## STATEMENTS AND SPEECHES and the second second

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I A THE REPORT OF A STATE OF INFORMATION DIVISION DEPARTMENT OF EXTERNAL AFFAIRS OTTAWA - CANADA

No. 59/41 <u>A RE-ASSESSMENT OF SOVIET ATTITUDES</u>

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Address by the Prime Minister, Mr. John G. Diefenbaker, to the Men's and Women's Canadian Club, Halifax, Nova Scotia, November 14, 1959. 

All plans for economic prosperity within Canada depend on the maintenance of international peace.

COMPANY LA PARA There are some signs of a new spirit in the relations between the Western world and the Soviet bloc. The discussions between Prime Minister Macmillan, President Eisenhower and Premier Khrushchov have contributed in large measure to a reduction of world tension. é la constituída a com

I'll and and On the Soviet side, threats, abuse and suspicion appear to have given way to an attitude of greater moderation and understanding. Many different interpretations have been placed on the new Soviet approach. There are those who see it as reliable evidence of a genuine determination on the part of the Soviet Union to negotiate settlements of outstanding differences. There are others who cannot bring themselves to believe that Mr. Khrushchov's words of moderation are anything but a deceitful cloak for continued Soviet pursuance of aggressive aims. It is difficult to decide where the truth really lies, but it is necessary for the Western nations to keep under constant review the policies and tactics which are best calculated to advance the cause of greater international stability.

Nothing which emerged from Mr. Khrushchov's visit to the United States and nothing he has said publicly since that time justifies the conclusion that any of the basic Soviet positions have been abandoned or modified. The Soviet hold on Eastern Europe has not been relaxed. The German problem is as intractable as ever. There are no signs of a falling-off in Soviet defence preparations. There is still much room for skepticism as to the real substance of Soviet disarmament proposals. We should not leap to the conclusion that the differences we have lived with for more than a decade are on the point of being swept away, or that trouble may not arise again in areas which are at present in a state of quiet.

If these things are true, what then has changed and what basis for optimism or hope exists? I believe that, so long as we do not suffer from the illusion that Soviet foreign policy has undergone a basic change, it is possible to identify and to welcome certain modifications in the Soviet approach to international problems. There has been some recent concrete p evidence to support this view.

It was a positive gain that, out of the talks which Mr. Khrushchov and President Eisenhower held at Camp David in September, the Soviet Government undertook to remove the pressure of a time element from the Berlin situation. It is now possible for the parties concerned in this dispute to approach a new stage of negotiation free from the shadow of an ultimatum. While no substantive advance towards a settlement of the Berlin issue was made, the Soviet Government evidently considered that it would be in its interest to remove a sore spot in its relations with the Western nations.

In his appearance before the United Nations, Mr. Khrushchov brought forward sweeping proposals on disarmament. Time alone will serve to test the real significance of that much advertised presentation, which left many questions unanswered. It may, however, be of some importance that in subsequent public statements Mr. Khrushchov has sought to counteract the impression that the Soviet Government would not agree to a realistic system of control and inspection in the implementation of disarmament measures. Progress on disarmament cannot be anything but slow, but we should not disregard the fact that the U.S.S.R. has agreed to participate in a committee of ten nations, including Canada, which will begin, after the New Year, to examine the whole range of disarmament problems. More recently the Soviet Government has agreed to co-operate in technical studies of United States data on the problem of detecting underground nuclear tests.

What is one to think of these developments in the field of disarmament? Perhaps the Soviet Government wants only to avoid being revealed as the stumbling block in negotiations. But again, the Soviet leaders now have the opportunity to demonstrate in concrete terms their desire for progress towards a world disarmament system.

Another example of the new atmosphere is to be found in Premier Khrushchov's speech of October 31 reporting to the Supreme Soviet on foreign affairs. Compared with previous Soviet statements on foreign policy, it was remarkable for its moderation. Four times Mr. Khrushchov acknowledged the need for mutual concessions if any progress was to be made in solving international problems. Once he went so far as to state that the Western nations had themselves already made concessions to the U.S.S.R. This speech contained only commendation of President Eisenhower, Prime Minister Macmillan and President de Gaulle for their peaceful intentions. Even on Algeria, a favourite subject of Soviet vilification of France, Premier Khrushchov commented on the difficulties of the French position and spoke favourably of President de Gaulle's proposals for self-determination.

