

Canadian Defence Policy and the American Empire

by

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Abstract

This thesis examines Canadian defence policy since World War II, with reference to the continental defence alliance between Canada and the United States. The argument is put forward that the Canadian political elite has defined Canadian interests in defence and foreign policy in terms of an American Empire. From the beginnings of the Cold War, this elite was anti-Communist, and supported the American policy of containment of Communism in Europe and Asia. Simultaneously, it accepted an American military presence in the Canadian Arctic, out of which was to grow a full-fledged defence alliance, predicated upon Canadian junior partnership. Radar lines in northern Canada, the NORAD Agreement, and the Defence Sharing Agreement were elements in the process of defence integration, a process which matched the economic continentalism of the post-war period. As a result, Canada was singularly ill-equipped in the 1960's to pursue an independent policy on nuclear armament, on arms sales for use in Vietnam, and so on. In conclusion, a radical change in Canadian policy is postulated.

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For My Parents

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Chapter One

Canada and the American Empire¹

The subject of this thesis is the development of Canada's defence relations with the United States since World War Two. In it, the conventional wisdom in support of Canada's alliance with the United States is questioned, and the argument advanced that the period since World War Two has witnessed the rise of an American Empire, within whose orbit Canadian foreign and defence policy have operated.

A.R.M. Lower has written that: "Our history is a long period of colonial subordination"², while Frank Underhill has observed that 1940 marked "the year we passed from the British century of our history to the American century."³ This study argues that in this colonialism lies a tragedy both for Canadian nationalism and Canadian independence.

The colonialism underlying Canada's defence and foreign policy ties with the United States cannot be divorced from the colonialism in economic ties. Rather, it would appear that a clear connection exists between the role U.S. capital came to play in the development of Canada, especially after the Second War, and the willingness of the Canadian political elite

to regard Canadian interests as coincidental with those of the United States.

As William Appleton Williams observed:

When an advanced industrial nation plays, or tries to play, a controlling and one-sided role in the development of a weaker economy, then the policy of the more powerful country can with accuracy and candor only be described as colonial. The empire that results may well be informal in the sense that the weaker country is not ruled on a day-to-day basis by resident administrators, or increasingly populated by emigrants from the advanced country, but it is nonetheless an empire. The poorer and weaker nation makes its choices within the limits set, either directly or indirectly, by the powerful society, and often does so by choosing between alternatives actually formulated by the outsider.⁴

Despite its claim to middlepoweriship, it can be argued that the Canadian political elite seldom reacted independently to international developments in the period of the Cold War. Instead, it took to heart the advice proffered by Athens to Melos, the would-be-neutral in the Peloponnesian War, and chose alliance over independence.

You will not think it dishonourable to submit to the greatest city in Hellas, when it makes you the moderate offer of becoming its tributary ally, without ceasing to enjoy the country that belongs to you. . . . And it is certain that ~~that~~ those who do not yield to their equals, who keep terms with their superiors, and are moderate towards their inferiors, on the whole succeed best.⁵

So the Athenian envoys had argued, and so American envoys might have argued to any hypothetical bid by Canada for neutralism in the Cold War. They were spared the trouble, for Canadian decision-makers from the start identified Canada's national interests with those of the United States.

The process whereby Canadian defence policy came to be

defined in terms of the interests of the American Empire will be examined during the course of this study. Chapter Two deals with the dawn of the Cold War in the years 1945-7, which was marked by the deterioration of US-Soviet relations, and the transformation of the war-time defence alliance between Canada and the United States into the peace-time alliance, heralded on Feb. 12, 1947.

Chapter Three examines Canada's role in the creation of NATO, which furthered American hegemony in the non-Communist world, while the following chapter challenges Canada's participation in the Korean War in defence of American positions in the Far East. Chapter Four will also elucidate the relationship between Canadian rearmament and soaring American investment in Canada, and study the reasons for the construction of three radar lines in the North, precursors to a closer continental defence arrangement.

The establishment of NORAD in 1957-8, the most crucial decision of the post-war period, as regards both Canadian sovereignty and acceptance of American strategic doctrine, will be the subject of Chapter Five, while the subsequent chapter will treat the economic consequences of continentalism in defence, as exemplified by the Defence Sharing Agreement of 1959. In analysing the working of that Agreement to the present, one will find that the economic constraints reinforcing Canadian subservience to the American Empire surface to the top.

If the subject of this study proper is Canadian defence

policy, this can only be understood in the context of the rise of an American Empire, and in the light of the colonial tradition of Canada's political and corporate elites.

It has become fashionable recently, even in liberal circles, to speak of the Pax Americana, in describing American hegemony around the world. To be sure, the liberal critic stresses the positive in the relationship:

A basically anti-colonial people, we tolerate, and even cherish, our empire because it seems so benevolent, so designed to serve those embraced by it.⁶

Yet he may also be moved to see that

American power, to a degree not fully conceived of even by the American people in whose name it is exercised, has been turned into an instrument for the pursuit of an American ideology.⁷

The content of that ideology is probably nowhere better expressed than in the sophisticated defence of Empire offered by W.W. Rostow:

The United States has no interest in political satellites. . . . We seek nations which shall stand up straight. And we do so for a reason: because we are deeply confident that nations which stand up straight will protect their independence and move in their own ways and in their own time toward human freedom and political democracy. . . . We are struggling to maintain an open environment on the world scene which will permit our open society to survive and to flourish.⁸

The imperialism of the above wears a liberal dress, but propounds no less clearly a philosophy of forcing small states to be free. The inarticulate major premise is that freedom will be compatible with the American Order, that an open environment allows the US "to establish the conditions under which

America's preponderant economic power would extend the American system throughout the world without the embarrassment and inefficiency of traditional colonialism."⁹

As early as 1895, when American capitalism had exhausted the possibilities for large profits on its western frontier, Senator William Frye had declared: "We must have the market of China or we shall have revolution."¹⁰ The Spanish-American War and American Manifest Destiny were not unrelated to this expansionism, and Woodrow Wilson, in his 1912 Presidential Campaign, articulated the theme in no uncertain terms:

Our industries have expanded to the point where they will burst their jackets if they cannot find an outlet to the markets of the world. . . . Our domestic markets no longer suffice. We need foreign markets.¹¹

The history of subsequent American intervention in Latin America is well known, and with the end of the Second World War one can see the United States extending its sway over the entire Free World. To be sure, the techniques and effects of American imperialism have varied, ranging from the systematic spoilation of native economies and cultures of the third world, to military alliance with the more developed states of NATO, from cultural penetration, to direct influence on the political, military, or economic elites of weaker states.

Yet the end result of empire as George Liska admits, has been

that all other states - consciously or half-consciously, gladly or reluctantly - assess their position, role, and prospects . . . in relation to it. The sense of task

which distinguishes the imperial state is typically that of creating, and then maintaining, a world order the conditions and principles of which would harmonize the particular interests of the imperial state with the interests of the commonweal.¹²

The consequence for the independence of other states is enormous, as Hans Morgenthau argued at the height of the Cold War:

Today France has no place to go. It can protest; it can try to retard the inevitable or to modify it in some particulars. But it has lost effective control over the matters that concern its vital interest. . . . What is true of France is true of all other nations with the exception of the two super-powers.¹³

Still, it has not been impossible for states to resist this domination, as the subsequent history of France itself showed. Thus, de Gaulle, following his return to power in 1958, singled American hegemony out for attack, and sought to disengage French policy from the American Alliance.

A la conférence de Yalta, une partie du monde a été abandonné aux Soviets, une partie du monde a été abandonné aux Américains. Les Américains embrigadaient tout le monde pour contenir le colosse soviétique, de manière qu'il ne sorte pas des limites fixées a Yalta. L'intérêt des Américains n'est pas l'intérêt des Européens.¹⁴

And the resistance of small states such as Cuba or North Vietnam, in the 1960's, to direct military intervention by the United States, has shown that America's overwhelming power can be at least partially contained.

In approaching Canada's post-war relations with the American Empire one must examine not only the constraints, economic and strategic, that led to the support of the 'American World Order' by our political and military elites. One must ask, along the lines of James Eayrs's dichotomy between fate

and will in foreign policy,¹⁵ to what extent fate has been invoked as justification for Canadian junior partnership, in the absence of a will to resist American domination on the part of our elites.

An American commentator on Canadian foreign policy has observed:

If international alignments were determined solely by strategic or geopolitical considerations, the instinct of self-preservation might conceivably have led Canada to adopt a neutral position comparable to that of India or Sweden, another country that lay between the two camps and seemed bound to suffer in any clash between them. For Canada such a course had been precluded by tradition, by sentiment, and by well-grounded calculations of national interests.¹⁶

What was the Canadian tradition that precluded neutralism? Ever since the establishment of Canada under the aegis of British power in 1867, it can be argued that Canadian foreign policy has operated within an imperial framework. For the first fifty years of her existence, Canada served as a hostage for Anglo-American relations.¹⁷ and depended on British capital and the British tie to prevent her annexation by the United States.¹⁸

If Canada rejected the republicanism and liberalism of the United States in favour of a more conservative-hierarchical kind of society,¹⁹ she lacked at the same time the consciousness of nationhood, so evident at the time of the American Revolution.

There were no Noah Websters to declare:

America is an independent empire and ought to assume an independent character. Nothing can be more ridiculous, than a servile imitation of the manners, the language, and the vices of foreigners. For setting aside the infancy of our

government and our inability to support the fashionable amusement of Europe, nothing can betray a more despicable disposition in Americans than to be apes of Europeans.²⁰

Instead, Canadian nationality was defined in terms of the British Empire, and Canadian survival in North America won, as W.L. Morton has argued, after recognition by the US that Canada was neither an actual nor a potential threat to the supremacy of the United States in the Americas.²¹

To be sure, there was some quickening of nationalist consciousness in Canada, when Britain, weakened by her growing rivalry with Germany, was prepared to use her Empire as a pawn in furthering her accommodation with the United States. For example, the Alaska Boundary Award of 1903, in which Lord Alverstone, the British member, sided with the United States against Canada,²² engendered strong Canadian reaction, and hastened the decision to establish an autonomous Canadian Department of External Affairs in 1909.²³

Yet there was no questioning in Canada of the inevitability of good relations with the United States, despite the heated emotions of the Reciprocity Election of 1911. The establishment of the International Joint Commission in 1909, first in a series of bilateral commissions, was seen as a good omen for the future.

Nor was loyalty to the British Empire gravely shaken, as the Naval Debate of 1913 revealed. Laurier rivalled Borden in declaring, "When England is at war, we are at war",²⁴ though he also stressed the sovereignty of the Canadian Parliament, a theme

later magnified by Mackenzie King.

The First World War, with its large commitment of Canadian men and resources, brought foreign policy home to Canada with a vengeance. The string of initial military reverses and poor British leadership, the growing disenchantment of Quebec and of the industrial working class, served to tarnish the old imperial connection. As a result, Borden was instrumental in pressing for the autonomy of the Dominions within the "Imperial Commonwealth", at the Imperial War Cabinet meeting of 1917. This was recognized in the famous Resolution IX of that meeting, and in the admission of the Dominions as separate members of the League of Nations, two years later.

But it would be wrong to think that the new emphasis on political sovereignty in the post-World War I period meant the disappearance of a colonial attitude on the part of the Canadian political elite. Thus Borden set forth the case for autonomy in the following terms:

I am beginning to feel that in the end and perhaps sooner than later, Canada must assume full sovereignty. She can give better service to Great Britain and the US and the world in that way.²⁶

An example of Borden's willingness to serve Britain and the US better, through full autonomy, was provided by the Canadian decision in August, 1918, to intervene on the side of the Whites in the Russian Civil War, with a force of 4000 men. Accepting British arguments regarding the need to restore a second front, and sharing with his allies a conservative's fears

of Bolshevism, Borden was no less eager to advance Canadian economic and political interests, alongside the other, intervening western powers.

Intimate relations with that rapidly developing country [sic Siberia] will be of great advantage to Canada in the future. Other nations will make very vigorous and determined efforts to obtain a foothold and our interposition with a small military force would tend to bring Canada into favourable notice by the strongest elements in that great community.²⁷

With Borden's definition of autonomy in mind, it is possible to place in perspective the emphasis on sovereignty that came to dominate Canadian foreign policy from the Chanak Crisis of 1922 and on.²⁸ One can argue that in the 1920's and '30's, Canada was in the process of disengaging herself from the British Empire, and orienting herself towards the United States. In this period, for example, American investment in Canada soared from under \$500 million in 1910 to over \$2 billion in 1920 and over \$4 billion in 1930.²⁹ The development of hydro-electric power, pulp and paper, and minerals of the Precambrian Shield gave the Canadian economy a new continental direction, and allowed American imperialism to dislodge the British.

As Harold Innis argued, in connection with the establishment of American branch plants in Canada after 1911:

Paradoxically, the stoutest defenders of the Canadian tariff against the US were the representatives of American capital investors. Canadian nationalism was systematically encouraged and exploited by American capital. Canada moved from colony to nation to colony.³⁰

The tremendous Canadian sensitivity regarding her political independence from Britain, can be juxtaposed against the

absolute silence regarding Canada's growing economic dependence on the United States. A new empire, one which in Rostov's words "has no interest in political satellites" and "seeks nations that will stand up straight"⁸, was slowly being born. And a new colonialism was beginning to shape Canadian foreign policy.

One could already see at work in the vacillation of Canadian foreign policy, in what Eayrs, paraphrasing Auden, has called "the low dishonest decade of the thirties."³¹ The disowning of Riddell by Mackenzie King, in late 1935, for his support of sanctions against Italy, Canada's opposition to any strong British stand against Hitler at the time of Munich, represented more than a strong isolationism in Canadian public opinion. King appeared to be reacting to the rift in the North Atlantic Triangle, to a divergence of interest between the old imperial power and the new. Canada's vacillation reflected the international crisis in liberalism, but more particularly, the crisis in Anglo-American relations.

Though Canada did enter the Second World War at Britain's side, Canadian foreign policy was to regain its equanimity only with the forging of a defence alliance with the United States at Ogdensburg, in Aug., 1940, and subsequent American entry into the war. In its rush to commitments after 1945, Canadian policy sought both to compensate for its hesitations in the '30's, and to align itself forthrightly with the United States. Concern regarding Soviet imperialism was to provide the occasion, and the post-war defence alliance the instrumentality. The United

States was to find in Canada a willing ally.

In arguing the colonialism of the Canadian political and military elites towards the United States since 1945, one must examine the way in which this was expressed. For the language of Canadian foreign policy, at least in its public pronouncements, is heavily moralistic and legal, refusing to call a spade, a spade, or engage in hard analytical thinking, especially as regards Canada's relations with the United States.

Thus Louis St. Laurent, then Secretary of State for External Affairs, could list internationalism and legalism as the underlining principles of Canadian foreign policy, in his important Gray Lecture at the University of Toronto, in Jan, 1947. Yet in reference to the United States he could declare:

It is not customary in this country for us to think in terms of a policy in regard to the United States.³²

Similarly, Mackenzie King, in announcing the US-Canadian Defence Agreement to the House of Commons on Feb. 12, 1947, was careful to emphasize that the UN Charter remained the cornerstone of Canadian policy, claiming that the Agreement was actually a contribution

to the establishment through the United Nations of an effective system of world-wide security.³³

And Lester B. Pearson, in one of his speeches urging the formation of NATO, enlisted the internationalist component of Canadian foreign policy in its support, when he argued:

Nationalism must be reconciled with some larger association of free peoples who voluntarily give up certain rights of sovereignty in order to ensure their security and promote their progress.³⁴

Thus moralism in the formulation of Canadian foreign policy makes it difficult to come to grips with the substance of that policy. It is hard to run down a clear statement of Canadian national interests from any post-war spokesman. Collective security as a principle is always linked to ultimate faith in the United Nations. Belief in international law goes hand in hand with rearmament. Resistance to specific American proposals and emphasis on sovereignty accompanies acceptance of the American Alliance.

It becomes necessary to read between the lines, therefore, if one is to cut through the rhetoric of government statements. For all too often, one is dealing with only the shadow of policy, with Canadian reaction to events in which the United States is the principal actor. Furthermore, original Canadian documentation is usually lacking, because of the thirty year rule on government documents, so that any reconstruction of the tenets of Canadian foreign policy, inevitably involves seeing through a glass darkly.

Nonetheless, our foreign policy spokesmen do give themselves away sufficiently to merit the colonialist label, applied throughout this study. To illustrate, Pearson did not appear very worried about the rise of an American Empire, when he vouched for the beneficence of American power in these terms:

The power of the United States in the world, a power now decisive, was established against the will of the

Americans who were quite content without it. . . . It is in the hands of a people who are decent, democratic, and pacific, unambitious for imperial pomp or rule.³⁵

By the same token, Brooke Claxton, Minister of National Defence, refused to differentiate Canadian national interests from those of the American Empire, when he declared in 1951 that

Every cent spent in Canada helps to defend the United States and vice versa. We have the same interests in our common defence . . .³⁶

C.D. Howe, "Economic Czar" in the Liberal Government down to 1957, put his finger on the relationship when he declared:

Let us face facts. Had it not been for the enterprise and capital of the United States which has been so freely at our disposal in postwar years, our development would have been slower, and some of the spectacular projects about which we are so proud, and so rightly proud, since they are Canadian projects, would still be far in the future.³⁷

Dependence on American capital led naturally enough to Canadian subservience in defence and foreign policy. Thus a former Director of the Canadian Institute of International Affairs could define that policy as follows:

It is hard to think of anything that is of more vital significance to Canada than the continued willingness of the United States to exercise a positive leadership in world affairs.³⁸

In short, it is being argued here that throughout the postwar period, the Canadian political elite has pursued a colonialist policy with regard to the American Empire, defining Canadian interests in terms of that Empire. To be sure, Canadian sovereignty, in the strictly legal sense, has been safeguarded.

Brutal spoilation of the economy has been avoided, unlike what American super-corporations have inflicted on the countries of Latin America. Moreover, Canada has been spared military occupation by the United States.

But Canadians it may be shown, have yielded to economic and military pressures from the United States, and under the guise of internationalism and partnership, aligned their foreign and defence policies with those of the US in the Cold War. They have become involved in America's crusade against the Soviet Union and China, and contributed to the rise of the American Empire. Canadian independence has received low priority, and the Canadian economy was developed by American capital along liberal-capitalist lines.

And no where was Canada's junior partnership more accurately reflected than in Canada's defence relations with the United States, which will now be explored.

Footnotes - Chapter One

1. The term American Empire, as used throughout this study, refers to the world-wide system of states dominated by US capital, arms, and influence, that has arisen since World War II, but whose roots date back to the nineteenth century. At its most moderate, the term resembles Ronald Steel's Pax Americana. In its radical sense, which the author of this study shares, it becomes in fact American Imperialism, the projection of American capitalism and liberalism onto the outside world.
2. A.R.M. Lower, "Canada, the Second Great War, and the Failure", International Journal, Toronto, Vol. 1, Feb., 1946, p. 100.
3. Frank Underhill, "Canada and the North Atlantic Triangle", In Search of Canadian Liberalism, Toronto, 1960, p. 257.
4. William Appleton Williams, The Tragedy of American Diplomacy, N.Y., 1959, pp. 48-9. (Dell Publishing).
5. Thucydides, The Peloponnesian War, Everyman Library, London, 1952, p. 305.
6. Ronald Steel, Pax Americana, Viking Press, N.Y., 1967, p. 18.
7. Ibid., p. 315.
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9. Williams, op. cit., p. 37.
10. Ibid., p. 26.
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12. George Liska, Imperial America, John Hopkins Press, Baltimore, 1967, pp. 9-10.
13. Hans Morgenthau, In Defense of the National Interest, Chicago, 1951, p. 48.
14. Cited in J.R. Tournoux, La Tragédie du Général, Paris, 1968, p. 493.

