the present. That is only one reason why I think the House will have welcomed the announcement today that an arrangement has been concluded between the Government of the United Kingdom and the Government of Egypt covering the future of the Sudan, which should be a step forward in stabilizing that whole area. It will also have been made clear, I hope, that all these separate collective security arrangements really hang together. They are in a sense interdependent.

Yesterday I finished my discussion by dealing with the North Atlantic Treaty Organization. That Organization as we know is a limited association of fourteen states whose responsibilities under the Treaty extend only to a clearly defined area. Meanwhile it is becoming increasingly clear that it is Communist world strategy to attempt to drain away the strength of the Western democracies by military and quasi-military action in the Far East and other places and by fomenting disturbances in the Middle East and in Africa. The Communist threat then is on a global scale, and no exclusively regional approach to that threat will be sufficient. The policies required to meet it must be world-wide too. Asian problems are linked with European problems, as has been so clearly demonstrated in the case of Indo-China.

Therefore, while each of the NATO partners has its own particular and necessarily limited commitments, it is essential, I think, that in the formulation of their plans -- and this is becoming increasingly recognized in NATO -- they should take account of their implications in the global setting. Before that can be done by NATO I think it is fair to say that the strength and the progress of the NATO effort will have to be linked in some satisfactory fashion with the move towards greater European unity.

Last June when I reviewed the European scene I spoke in some detail of the treaty constituting a European Defence Community which had been signed at Paris on May 27 by representatives of the Governments of France, the Federal Republic of Germany, Italy and the Benelux countries. At that time there were reasonable grounds for hoping that the treaty would be ratified and in force by the end of 1952. Unfortunately that hope has not been fulfilled. In both France and Germany hesitations and doubts have emerged and persisted, arising perhaps out of the conflict between hopes for the future and memories of the past. These have resulted in disappointments and delays which have possibly caused more surprise and impatience in some quarters than they should have. After all, the decisions to be made in this matter are not easy ones and they involve renunciations of sovereignty that would have been unthinkable even fifteen or twenty years ago.

Those of us who criticize Europeans for being so slow to come together, and who sometimes are tempted to draw what may be misleading historical analogies in urging them to do so, should ask ourselves how readily we would welcome similar renunciations of sovereignty on our own part. Yet while we should understand the hesitations and the difficulties, we should also, I think, clearly realize the desirability, indeed possibly the necessity, for the right decisions to be made soon so that Europe can combine its strength with ours for security and progress. In the darkly menacing picture of our world today, the ancient quarrels of Europe are not important enough to occupy the foreground. The picture must be looked at, I suggest, from a new perspective.

It is unwise to underestimate the depth and sincerity of the national feelings involved, but what alternative is there to European unity of some kind for defence and, indeed, for Europe's very existence? The question that Europeans and ourselves will have to answer is: Is there any solution more acceptable to the parties concerned than the European Defence Community which is now before them for consideration?

The concept of a European army is a bold and original one which will not be easy of quick realization. But I think it is the best and safest proposal yet made to bring Germany into the Western defence system, without which there cannot really be an effective collective defence of Western Europe. That it involves risks I would be the last to deny. Recent evidence of pro-Nazi activities in West Germany points up one aspect of this risk. But there is no course in this matter without risk. We live in times which are not calculated to bring comfort to the timid, and a new world cannot be built in Europe on a foundation of ancient wrongs.

Between now and the eventual ratification of the treaties, I am confident that the statesmen of the free world will find solutions to the difficulties which the European Defence Community faces, particularly in relation to such problems as the Saar and Indo-China.



The latter problem of Indo-China, which we touched on yesterday and which is so important to the free world, was publicly recognized as such at the December meeting of the North Atlantic Council; and I think it is at the root of French fears and hesitations in Europe at the present time. . . . We may not . . . be aware that French casualties during operations in Indo-China have been approximately 90,000 wounded, killed and missing -- and of that figure 40,000 have been killed. It is understandable, then, that in the plans for closer European defence unity, in which Germany will participate, the French still have very much in mind the diversion of their defence effort necessitated by the situation in Indo-China.