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Again, it must be recalled that Premier Khrushchov has not weakened any position of Soviet power by making these statements. Past experience with the Soviet Union will warn us that we should not assume uncritically that these sentiments are proof of a change of heart among the Soviet leaders.

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It is an open question in a totalitarian society such as the Soviet Union how much importance should be attached to public statements. Some people claim that such statements mean nothing because the Soviet leaders do not have to take account of public opinion. I believe that this is too superficial a view. Although public opinion in the Soviet Union does not have the powerful force it has in Canada and other Western countries, it cannot be denied that Premier Khrushchov is circumscribed by what he says in public.

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When he publicly urged India and Communist China to settle their frontier differences, could the Communist leaders of China consider that they were being fully backed by the U.S.S.R.? And what must have been the Chinese reaction when, in Peking, Mr. Khrushchov seemed to imply the possibility of compromise with the United States as a long-term solution? One thing seems clear -- that these views reveal that the Soviet Union has vested interests which do not always coincide with those of Communist China.

One could speculate indefinitely on Soviet motives for desiring a relaxation of tension. It seems clear that one of Mr. Khrushchov's main concerns is to modernize Soviet society and to raise the standard of living of the Soviet people. To this end he no doubt requires the assurance of a long period of peace, with some relief from the burden of armaments production and with time to broaden and consolidate the Soviet economy.

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Mr. Khrushchov is a realist. He knows that modern war is self-defeating and cannot be employed in the traditional way to back up the aims of foreign policy. The thought of nuclear war is no less appalling to Mr. Khrushchov than it is to the West. Perhaps too, he has discovered in his talks with President Eisenhower and Prime Minister Macmillan a reflection of the longing for peace which imbues the Western nations. In other words, it may have come home to Mr. Khrushchov as a result of his talks with Western leaders, that, despite long years of Soviet propaganda to the contrary, the launching of a war is not the intention of the West. The fresh look which Mr. Khrushchov has given to Soviet foreign policy arises primarily from a deep-seated Soviet fear of nuclear war and its consequences. It might be influenced by possible Soviet concern about the long-range implications of the policies of Communist China. It accords better with the image of benevolence and reasonableness which the Soviet Union hopes to project in the under-developed world. Of more direct concern to Canada, a Soviet policy of conciliation offers a better prospect of driving wedges into the ranks of his diplomatic adversaries, of creating splits among members of NATO.

Whatever the accurate assessment may be of Mr. Khrushchov's motives, the problem before the Western nations is to determine how to respond to and encourage these changes in the Soviet attitude and yet at the same time avoid falling into a mood of complacency or divided counsels among the nations of the Western world.

The first requirement today is to keep striving for a high degree of Western unity. In the search for an acceptable basis for living with the Russians, the Western nations must remain true to each other, and must keep working to perfect their understanding. Earlier this month, when the Secretary of State for External Affairs, the Honourable Howard Green, visited Paris and London, this was the purpose he had in mind. In speaking to French and British leaders and to the NATO Council, he emphasized the Canadian view that NATO is an alliance of partners, that there is no place in NATO for different classes of membership, and that NATO's purposes cannot be fulfilled in the absence of full and candid consultation among its members large and small.

A distinguished Soviet visitor will be in Halifax next week in the person of the First Deputy Premier, Anastas Mikoyan, who will be stopping over for part of a day <u>en route</u> on an official visit to Mexico.

The process of consultation must be a constantly flowing stream. In addition to normal diplomatic exchanges between governments and in the NATO Council, it draws periodic infusions of renewed strength from exchanges of visits between Heads of Government and Foreign Ministers, and from meetings of the NATO Council at the ministerial level.

Another important type of consultation took place one week ago at Camp David, Maryland, at the Canada-United States Ministerial Meeting on Joint Defence.