15. James Eayrs, Fate and Will in Foreign Policy, CBC Publications, Toronto, 1967.
16. Richard P. Stebbins, The United States in World Affairs, Harper Bros., 1956, N.Y., 1957, pp. 246-7.
17. See George Kennan, American Diplomacy, Univ. of Chicago Press, Chicago, 1950, p. 5.
18. See John Brebner, North Atlantic Triangle, Carleton Library No. 30, Toronto, Reprinted, 1966, in which the figure for British investment in Canada is given as \$1050 in 1900 vs. \$167 million for American, p. 244.
19. See Frank Underhill, "The Development of National Political Parties in Canada", in In Search of Canadian Liberalism, pp. 21-42, for discussion of this theme.
20. Noah Webster, Sketches of American Policy, (1785), New York Scholars' Facsimiles and Reprints, 1937, p. 47.
21. W.L. Morton, "British North America and a Continent in Dissolution", History, London, Vol. 47, 1962.
22. See the discussion in G.P. Glazebrook, A History of Canadian External Relations, Vol. 1, Carleton Library, Toronto.
23. See F.H. Soward, The Department of External Affairs and Canadian Autonomy, 1899-1939, Canadian Historical Association, Booklet No. 7, 1961, p. 5.
24. Canada, House of Commons, Session 1912-13, Index, p. 1034, (Referred to hereafter as Hansard.).
25. Glazebrook, op. cit., Vol 2, Chapter 15.
26. Borden Diary, Dec. 1, 1918, cited in Gaddis Smith, "External Affairs During World War 1", in Hugh Keenleyside, ed., The Growth of Canadian Policies in External Affairs, Duke University Press, Durham, N.C., 1959, p. 57.
27. Borden to Newburn (Minister of Militia and Defence) Aug. 13, 1918, cited in Smith, op. cit.,
28. See Mark-Arnold Forster, "Chanak Rocks the Empire", The Round Table, London, Apr., 1968, for discussion of King's negative reply to Churchill's request for Canadian troops for intervention in Turkey.

29. Brebner, op. cit., p. 244.
30. H.A. Innis, "Great Britain, the US, and Canada", in Essays in Canadian Economic History, U. of T. Press, Toronto, 1956, pp. 394-412, p. 405.
31. The title of an article by James Eayrs, in Keenleyside, ed., op. cit.
32. Louis St. Laurent, Statements and Speeches, Dept. of External Affairs, Ottawa, Jan. 13, 1947. (Referred to hereafter as S and S.).
33. Hansard, 1947, Vol. 1, 5. 346.
34. L.B. Pearson, S and S, 48/28, May 15, 1948.
35. L.B. Pearson, S and S, June 8th, 1948, to the Kiwanis International, Los Angeles.
36. Brooke Claxton, Address to the Board of Trade, Halifax, Jan. 18, 1951, cited in The Financial Post, Feb. 3, 1951.
37. C.D. Howe, cited in Edgar McInnis, Canada, N.Y., 1959, p. 525.
38. Edgar McInnis, The Atlantic Triangle and the Cold War, Univ. of Tor. Press, Toronto, 1959, p. 6.

Chapter Two

Continental Defense at the Dawn of the Cold War

On Feb. 12, 1947, Prime Minister Mackenzie King rose to announce an Agreement worked out in the Permanent Joint Board of Defence - Canada-United States, for continuation of the wartime defence alliance into the postwar period.

The Agreement outlined five principles that would shape defence collaboration, as follows:

- 1) Interchange of individuals between the defence establishments of the two countries.
- 2) Co-operation in research and development, and joint manoeuvres and exercises.
- 3) Encouragement of standardization in arms, equipment, organization and methods of training.
- 4) Reciprocal availability of military facilities.
- 5) No impairment of the control of each country over all activities in its territory.¹

After making the customary kudos in the direction of the United Nations, King went on to declare:

It is apparent to anyone who has reflected even casually on the technological advances of recent years that new geographical factors have been brought into play. The polar regions assume new importance as the shortest routes between North America and the principal centres of population of the world. In consequence . . . when we think of the defence of Canada, we must, in addition to looking east and west as in the past, take the north into consideration as well.²

Significantly, in his reflections, King left out the south, the direction from which the greatest threat to Canada's survival had historically come.³ Yet few of his listeners seemed to notice, and fewer still were the Canadians who recognized this sudden interest in the north for what it was.

For by this decision, Canada had yielded to American pressure, and allied herself with the United States in the opening round of the Cold War. And the five principles of collaboration were to blossom, in the next twenty years, into a continental structure of defence, with Canadian defence policy defined in terms of the strategic interests of the United States.

In this chapter, the events leading up to the Feb. 12th Agreement, beginning with the period prior to World War II, will be examined, with primary focus placed on the years 1945-7, when the Canadian decision to enter into a peace-time defence alliance with the US was taken.

The origins of Canada's alliance with the United States go back to the days before World War II, when Canada's ties to the old imperial power, England, threatened to involve her in war, while the United States continued to pursue a policy of isolationism.

President Roosevelt, unable to come to Britain's support, could, however, extend the Monroe Doctrine, and place Canada under the aegis of American protection.

The Dominion of Canada is a part of the sisterhood of the British Empire. I give to you assurance that the people of the United States will not stand idly by if domination of Canadian soil is threatened by any other empire.⁴

So he declared at Kingston, Ontario, on Aug. 18, 1938, and King reciprocated in kind at Woodbridge, Ont., two days later:

We too have our obligations as a good friendly neighbour, and one of these is to see that, at our own instance, our country is made as immune from attack or possibly invasion as we can reasonably be expected to make it, and that, should the occasion ever arise, enemy forces should not be able to pursue their way either by land, sea, or air, to the United States across Canadian territory.⁵

The seal was to be put on this arrangement exactly two years later, when Canada was indeed at war, and Britain herself threatened with invasion following the collapse of France. Fear for the safety of the coasts of Newfoundland and the Maritimes grew in Canada, as evidence by the comments of the American Ambassador to Ottawa:

Even elements formerly hostile to close connections between Canada and the US were joining in bringing pressure on the Prime Minister, and Mackenzie King, while personally satisfied with the recent staff talks and most reluctant to embarrass the President, thought something more would have to be done. It was suggested that a personal interview with the President might be helpful.⁶

The upshot was the meeting between King and Roosevelt at Ogdensburg, N.Y., on Aug. 17-18, 1940, and the Agreement to establish a Permanent Joint Board of Defence to "consider in the broad sense the defence of the northern half of the Western Hemisphere."⁷ At King's suggestion, the Board was designated as 'Permanent';⁸ and the PJBD, as it will be designated hereafter, played a crucial role in the forging of both the war-time and peace-time alliance between the two countries.

The PJBD was made up of two sections, with five members from each country, mostly from the services, and with two

chairmen, each having direct access when necessary, to his respective head of government. It operated in complete secrecy, and made thirty-three recommendations during the war, all unanimous, and almost all accepted by the two governments. Its agenda ranged from the defence of Newfoundland and the Maritimes in the first year of its operation, to the establishment of a Northwest Staging Route and the building of the Alaska Highway, in the later stages of the war.⁹ And it succeeded so well in promoting a harmony of interests between the political and military elites of the two countries, that by the end of the war, Canadian commitment to an independent defence posture had been largely undermined.

In a real sense, of course, the Ogdensburg Declaration itself had marked a diminution of Canadian sovereignty. Although the PJBD was theoretically concerned with the defence of the whole of North America, in practice, it confined its attention to Newfoundland, Canada, and Alaska.

The myth of partnership could not withstand the power differential between the two countries. For the United States, the PJBD represented but one link in the chain of hemispheric defence,¹⁰ albeit a special one, because of Canada's links with Britain, in the period before American entry into the war. Canadians, on the other hand, regarded their continental defence alliance as the second leg of a North Atlantic Triangle, and aspired to the role of linchpin between the two imperial powers.

The experience of Lend-Lease, in which Canadian interests in Newfoundland were largely ignored, in the destroyers-for-bases deal between the United States and England of Sept., 1940,¹¹ should have tipped Canadian policy off to the reality of junior partnership. Instead, Canadian diplomacy consistently exaggerated its own importance, even while blithely defining itself in terms of Anglo-American interests. The remark of Purvis, the Canadian Purchasing Agent in Washington, to King, was typical in this respect:

[I feel] very strongly that the English do not understand or appreciate the Americans even yet and that, but for Canada and our interpretation, the two countries would be further apart.¹²

Yet the character of Canada's new relationship with the United States was revealed in April, 1941, when a severe currency crisis arising out of disruption of Atlantic trading patterns, led King to seek redress from Roosevelt. The Hyde Park Declaration of April 20th stated:

In mobilizing the resources of this continent each country shall provide the other with the defence articles which it is best able to produce, and above all, produce quickly, and production problems shall be co-ordinated to that end.¹³

Although King saw in this Declaration, which allowed Canada to supply the US with defence materials valued between \$200 million and \$300 million annually, "strong evidence of Divine guidance", the explanation was really closer to earth.

Hyde Park was an extension of Ogdensburg into the economic field - a logical development proceeding both from the immediate circumstances and from the wider aspects of common defence.¹⁴

Through the PJBD, and then through continental resource mobilization, the United States came to impose its direction on both Canadian defence and economic policy. Canada was being drawn into tighter dependence upon the US, even as Canadian dependence on Britain was being reduced. The more overt American attempts at domination were resisted, e.g. the attempt by the American Chairman of the PJBD, Mayor La Guardia, to impose American "strategic direction" on the Canadian armed forces, in the spring of 1941. The Canadian Chairman, Colonel O.M. Biggar replied:

Canada is all out in the war: the United States is not yet in. The time is therefore a very unpropitious one for it to be suggested that Canada should surrender to the US, what she has consistently asserted vis-a-vis Great Britain.¹⁵

And the final draft of ABC-22, the joint American-Canadian defensive plan, provided for the "assigning to the forces of each nation tasks for whose execution such forces should be primarily responsible."¹⁶

Yet even King recognized, as early as April 23, 1941, the consequences of Canada's new relationship with the United States. He forecast, to the Cabinet War Committee,

. . . a real political danger which may develop out of what is taking place more or less inevitably, and with present enthusiastic approval by Canadians of the aid the United States is giving to us and to Britain. Their forces are so much more powerful than our own and so completely needed to protect their own country, as well as ours, because of the gateway which Canada opens to the enemy, that the defence of this continent is bound to be increasingly that of the United States itself. I personally would be opposed to anything like political union. . . . It is better to have two peoples and two governments on this continent understanding each other and reciprocating in their relations as an example to the world, than to have anything like continental union.¹⁷

But the man who boasted to his colleagues, "there was no one who knew the President as well as I did or had the same influence upon Americans,"¹⁸ seemed ill-equipped to resist the more subtle blandishments of American power.

Thus, Canada was well-nigh left out of the strategic direction of the war effort, in the years after 1941. The difficulties Canadians experienced in gaining membership on the US-UK Combined Boards, such as the Combined Production and Resources Board, or the Combined Food Board, were symbolic.¹⁹ For although Canada played a key role throughout the war, both economically and militarily, in ensuring an Allied victory, it was as a junior partner to both Britain and the United States, and increasingly to the latter.

In part, this development was concealed behind the so-called functionalist theory of international relations. In the summer of 1943, King could argue with respect to the new international organizations envisaged for the war's aftermath, that

effective representation on these bodies should neither be restricted to the largest states or necessarily extended to all states. Representation should be determined on a functional basis which will admit to full membership those countries, large or small, which have the greatest contribution to make to the particular object in question.²⁰

And by the summer of 1944, functionalism had blossomed into the theory of Canadian middlepowership, with King arguing, with respect to the Security Council that:

Those countries which have the most to contribute to the maintenance of the peace of the world should be most frequently

selected. The military contribution actually made during the war by the members of the United Nations provides one good working basis for a selective principle of choice.²¹

Yet the die had already been cast elsewhere. Canada had integrated her defence research and production with that of the United States and Britain. In atomic energy, as in radar, in the development of her resources or the opening up of the North, Canada had defined her role as that of a junior partner to the United States. Accepting an alliance strategy, supporting the international monetary and security arrangements which would enshrine American power in the postwar period, Canadian policy had by 1944 written independence off, as a primary objective to pursue. Alexander Brady could write in that year:

More than ever it is clear that these countries [the Dominions] cannot develop as exclusive nationalities, exalting their sovereign statehood and living as the romantic nationalist would have his nation live, by the inner force of loyalty to itself. No less must they live by the impulse of loyalty to the larger community within which they have grown and which now embraces more progressively than in the past, the whole English-speaking world.²²

And Lester Pearson in a speech adumbrating the rush to commitments of post-war Canadian foreign policy, could declare:

That collective system which was spurned in Peace has proved to be our salvation in war.²³

Canada thus entered 1945, profoundly unprepared to face up to the challenge of American domination in the post-war world. Her trade had become overwhelmingly aligned with that of the United States, and the \$25 million balance in her favour in 1945²⁴ was to prove temporary. Through such projects as the Northwest Staging Route or the Canol Project, for the production of oil

in the Northwest Territories,²⁵ American interests had become ensconced in the Arctic, so that Trevor Lloyd could declare:

If the Canadian people had been aware of the extent of U.S. undertaking in the North, for example during 1943, there might have been alarm at their magnitude and distribution.²⁶

And A.R.M. Lower hit the nail on the head when he argued, at the conclusion of the war:

Neither in the last war nor in the one just concluded did Canada have a principal role. Both politically and militarily we have been subordinates.²⁷

It was this colonialism of Canada's political and military elites, which in the period 1945-7, was to lead to the sacrifice of Canadian independence to the interests of the American Empire.

In 1945, the United States had become the most powerful nation in the world. "Three-quarters of the world's invested capital and two-thirds of the world's industry were concentrated inside the United States."²⁸ American armies, thousands of miles from their shores, gave the United States a military presence and political influence in Europe and Asia, incommensurate with America's pre-war role. The atomic bomb, exploded in the summer of 1945, was to give the United States a monopoly during the next four years, in the most destructive weapon developed till that date.

The Soviet Union, despite the victory of the Red Army, lay devastated. She had lost twenty million dead, her towns and villages lay in ruins, she was short of both manpower and plant for the gigantic labour of economic reconstruction.²⁹ Her armies had

reached the Elbe as a result of "the vacuum of power in Central Europe"³⁰, yet they occupied lands vital to Soviet security, and across which, twice in this century, invasions had been launched against Russia.

The Churchill-Stalin Pact had recognized the vital character of Russian interests in Eastern Europe, and the Yalta Pact had consecrated it. Stalin, far more the Byzantine statesman than the crusading ideologue, had proved more than willing to forsake the communization of Western Europe, in exchange for a free hand in the East.³¹ He was not adverse, moreover, to allowing non-Communist forces to re-emerge in Eastern Europe, and "felt instinctively that the creation of revolutionary movements outside Moscow could endanger its supremacy in world Communism."³²

It is with this in mind, that one must examine the development of American policy towards the Soviet Union in 1945, and elucidate Canada's role in those plans. On April 23rd, 1945, Harry Truman, in his first meeting with Molotov, demanded Russian cooperation on the reorganization of the Polish government, telling the Russians that otherwise, "they could go to hell."³³ On May 8th, without any advance notice, Truman ordered all Lend-Lease shipments to Russia ended, and American ships already on the high seas to return."³⁴

Even as the United Nations Organization was being founded in San Francisco, the American policy of confrontation with Russia was taking shape. In Russia, George Kenna, the future author of America's containment policy, had concluded that:

Stalin after all, laid no value on a peaceful world per se. He was interested in a world where the interests of his personal power would prosper.³⁵

Dismissing the hopes placed in the UN as false expectations, he scabbed home in May, 1945, his own appraisal of Russia as a potentially aggressive power:

The great question of Russia's new world position, as seen from Moscow, is whether the Soviet state will be able . . . to consolidate its hold over the new peoples . . . to make of its conquests a source of strength rather than weakness. Behind Russia's stubborn expansion lies only the age-old sense of insecurity of a sedentary people reared on an exposed plane in the neighbourhood of fierce nomadic peoples. Will this urge, now become a permanent feature of Russian psychology, provide the basis for a successful expansion of Russia into new areas of east and west? And if initially successful, will it know where to stop? Will it not be inexorably carried forward, by its very nature, in a struggle to reach the whole - to attain complete mastery of the shores of the Atlantic and the Pacific?³⁶

Within Truman's cabinet, opinion had already begun to harden against the Soviet Union, with men like James Forrestal, Secretary of the Navy, arguing that they

had felt for some time the Russians had considered that we would not object if they took all of Eastern Europe into their power. . . . If the Russians were rigid in their attitude, we had better have a showdown with them now than later.³⁷

If Henry Stimson, Secretary of War, argued for delay in confronting Russia, it was because he was "certain" that the atomic bomb, then being developed, would have a "decisive" influence on American relations with other countries.³⁸ Or as James Byrnes, future Secretary of State, put it in advice to Truman at the time, it was "his belief that the bomb might well put us in a position to dictate our own terms at the end of the war."³⁹

Thus, by May 1945, American policy had begun to seek a

reversal of Yalta, and had begun to postulate a view of Russia as imperialist and expansionist. Truman was also prepared to use American military and economic power more aggressively, in pursuit of American objectives.

For Canada, euphoria over the war's conclusion and the birth of a new international organization apparently swept all else before it. Louis St. Laurent, in the Debate on the UN Charter of Oct., 1945 in the House of Commons, could speak of it as a "first step in the direction of that cooperation between the nations which appears to be essential to the survival of civilization."⁴⁰

While there was much concern over the role of "middle powers" such as Canada in an organization dominated by the Great Powers, there was no public discussion, in 1945, of the implications of the looming crisis in Soviet-American relations for Canadian foreign policy.

There was, however, a new closeness in Canadian-American relations born of the war-time alliance. In May, 1945, the US Ambassador to Canada had proposed that the principles of the Hyde Park Agreement be continued until the war's end, and into the period of reconversion. The US was prepared to further continentalism in economics, by adopting the principle that "the application of priorities towards Canadian requirements should be as closely parallel to the application of the same priorities towards domestic requirements as is practicable." The Acting Secretary of State for External Affairs reciprocated in kind, declaring that "post-war collaboration along bold and imaginative lines is essential in

the interests of expanded world trade."⁴¹

A green light to the dramatic realignment of Canadian trade towards the United States was thus given. And Canadian dependence on the US was to grow, as "every month from August, 1945 until Sept., 1948, Canadian purchases from the United States exceeded Canadian sales."⁴²

Canada's growing alignment with the United States was also visible to an American commentator, writing in the State Department Bulletin, on the primordial influence of the US on Canadian foreign policy:

To those who observed the Canadian delegation at San Francisco it is notable that although the delegates never deviated from representation of their own country's interests, in so doing they inevitably played a key role in helping to place North American viewpoints before the other delegations.⁴³
[my emphasis]⁴⁴

Yet the most important evidence of Canada's relationship to post-war American policy was shrouded in complete secrecy, in the meetings of the PJBD beginning in June, 1945. It was here, not at San Francisco, that postwar Canadian policy was being shaped. For given the American policy of confrontation with Russia, Canadian territory acquired a new military significance, involving Canada directly in the strategy of her imperialist neighbour in the opening round of the Cold War.