The additional protocols which the present French Government has said it intends to negotiate before it accepts the European Defence Treaty are meant, in part, to take into account France's overseas commitments and to allay the fears of the French people arising out of these overseas commitments and their relationship in turn to the new commitments that they are being asked to assume in Europe. The strong and expressed desire of the French Government to see the United Kingdom associate itself more closely with the European Defence Community is also, I think, to some extent a reflection of France's feeling that she cannot safely put her whole endeavour into the European army so long as she is committed in Indo-China.

It will be recalled here that the United Kingdom, which is already making such a big contribution to European defence and, indeed, to the defence of freedom generally, has already taken a number of steps in the direction of closer association with the European Defence Community. I am sure that we hope that she may find it possible to take even further steps to that end which will not prejudice, of course, her Commonwealth and overseas interests and responsibilities.

We, in Canada, have given evidence of our strong concern. I think, with the defence of Europe -- which is our own defence -- both by the pledge and by the presence of our forces in Europe and by our Programme of Mutual Aid. Moreover, . . . by signing, giving Parliamentary approval to the NATO-EDC protocol, we have recognized the direct importance to us of the European Defence Community arrangements themselves. By that protocol, we in Canada assume, as members of the North Atlantic Treaty Organization, reciprocal obligations for defence along with the European Defence Community. When we talk about the Community and express our opinions on it we are talking about something with which we are already connected by our actions here. There is provision in this protocol for mutual consultations between the councils of the two organizations; provision for joint sessions whenever one or the other deems that desirable; and arrangements for the closest co-ordination on the technical level. In that sense, if European defence arrangements become operative they will bring Germany not merely into association with the European Defence Army but into association with the North Atlantic Treaty Organization.

So, the unity and the defence of Europe are not matters to which we give an Olympian blessing from a distant shore. In whatever final form the European Army becomes a reality, its officers and men will have Canadians as comrades-in-arms since we share a common air, which is the defence of freedom. We shall all be united, I hope, behind the shield of NATO.

Although the European Army, then, has not come into being, European integration is making encouraging progress in other respects. In fact, the day before yesterday an event of very real symbolic and practical importance in the development of European integration took place; and I am referring to the

proclamation establishing the common market in Western Europe for coal under the terms of the Schuman Plan, to be followed in April by the common market for steel. By these arrangements a start has been made in eliminating customs barriers and price discrimination in these vital materials over a vast area inhabited by millions of people. Today the European coal and steel community begins what should develop into close and fruitful European collaboration in the economic field.

In the conception and in the working out of this new supranational body, because that is what it is, Europe owes a great deal to the brilliance and energy of M. Jean Monnet, the first head of the high authority of the Schuman Plan, and also to the courage and initiative of M. Robert Schuman himself. M. Schuman has shown a remarkable capacity for reaching out to new concepts and bold designs. There are still many obstacles to overcome in the development of European integration, but the very fact that we can speak of the possibility of such integration at all is due in large part to M. Schuman's unsparing efforts to reach an understanding with the neighbours of France beyond the Rhine. I have every confidence that his distinguished successor as Foreign Minister of France M. Bidault, will continue this task with equal success.

Such, ... is the picture very roughly and inadequately sketched, and with many omissions, some of which I have no doubt will be pointed out in the course of this debate.

The picture continues to give cause for concern, but in some respects it is, I think, a shade brighter than when I spoke last June. Uncertainty and anxiety still darken the general design. We still live in a world which is groping for unity and peace. It is true, and we have been reminded of it with increasing vehemence recently, that the leaders of Soviet Communism are prepared to offer the world "unity" and "peace", but what unity what peace and at what price? If it is simply the acceptance of Soviet domination, and the relinquishing of our liberty, that price is too high and there can be no bargaining on that basis. For us, and for all people who value freedom at its true worth, that is a price which we shall not pay. But there is no reason for despair. We must, and I am sure we can, with patience and perseverance and the right use of our growing strength, discover another and a better way of finding a durable peace within the framework of freedom.

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