One month from now, the regular Ministerial Meeting of the NATO Council will be held, immediately prior to the discussions scheduled for December 19 and 20 between President Eisenhower, Prime Minister Macmillan, President de Gaulle and Chancellor Adenauer. In this way the four Heads of Government will have the benefit of the up-to-date views of the other members of the Alliance. Furthermore, when the so-called Western Summit Meeting has been concluded, a direct and immediate report on the outcome of that meeting will be made to the Foreign Ministers of NATO. The strengthening of Western unity and understanding is a major requirement.

It is equally important that the Western governments should not fail to maintain the climate of conciliation achieved in recent months. The Canadian Government has consistently advocated the early beginning of a series of summit meetings between the East and West, for there is no denying the value of personal diplomacy as an element in the process of fostering mutual understanding.

What should be the course followed by Canada in promoting the general Western effort to improve relations with the Soviet world? Subject always to the essential conditions of maintaining Western unity and preventing the growth of a mood of complacency or appeasement, there are certain general considerations which may help to guide our conduct.

It is to the advantage of the West to encourage the development of more normal societies in the U.S.S.R. and Eastern Europe and gradually to bring them into more normal relationships with the West. Despite the discouraging history of Western dealings with the Soviet world, the possibility exists that in the face of modern armaments and in the light of the requirements of internal development, the Soviet leaders are truly prepared to move towards a more reasonable relationship with the West.

There are certain specific avenues of progress which can help to increase our knowledge of the Soviet Union and Soviet knowledge of Canada and, in this way, to establish a basis for more normal dealings.

The Government continues to be interested in the possibilities of increased trade with the Soviet Union. Our experience in recent negotiations has not been encouraging, but we continue to believe that trade is a stabilizing element which should be developed in the fullest measure possible.

In general, therefore, while remaining watchful and realistic we should restrain ourselves from automatically placing the worst construction on Soviet actions. While standing united with our allies, we should not be afraid to match gesture with gesture with the Soviet Union and to meet, on our side, any genuine move that they are willing to make on theirs, towards living together in a better atmosphere. In addition to the situation in Europe, there is also the need for the Free World to raise standards everywhere and to this end assistance to under-developed nations and areas is important. Material aid, however, has carried with it a suspicion among Asian and African peoples as to the objectives that the Free World has in mind as it distributes the largesse of humanitarian aid.

The Government has also encouraged exchanges of visits between Soviet and Canadian individuals and delegations in the cultural and scientific fields on a reciprocal basis.

The general principle which underlies Canadian thinking in this regard is that no reasonable effort should be spared to develop an inter-flow of knowledge and ideas which will help in creating a better understanding between Canada and the Soviet Union. Mutual knowledge helps to dispel mutual suspicion.

It is important in this respect that normal courtesy and restraint be shown towards Soviet visitors and Soviet diplomatic representatives.

What the forces of freedom stand for is little known to the peoples of the uncommitted world. I believe that there should be a joint declaration similar in kind to the Atlantic Charter, which will set forth the idealism and dynamic aspects for good of the forces of freedom and emphasize the willingness to work for the achievements of better economic conditions in an atmosphere in which equality and tolerance, personal dignity and freedom, can be assured to peoples everywhere, whatever their colour or race.

I would turn now for a few minutes to a discussion of another subject of great importance to all of us as Canadians. I refer to the relations in the economic field between the countries of the Commonwealth, and to the place they occupy in the broader context of world trade.

As you all know, Canada took the initiative in holding a Commonwealth Trade and Economic Conference in Montreal in September of 1958, and I think it would be useful to pause briefly to look back on that event in the perspective of the developments of the past year and to assess what it has meant to Canada. The central theme of that Conference was "An Expanding Commonwealth in an Expanding World". In other words, the main emphasis was placed on the inter-dependence not only of the member countries of the Commonwealth itself but of all the trading nations of the Free World.

The conference re-affirmed the common objective of freer trade and payments, and agreed that dollar discrimination should be progressively reduced and ended as soon as possible.

- 6 -

Of equal importance was the agreement reached at the Conference on the need to mitigate the adverse effects of protection afforded to basic agricultural commodities.