As early as March 31, 1944, King had foreseen the pressures Canada might be under, in the event of a falling-out between the United States and the Soviet Union.

I sometimes thought that Canada might become the scene of the next war. . . . That with Russia and the United States as near to us as they were, we could not take too far-sighted a view

of the inevitable developments of the future, and not allow any trends which were likely to prove inimical. . . .⁴⁴

A few months earlier, at the Montebello Conference of the Canadian Institute of International Affairs, in Dec., 1943, several of the participants had called for termination of the PJBD at the war's end, to avoid committing Canada to post-war American policy.

After the war there would be two great powers - the United States and Russia - and there would be the possibility of a conflict of interest here which might lead to war. An arrangement like the joint board on defence might be an irritant to Russia and our wiser role might be that of a buffer state rather than an ally of the United States. . . . Our policy under the worst possible conditions of world politics should be to keep the big fellows apart. It was suggested that one solution of that difficulty would be to have a Canada-USSR joint defence board in the North.⁴⁵

But a policy of neutralism never became a serious option for Canadian policy-makers. In the summer of 1945, they were faced with the opening wedge of a determined American drive, to extend defence collaboration into the post-war period, against the Soviet Union. In the words of an American commentator:

American military men, in weighing the problem of bases looked in three directions, towards the Atlantic, the Pacific, and the Arctic. The fact that the Soviet Union was the most likely enemy in any future war, together with developments in long-range aircraft and guided missiles, gave the top of the world a new strategic importance. These considerations stimulated the idea of extending joint defence plans with Canada to include the maintenance of bases and weather stations in the Canadian Far North.⁴⁶

What followed was a series of deliberations during the next eighteen months, behind the closed doors of the PJBD, resulting in the Agreement of Feb. 12, 1947.

At the June, 1945 Permanent Board meeting, not long after V-E Day, General Henry, the Senior Army Member, outlined his views on the future of defense collaboration. To General Henry . . . it appeared that Canada should become a member of the "military family of American nations", envisaged in the Act of Chapultepec. Although he recognized that Canadian public opinion might not yet be ready for post-war steps towards standardization of Canadian and US forces and that Canada's Commonwealth ties represented complications, General Henry felt that such steps would have inescapable merit and should be explored. He also recommended that the Board examine the continuing value to continental defence of the facilities developed in northwest Canada during the war.⁴⁷

In no uncertain terms, the United States was asking Canada for closer defence collaboration than had taken place during the war, and was seeking to integrate Canada directly into the American security system of the Western Hemisphere. The American interest in Canada's northwest, coupled with the American decision to confront the Soviet Union in Eastern Europe, indicated from what direction the US anticipated a threat, and against whom they sought Canadian military collaboration.

How would the Canadian political and military elites react to the American demands? Even before General McNaughton, the Chairman of the Canadian Section, could reply to General Henry, at the Sept., 1945 meeting of the PJBD, one clue to the eventual Canadian response was available. In a memorandum dated August 28th, relating to defence research, General Charles Foulkes, Chief of the General Staff, stated bluntly:

Canada's future commitments will lie either in fighting with Empire forces or with the forces of the United States of America. . . . There appears to be no place in Canada's operations in the future for special Canadian equipment of which British or American commanders may not have full knowledge or experience. . . . It will be necessary to keep our technicians and scientists closely associated with research and

equipment in both England and the United States to ensure that we do not purchase or decide to manufacture obsolescent equipment. . . .⁴⁸

For one key figure at least, there was no question but that future Canadian defence policy would be part and parcel of a broader alliance strategy. General Foulkes was anticipating the future integration of defence research and production between Canada and the United States and to some extent Britain, and the continental framework of post-war Canadian defence policy. The American Empire was winning its first adherents.

General McNaughton, however, was more cautious, in his statement of Sept. 5, 1945. While admitting that standardization between the two armed forces was desirable, he held that such standardization should embrace Britain as well. He was not prepared to give an affirmative reply to Gen. Henry's requests, but suggested that the two Chiefs of Staff, in the following months work on a revision to ABC-22, the Basic Plan for North American defence, dating back to 1941.⁴⁹

Thus, Canadian policy hesitated, at this early date, to commit itself fully to a defence alliance with the United States. But it held out the promise of such an alliance for the future. Even as Canadian policy-makers deliberated, their American counterparts were taking one of the crucial decisions that, in time, would contribute to a deterioration of Soviet-American relations - the decision to guard the secret of the A-bomb.

The explosion of the A-bomb in July, 1945, and its subsequent use against Hiroshima and Nagasaki, had given the United

States a powerful weapon in post-war diplomacy, one which the more hard-line opponents of the Soviet Union would not hesitate to use, in pushing for greater American influence in Eastern Europe and around the world.

Yet Henry Stimson, long-time proponent of atomic diplomacy, and then about to retire as Secretary of War, reversed his earlier position, and argued eloquently in a memorandum to the President, dated Sept. 11th:

I consider the problem of our satisfactory relations with Russia as not merely connected with but as virtually dominated by the atomic bomb. These relations may be perhaps irretrievably embittered by the way in which we approach the solution of the bomb with Russia. For if we fail to approach them now and merely continue to negotiate with them, having this weapon rather ostentatiously on the hip, their suspicions and their distrust of our purposes and motives will increase.⁵⁰

As a result, Truman convened a Cabinet meeting on Sept. 21, 1945, at which the question of the A-bomb was debated. Stimson's argument met with little support. Instead, Forrestal, the hard-liner of American policy in Eastern Europe, articulated what was to become American policy on the A-bomb. The bomb and its knowledge, he argued,

were the property of the American people. The Russians, like the Japanese, are essentially Oriental in their thinking, and until we have a longer record of experience with them on the validity of engagements . . . it seems doubtful that we should endeavour to buy their understanding and sympathy.⁵¹

Similarly Byrnes, then Secretary of State, had for some time held the view "that our possessing and demonstrating the bomb would make Russia more manageable in Europe."⁵²

Thus, when Truman conferred with Attlee and King in Nov., 1945, and the three wartime partners in atomic energy issued their call for UN control over atomic energy and elimination of atomic energy,⁵³ there was as much scepticism as rejoicing.

Although General McNaughton, Canada's delegate to the UN Atomic Energy Commission, established in Jan., 1946, tried throughout 1946 to bridge the gap between the American Baruch Plan and Soviet suspicions of international control, his efforts were doomed to failure.

The Americans, in the fall of 1945, had already decided to guard the "secret of the atom bomb" for themselves. Though their proposals for atomic disarmament were not entirely lacking in sincerity, the Baruch Plan would have perpetuated American control through an international commission in which the veto would not have operated. In December, 1946, the Baruch Plan was presented to the Soviets as an 'either-or' proposition, an ultimatum whose origins can be read back to the Cabinet deliberations of September, 1945.

Faced with this challenge, the Soviets turned the Plan down. At the same time, Canada sacrificed any independent position, with the decision "to swing into line under Mr. Baruch's lash at the end of December." By the spring of 1947, King's support of Truman's November, 1945 call for UN control of atomic energy had "hardened into an unequivocal endorsement of

the American plan."⁵⁴ Atomic policy was to parallel the alignment of Canada's military policy with that of the United States, throughout 1946-7.

The documents regarding the deliberations of the Permanent Joint Board of Defence from Nov., 1945 onwards are not available, due to the thirty year rule of secrecy in Canada. Nonetheless, it is possible to piece together from American sources and from the occasional leak at the time, the character and dimension of Canada's defence alliance with the United States.

At the Feb., 1946 meeting of the PJBD, a Military Co-operation Committee was established, responsible to the chiefs of staff of the two countries, and including on the Canadian side, officers from External Affairs, and the Clerk of the Privy Council, A.D.P. Heeney, as well as military officers.⁵⁵ The first meeting of this Committee took place in Washington from May-20-23, at which time "drafts of a) a study of the requirements for Canadian-US security and b) a security plan" were considered.⁵⁶

During the next few months, one is told by American sources, "these documents were finalized and approved and subsidiary plans initiated."⁵⁷ Finally, on Nov. 20, 1946, the Board approved its Thirty-sixth Recommendation, which contained the five principles of defence cooperation embodied in the statement of Feb. 12, 1947. (See page 13). Despite Canadian adherence to the principle of security through the UN, Canadian policy-makers

had come to see "the undeniable merit and self-evident necessity of further military co-operation."⁵⁸

It would appear paradoxical at first, that the Canadian foreign policy elite, which had so consistently affirmed Canadian independence vis-a-vis Britain, should voluntarily have plunged into a defence alliance with a far more powerful United States, within a year of the war's end. Lester Pearson himself, in an article in Foreign Affairs in July, 1946, emphasized the problem of Canadian sovereignty, and apparently hedged away from any bilateral arrangement with the United States.

The Canadian Government, while ready to cooperate to the fullest extent with the United States and other countries in the development of the Arctic, accepts responsibility for its own sector. There is no reason for sharing that responsibility except as part of any regional or general international arrangement for cooperation and control which may be worked out within the framework of the charter of the UN.⁵⁹

Nevertheless, the Muskox exercise took place in the spring of 1946, in which American scientists accompanied the Canadian military expedition from Churchill through the Northwest Territories, and down to Edmonton.⁶⁰

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To be sure, the Gouzenko spy case of Feb., 1946, had raised the temperature of Soviet-Canadian relations, and reinforced the suspicions of Canadian and Western policy-makers towards the Soviet Union.⁶² Yet as Howard K. Smith could observe, "The period between the two wars was filled with downright brazen foreign plots to over throw the Soviet government, beside which the recent Gouzenko spy came in Canada pales in significance."⁶³ To some, Canadian self-righteousness and wounded innocence were out of place, in view of Canadian support for British intransigence vis-à-vis Russia, throughout the inter-war period.⁶⁴

Canada's foreign policy elite, while concerned with the retention of Canadian sovereignty, was clearly prepared to shape Canadian foreign and defence policies vis-à-vis the USSR in the light of Soviet-American relations. Pearson admitted that "fear and suspicion engendered, say, in Iran, can easily spread to Great Bear Lake." His claim that "there is no refuge in remoteness"⁶⁵ contrasted sharply with the isolationism of Canadian foreign policy in the 1930's, and represented the commitment of post-war Canadian policy to the internationalism represented by the American Empire.

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To be sure, this commitment was muted by Canadian emphasis

on sovereignty, one which the United States was quite willing to entertain, given the underlying harmony of Canadian policy with American. Yet the end-result of Canada's policy of defence alliance was to place her in a colonial position, however much this might be patched up by diplomatic formulae.

In this regard, the hassle provoked by an article in The Financial Post in June, 1946, by Kenneth Wilson, its defence correspondent, was exemplary. Wilson charged that a virtual ultimatum from the US had brought King hurrying home from London.

Through the PJBD, the Americans had allegedly stated:

In order to do your part in the defence protection of the Arctic, we want you to build, or let us build for you, a system of northern frontier air bases to be maintained and equipped as part of the general defence machinery of the continent.⁶⁶

Ottawa, Wilson maintained, was wrestling with the implications for Canadian sovereignty of turning the country into a battle station.

The US proposals for air bases moved far ahead of all the long-range plans [for standardization]. It posed at once and without equivocation a problem which most Canadians thought was still many years, perhaps decades away.

And then Wilson went on to predict that "it would be out of character if Mr. King's solution would not be to find a compromise."

That there was a great deal of truth to Wilson's charge (the bases aspect aside) was made clear at the time of the Feb. 12th Agreement, eight months later, in a column by James Reston.

Certain ambitious plans were drafted at that time. Specifically, our representatives in the US-Canada Defence Board were talking about building weather stations and observation and radar outposts along the Arctic ring. These proposals were even the subject of a letter from President Truman to Prime Minister King, which embarrassed the latter with his Anglophiles and Yankee-phobes.⁶⁷

But King's reaction was to take exception to Wilson's charges "in the strongest terms."⁶⁸ He described the article as "wholly misleading and containing many inaccuracies", and denied that the United States had delivered any ultimatum respecting air bases in the Arctic. To give credence to his denials, the Canadian Government apparently scotched a proposed meteorological expedition by a U.S. team to Melville Island, in July, 1946.⁶⁹

The question of Arctic bases was a red herring, however, Pearson could stress in his Foreign Affairs article that "Canada does not relish the necessity of digging, or having dug for her, any Maginot Line in her Arctic ice."⁷⁰ But The Financial Post need not have worried, as it did in an Editorial in Aug., 1946, that this implied a Canadian defence policy following closely "the pattern of strict neutrality adopted by Belgium, Holland, and certain Scandinavian countries prior to 1940."⁷¹

Douglas Abbott, Minister of National Defence, could state unequivocally on Aug. 19th: "I cannot conceive of any war we would be fighting in which Canada, the UK and the US would be fighting on opposite sides."⁷² And in the next few months, the Cabinet, Chiefs of Staff, and civilian authorities were to reach agreement, so that Kenneth Wilson could write in November, "that Canada sees eye to eye with the United States."⁷³

The real issue the PJBD had been grappling with ever since June, 1945, was not, of course, bases, but the whole question of peace-time defence collaboration, particularly in the Arctic. The political elite in Ottawa had been forced to square

its proclaimed faith in Canadian sovereignty, with the reality of American pressure for alignment, arising from the Cold War.

By the summer of 1946, a consensus had been reached that the acceptance of a defence arrangement was unavoidable, and by Nov., 1946, this agreement had been hammered into its final form, announced on Feb. 12, 1947. The red herring of American bases allowed King to pose as a moderate. In announcing the Agreement in Parliament, he stressed both the limited nature of the arrangements, and their full conformity with the search for security through the UN.⁷⁴

Yet as early as Aug., 1946, A.R.N. Lower had unmasked the real significance of post-war collaboration with the US:

If Canada wishes to become a subordinate state and even a more complete satellite of the US than she is at present, the surest road for her to take is to accept American assistance in defending her own territories. Should Yugoslavia accept Russian assistance in defending her Adriatic coast line? We all know the meaning of the answer 'Yes' to that. It is the same with us.⁷⁵

Harold Innis also underlined Canada's acceptance of American imperialism, when he wrote:

We complained bitterly of Great Britain in the Minto Affair, the Naval Bill and the like, but no questions are raised as to the implications of joint defence schemes with the US or as to the truth of rumours that Americans are establishing bases in northern Canada, carrying out naval operations in Canadian waters, arranging for establishment of weather stations, and contributing to research from allocations to the armed forces of the US under the direction of joint co-operative organizations.⁷⁶

The Canadian military, political, and corporate elites, however, supported almost unanimously a policy of continentalism

in defence, which reinforced economic ties, and linked Canada to the new imperial power. A sampling of opinion in The Financial Post in Aug., 1946, revealed the following support for co-operation with the US in Arctic defence:

Lieut-Gen. E.C. Ashton, former Canadian Chief of Staff:

Arctic defence under existing conditions is a matter of vital importance to both Canada and the United States. Considering the vast extent of our northern border, I cannot see that Canada alone would provide adequate protection. The problem calls for cooperation as did the defence of our Pacific and Atlantic coasts in the Great War.

F.M. Bunbridge, K.C., lawyer Winnipeg:

We can assume the United States will not be an aggressor nation. With obvious exceptions not affecting the question, Canada would be drawn into any war in which the US is engaged, and on the side of the US. Why postpone joint preparations for defence until war is imminent?

George Pearkes, V.C., future Conservative Minister of National Defence:

The defence of a frontier so remote and extensive as the Canadian Arctic constitutes a problem of major magnitude and may well be beyond the resources of one nation. While the defence of our territory is primarily a nation's responsibility, our modern system of civilization is so complex that an attack upon Canada must have wide repercussions. Canada should take the initial steps to secure her northern frontier, and should work in closest cooperation both with British Commonwealth and the US, who are equally interested in maintaining the integrity of Canadian territory.⁷⁷

And The Financial Post itself, the voice of the Canadian corporate establishment, could declare in an editorial of Aug. 24, 1946:

Normally there would be grounds for suspicion when a sovereign state accepted the help of a much larger neighbour in fortifying a frontier. But our cordial Canadian-US relations . . . can hardly be considered normal in these days of general suspicion and bickering.

Given the prevailing climate of public opinion in Canada, the announcement of Feb. 12, 1947 was, therefore, an anti-climax, and the general approval of the House a foregone conclusion. To be sure, M.J. Coldwell, leader of the CCF, struck a critical, if rather cautious note, when he declared:

I hope that this integration of defence forces will not mean that they are to **be controlled to any extent by either the ambitions or policies of our great neighbour to the south.** We have the greatest respect for the United States, but we were a very long time in getting rid of control by Downing Street, and I do not want to see Washington substituted for Downing Street. Let us see we do not have US control of our country.⁷⁸

Lawrence Skey, Conservative Member for Trinity, rather prophetically urged that Canada not tie her defence forces to the productive machinery of any other country.⁷⁹ And Mr. Archibald, CCF member for Skeena, lashed out against the Agreement, declaring:

This agreement that has been entered into could very easily be the Munich of 1947. . . . The US has the most backward political leadership in the world today, and it's trying to ram down the throats of the rest of the world, against its will, a method of trade that was antiquated fifty years ago.⁸⁰

Canadian editorial opinion, however, both French and English, was largely favourable to the agreement. Le Soleil was almost the lone dissenter in its stand that:

Russia is perfectly entitled to believe that these preparations, theoretically defensive, are directed against her. Whether they wish it or not, Canadians are proving that their country is militarily under the thumb of the United States.⁸¹

Without further ado, Canadian defence policy had entered into a new phase, with Canada a junior partner in the American Empire.

As might have been expected, American opinion was solidly behind the new developments. For The New York Times, the

agreement rested

not on a merely temporary emergency but on mutual convictions and interests, as well as on the new geographical and power factors in the world . . . this factor of common defense - can operate only because there is true friendship between the two countries involved - a friendship that rests on a deep common faith in the same moral values.⁸²

For American Generals, more given to using the frank language of power, the significance of the agreement arose from the new military strategy brought about by the Cold War. General H.H. Arnold, before retiring as head of the Army Air Force, had declared: "If there is a Third World War, its strategic centre will be the North Pole." General Carl A. Spatz, head of the Army Air Force at the time of the agreement, declared: "Through the Arctic, every industrial country is within reach of our strategic air." Finally, General Curtis LeMay, in the frankest statement of all, had declared, in connection with the postwar development of air power: "Our frontier now lies across the Arctic wastes of the Polar regions."⁸³

The Arctic had come to play the role performed by the Rhine in the days of the Roman Empire. Canada had become a fortress in the American chain of command in the Cold War.

Footnotes - Chapter Two

1. Canadian Treaty Series, 1947, No. 43.
2. Hansard, Session 1947, Vol. 1, p. 347.
3. See Col. C.P. Stacey, "The Undefended Border - The Myth and the Reality", Canadian Historical Association Booklet, No.1, Ottawa, 1967.
4. Hansard Nov. 12, 1940, p. 57.
5. Ibid.
6. Pierpont Moffat, cited in William L. Langer and S. Everett Gleason, The Challenge to Isolationism, Harper, Brace, New York, 1952, p. 704.
7. Canadian Treaty Series, 1940, No. 14.
8. Stanley W. Dziuban, Military Relations Between the United States and Canada, 1939-1945, (US Army History of World War II), Department of the Army, Washington, 1959, pp. 25-6.
9. The Recommendations of the PJBD are reprinted in Appendix A of Dziuban's definitive work, pp. 347-365.
10. S. Conn and B. Fairchild, The Framework of Hemispheric Defense, (US Army History of World War II). Department of the Army, Washington, 1960, treats the hemispheric framework into which the activities of the PJBD fitted,
11. See the discussion in Robert Dawson, Canada in World Affairs, 1939-1941, C.I.I.A., Toronto, Vol. 11, pp. 213-217, of the Lend-Lease Agreement, which was finally modified by a Protocol dated March 27, 1941, taking Canada's interests in Newfoundland defence into account.
12. Jack Pickersgill, The Mackenzie King Record, Vol. 1, Univ. of Toronto Press, Toronto, 1960, p. 187.
13. Dawson, op. cit., p. 254.
14. Ibid., p. 255.
15. Col. C.P. Stacey, "The Permanent Joint Board of Defence", International Journal, Vol. 9, 1954, pp. 107-124, p. 118.
16. Ibid., p. 119.

17. The Mackenzie King Record, p. 205.
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24. F.H. Soward, Canada in World Affairs, 1944-6, Vol. 4, Toronto, 1950, p. 258.
25. See Dziuban, op. cit., pp. 228-235, for discussion of the Canol Project, and Chap. 8 for discussion of American activities in Western Canada.
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27. A.R.M. Lower, "Canada, the Second Great War, and the Future", International Journal, 1946, p. 100.
28. Barbara Ward, The West at Bay, N.Y., Norton, 1951.
29. Isaac Deutscher, Ironies of History, London, Oxford Univ. Press, 1966, p. 149.
30. Louis Halle, The Cold War as History, N.Y., Harper & Row, 1967, p. 49.
31. See Isaac Deutscher, "Myths of the Cold War", in David Horowitz, ed., Containment and Change, Boston, Beacon Press, 1967, pp. 13-25.
32. M. Djilas, Conversations with Stalin, N.Y., Harcourt Brace, 1963, p. 120.

33. Cited in Gar Alperowitz, Atomic Diplomacy: Hiroshima and Potsdam, Simon and Schuster, N.Y., 1965, p. 19.
34. Ibid., pp. 36-7.
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36. Ibid., pp. 533-4.
37. Walter Millis, ed., The Forrestal Diaries, N.Y., Viking Press, 1951, p. 50.
38. Alperowitz, op. cit., p. 57.
39. Ibid., p. 188.
40. Soward, op. cit., p. 146.
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42. Ibid., Footnote, p. 263.
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44. The Mackenzie King Record, p. 649.
45. Grant Dexter, Canada and the Building of the Peace, Canadian Institute of International Affairs, Toronto, 1944, p. 167.
46. John C. Campbell, The US in World Affairs, 1945-7, Harper & Bros., N.Y., 1947, pp. 41-2.
47. Dziuban, op. cit., p. 335.
48. Cited in Capt. D.J. Goodspeed, A History of the Defence Research Board of Canada, Ottawa, Queen's Printer, 1958, p. 22.
49. Dziuban, op. cit., p. 335.
50. Henry L. Stimson and McGeorge Bundy, On Active Service in Peace and War, N.Y., Harper & Bros., 1947, pp. 643-4.
51. The Forrestal Diaries, pp. 95-6.
52. Alperowitz, op. cit., p. 242.
53. See the discussion in Soward, op. cit., pp. 160-2, for a summary of the Nov. 15th Declaration, as well as subsequent Canadian utopianism on the question of the surrender of sovereignty, which atomic disarmament would entail.

33. Cited in Gar Alperowitz, Atomic Diplomacy: Hiroshima and Potsdam, Simon and Schuster, N.Y., 1965, p. 19.
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51. The Forrestal Diaries, pp. 95-6.
52. Alperowitz, op. cit., p. 242.
53. See the discussion in Soward, op. cit., pp. 160-2, for a summary of the Nov. 15th Declaration, as well as subsequent Canadian utopianism on the question of the surrender of sovereignty, which atomic disarmament would entail.

54. See Robert Spencer, *Canada in World Affairs, 1946-9*, Vol. V, C.I.I.A., Toronto, 1959, p. 136, and the overall discussion from pp. 124-142. Spencer traces the independent chart Canada attempted to follow through 1946, but sees Dec., 1946 as marking the end of this middle course. The argument in this study is that in light of the attitudes of Byrnes, Forrestal, and ultimately Truman himself, hopes for atomic disarmament were illusory from the beginning.
55. Dziuban, op. cit., p. 336.
56. Idem.
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59. Lester B. Pearson, "Canada Looks 'Down North'", Foreign Affairs, Vol. 24, July, 1946, p. 638.
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67. James Reston in The New York Times, Feb. 13, 1947.

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70. Pearson, "Canada Looks 'Down North'", p. 644.
71. The Financial Post, Aug. 3, 1946.
72. Hansard, Session 1946, Vol. V, Aug. 19, p. 5060.
73. The Financial Post, Nov. 9, 1946.
74. Hansard, Session 1947, Vol. 1, p. 347.
75. In response to a questionnaire in The Financial Post, Aug. 24, 1946.
76. Harold Innis, "Great Britain, the US, and Canada", reprinted in Essays in Canadian Economic History, University of Toronto Press, Toronto, 1956, pp. 384-412, p. 406.
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78. Hansard, 1947, Vol. 1, Feb. 14th, pp. 392-3.
79. Ibid., p. 404.
80. Ibid., p. 405.
81. Cited in Spencer, op.cit., p. 310.
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Chapter Three

From Continental Defence to NATO

With the Agreement of Feb. 12, 1947, the first phase in postwar Canadian-American defence relations had ended. The Canadian foreign policy elite had made an irrevocable commitment to the policy of alignment, and had accepted American leadership, political and strategic, in the defence of North America. Louis St. Laurent expressed this succinctly, in a speech in New York, a few days after the announcement:

We realize that no nation can live unto itself. We realize that the destiny of our country is bound closely with that of the United States. We are therefore prepared to consider with you on the basis of our joint responsibilities and our joint interests whatever combined action either one of us may think desirable.¹

Yet even as St. Laurent and King were yielding to American demands for Arctic collaboration, American preoccupation with continental defence began to lessen. The Truman Doctrine of March, 1947 defined American interests in global terms, and for the next three years American policy was to be concerned primarily with the containment of communism in Europe.

As a result, the Canadian policy of defence collaboration with the United States became in these years, less a question of bilateral relations than one of relations within a multilateral, American-led alliance. At the same time, the political,

economic, and ideological character of Canadian junior partnership within the American Empire became sharper, and the hostility of the Canadian political elite towards the Soviet Union franker.

In his Gray Lecture of Jan., 1947, Louis St. Laurent had outlined the principles on which Canadian foreign policy rested, among which he included acceptance of international responsibility, pursuit of the rule of law, and the development of political liberty.² If these principles appeared to be somewhat vague, St. Laurent was much less so regarding the United States, a friend "of like political tradition." For while recognizing the inequality in wealth and power, separating the United States from Canada, and the world-wide character of American interests, St. Laurent could nonetheless speak of the US as "a state with purposes and ambitions parallel to ours."³

American spokesmen were far less restrained in defining those purposes and ambitions, than were Canadian. Indeed, in the next two months, they were to enunciate a doctrine of political liberty, which was synonymous with a world-wide American Order.

In a statement on Feb. 27, 1947, Dean Acheson, Under-Secretary of State, spoke of the Soviet Union as openly "aggressive and expanding", and divided from the United States "by an unbridgeable ideological chasm."⁴ One week later, Truman himself, in a speech at Baylor University, Texas, gave his thoughts free rein, in a discussion of American purposes.

Government monopoly was "not the American way", he stated, "not the way of peace." "The whole world should adopt the American system. . . . The American system could survive in America only if it became a world system."⁵

Finally, on March 12, 1947, Truman in an address to Congress, requested military assistance to Greece and Turkey, and enunciated a new principle of American foreign policy. As the Truman Doctrine declared, "The policy of the United States (is) to support free peoples who are resisting attempted subjugation by armed minorities or outside pressure."⁶

In rapid succession, therefore, American foreign policy had declared open ideological warfare on the Soviet Union, defined American interests in terms of a world-wide system not based on government monopoly, i.e. socialism, and placed the entire "free world" under its protection.

One can see in the Truman Doctrine a stark example of what was to become a dominant tendency in American foreign policy in the following years. The emphasis on military response to political and economic challenges to the American Empire was to find its expression in NATO, SEATO, etc. And "support for free peoples" became a euphemism for American political and economic hegemony.

In Canada, however, there was no immediate official reaction to the Truman Doctrine. Coincidentally, one week earlier, C.D. Howe had announced in the House of Commons a program for the construction of Arctic weather stations during the next three years, with American assistance.⁷ And in April, Louis St. Laurent

announced a Canadian-U.S. agreement for the establishment of LORAN stations (Long Range Navigation) in Alaska and the western Arctic, to serve as standard directional devices.⁸ But at this crucial stage in the development of the Cold War, the Canadian political elite was silent on the implications of American policy.

The Truman Doctrine, however, had evoked some negative reaction in the United States, both in the press and in Congress. Walter Lippmann had warned against Truman's global policy, and the ideological crusade it threatened to bring. "Today they are ringing the bells; tomorrow they will be wringing their hands",⁹ he wrote, anticipating his sharper attack on the containment doctrine, later that year. Senator Vandenberg, Senate Majority Leader, sought to introduce an amendment to the President's aid program, allowing the UN a veto over American intervention, and succeeded despite State Department back-peddalling.¹⁰ Within the State Department, policy-makers like Kennan had themselves argued against the ideological tone of the Truman Doctrine, and had set to work on what was to become the Marshall Plan.¹¹

It was Molotov's rejection of the Marshall Plan at the Paris Conference called by Britain and France in late June, 1947 that sealed the future of American-Soviet relations, and thereby, Canadian foreign policy as well.

General Marshall, in his Harvard Address of June 5th, 1947 had set forth a series of potentially far-sighted proposals for European economic recovery. His proposals, he declared, were "directed not against any country or doctrine but against hunger,

poverty, desperation, and chaos."¹² American aid would be forthcoming to all European countries willing to work jointly on reconstruction.

Yet the Russians, conscious of superior American economic power, suspicious of American demands for joint European planning and sharing of Marshall Plan aid, and fearful that political domination would follow in the wake of American aid in Eastern Europe, reacted negatively. Behind the veil of the Marshall Plan, they saw the real purpose of American policy as George Kennan had defined it, in an article which he had published, under the pseudonym X, in Foreign Affairs, in June, 1947.

In this article, on "The Sources of Soviet Conduct", Kennan made clear that the United States viewed Russia as its major rival, arguing

that the main element of any US policy towards the Soviet Union must be that of a long-term, patient but firm and vigilant containment of Russian expansive tendencies.¹³

Reiterating the hard line of the Truman Doctrine, Kennan held that Soviet pressure could be contained only by "the adroit and vigilant application of counter-force at a series of shifting geographical and political points, corresponding to the shifts and manoeuvres of Soviet policy."¹⁴ Russia's inner economic weakness, he argued, could serve the interests of American policy.

The Soviets, therefore, saw in the Marshall Plan a subtle form of the imperialism that had been evident in Truman's March speech. As Howard K. Smith observed, pointing his finger at the rising American Empire:

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When Russia extends her security zone abroad, it almost inevitably requires an overthrow of the status quo, for the status quo of the world is Capitalist; which means a lot of noise and ugly scenes. If America extends her zone of influence abroad, for the same reason - that the rest of the world is Capitalist - it involves only supporting the status quo: no scenes, no noise.¹⁵

For the Soviets, the American initiative was one more card in a loaded deck.

The Americans, on the other hand, could protest their good intentions, and accuse the Soviets of having provoked a breach. It was at this point, after the battle lines had been drawn, that Canadian spokesmen swung into action, in support of the United States.

The Feb. 12th Agreement, and the policy debate which had preceded it, had, of course, marked the acceptance by the Canadian political elite of American strategy in the Cold War. But as late as June, 1947, when the Visiting Forces (United States of America) Act, giving legal basis to the presence of American troops in Canada for purposes of defence collaboration, was debated in the Commons, Canadian spokesmen refused to own up to the real focus of Canadian alignment.

Brooke Claxton, Minister of National Defence, argued that the Feb. 12th Agreement and the new Act were "workable and sensible", involving no surrender of national sovereignty.¹⁶ And demands from the CCF that Canada not capitulate to "a Truman doctrine that extends the military and political barriers of the United States around the world", or allow herself, "even by implication, to be included in one power bloc or the other",

were scarcely deemed worthy of reply.¹⁷

The worsening of Soviet-American relations in the summer of 1947 removed the blinders on Canadian foreign policy, making explicit a Canadian junior partnership, that had only been implicit till then. In the statements of the Canadian political elite in the twenty months preceding the North Atlantic Treaty, one finds expression of that elite's colonialism vis-à-vis the United States, a colonialism that had led to the Feb. 12th Agreement, and was to underlie Canadian defence policy in the 1950's and 1960's.

The first indication of the new line in Canadian foreign policy, came in a speech delivered by Escott Reid of the Department of External Affairs, at the Couchiching Conference of the Canadian Institute of Public Affairs, in Aug., 1947. Mr. Reid, closely involved in Canada's UN activities in the previous two years, demanded radical reform of the UN, especially limitations on the use of the veto. Drawing a lesson from the bipolarization of the post-war world, heralded by the Truman Doctrine, he went on to hint:

A rejection of proposals for immediate, drastic revision of the UN Charter does not necessarily mean that those states of the Western world which are willing to commit themselves to a much closer degree of union than that embodied in the Charter should not, if they so desire, work out such arrangements.¹⁸

On Sept. 2nd, Lester Pearson castigated Soviet misuse of the veto, suggesting a regional pact or a new UN (without the Soviets) to replace the international organization.¹⁹ And on

Sept. 18th, St. Laurent, in a speech at the UN, warned that nations frustrated by a Security Council "frozen in futility and divided by dissension", "may seek greater safety in an association of democratic and peaceloving states willing to accept specific international obligations in return for a greater measure of national security."²⁰

Canadian foreign policy spokesmen thus appeared to accept the Acheson view of the Soviet Union as expansionist and aggressive. Although Walter Lippmann could write at the time,

The State Department, in its attempt to operate under the Truman Doctrine has shown where that doctrine would take us. It would take us to the destruction of the U.N.²¹

St. Laurent could declare in a speech in Quebec City in October, 1947:

If theory-crazed totalitarian groups persist in their policies of frustration and futility, we will not, for much longer, allow them to prevent us from using our obvious advantages to improve the conditions of those who wish to cooperate with us.²²

That Canadian diplomacy was throwing its full weight behind the hard-line policy emanating from Washington was further suggested by St. Laurent's speech to the Canadian Club in November, 1947:

We know our neighbours to the South of us pretty well, and in spite of all these wild charges of imperialism brought against them, we are convinced that they also wish to maintain their freedom and like ourselves wish to leave other people in the full enjoyment of theirs.²³

By 1948, therefore, when Canadian spokesmen threw their full support behind the campaign for NATO, Canadian claims of middlepoweriship and pretensions of faith in the United Nations had become a sham. Ideologically, St. Laurent and Pearson were cold

war liberals, as concerned with standing up to an ostensible Soviet threat to the West, as Forrestal or Acheson. Where Canadian foreign policy had done nothing to stand up to Hitler in the 1930's, it had become almost fanatic in its commitment to collective security and opposition to communism in the late 1940's.

The Canadian political elite, so bold to denounce British initiatives that might endanger Canadian sovereignty in the interwar period, became deafeningly silent, where American initiatives were now concerned. Canada's dependence on the rising American Empire, and her acceptance of American power as benevolent, had become manifest.

A particularly significant example of this was provided by the currency crisis of November, 1947, in which Canada, like Britain during the coal crisis of the previous winter, found herself in an exposed position vis-à-vis the United States. Until that date, Canadian spokesmen had continued to believe in the revival of the old Atlantic Triangle. In a speech in late October, 1947, St. Laurent had expressed "vital concern for the restoration of European economics", emphasizing that Canada "depended on multilateral trade to earn the surplus in other countries, necessary to balance out her persistent trade deficit with the United States."²⁴

In November, 1947, Canadian reserves had plummeted from a high of \$1667 million in May, 1946 to a new low of \$480 million.²⁵ The Canadian dollar was threatened, and on Nov. 17th,

Douglas Abbott, Minister of Finance, went on national radio to announce an emergency curb on imports from the United States. Hand in hand with these curbs, measures had been worked out with the US, providing for US expenditures in Canada on goods destined for the Marshall plan. The Canadian Government would make every effort to expand production for export to the US, and would seek to develop natural resources, to permanently reduce the lack of balance in Canadian-American trade.

Abbott was thus announcing unequivocally, the new continental direction Canada's economy was then about to assume. His speech prefigured the vast inflow of US capital into Canada from the late 1940's on, and explained, parenthetically, Canadian susceptibility to the containment doctrine, because of Soviet rejection of the Marshall Plan.

Not content to let matters rest at that, Abbott went on to speak in highly sympathetic terms of the power which the United States had come to exercise:

I do not know how generally is realized the magnitude of the responsibilities that are falling upon the Government, the Congress, and the people of the United States at this highly critical time in the world's affairs.²⁶

The Canadian political elite was little troubled by the danger of American domination both in Canada and elsewhere.

Its benevolent attitude towards the United States further was brought home in a speech by Hume Wrong, Canadian Ambassador to Washington (and one of the framers of the Feb. 12th Agreement), to an American audience in January, 1948, discussing the Canadian

balance of trade problem:

We certainly do not want to make the two figures of exports between the two countries equal or nearly equal, for that could only be achieved by a most extreme form of economic nationalism, which would gravely lower the Canadian standard of living.²⁷

Hume Wrong was rejecting economic nationalism, in favour of long-term American development of Canada. Canadian trade with the United States would be balanced in the future, by closer integration between the two economies.

It is perhaps not surprising that this acceptance of economic continentalism by the Canadian political elite should have found its counterpart in the rejection of Canadian independence in the Cold War, and support of an American-led Alliance. For once the United States had come to play "a controlling and one-sided role" in the development of Canada, the Canadian elite, in accordance with William Appleton Williams' description, "made its choices within the limits set by . . . the powerful society."²⁸

As a result, Canadian foreign policy became preoccupied, not with "preventing the world from falling apart", nor with "restoring a peace between nations which would not involve domination."²⁹ Instead, the Canadian political elite accepted the role of junior partner to the United States, and embarked on an ideological crusade that led to an enhancement of American power, economic, military, and political, in Europe, and ultimately in Canada itself.

The Prague coup of Feb., 1948 provided the fillip that made military alliance appear eminently desirable in the West.

Although the coup was an essentially defensive reaction by the Soviet Union to the Marshall Plan (as Kennan recognized),³⁰ fear of a Soviet attack on Western Europe reached panic proportions. The death of Jan Masaryk, victim of a containment policy which he himself had described as "immature, negative, and dangerous",³¹ led to reinforcement of that containment policy in the West.