In the field of finance, the Commonwealth Ministers welcomed proposals for the expansion of the resources of the International Monetary Fund and the International Bank for Reconstruction and Development.

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What has happened since then? I would not, of course, suggest to you that every favourable development can be traced to this Conference, but I have little doubt that the signposts set up by the Conference, have helped to point the way in the right direction and have given added impetus and encouragement to many of those trends in the Free World that were already emerging from the long and arduous postwar period of recovery.

For example, just under a year ago the United Kingdom, France and many other major trading countries moved a long way towards full convertibility of their currencies and concurrently lifted restrictions on a wide range of dollar imports. Progressive steps have since been taken by a number of Commonwealth countries to reduce further the scope of their remaining restraints on trade -- the most recent moves in this direction were announced by the United Kingdom on November 4 and by France on November 5. These have followed closely on the finding by the International Monetary Fund at its annual meeting in Washington last September that there is no longer any balance of payments reason for most countries to maintain discriminatory import control.

In another sector, the Contracting Parties to the General Agreement on Tariffs and Trade have established three committees on the programme for the expansion of international trade:

(1) the problem of agricultural protectionism;

(2) further reductions in tariff barriers to trade;

(3) the problems of under-developed countries.

I think it would not be too bold to say that we stand on the threshold of a full return to those conditions of world trade which we would regard as normal and which the world has not witnessed since a brief period between the two Great Wars.

It is these conditions that Canada and the other Commonwealth countries so earnestly desire to see restored and preserved, for they cannot fail to benefit Canada as one of the world's greatest trading nations. Moreover, they provide a promise of a better life for peoples all over the world. In a world where trade could flourish and living standards rise, the age-old enemies of mankind -- want, hunger and social unrest -- will be kept in check. Under the general heading of economic aid, three important decisions were reached and announced by the Canadian Government:

- The decision to increase the annual contribution to the Colombo Plan programme from \$35,000,000 to \$50,000,000 annually, and to pledge such a contribution for a period of three years in advance;
  - (2) The decision to establish a programme of technical assistance designed to benefit those countries of the Commonwealth which are not participating members of the Colombo Plan;
- (3) The decision in principle to establish a Commonwealth scholarship scheme at a total estimated cost of approximately \$1,000,000 per year. This programme was the subject of a Commonwealth Conference held at Oxford, England, in July of this year, at which the Canadian proposal for a Commonwealth scholarship plan was warmly received and approved. Measures are now being taken to complete the necessary administrative arrangements to receive the first intake of scholars under this plan in the fall of 1960.

In addition to these decisions reached at the Montreal Conference, the Government has recently approved a programme of assistance to The West Indies amounting to \$10,000,000 over a period of five years.

The atomic age is still a very new era of mankind -less than two decades -- but even so it has brought perils as well as blessings. We may look to nuclear fission as the most powerful source of energy with the exception of solar energy. But we must be vigilant that these mighty powers are properly used for the benefit of men, women, and children. As we all know there are dangers in the radio-activity which, unless checked, could pollute our atmosphere to the point that lives are threatened and future generations born maimed, twisted or deformed.

Our foreign policy will always seek the peaceful uses of the atom. We stand against the testing of nuclear bombs, and we have made our position known at the United Nations.

We have gone further than that. Before the United Nations, Canada has taken the initiative in proposing a worldwide study of atomic radiation. From the start of the current session, our delegates have been busy meeting day and night with delegates of other countries, to line up the support for some form of united world action. Canada wants to know -exactly and without guesswork -- the amount of atomic radiation in each part of the world. We want this information to be available -- in as exact measurements as scientists can devise. We propose that radiation be studied in the atmosphere, and in the soil -- so that the air we breathe and the food we eat will be safe for life.

I think that I should point out that our scientists are satisfied that the amount of radiation over our country is well below the danger level.

But present safety will not satisfy us. We want the world to be aware of the problem of radiation, not in terms of a scare not related to facts, but in terms of reality based on scientific information. Then we may expect that the collective wisdom of the nations will ensure that we do not find ourselves in a race for the testing of nuclear weapons which could only turn the present threat of radiation into a hazard.

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- 9 -