General Clay, in a telegram from Berlin in early March, sounded the alarm:

For many months, based on logical analysis, I have felt and held that war was unlikely for at least ten years. Within the last few weeks, I have felt a subtle change in the Soviet attitude which I cannot define, but which now gives me the feeling that it may come with a dramatic suddenness.³²

On March 17th, Truman addressed a message to Congress, accusing the Soviets of having violated the Yalta and Potsdam Agreements, and asking for Universal Military Training and restoration of the draft. "There are times in world history when it is far wiser to act than to hesitate", he declared, pledging to "extend to the free nations the support which the situation requires."³³ That same day, Britain, France, and the Benelux countries signed the Brussels Treaty, first step on the road to the North Atlantic Treaty.

Canadian foreign policy played no role in either of these developments. But in the next few months, as the Berlin Blockade developed, and the Vandenberg Resolution, providing for defence cooperation between the United States and Western Europe, came before the Senate, Canadian spokesmen rallied to the support of an Atlantic Alliance.

St. Laurent, in a major foreign policy address in the House of Commons on April 29th, 1948, expressed the rationale of alliance politics, in the bluntest possible terms. Turning his back on an independent Canadian foreign policy, he affirmed, "for us there is no escape, even if we wish one, in isolation or indifference." On the big issues, Canada and the United States were apt to act alike.

Strategically we both recognize, I think, our mutual interdependence. Our joint defence measures are based on that fact. National defence alone, is not enough in this day and age of new weapons and methods of warfare. Collective defence is more than ever necessary.³⁴

Collective defence followed from the principle that Canadian policy had embarked upon with the Agreement of Feb. 12th, 1947, but which St. Laurent only now articulated:

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

The platitudes of the Gray Lecture, protestations regarding Canadian sovereignty, had fallen by the way-side. Canadian foreign policy was openly at war with "totalitarian communist aggression", openly allied with the United States.

In a series of speeches in the next two months, Lester Pearson developed these points. In Hamilton, Ont., on May 15th, he downplayed the importance of nationalism, arguing:

The only sure foundation for security in the circumstances of the present is the steady, determined and collective resistance to all acts of aggression anywhere; honest and complete recognition of the fact that an unprovoked attack on one is an attack on all.³⁵

In Los Angeles, three weeks later, while the Vandenberg Resolution was being debated in the Senate, Pearson urged that "the resources of the new world be added to the defensive determination of the old."

We, in Canada, have never thought of our cooperative defence arrangements with the United States as anything for which we need to apologize to anybody, or as either exclusive or aggressive.³⁶

Then, in a fine display of Canadian benevolence towards the US, he added his conviction that American power was "in the hands of a people who are decent, democratic, and pacific, unambitious for imperial pomp or rule."

In early July, 1948, following the passage of the Vandenberg Resolution, Truman called for military talks between the United States and the Brussels Treaty Powers. He seemed so unaware of Canada's commitment to an Atlantic Alliance that he could write:

If Canada was willing to participate, the Department of State was to arrange for Canadian participation at the London military talks.³⁷

Canada did participate in the talks which culminated in the signature of the North Atlantic Treaty at Washington, on April 4, 1949. But for the United States, Canada's participation in NATO was secondary to her acceptance of continental defence arrangements. James Forrestal, American Secretary of Defense, had expressed his surprise in April, 1948, over Canadian support for the Alliance.³⁸ And during his visit to Ottawa in August, 1948, more attention seems to have been paid to continuing Russian pressure generally, and the establishment of radar

screens in northern Canada, in particular, than to the Treaty.³⁹

This is not to imply, of course, that the United States did not welcome the adherence of a thoroughly dependable and dependent Canada to the broader alliance. As a British commentator has stated it,

Canadian membership in NATO would moderate the appearance of a single North American state dominating Western Europe, and help to relieve what might otherwise have been an intolerable dichotomy.⁴⁰

But Canadian membership was peripheral to the major objective of NATO, an alliance between the United States and Western Europe, in which the US would clearly dominate.

Canada's membership in the multilateral alliance, therefore, merely reinforced the junior partnership to the United States, inherent in her continental defence relationship. Canadian spokesmen were only too willing to acknowledge that Canada was "neither a great nor an overseas power", but to stress Canada's role in influencing "the policies of the free world."⁴¹ They harped time and time again on Canada's dependence on the United States, arguing, "If the United States went it alone, where could we go?"⁴² They stressed the need for "a framework broader than that of our own country", warning that "Economic nationalism, if unchecked, will sooner or later corrode and weaken any coalition and destroy cooperation and unity in foreign and defence policies."⁴³

To be sure, Canadian spokesmen, in supporting the Alliance, laid stress neither on its military aspect nor on

the dominant American role. For St. Laurent, the Alliance came to embody "all the values and virtues of our Christian civilization",⁴⁴ with a "concentration of an overwhelming superiority of moral, economic, and political force"⁴⁵ on its side. For Pearson, the Atlantic Treaty had to contain "provisions not merely for defence against armed aggression, but for peace-time co-operation in the economic, social, and cultural fields."⁴⁶

Canadian fixation with this theme led to the inclusion of Article II in the Treaty, over the objections of both the United States and Britain. This Article, respecting economic collaboration and the development of free institutions, was barren of any results in the longrun, but it allowed Canadian foreign policy to pretend that military alliance was something else.

Sentimentalism, however, no more altered the character of the North Atlantic Treaty, than did the claim in Fifth Century B.C. that the Delian League represented a league of democracies, alter its military character or Athenian domination. For even as with the Feb. 12th Agreement, the Canadian political elite wrapped itself in self-righteousness, while taking a further step in committing Canada to American policy.

At no time was a strategy of neutrality in the Cold War seriously considered by Canadian policy-makers. If Canada's strategic location somewhat reduced her freedom of action, the rush to commitments in Europe was proof of her elites' fundamental colonialism. In the absence of any independent Canadian sphere of influence, the US and Britain defined Canadian

interests unconditionally.⁴⁷

Ideologically, the Canadian political elite did not see itself as uncommitted, as did Swedish policy-makers,⁴⁸ in the division of the world into capitalist and communist blocs. On the contrary, the Canadian political and corporate elites saw the United States as a model for Canada's own economic development, and American political and economic leadership in the post-war world as essential. Nationalism was consciously rejected as a narrow turning-in upon oneself, while the internationalism of the Atlantic community became a favourite catchword of Canadian foreign policy.

The Canadian political elite had united English and French Canada around a single foreign policy issue, anti-communism, for the first time. Both the old and new imperial powers were joined together in the Atlantic Alliance, and Canada had found her place, in a front-line position in the Cold War. To posit Canadian neutrality would have been to reject Canada's American destiny. In 1949, such a vision was beyond the comprehension of Canada's Liberal elite.

Footnotes - Chapter Three

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7. Spencer, Canada in World Affairs, 1946-9, p. 314.
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15. Smith, op. cit., p. 32. Smith's judgement is especially interesting, because he was writing as a CBS reporter in Europe in 1950, long before the current debate over the origins of the Cold War.
16. Hansard, June 4-5, 1947, cited in Spencer, op. cit., p. 288.
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30. Kennan, Memoirs, pp. 402-3.
31. Freda Kirchway, "Masaryk", The Nation, March 20, 1948 cited in Fleming, op. cit., p. 495.
32. The Forrestal Diaries, March 5, 1948, p. 387.
33. Ibid., p. 397; New York Times, March 18, 1948.
34. S and S, 48/23, p. 8.
35. S and S, 48/28, May 15, 1948, p. 10.
36. S and S, 48/33, June 8, 1948, pp. 3,5.
37. Harry S. Truman, Memoirs, 1946-52, Vol. 2, N.Y., L(%, p. 284, July 2, 1948.
38. The Forrestal Diaries, Apr. 9, 1948, where Forrestal observed: "A curious fact is that Canada is equally as strong as Britain for the formation of the alliance.
39. Ibid., Aug. 18, 1948, p. 474; where no mention is made of NATO in Forrestal's account of his Ottawa trip.
40. J.D.B. Miller, Britain and the Old Dominions, London, Chatto and Windus, 1966, p. 177.

41. Lester Pearson, "The Development of Canadian Foreign Policy", Foreign Affairs, Vol. 30, No. 1, Oct., 1951, pp. 17-30, p. 17.
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44. Hansard, March 28, 1949, Vol. 3, pp. 2060-1.
45. Address of Sept. 1948, cited in Pearson, "Canada and the North Atlantic Alliance", Foreign Affairs, Vol. 27, No. 3, Apr., 1949, p. 376.
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47. McInnis, The Atlantic Triangle and the Cold War, p. 9.
48. Thus, the Swedish foreign minister in an address to the Riksdag on March 22, 1950 stated: "It is by no means unimportant that the view be countered that the world is moving inexorably towards a division into a capitalist and a communist bloc which are bound ultimately to come to grips in a final struggle for world hegemony." Documents on Swedish Foreign Policy, Stockholm, Royal Ministry of Foreign Affairs, 1957.

Chapter Four

Canadian Rearmament: From Korea to the Radar Lines

The signing of the North Atlantic Treaty Alliance had a crucial effect on Canadian defence policy, and even more importantly, on the strategic doctrines which Canadian policy-makers adopted.

In June, 1948, "St. Laurent, Pearson, and Howe had stated that Canada would inevitably be involved in any war which affects Britain and the United States", and The Financial Post had correctly predicted that "defence planning would require preparations for mustering and coordinating the military and industrial resources of all three countries."¹

In Dec., 1949, agreement was reached on the standardization of screw threads among Britain, the United States, and Canada. At the same time, Canada decided to scrap the British .303 rifle in favour of the American .30, the first step in the conversion of the Canadian armed forces to American material.²

With the outbreak of the Korean War, and the dramatic increase in defence expenditure in both Canada and the United States in the following years, the process of defence integration was vastly accelerated, and Canadian defence production

and policy came to have a predominantly American flavour. On the strategic side, the Canadian political elite continued to situate itself, more than ever, within the framework of the American Empire. It extended its commitment to collective security to the Far East, allying itself with the United States in the containment of China, militarily and politically. Canadian spokesmen were quite explicit in stating "that the best place to defend Canada would be as far away from our shores as possible",³ and in defining "the vital centre of our global defence (as) Western Europe."⁴

At the same time, reviving American interest in Arctic defence, stimulated in turn by the growing American emphasis on the military aspects of defence alliance, with repercussions for the American economy, was to lead to pressures for new arrangements in continental defence, and to the establishment of three radar networks in Canada between 1951 and 1956.

With the signature of the North Atlantic Pact, Canadian policy-makers had turned their back on a policy of Canadian neutrality in the Cold War. "The choice in war would be a simple one - Communism or Canada"⁵, argued Brooke Claxton. The defence policy which he enunciated in the House of Commons on Nov. 11, 1949, therefore, embodied the principle of alliance politics, and served as the basis of Canadian policy for the next two decades.

Among the principles which he set forth were the following:

- 1) The only possible aggressor is the Soviet Union.

- 2) Any war would be a world war involving all Western peoples.
- 3) The best way to prevent such a war is to confront the forces of Communism with sufficient strength to deter attack.
- 4) To provide such strength requires the co-operative efforts of Western nations, including the United States and Canada.
- 5) Consequently, Canada welcomed NATO as supplementing the UN as an organization for world security.
- 6) Since an attack on Canada could only be made by air or sea, emphasis must be placed on defence forces; by air - radar stations and communications, backed by interceptors and a relatively small mobile brigade group; by sea - anti-submarine and anti-mine vessels for protection of shipping and coastal waters.
- 7) The best place to defeat the enemy is as far away from Canada as possible, and our forces should serve as the nucleus for the development of our maximum potential.

Significantly, 44.8% of the defence budget of \$425 million for 1950-1, was allocated to the Air Force,⁷ an indication of the emphasis which Canadian defence strategy, like American, was coming to place on air power. More ominous was the emphasis on defeating the enemy as far away from Canada as possible, and the singling out, in the hardest Cold War posture, of the Soviet Union, i.e. communism, as the sole possible aggressor. Canadian defence policy thus involved the unshakable belief that only the Soviet Union could be an aggressor. The United States, in its pursuit of containment, was merely seeking to deter attack. Law and morality were assumed to lie on the American side, American military and economic might appeared to threaten no one, while Soviet actions were interpreted as an attempt to extend Soviet tyranny to all regions of the world. Canadian support for the North Atlantic Treaty had flowed logically

from this conviction, and now the adherents of collective security would welcome the occasion "to defeat the enemy as far away from Canada as possible.", at the very frontiers of the American Empire, in Korea.

At the same time, Canada's bilateral defence ties with the US developed in 1949-50, antecedent to the Korean War. American bases in Newfoundland were retained, following the latter's entry into Confederation in 1949.⁸ "An early warning system to cover certain vital approaches" through Canadian air space, was being developed.⁹ And a joint Canadian-American exercise, involving 5,500 men from the two armies and air forces was held in the Arctic in Feb., 1950. "Exercise Sweetbriar" as it was called, involved simulated defence against a theoretical incursion into the Canadian Arctic.¹⁰

The Agreement of Feb. 12, 1947 was beginning to yield additional developments. From weather stations, the United States and Canada had progressed to joint manoeuvres. More would follow with the outbreak of the Korean War in June, 1950.

The main interest here will be to show how Canadian involvement in that war precipitated Canadian rearmament, and led generally, to a tighter continental defence relationship with the United States. The American presence in Korea dated from 1945, with the 38th Parallel marking the boundary between Soviet and American zones, pursuant to the Yalta and Potsdam Accords.

In Nov., 1947, a UN Temporary Commission was established, on US initiative, to deal with a matter involving the

post-war settlement among the Great Powers. The purpose of this Commission was to supervise free elections throughout Korea, with the aim of preparing Korean independence. The Canadian Delegation at the UN accepted Canadian membership on this Commission, despite the absence of any Soviet intention to cooperate with it.

It is significant that at this early stage, Mackenzie King, still Prime Minister (until Nov., 1948), reacted strongly and negatively to the initiative of his 'internationalist' ministers. Summoning St. Laurent, he "conjured up visions of Canada's being crushed in a conflict between the United States and the Soviet Union",¹¹ threatening to resign if Canada joined the Commission. St. Laurent and Pearson then invoked the stratagem of interceding with Washington, to make King change his mind. Pearson undertook a voyage to the US, ostensibly to win American consent to Canada's release from the Commission; in fact, the trip resulted in "a letter from Truman urging again that the original commitment be accepted."¹²

In the end, the threat of Cabinet resignations and St. Laurent's assurance that the Commission would act only with Soviet and American consent persuaded King to relent. But it was King, willing enough to surrender Canadian sovereignty with the Feb. 12th Agreement, whose premonition regarding Canadian involvement in Korea was to prove true.

Canada's participation in the UN Commission was short-lived, once the elections, originally scheduled for the whole of

Korea, were confined to the South. Canada opposed this move in the Commission, and withdrew from it in Dec., 1948.¹³ But she recognized the Rhee Government which the US installed in Soeul, and supported the appointment of UN observers along the 38th Parallel.¹⁴

With the victory of the Communists in China in the autumn of 1949, American policy towards Korea appeared to shift. American troops in South Korea had already been largely withdrawn after 1948, and in Jan., 1950, Dean Acheson, Secretary of State in an important speech had left Korea out, in his discussion of those Asian countries covered by the American security umbrella.¹⁵

However the events of June 25th were to bring about an instantaneous response. On June 27th, Truman pledged American military support, not only to Korea, but to Formosa as well, setting in motion the policy of confrontation with China which was to dominate American policy in the Far East to this day. At the same time, the US urged the UN Security Council, in the absence of the Soviets, to recommend that "members of the United Nations furnish such assistance to the Republic of Korea as may be necessary to repel the armed attack and to restore international peace and security in this area",¹⁶ and to stamp North Korea as an "aggressor".

In his Memoirs, George Kennan cogently observed on the subject of this UN Resolution that:

I never approved of the involvement of the United Nations in the Korean affair, or understood the rationale for it. This

was, after all, an area in which we had taken the Japanese surrender, and accepted the responsibilities of occupation. . . . We had a perfect right to intervene, on the basis of our position as occupying power, to assure the preservation of order in this territory. We needed no international mandate to make this action proper. Nor did the Charter of the United Nations require us to involve the organization in such a conflict. Article 107, while somewhat ambiguous, conveyed the general impression that problems arising immediately from the recent war were not to be considered proper subjects for the attention of the UN. This was, finally, a civil conflict, not an international one; and the term "aggression" in the usual international sense was as misplaced here as it was later to be in the case of Vietnam.¹⁷

Yet it was this UN Resolution which was to supply the rationale for Canadian intervention, in the name of collective security, in support of the American Empire in Asia.

Thus, on June 30th, Prime Minister St. Laurent told the Canadian House of Commons, that Canadian participation in implementing the Security Council Resolution would not be participation in war against any state, but police action, under the authority of the UN, for purpose of restoring peace, in an area where aggression had occurred.¹⁸

On July 12th, three Canadian destroyers were assigned to MacArthur's command, and on August 7th, St. Laurent announced the recruitment of a special brigade to serve in Korea.¹⁹

Canadian policy-makers had acted with notable speed. And the Canadian decision to intervene in Korea was to win well-nigh unanimous support in the House of Commons and in the press, with the UN cloak serving as an effective rallying point.

The real motivation of Canadian policy was made plain, however, in a statement by St. Laurent on July 19th, 1950, in

which he declared: "The attack of the North Korean aggressors on South Korea is a breach in the outer defences of the free world."²⁰ It was as a junior partner in the American Empire that Canada was reacting to the Korean War, and supporting the containment of communism. "The implications of American policy drew no fire from the benches of the Canadian Commons when the Minister of External Affairs read the President's statement [designating Communism as the aggressor] into Hansard."²¹

In providing an expeditionary force for Korea, Canadian defence policy was acting according to its declared intention "to defeat the enemy as far away from Canada as possible", and was associating Canada with American interests throughout the "free world". It followed that Canadian defence policy would be closely linked with that of the US in the rearmament of the next three years. It followed equally, that regardless of protestations on their part, Canadian policy-makers would be forced to accept American leadership in the defence of free world interests. Canadian influence in determining American strategy would prove slight, contrary to the tenets of middle power diplomacy. Junior partnership to a hegemonial power tends to work only one way.

On the economic side, this had already become obvious in the summer of 1950, when plans for joint mobilization between Canada and the US were worked out. A report in The Financial Post of July 15, 1950, indicated Canadian dependence on decisions worked out in the United States. The International Nickel Company

of Canada had issued an allocation order from its New York office, tailoring allocation to the needs of US stockpiling. "It is admitted that the order was not unconnected with developments in Korea."²²

The Canadian Government had in no way been consulted, though Canadian resources were involved. Nor is there any evidence that General MacArthur consulted Ottawa before flying to Formosa on July 29th, and pledging effective cooperation between his forces and those of Chiang;²³ or that Secretary of the Navy, Francis Matthews, had cleared his Aug. 25th speech, where he advocated preventive war and spoke of the United States as "the first aggressors for peace", with Canadian authorities;²⁴ or that Truman required St. Laurent's concurrence before authorizing MacArthur to cross the 38th Parallel, and fix the terms of North Korea's surrender.²⁵

Although Canada was clearly not consulted, no objections were forthcoming from Ottawa. On the contrary, Canada proved more than willing to play junior partner to the United States, and on the economic and military side to further continental integration of weapons and resources.

In the fall of 1950, when American rearmament began in earnest with the request of an additional \$11,500,000,000 for defence by the President, the Canadian Government obtained the approval of Parliament for the appropriation of \$300,000,000 for equipment destined for Western European allies, and for a supplementary expenditure of \$142 million, for Korea and the accelerated defence program.²⁶

It was obvious that the new defence situation would again call for closer cooperation with the United States, particularly since Canada had adopted US-type weapons whenever possible. The US was thus bound to be the major foreign supplier not only of various end items, but also of many components.²⁷

Canada therefore, tightened her economic ties with the United States, while greatly increasing her own defence expenditures. On Oct. 26th, a Statement on the Principles of Economic Co-operation between the two countries was released, in the spirit of the Hyde Park Agreement of 1941. Among its provisions were:

- 1) The optimum production of goods necessary for defence.
- 2) Co-ordinated controls over the distribution of scarce raw materials and supplies.
- 3) Exchange of technical information.
- 4) The removal of barriers impeding a free flow of goods.²⁸

In December, 1950, following the meeting of the North Atlantic Treaty Council, Brooke Claxton announced that the Canadian Government was considering the dispatch of troops to Europe.²⁹ And in the Speech from the Throne of Jan. 30th, 1951, even before the Special Brigade had completely disembarked in Korea, the Canadian Government announced a commitment to provide one infantry brigade and eleven squadrons of interceptor aircraft for Europe.³⁰

Korea was providing the rationale for a vast increase in armaments in both Canada and the United States. And in the process, Canadian defence policy was becoming ever more closely linked to that of the United States. The full scope of this defence alliance, and its importance for the Canadian economy was

revealed in an address by Brooke Claxton to the Halifax Board of Trade, on Jan. 18th, 1951.

Claxton predicted defence expenditure for 1951-2 would exceed \$1,500,000,000 (the final figure exceeded \$2 billion) and listed the following developments:

- 1) The US and Canada were setting up a ring of stations on the coasts of Newfoundland and Labrador.
- 2) Canada would manufacture radar and wireless for her Atlantic allies, up to the amount of \$300 million.
- 3) The Navy would accelerate its refitting program, and spend \$27 million on new ships.
- 4) Orders had been placed for tooling up US type motor vehicles.
- 5) \$60 million would be spent for equipping a division in Holland.
- 6) The F-86 and CF-100 were to be manufactured in Canada.
- 7) The aircraft industry was in full swing.
- 8) Big developments in electronics were expected, including major contracts for other countries.
- 9) Personnel in defence were being increased from 50,000 to 85,000 men, and more would be required.

He then stressed that Canada would face this sort of effort

for perhaps a generation until the threat of war is ended either by the fact of war or by a change in the attitude of the Communists. . . . Even on the most distant horizon there is no indication that such a change is underway.³¹

In a further address, two weeks later, Claxton was even blunter about the implications of Canada's rearmament, now slated to cost \$5 billion over the next three years. "Defence has become today the biggest single industry in Canada", Claxton declared. The Canadian Commercial Corporation had entered into

80,000 contracts on behalf of the Canadian Government in the preceding nine months. Canada's role, on the production side, was to concentrate on such basic materials as steel, nickel, and aluminum, in which shortages existed.

Then in the most explicit statement of Canadian junior partnership in the field of defence, he went on:

We are constantly reviewing our territorial defence with the US services because the defence of the North American continent is a joint operation. Our security does not depend exclusively on what Canada does or what the Americans do, but on the sum of our joint effort. Every cent spent in Canada helps to defend the United States and vice versa. We have the same interests in our common defence, and from day to day we are making arrangements to strengthen that defence.³²

The Canadian political elite, accepting the militarization of the Canadian economy, anticipated high military expenditures for a generation to come, and was preparing to supply the raw materials which the Paley Report in the United States had called for, and for which large American capital investment would be forthcoming.

Claxton's language recalled that of Secretary of the Air Force, Finletter, who, in Sept., 1950, had emphasized that there would be no slackening of the national rearmament effort, even if the Korean War ended.³³ His assertion that "every cent spent in Canada helps to defend the United States" seemed to be an open invitation to treat Canada, economically, as well as militarily, as an extension of the United States.

And indeed, the Korean War and the American rearmament program sparked a boom in Canadian economic growth between

1950-7, unmatched in Canadian history.

The stimulus for the boom of the 1950's came wholly from the United States, with the result that the east-west structure of the Canadian economy was fundamentally modified by an almost massive north-south integration. Toward the end of the period Canadian trade statistics revealed the emergence of almost entirely new exports to the US of iron ore, uranium, oil, and nonferrous metals which rivaled and in some cases superseded in size the traditional staples which were sold in overseas markets.³⁴

Junior partnership in defence thus reinforced continentalism in economics, and led to a situation by 1954, where a Dominion Bureau of Statistics study could declare: "No other nation as highly industrialized as Canada has such a large proportion of industry controlled by non-residents."³⁵ Or as the Watkins Report in the late 1960's observed:

When foreign ownership becomes pervasive, as in the case of American ownership in Canada, the industrial structures become intermeshed. The economy of the host country may take on a dependent character, supplying resources for the country of origin and inefficiently replicating the latter's manufactures.³⁶

It is with Claxton's statements in mind, that one can also correctly appraise Canada's defence and foreign policy during the Korean War. For though Canadian policy-makers did seek to dissociate themselves from occasional American actions, and pursued a more conciliatory policy on the subject of settlement of the war, the substance of junior partnership was unaltered.

Thus Pearson, in a speech on April 10th, 1951, which is often cited, argued:

The days of relatively easy and automatic political relations with our neighbour are, I think, over . . . we are more important in the international sphere of things . . . the United States is now the dominant world power on the side of

freedom. Our preoccupation is no longer whether the US will discharge its responsibilities but how she will do it and how the rest of us will be involved.³⁷

Significantly, however, Pearson gave no indication then or later, of what Canada would do to dissociate itself from American leadership in the war, and issued no threat regarding Canadian withdrawal in the event of continuing disagreement.

How could he have, when Canadian disagreements with the United States were at best tactical, never fundamental? In the very same speech, Pearson reaffirmed his basic agreement with American policy, an agreement cemented by the defence and economic ties, which Claxton had touched upon.

We should be careful not to transfer the suspicions and touchiness and hesitations of yesteryear from London to Washington. Nor should we get unduly bothered over all the pronouncements of journalists, and generals, or politicians which we do not like, though there may be some, indeed are some on which we have the right to express our views. . . . More important, we must convince the United States by deeds rather than merely by words that we are, in fact, pulling our weight in this international team.³⁸

"Pulling our weight in the international team" - here was the rationale for a Canadian policy, anxious to show its benevolence towards the United States, abroad and at home. Why show suspicion towards Washington, when one shared the ideological outlook of American policy-makers, welcomed American capital to Canada, and defined Canadian interests in terms of American willingness to lead the free world?

Throughout the early 1950's, therefore, the Canadian political elite proved a willing accomplice to the proponents of

military force who had come to dominate in Washington. As American military expenditures rose from \$22.3 billion in 1951, to \$44 billion in 1952, and \$50.4 billion in 1953,³⁹ Canadian expenditures reached over \$2 billion annually in 1952 and 1953. The manpower objective attained was over a hundred thousand men,⁴⁰ and between 7 and 8% of Gross National Product was consecrated to defence.

With brigades in Germany and Korea, with C.D. Howe predicting continuing high levels of defence expenditure at least until 1955,⁴¹ Canada was pulling her weight in the defence of the frontiers of the American Empire. The contrast to pre-war Canadian policy was acute, as J.B. McGeachy pointed out in 1953, comparing Canadian readiness to enter into military commitments in both Europe and Asia with her earlier isolationism.⁴² Canada was acting step in step with the United States, around the world. Measures for continental defence would not lag far behind.

In the period between 1947-50, as was indicated in the previous chapter, American interest in Arctic defence took second place to American preoccupation with military alliances in Europe. Although weather stations were constructed in the Canadian North, and preliminary discussions regarding the establishment of radar networks in Canada took place at that time, there were no dramatic developments to follow up the Agreement of Feb. 12, 1947.

With the Communist victory in China in late 1949, American interest shifted to Asia, where it was largely to centre during the three years of the Korean War. But the explosion of a Soviet

A-bomb. in Sept., 1949, served to reawaken American concern for Arctic defence, and to end the American nuclear monopoly on which US strategy had come to depend.

If major priority in the early 1950's was thus placed on the build-up of American military power overseas, the defence of the North American continent, where the American nuclear deterrent was concentrated, at the same time acquired a new importance. With Soviet air power in a position to reach American targets, the invulnerability of the United States had disappeared. American containment of Russia had been breached, and American emphasis on air power effectively countered.

A new round in the militarization of the Cold War was about to begin, spurred on by the rearmament drive in the United States, that followed the outbreak of the Korean War. In this round, Canada would figure directly, and the full consequences of her defence alliance with the United States would be drawn out. For the installation of three radar networks in Canada, between 1951 and 1957, even more than Canadian participation in NATO or Korea, was to lead to the subordination of Canadian defence policy to American.

Discussions regarding the first of the radar lines, the Pinetree Line, began in the Permanent Joint Board of Defence in 1949.⁴³ The line was to be built along the Canadian border, with a few of its stations in the United States, and was equipped both to detect and intercept approaching aircraft.⁴⁴ The line would almost certainly have remained beyond the realm of military of

financial feasibility, had the Korean War not broken out.⁴⁵ In August, 1951, however, an exchange of notes between the Canadian and American Governments, formalized the agreement to build it, at an ultimate cost of \$450 million, split 2/3 - 1/3 between the United States and Canada.⁴⁶

As the Department of External Affairs stated, in its Annual Report for 1951:

A web of stations, equipped with the latest and most powerful radar apparatus, is being built. The stations will be connected by a network of communications, and will be linked by squadrons of fighter aircraft. The US and Canadian portions of the radar system will be linked together to form a single organization.⁴⁷

Even before the Pinetree Line could be completed, Canada began to develop a second line of her own, the Mid-Canada Line, running along the 55th Parallel.⁴⁸ Making use of equipment developed at McGill University, this line was to be fully automatic, costing some \$170 million. It was to be criticized strongly by Lieutenant-General Guy Simonds in 1956, "as influenced by a desire to put to use gadgetry evolved in Canada, rather than by what would provide the best possible defence".⁴⁹

The main development with respect to the radar lines took place, however, in the United States. In July, 1950, an Army Anti-aircraft Command was set up, which reached agreement with Canada on the Pinetree Line. In early 1951, this Command contracted with MIT for Project Charles, a study carried out at the Lincoln Laboratories of MIT, and which Secretary of the Air Force, Finletter, called "the Manhattan Project of air defence."⁵⁰ The Lincoln

Summer Group, set up pursuant to the Charles Project, and including Canadian military and scientific participants, recommended the establishment of a Distant Early Warning Line, in its report of 1952, to be set up within two or three years, spanning the North, and supplemented by "seawings".⁵¹ This recommendation was not immediately accepted in the US, partly for economy reasons, partly because certain elements in the USAF were opposed to the defensive function implicit in a strategy of interception.⁵² Nonetheless, the USAF contracted with Western Electric Co. for a major engineering and systems study of the feasibility of a new line, and by early 1954, Western Electric could present its estimate of costs.⁵³

In the interim, the explosion of a Soviet H-bomb in Aug., 1953, triggered American action, and on Oct. 6th, 1953, the National Security Council approved NSC 162, judging the Soviet threat to be total, and recommending much greater efforts to improve continental defence.⁵⁴

In the middle of Nov., 1953, Eisenhower paid his first visit as President to Ottawa, and "complete agreement on the vital importance of effective methods for joint defence"⁵⁵ was reached between Canada and the United States. "The threat is present," Eisenhower stated. "Measures of defence have been thoroughly studied by official bodies of both countries. The PJBD has worked assiduously and effectively on mutual problems. Now is the time for action on all agreed measures."⁵⁸ Two months later, in his State of the Union message, Eisenhower could

declare: "Our relations with Canada, happily always close, involve more and more the unbreakable ties of strategic interdependence."⁵⁷

Throughout 1954, technical discussions and diplomatic negotiations between the two countries continued, until, on Nov. 19th, 1954, announcement was made of a decision to proceed with construction of a distant early warning line.⁵⁸

On May 5, 1955, an exchange of notes was effected between the two countries, providing for the establishment of a DEW system. Elaborate provisions were drawn up respecting Canadian sovereignty. Electronic equipment for the DEW Line was "as far as practicable" to be of Canadian manufacture. Canadian law was to apply, qualified Canadian labour was to be given preference. Canada reserved the right to take over the operation and manning of all the installations at some future time.

But the costs of financing were to be borne exclusively by the United States. U.S. personnel were to be stationed in the North.⁵⁹ De facto control over the use of Canadian territory had passed to the United States. Instances of American flags flying in place of Canadian, of American security regulations barring Canadian journalists and officials from the installations,⁶⁰ served to confirm the more substantive transfer of power.

Construction of the DEW Line began in the summer of 1955, and the system became operational in the late summer of 1957,⁶¹ a few short months before the Soviet Sputnik cut the ground from

under the bomber threat on which the radar lines rested. Thus, between 1951 and 1957, over a billion dollars was invested by the United States and Canada on radar lines,⁶² for the defence of the American strategic deterrent. From the Agreement on Arctic Defence of 1947, through a commitment to the Defence of Europe and later Korea, the Canadian political elite had now arrived at a definition of Canadian defence policy, based on protecting the American deterrent.

Although Pearson could claim that

In implementing these principles of defence cooperation, Canada has taken a position that the granting of permanent or long-term rights in connection with US defence installations on Canadian soil is undesirable.⁶³

the DEW Line Agreement could have contained a hundred provisions relating to Canadian sovereignty, without making the slightest difference; for in respect to the arrangements for continental air defence, Canada was reduced to providing the real estate, and the United States the policy. The United States maintained as complete a control over its deterrent policy vis-à-vis Canada, as it did vis-à-vis Europe.

If the Canadian political elite, therefore, accepted the role of junior partner to the United States in continental defence, it did so knowingly, and with full acceptance of Canada's place in overall US Cold War strategy. Campney reaffirmed Canada's hard-line position in the Cold War, and the militarization of Canadian foreign policy, symbolized by the radar lines, in an address in April, 1956:

We ought not to be deceived as to the real aims and purposes of Communism. . . . And we do know one thing, that the Soviets understand and respect strength. We must, therefore, if we would hope to prevent all-out war, continue to lead from more to more strength.⁶⁴

It was not due only "to the accident of geography",⁶⁵ as Campney argued on another occasion, that Canada had embarked upon joint defence with the US. Canada agreed to participate in continental defence of her free choice. Alternative strategic postures, such as that pursued by Sweden, were clearly possible.

But the unequivocal Canadian support for the United States in defence policy reflected the same colonial mentality operating at that time in respect to economic policy. It was only natural that the Canadian elite which was busy "opening up Canada's treasure house of base metals, uranium, and rare metals needed for the jet age", and providing "jobs vital in the defence program of all our allies", should accept American defence priorities as well.⁶⁶

Canadian authorities could express their satisfaction at the opportunities construction of the DEW Line would provide for Canadian business,⁶⁷ feeling no doubt that American expenditures in Canada, on defence or on resources, bolstered Canadian economic growth, and reinforced Canadian sovereignty.

That Canada's own rearmament program necessitated large imports from the United States in the early 1950's, thus in turn, enhancing American capital inflow into Canada,⁶⁸ they chose to ignore. Nor did the Canadian political elite see any

contradiction in helping to finance the defence of the American Empire through its own rearmament program, and depending on American capital to develop Canada.

Thus, by 1956-7, when approximately two-fifths of net capital formation in Canada was being directly financed by non-residents,⁶⁹ the pattern was clear. Decisions on Canadian resources and development were being made as often as not in the United States. Decisions on defence could no less intelligently be made outside the country.

Here, it is argued, lies the key to Canadian defence policy in the 1950's. While Canadian resources and territory were vital to the United States, from point of view of its world interests, on the Canadian side there was an acceptance of those interests as Canada's own. If the US was concerned about a bomber threat from across the Arctic, so was Canada. If the US depended upon its nuclear deterrent in its confrontation with the Soviet Union, Canada would as well. Loyalty was, after all, the first ingredient of junior partnership.

It was against this approach that Lieutenant-General Guy Simonds lashed out in his critique of Canadian defence policy in June, 1956, charging:

There is no facet of our national affairs in which the stamp of a colonial mentality remains so deeply embedded as in our national defence. Many Canadians, including those in high places, cling to the view that serious and objective consideration of Canada's problems is of negligible importance because, willy-nilly, Canada is chained to the chariot wheel of the Great Powers.⁷⁰

He was particularly bitter towards the Permanent Joint Board

of Defence, whose Canadian members he accused of a predilection "to experiment in the field of gadgetry", resulting in "decisions of doubtful military value, but very expensive in money." He chided the Mid-Canada Line as a stop-gap measure, with no role to play in defence against guided missiles, accusing the vested interests of the air force, the aircraft industry, and defence research scientists, of having forced adoption of their pet projects.

Another Army officer, Retired Maj-Gen W.H.S. Macklin, was even more hard-headed in his criticism of the radar lines, at the Couchiching Conference in Aug., 1956.⁷¹ He accused the Canadian Government of having allowed the USAF a degree of interference in Canada's sovereignty, which no Canadian Government would have allowed Britain in the previous fifty years. The very basis of Canada's defence strategy had become that of the US SAC. Its strategy was nuclear, and Canada's strategy was linked to it. More ominously, he asserted that US airmen were dissatisfied with the radar arrangements, and were preparing to place the RCAF under their command.

The RCAF will become a mere handmaiden to its larger neighbour, and you can watch our independence begin to fade away.

Canada would then be left with a single option in defence - nuclear war.

The end of this business seems likely to be that the insatiable demands of the American air strategists . . . to whose thermonuclear star we have hitched the Canadian defence wagon, may leave us with the means of massive retaliation - and without any other military means.

Both Simonds and Macklin demanded that the Government reduce its defence allocation to the Air Force, which had been running at around forty-five in the early fifties, and adopt a manpower policy appropriate for an enlarged and modernized Army. Though the wisdom of an enlarged Army could be disputed, particularly in light of the historical opposition of Quebec to conscription, Simonds and Macklin were correct in their assessment of the implications of American military involvement in Canada.

The USAF was indeed pressuring Canada for arrangements that went beyond the radar lines, and the RCAF was showing itself amenable. The NORAD Agreement, which will be discussed in the next chapter, was already on the drawing boards, before the construction of the DEW Line had even begun. As the Cold War entered its second decade, Canada was to be bound even more tightly to the American military machine.

Footnotes - Chapter Four

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13. Harrison, op. cit., p. 258.
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Chapter Five

NORAD and the Framework of Continental Defence

In the years 1957-8, the pressures for a continental defence alliance between Canada and the United States came to a head. The process which had begun with the Agreement of Feb. 12th, 1947, and been carried on with the radar line arrangements of the early 1950's, reached a peak with the establishment of NORAD, the North American Air Defence Command, in 1957.

In this chapter, the decision to establish NORAD, which led to the integration of the RCAF into a USAF command and to the centralization of decision-making on North American air defence in Colorado Springs, will be examined. At the same time, the consequences of the NORAD Agreement for subsequent Canadian defence policy will also be touched upon, particularly the acceptance by Canada of a nuclear strategy, and the loss of Canadian freedom of action in the strategic-military field.

As early as 1955, Charles Wilson, the American Secretary of Defense, had turned down a Congressional suggestion that Canada be pressured to integrate her air force with that of the United States, on the grounds that such a move would appear as a direct encroachment by the United States on Canadian sovereignty.¹ Yet in June, 1955, Air Marshall Slemon could declare:

"Canada and the United States must face up to the problem of a unified command in continental defence."² Although Ralph Campney, Canadian Minister of National Defence, denied that Slemon had been stating Government policy, the Winnipeg Free Press was prophetic when it argued: "What Parliament requires is a clear assurance that the officers are now being put in their place, and that the Government policy-makers will henceforth be more alert to the deeper problems of our defence."³ Such an assurance was not forthcoming. Instead, on May 11, 1956, a joint US-Canadian military study group was set up,⁴ to prepare the groundwork for what was to become a joint command. .

On the American side, the Air Force which had set up a Continental Air Defense Command in Sept., 1954, was naturally interested in extending its scope to embrace the whole of North America. The DEW Line had already served to weld Canadian to American strategy, to deal with the ostensible Soviet bomber threat. A united (i.e. American-run) air defence command was the next step.

On the Canadian side, the military had acquired the habit of working with the Americans ever since the Second World War. A statement by General Charles Foulkes, Chairman of the Canadian Chiefs of Staff Committee throughout the 1950's, but then in retirement, suggests that the Canadian military had looked upon the arrangements for Arctic defence in 1946-7 as a "weak compromise" which had failed to come to grips with "the realities of a Soviet air attack on this continent."⁵

The Canadian Air Force Commanders were dissatisfied, arguing that air battles knew no boundaries and that air defence required depth. They therefore came to an agreement with the Americans in the study group set up in 1956, which recommended the "establishment of a joint headquarters to provide for the operational control of the air defense of Canada and the United States."⁶

The American Secretary of Defence approved the recommendations in February, 1957, and in the spring of 1957, the Canadian Chiefs of Staff began a concerted drive to win Canadian governmental approval. This arrangement, whereby the Chiefs of Staff worked out agreements with the United States without the knowledge of Cabinet, had become a regular procedure under the Liberals. So much so, that by the time a matter came to Cabinet, it had usually reached so advanced a stage, that to reject it would have entailed a major diplomatic crisis.⁷

This style of operation was possible only because the Liberals had based their entire postwar policy on military alliance with the United States, to a point where for the military the boundary between the two countries had lost its significance. In fact, Campney had recommended the establishment of an integrated command to the Cabinet Defence Committee on Feb. 18, 1957,⁸ but the intrusion of a general election led the Liberals to postpone a decision on NORAD until June 15th, five days after an election they were confident of winning. A mission, however,

was dispatched to Washington in late March to reassure the Americans that there was no Canadian disagreement with the substance of the agreement, and on April 26th, Campney assured the US Joint Chiefs that the Canadian Government's decision was not likely to be negative.⁹

It was the Conservative Government of John Diefenbaker, however, which in the summer of 1957, six short weeks after coming into office, took the important decision to participate in NORAD. The Conservatives had come to power, in part at least, on a program of Canadian nationalism, involving a diminution of American domination of Canadian economic and political life. To be sure, the Conservatives had supported the earlier Canadian policy of collective security and rearmament. But as Howard Green, Conservative Secretary of State for External Affairs from 1959-1963, has admitted, there was an expectation that the Diefenbaker Government would pursue more independent defence and foreign policies than its predecessor.¹⁰

Instead, Diefenbaker and his Minister of National Defence, George Pearkes, found themselves faced with overwhelming pressure from the Canadian military establishment as well as from the United States to approve NORAD. General Foulkes confessed, in testimony to the House of Commons Special Committee on Defence in 1963, that the military "stampeded the incoming government with the NORAD agreement."¹¹ A visit by Secretary of State Dulles to Ottawa in late July, during which the subject of NORAD was high on the agenda, was followed by a journey to

Washington by Pearkes, and a press release on Aug. 1, 1957.

This press release sanctioned the further "integration of the air defense forces of Canada and the United States that the military in both countries had been pressing for. "An integrated headquarters will be set up in Colorado Springs and joint plans and procedures will be worked out in peacetime, ready for immediate use in the case of emergency"¹² the release stated. Like the press release at Ogdensburg, seventeen years earlier, the NORAD announcement substituted euphemism for reality.

Perhaps the mention of continued national responsibility for other aspects of command and administration, or the emphasis on joint procedures, beguiled Diefenbaker. But as an American commentator has argued:

As a practical matter, it was fully understood in Ottawa and in Washington that, with the setting up of NORAD, control of the continental air defence system had to all intents and purposes passed to the United States as the major partner in the combined command.¹³

So even making allowance for Diefenbaker's ignorance in the domain of strategy, one can still question the speed with which he succumbed to the advice of the Chiefs of Staff.

Howard Green supplied part of the answer when he admitted that though the new government should have taken a harder look at the proposed air defence command, in the end it would have been forced to accept it.¹⁴ The whole logic of postwar defence relations pointed in the direction of increased continentalism, and the Conservatives were to prove as vigorous as the Liberals in rejecting a policy of neutralism for Canada.

This opposition flowed largely from the same colonial attitude that had underlayed Liberal foreign policy. Diefenbaker was as insistent as Pearson in maintaining that

Canada by herself cannot provide adequate defence in a modern war. . . . Our close relationship, geographically, socially, and ideologically, [with the US] make it natural that we should join together.¹⁵

Ideologically, Diefenbaker was strongly anti-Communist, as evidenced by his crusades against Soviet colonialism in Eastern Europe, at the UN and at home. Economically, he was as staunch in defending the capitalist character of Canada and the need for a massive infusion of American capital as C.D. Howe had ever been.¹⁶

Thus, despite the later image Diefenbaker was to acquire of being anti-American, there is every reason to suggest that at this stage he was favourably predisposed towards the United States. He too regarded relations between Canada and the United States as "a model for all mankind",¹⁷ and though his hesitations over nuclear weapons marked an element of independence, he was more than prepared to cooperate closely with Washington through most of his administration.¹⁸

Diefenbaker's acceptance of NORAD followed naturally, therefore, from his support of collective security and the American-led alliance. If he was particularly concerned with the problem of Canadian sovereignty, there was little sign of it in 1957, or indeed, until the end of his administration.

On the contrary, in the autumn of 1957, Diefenbaker was very concerned with urging the West to pool its scientific resources, to meet the Soviet challenge represented by Sputnik, while

Pearkes warned of a potential missile gap, and the need to combat the potential enemy with new weaponry.¹⁹ The strategy of continental defence flowed from this common Canadian-American perspective.

The real significance of NORAD, as Major-General Macklin later argued, was that Canada was heading "deeper and deeper into the status of a satellite or colony. The RCAF now is the defensive tactical handmaiden of the US Air Force, and it is nothing more. . . . It is, in effect, a colonial military instrument serving the nuclear strategy of the United States."²⁰

Canada had gone beyond merely offering her territory for radar installations or communications facilities. She had accepted American command of her air defence forces, in support of a strategy which continued to depend on massive deterrence. On the pretext of being consulted by the US officer commanding NORAD, previous to the interception of hostile aircraft,²¹ she had ensured her automatic involvement in any American measures relating to continental defence.

That preventive measures, e.g. a continent-wide alert, might in time of crisis bring on war, was apparently not considered. Nor was the self-fulfilling character of the thesis, "If the United States is at war, we are at war", challenged. Instead, Canada's subordination to American nuclear strategy was largely accepted, in 1957-8.

Thus, when controversy arose over the NORAD Arrangement, as it did in the Commons Committee on External Affairs, in Dec.,

1957, it is significant that this was more over the manner in which NORAD had been set up, than over the substance of the Agreement. Although NORAD had come into operation on Sept. 12th, the absence of a formal exchange of notes provoked Opposition discontent. This was compounded when Sidney Smith, the newly named Secretary of State for External Affairs, admitted:

So far as this department is concerned - and I say this most emphatically - we have not been brought into the picture whatsoever. This has been a discussion on a military basis. This department deals with the military aspect of it.²²

Lester Pearson expressed his concern over the non-involvement of External Affairs in the negotiations.²³ By the same token, Stanley Knowles of the CCF worried about the principle of "superiority of the civil authority over the military", while in the same breath emphasizing that he was not "criticizing the joint defence arrangements."²⁴ To be sure, Knowles did query whether General Partridge, the Commander-in-Chief of NORAD, would be under the authority of Canada as well as the United States.²⁵ Similarly, one Liberal defence spokesman, W.J. Henderson, hoped that Canada was not becoming involved in the American policy of brinkmanship, through membership in NORAD.²⁶ But there was little opposition to the principle of NORAD. No one challenged the assertion by Sidney Smith that the improvement of Soviet delivery systems and the creation of high-yield nuclear weapons had necessitated a single command.²⁷ American strategic doctrine seemed to be enough, where Canadian defence policy was concerned.

Non-parliamentary commentators were considerably franker

in expressing the colonialism entailed by Canadian participation in NORAD. Tom Kent, future Executive Assistant to Lester Pearson, could characterize Canadian foreign policy at the time of the NORAD negotiations in the following terms:

The first essential interest of Canada in the world today is the security of the United States; that takes overwhelming priority over everything else in Canada's external relations.²⁸

And Maxwell Cohen, a frequent defender of Canada's policy of military alliances, could stress in an article in early 1958:

It is the United States that carries the primary burden of responsibility for our safety and that of the free world. Ours is the never-ending task of trying to transmute unequal neighbours into working partners.²⁹

The actual exchange of notes establishing NORAD took place on May 12th, 1958. The notes argued that the advent of nuclear weapons had made coordination of defence planning mandatory in peace-time, that integration of command structure would develop the individual and collective capacity for defence of Canada and the United States.³⁰ The Agreement placed great emphasis on the necessity for joint consultation. NORAD's Commander-in-Chief would be responsible to the Chiefs of Staff of both countries. The plans and procedures to be followed in wartime would be formulated in peacetime by the appropriate national authorities. On the other hand, the Commander in Chief of NORAD was given operational control, i.e. the power to direct, coordinate, and control the activities of forces under his command.

Not surprisingly, it was the element of joint consultation that government spokesmen chose to emphasize in the Debate on NORAD that took place in May and early June of 1958. Sydney Smith

stated:

I assure the house that the determination exists both in Ottawa and in Washington to insure that such consultations can be invoked as required.³¹

And John Diefenbaker argued:

The result of Canadian participation in an agreement such as this is not the loss of sovereignty or survival, it is survival with the maintenance of sovereignty.³²

Both appeared to overlook the fact that in an alliance between a great power and a small one, the power relationship, not the forms of sovereign equality, determines its real character.

The significant feature of NORAD was not the existence of a Canadian Deputy Commander in Chief, or the emphasis on joint consultation. It was that Canada had accepted an integrated command in which it would clearly be in a subordinate position, and in which military strategy would be decided in Washington. This had already been evident in the decision to construct the radar lines, but NORAD carried the process a stage further. The RCAF came directly under American control and all distinctions between Canadian and American defence disappeared. In the words of Air Marshall Slemon, the Canadian Deputy Commander:

These are all dedicated men who are working in the defence of the North American continent. They no longer regard themselves as Americans or Canadians, as army, air force, navy, or marine officers.³³

The Opposition in the Commons failed, on the whole, to come to grips with the implications of an integrated air defence command. Lester Pearson, much as in Dec., 1957, questioned the haste with which the Diefenbaker Government had entered into the

Agreement, and the fact that the Cabinet Defence Committee had been bypassed in the deliberations.³⁴

The Liberals and the CCF argued strongly for the need to link NORAD to NATO.³⁵ Diefenbaker himself, on more than one occasion, pretended that this was the case, until Paul Henri Spaak, Secretary-General of NATO, contradicted him, and denied that NORAD was under a NATO command.³⁶ What was the relevance of NATO, an alliance set up to foster the American military presence in Europe, to continental air defence, was, however, never made clear by the proponents of an organic relationship between the two. Refusing to admit that NORAD spelled subordination to the United States, Canadian politicians, in the same way they had emphasized Article 11 of the North Atlantic Treaty in 1949, sought to mask the reality of junior partnership in defence, by invoking the NATO umbrella.

Only Bert Herridge, CCF member from Kootenay West, drew attention to the future implications of NORAD, during the parliamentary debate. He stressed the increased economic dependence of Canada on the United States that would follow in connection with the design and production of military equipment. He interpreted Smith's announcement of May 21st, regarding surveys to establish Semi-automatic Ground Environments (SAGE) in Canada, to bolster radar defences, as pointing to the acquisition of Bomarc. And he foresaw the Defence Sharing Agreement of 1959 in his prophetic observation:

The future pattern may well be that Canadian industry, if it is to get any share at all in the production of new and complex equipment needed in the air defence of Canada, may have to be satisfied with participating as sub-contractors in large US production programs.³⁷

In any event, the Debate itself threw little light on future Canadian defence policy flowing from NORAD, but the implications of the Agreement seemed clear. On the political side, Canadian participation in NORAD entailed a Canadian commitment to the American Empire, and Canada's automatic involvement in all crises in which the United States might be threatened, whether provoked by American action or not. On the military side, NORAD demanded a fairly high commitment of air defence forces by Canada in succeeding years. Not only would the radar lines have to be modernized, to meet the new fears of Soviet missile attack precipitated by Sputnik, but Canada would also have to embark on fairly expensive arms purchases. With the scrapping of the CF-105, these would have to come from the United States, necessitating, as Herridge had predicted, economic integration in defence production between Canada and the United States, i.e. an end to independent Canadian production. At the same time, the new weaponry would require nuclear armament, forcing Canada in the end to compromise her concern for non-proliferation of nuclear weapons and disarmament, in the name of NORAD's nuclear strategy.

Between the summers of 1958 and 1961, Canada's continental defence alignment with the United States took new shape. In early July, 1958, President Eisenhower paid an official

visit to Ottawa, during which NORAD and other continental defence relations were discussed. The decision was taken to establish a US-Canadian Joint Ministerial Committee on Defence, to supplement the PJBD at a higher level. Coming as it did on the heels of the NORAD Agreement, the announcement could only highlight the new importance of continental defence relations, "the intimate cooperation which exists between the two countries."³⁸

This new Committee met in 1958, 1959, 1960, and 1964, and appeared to be essentially a gesture on the part of the United States, to sooth Canadian feathers ruffled by NORAD. Although no information on its deliberations is available, it may be assumed that it played its part in bringing Canadian and American positions together on broad political-military questions, i.e. in aligning Canadian with American positions.

Coincidentally, a day before Eisenhower's visit in July, 1958, George Pearkes told the Commons Estimate Committee that it would only be a matter of time before Canada would request nuclear weapons from Washington.³⁹ Two months later, Diefenbaker, while postponing the inevitable cancellation of the CF-105 by six months, announced the acquisition of new weaponry, that would bring nuclear weapons closer. Canada would acquire the Bomarc-B anti-aircraft missile, capable of being used "with either a conventional high explosive warhead or a nuclear warhead", and install them in two bases in northern Quebec and

Ontario. At the same time, to increase the efficiency of the Pinetree Line and prepare for the introduction of the Bomarc, "SAGE" electronic equipment would be installed in the Canadian air defence system, to "be integrated as a part of the North American SAGE system under NORAD".⁴⁰

There is disquieting evidence that these decisions, like those with regard to NORAD, were entered into by the Government with no grasp of their implications. Pearkes apparently was content to accept the advice of his military advisors without question, begrudging the Chiefs of Staff the time even they thought necessary to explain their problems. With the military planners subordinated to Washington, American strategic opinion came to shape Canadian policy. Though there was a substantial body of opinion that held that both SAGE and Bomarc would be obsolete by 1962-3, the dates they were scheduled to become operational, Pearkes accepted the USAF plan, with its emphasis on a manned bomber threat, as "official military opinion". The absence of an independent, civilian-controlled defence policy had never been greater.

Canada took a further step towards a nuclear role, and towards an acceptance of American strategy, the following year, with the decision to acquire the Lockheed F-104F (Starfighter). As early as December, 1957, at the NATO Heads of States meeting, Canada had signed an agreement regarding the stockpiling of tactical nuclear weapons for her troops in Europe.⁴² In April, 1959, General Norstad, NATO Commander in Chief, visited Ottawa,

and convinced the Canadian government to accept a new strike-reconnaissance role for Canadian squadrons in Europe. Thereby, the RCAF had "resumed an offensive strategy with a bomber force after concentrating only on the defensive since the Second World War."⁴³ At the same time, Pearkes recognized the nuclear role inherent in acquiring the Starfighter.⁴⁴

The decision to acquire the American Starfighter a few months after the cancellation of the CF-105, in Feb., 1959, served to set off a growing debate on defence policy in 1959-60. At the same time, the repeated failure of the Bomarc-B in its early trial flights, and the looming threat of cancellation, promised to pull the carpet out from under the Government's defence policy. Only vigorous lobbying by the Canadian Government alongside Boeing, the manufacturer of the missile, coupled with a rise in the Cold War temperature, following the abortive summit conference of May, 1960, saved the Bomarc from Congressional scrapping.⁴⁵ The virtues of this form of Canadian junior partnership, by which Canada became one more element in the American military-industrial complex, escaped growing numbers of Canadians.

In March, 1959, MacLean's Magazine headlined an editorial: "Is Canada Obsolete as a Military Nation?"⁴⁶ Maclean's argued that Canada had lost all influence on military strategy in the missile age, that although she could continue on her current course of alliance, or even embark on a nuclear strategy of her own, the best policy option would be an open declaration of her military obsolescence, and a commitment of her defence

budget to foreign aid.

J.B. McGeachy, veteran correspondent of the Financial Post, was prepared to echo some of these arguments, in examining the merits of a Canadian policy of neutrality. Reversing his earlier position of support for collective security, he recognized that Canada was inviting nuclear attack through NORAD, and that any American economic retaliation for Canadian independence might have beneficial effects by inspiring Canadians to boldness.⁴⁷

The best statement of the case for Canadian neutralism was made by James M. Minifie, the CBC correspondent in Washington, in his book Peacemaker or Powder-Monkey, published in 1960. Minifie pointed to American economic domination of Canada, and to imposition by the Americans of the doctrine of massive retaliation on this country. He argued that Canada could only gain real influence in international affairs if she recovered her economic, political, and military independence.

The ideal demonstration of this recovered status would be the Declaration of Neutralism. It would be the hall-mark of recovered independence. Nothing less will do. It would not be the neutralism of isolation, but the key to fuller participation in world affairs and that effective work in the United Nations only possible after the badge of satellitism has been shucked.⁴⁸

It followed in Minifie's view, that Canada would have to withdraw both from NATO and from NORAD, two alliances fully subordinated to American interests.

As even acknowledged supporters of NORAD had recognized, NORAD was "not designed to protect the Canadian people or

Canadian cities from enemy attack", but rather "to protect the Strategic Air Command".⁴⁹ Minifie was therefore justified in arguing that "The American's point is: better Saskatchewan than North Dakota; better Winnipeg than Chicago. Powder-monkeys are expendable".⁵⁰ The nuclear contamination of Canada did not concern the United States.

Minifie's position won the support of a number of eminent Canadians, such as Dr. Hugh Keenleyside, Canadian member of the PJBD during the Second World War, but by 1960 committed to the cause of Canadian neutrality.⁵¹ The CCF, and later NDP, came around to advocating Canadian withdrawal from NORAD and the rejection of nuclear weapons, as did the Voice of Women, the Combined University Campaign for Nuclear Disarmament, and similar groups that developed in the early 1960's.

But Diefenbaker himself firmly resisted the Minifie thesis, stating that there was "no neutralism in Canada's thinking or conduct".⁵² And Pearson, then Leader of the Opposition, rejected any claim that Canada's relations with the USSR and the US "should be on the same level of interest and responsibility".⁵³

On the specific question of Canada's nuclear role, Howard Green, who became Secretary of State for External Affairs in the spring of 1959, brought with him a firm commitment to international disarmament and Canadian rejection of nuclear weapons, that greatly influenced Diefenbaker's hesitation on the question between 1961-3. But Green no more supported neutralism than Diefenbaker,⁵⁴ and did not oppose the centralized control by

NORAD over the weapons, aircraft and missiles of the air defence system, which was based upon a nuclear strategy. Although his moral opposition to nuclear weapons was unquestionably strong, he seems to have shown little tendency to challenge the premises of Canada's alliance policy, her junior partnership in defence.

Thus, with the nuclear weapon question still unresolved, on June 12, 1961, Canada acquired sixty-six Voodoo F-101's from the US in a complicated defence package, which included Canadian takeover of the US-operated Pinetree stations.⁵⁵ The Voodoos became one more element in the \$685 million worth of military gadgetry acquired by the Diefenbaker Government, requiring nuclear weapons. It was well for Diefenbaker to assert one month later that "Canadians wish to make their own decisions in international affairs in Canada's interest rather than be unquestioning followers of the views of other nations, however friendly",⁵⁶ but by accepting NORAD and a range of new weaponry to go with it, one could argue that he had already surrendered Canadian freedom of action in defence, and painted Canadian defence policy into a nuclear corner.

On Feb. 21, 1961, Le Devoir in an editorial, called for Canadian withdrawal from NORAD, arguing that with the nuclear deterrent resting in American hands, Canada had become a satellite of the US. Diefenbaker showed no more willingness to follow this advice then, or in the two remaining years of his administration. Although he equivocated on the nuclear weapon question, Diefenbaker was never fixedly opposed to the structures

of continental defence, or to American economic domination of Canada. If he was occasionally anti-American, as in his refusal to allow Canada's NORAD forces to be put on the alert during the first forty-eight hours of the Cuban missile crisis,⁵⁷ this was not from any opposition to American imperialism, but because of the strong intercession of Howard Green.

The Cuban missile crisis was also the acid test of the automaticity of NORAD. For despite Diefenbaker's refusal to sanction the alert, he was powerless to prevent it. Five years later, an American official, recalling the crisis, admitted: "It wasn't as bad as it looked. This was because the Canadian forces went on full alert despite their government. But this is a hell of a way to operate."⁵⁹ A more eloquent commentary on the loss of Canadian sovereignty could not be asked for. The Canadian military was prepared to accept its orders from Colorado Springs, rather than Ottawa.

In 1957, when NORAD was established, the Financial Post had argued:

For better or for worse, Canada and the United States are bound to a defensive partnership that's far stronger than any mere alliance. The North American geographical unit is also, necessarily and irrevocably, a military unit in the atomic-ballistic era.⁶¹

October, 1962 proved decisively that Canada had lost her freedom of action through her policy of military alliance.

The fall of the Diefenbaker Government in Feb., 1963 was in itself a reflection of the constraint which NORAD had placed on Canadian policy. Once Lester Pearson had made his dramatic

reversal of Jan., 1963, and argued that the Government should "discharge its commitments . . . by accepting nuclear weapons for those defensive tactical weapons which cannot effectively used without them"⁶². Diefenbaker's procrastination became untenable. Unwilling to come out in support of a policy of neutralism, he fell victim to the logic of the State Department, arguing: "A flexible and balanced defence requires increased conventional forces, but conventional forces are not an alternative to effective NATO and NORAD defence arrangements using nuclear-capable weapons systems".⁶³ Given a policy of junior partnership, Pearson's position was the only logical one, Nuclear virginity was incompatible with continental integration around a nuclear strategy. NORAD led irrevocably to nuclear warheads.

Paradoxically, once the Liberal Government came to power in April, 1963, and allowed nuclear weapons onto Canadian soil, the passionate controversy that had raged around the subject in 1962-3, died down. Much of the opposition had been of a moralistic character, rather than a systematic attack on Canada's policy of military alliance or Canadian colonialism vis-a-vis the United States. By 1963, moreover, the importance of bomber defence had begun to decline (as the critics of Bomarc had predicted as far back as 1958) and with it the importance of Canadian real estate.⁶⁴ No heavy new expenditures were required, and the continuation of NORAD became more a matter of inertia, than of evolving defence strategy.

The White Paper on Defence of 1964, for example, while

supporting the continuation of NORAD, paid far more attention to the proposed integration of the Canadian Armed Forces and to the question of peacekeeping. The House of Commons Special Committee on Defence heard testimony in support of NORAD from General Guy Simonds, who had himself been a strong critic of continental air defence arrangements back in 1956, and who continued to be opposed to a nuclear role for Canada.⁶⁵ And even Andrew Brewin, NDP spokesman on defence, supported NORAD's role in detecting incoming bombers, while advocating a gradual dismantlement of NORAD's active defence components, i.e. the Voodoo and the Bomarc.⁶⁶

If NORAD became less controversial in the middle 1960's, its military importance became more questionable. In May, 1965, US Defence Secretary MacNamara could tell a House of Representatives Committee that the radar systems in Canada were either obsolete or of marginal value to over-all American defence.⁶⁷ With the development by the United States of radar systems that could "see" over the horizon, there was little left for Canada to throw into the continental defence pot.⁶⁸ In the missile era, technology might rather serve to reinforce the political arguments for an end to continental defence arrangements.

MacNamara's strictures, however, did not mean that the United States had lost all interest in the continuation of NORAD. As General Gerhart, Commander in Chief of NORAD, put it: "As we face the threat of the ICBM, the question is raised as to the present value (of the Dew Line); however, we feel strongly that

it must be maintained as a hold-back line".⁶⁹ The same argument applied to NORAD as a whole, all the more since the Agreement provided a framework for American overflights in Canada, and use of Canadian facilities for testing and deployment, which the United States has found of value into 1968.

On the Canadian side, Government spokesmen continued to hold that the continental defence arrangements "provide security, which is the basis of independence".⁷⁰ Although Canada refused to participate in the new generation of weaponry, heralded by the Anti-Ballistic Missile System in 1957, she continued to find value in NORAD. Indeed, Canadian officers in Colorado Springs did not hesitate to act as lobbyists in support of the ABM, a sign of the continuing colonialism of the Canadian military towards the United States.⁷¹ And General Foulkes, retired Chairman of the Canadian Chiefs of Staff Committee, could echo American arguments in support of continuing bomber defence "as long as the Chinese intentions towards North America remain hostile".⁷²

Thus, when the question of NORAD's renewal came up in the spring of 1968, the Canadian Government was not disposed to look to radical alternatives to continentalism in defence. Its hands were bound in part by the infrastructure of NORAD, and the bases and facilities of the integrated command which had been accepted onto Canadian soil. The Defence Sharing Agreement between Canada and the United States also bound Canada to continuing defence alliance with the United States.⁷³

But most importantly, in 1968 as in 1958, there was no

Canadian will to independence, no tendency by the Canadian political elite to challenge the premises of Canadian junior partnership, or the identification of Canada's interests in defence with those of an imperialist America. Paul Martin, in March, 1968, could continue to argue the need for a single air defence plan for North America, and see Canadian co-operation in the joint task as the only option compatible with Canadian sovereignty.⁷⁴ Given this rationalization of Canadian sovereignty, we can also understand how Canadian foreign policy could lend support to American policy in the Dominican Republic or Vietnam, and continue to style itself independent. In defence as in foreign policy, the colonial mentality is self-imposed. The Canadian political elite was prepared to give freely, what in Czechoslovakia had to be imposed-loyalty to the imperial power.

As General Foulkes expressed it: "Canada has not always agreed with US strategic policies, but it is usually frank enough to point out its views; and is staunch enough to support any challenge to our North American way of life."⁷⁵ In this support of "our North American way of life" against Russia, against China, in the extension of the American Empire in Latin America and Asia, lies the key to Canadian junior partnership, and to her membership in NORAD.

Footnotes - Chapter Five

1. US Congress, House, Committee on Armed Services, Hearings on Sundry Legislation affecting the Naval and Military Establishments, 84th Congress, 1st Session, 1955, Book 1, pp. 223, 224.
2. Montreal Daily Star, June 7, 1955.
3. Winnipeg Free Press, Editorial, June 16, 1955.
4. Hansard, (1957-8), 11, 1060-1061.
5. Charles Foulkes, "The Complications of Continental Defence", in L. Merchant, ed., Neighbours Taken for Granted, Praeger, N.Y., 1966, p. 111.
6. Hansard, (1957-8), 11, p. 1060.
7. Michael Barkway, "The Crisis in Our Defence", The Financial Post, Sept. 6, 1958.
8. Hansard, (1957-8), 11, p. 1061.
9. Ibid.
10. In an interview with the author on Aug. 13, 1968.
11. House of Commons, Special Committee on Defence, Minutes of Proceedings and Evidence, Oct. 22, 1963, p. 510.
12. The Globe and Mail, Aug. 2, 1957.
13. Melvin Conant, The Long Polar Watch, Harper & Bros., N.Y., 1962, p. 88.
14. In an interview with the author, Aug. 13, 1968.
15. S and S, 59/22, June 7, 1959.
16. S and S, 59/27, Sept. 3, 1959.
17. Diefenbaker's comment at the time of his last visit to Eisenhower, Jan. 17, 1961. See Globe and Mail, Jan. 18, 1961, for text of his comments.
18. Thus Peyton Lyon writes: "During his first five years as Prime Minister, Diefenbaker had been generally cooperative in his dealings with Washington. He was an enthusiastic

supporter of the US-led NATO alliance . . . He was never a pacifist and had accepted without hesitation weapons requiring nuclear ammunition to be effective." Canada in World Affairs, Vol. XII, 1961-3, Toronto, (Oxford University Press), 1968, reprinted in The Star Weekly, Sept. 7, 1968, p. 21.

19. The Globe and Mail, Nov. 5, 1957.
20. The Globe and Mail, Oct. 28, 1958.
21. George Pearkes, cited in The New York Times, Dec. 5, 1957.
22. Standing Committee on External Affairs, Dec. 3, 1957, p. 20.
23. Ibid., p. 26.
24. Ibid., p. 25.
25. Ibid.
26. Ibid., p. 32.
27. Ibid., p. 21.
28. Tom Kent, "The Changing Place of Canada", Foreign Affairs, July, 1957, Vol. 35, p. 581.
29. Maxwell Cohen, "Partnership Problems for Canada and the United States", Saturday Night, Jan. 4, 1958.
30. The Notes are annexed to Hansard for May 19, 1958.
31. Hansard, 1958, Vol. 1, pp. 190-1.
32. Ibid., p. 994.
33. Cited by George Pearkes, ibid., p. 1042.
34. Ibid., p. 998.
35. The CCF voted against the NORAD Agreement on the grounds that it was not linked to NATO.
36. Spaak's interview was cited by Pearson, Hansard, 1958, Vol. 1, p. 1004.
37. Hansard, 1958, Vol. 1, pp. 1020-1.
38. The Times (of London), July 11, 1958.

39. The Globe and Mail, July 9, 1958.
40. Prime Minister Diefenbaker's Statement of Sept. 23, 1958 in Jon McLin, Canada's Changing Defense Policy 1957-1963, Baltimore, 1967, Appendix 11, pp. 225-8.
41. M. Barkway, "The Crisis in Our Defence", The Financial Post, Sept. 5, 1958.
42. Peter Newman, Renegade in Power, Toronto, 1963, p. 344. (McClelland & Stewart).
43. Richard A. Preston, Canada in World Affairs, 1959-61, CIIA, Toronto, 1965, p. 60.
44. Globe and Mail, July 28, 1959.
45. See the account in McLin, op. cit., pp. 89-100.
46. MacLean's Magazine, Editorial, March 28, 1959.
47. The Financial Post, March 28, 1959.
48. James M. Minifie, Peacemaker or Powder-Monkey, McClelland & Stewart, Toronto, 1960, p. 11.
49. Financial Post, March 26, 1960.
50. Minifie, op. cit., p. 124.
51. Hugh L. Keenleyside, in his Introduction to The Growth of Canadian Policies in External Affairs, Duke University Press, Durham, N.C., 1960, argued that many Canadians would like to get rid of their tight defence ties with the US, and adopt a neutral role.
52. Canadian Weekly Bulletin, June 17, 1959.
53. Hansard, Aug. 5, 1960, cited in Preston, op. cit., p. 73.
54. Interview, Aug. 13, 1968.
55. Hansard, 1960-1, VI, pp. 6179-80.
56. Canadian Weekly Bulletin, July 12, 1961.
57. Report in The Financial Post, Nov. 3, 1962.
58. Newman, op. cit., p. 337.

59. The Financial Post, Mar. 25, 1967.
60. McLin claims that Harkness did give orders for an alert, quite independent of Cabinet approval, op. cit., p. 157. If so, it was after the urgent intercession of Air Marshall Slemon, and after the mobilization of NORAD's American section.
61. The Financial Post, "Sovereignty is Irrelevant," Nov. 16, 1957.
62. Globe and Mail, Jan. 14, 1963, p. 11.
63. New York Times, Feb. 1, 1963, p. 1.
64. As early as Oct. 20, 1962, an article in The Financial Post had predicted this change.
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66. Andrew Brewin, Stand on Guard, McClelland & Stewart, Toronto, 1965, Chapter Five.
67. The Winnipeg Free Press, Editorial, May 28, 1965.
68. George Bain in The Globe and Mail, May 27, 1965.
69. Cited in The Financial Post, Nov. 3, 1962.
70. Paul Martin, S and S. Jan. 31, 1966.
71. The Financial Post, Sept. 16, 1967, which reported the hard-sell by Canadian officers stationed with NORAD of the ABM, despite Ottawa's opposition.
72. Foulkes, "The Complications of Continental Defence", p. 127.
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75. Foulkes, op. cit., p. 120.

Chapter Six

The Defence Sharing Agreement

NORAD represented the culmination of a process whereby Canada accepted American strategic and military direction in her defence policy. Geographically, the North American continent came to be treated as one. Politically, Canadian policy came to operate ever more in the shadow of the US, despite American respect for Canada's formal sovereignty. Psychologically, the propensity of the Canadian political elite to continentalism was reinforced in other fields, while independence became an increasingly unfeasible strategy.

No where was this more true than in the field of defence production, intimately influenced by the strategic assumptions underlying defence policy, and in turn having important multiplier effects on the Canadian economy. For as Canada's military collaboration with the US intensified, collaboration in defence production followed suit, to a point where by the 1960's, Canada had ceased to have an independent defence industry.

In this chapter, the economics of defence continentalism is examined during the ten years following the establishment of NORAD. In particular, emphasis is placed on the Defence Sharing Agreement, worked out in 1968-9 between the Canadian and

American governments, and entailing, in subsequent years, ever tighter Canadian dependence on the American market in the production of defence commodities. This Agreement, even more than NORAD, became in the late 1960's a symbol of Canada's growing involvement in America's imperialist policies through the mechanism of continental defence, and an acid test of the political subordination that follows in the wake of military and economic subordination to a great power.

The origins of defence production collaboration between Canada and the US go back to the Second World War, specifically to the Hyde Park Declaration of April 21, 1941, between Roosevelt and King, whereby American defence procurement in Canada was increased to assist Canada in paying for her defence purchases in the United States. The Agreement set the stage for an increasingly American orientation in defence procurement for the Canadian Armed Forces.

As a defence policy founded upon close alliance with the United States began to take shape, close collaboration in defence research, development and procurement became the rule. Thus, the Feb. 12, 1947, Agreement was followed in April, 1947, by the establishment of the Defence Research Board, a body whose purpose was to foster military research in Canada, but in full cooperation with American and British counterparts.¹ Canada was also in the forefront of the drive for standardization in the weaponry of the three countries, symbolized by the

agreement on screw threads in Nov., 1948.² Canada from an early date foreswore any independent policy in defence production, setting herself the goal of maintaining a healthy balance of trade in defence production with the US, but aligning her weaponry with that of the US.³

The Korean War brought with it a substantial measure of rearmament on the Canadian side, and a substantial increase in the short-run of Canadian defence purchases in the US. The Agreement of Oct. 26, 1950, by which Canada and the US removed tariff barriers on defence goods and established a program for technical exchanges and financial exchanges, revived the spirit of the Hyde Park Declaration of 1941. As Dean Acheson expressed it, the aim of the Agreement was "that the production and resources of both countries be used for the best combined results" for the common defence.⁴

The following year, the Government established a separate Department of Defence Production, in recognition of the growing importance of defence procurement for the Canadian economy. In particular, the function of this Department was to coordinate defence collaboration between Canada and associated governments, as well as meet the supply needs of the Canadian armed forces.⁵

Between April, 1951 and Dec., 1952, Canada spent \$850 million on defence purchases in the US, compared to \$400 million on purchases by the US in Canada. In particular, Canada depended heavily on American ammunitions, electronics, weaponry, and

aircraft, until her own production could swing into high gear. At the same time, pursuant to Section 30 of the Defence Production Act, she declared steel, nonferrous metals, chemicals, wood pulp and newsprint essential, to meet "international obligations", i.e. the needs of the American war economy.⁷

With the end of the Korean War, Canada began to develop a vigorous aircraft industry of its own, while continuing to spend over a billion dollars a year on new weaponry. Though Canada continued to depend on the US for some of her military needs, almost 90% of her military needs were being met in 1955 by Canadian contractors.⁸ US defence contracts in Canada diminished to only \$35 million annually between 1953-8,⁸ and Canada, despite a persistent deficit in defence purchasing with the US, acquired the rudiments of a defence industry.

The CF-100 and F-86 fighters, Beaver and Otter transport aircraft, destroyers and aircraft carriers, were examples of growing expertise, and of the new importance defence production had come to play in the Canadian economy. Thus, by 1955, there were no less than 52 establishments with 33,000 employees, involved in producing aircraft and parts. In that same year, \$87 million out of the \$134 million worth of Canadian ship-building was accounted for by defence. And electronics became highly dependent on defence production, with over 25% of demand thus accounted for.¹⁰

Much as in the United States, rearmament was acting as a spur to Canadian economic development in the middle-1950's.

Moreover, C.D. Howe and the Canadian Chiefs of Staff were determined that Canada stay apace of the Soviets in weapon development, and were confident that "Canada can manufacture anything that can be manufactured elsewhere".¹¹ Hence, when Canadian military planners forecast the possibility of a Soviet turbo-jet attack on North America by 1958, both the chiefs of staff and the government were prepared to embark on production of a supersonic jet fighter, the CF-105, to replace the CF-100 at that time.¹² Defence production was therefore to play a vital role in the Canadian economy during and beyond the late 1950's.

The fate of the CF-105 was to prove the graveyard to Canadian pretensions of an independent defence industry. As unit cost soared from an estimated \$1.5 million to \$2 million in 1953 to \$12.5 million in 1959¹³, as Canada found herself forced to undertake the development not only of an airframe, "but also of an engine, fire control system and air-to-air missile"¹⁴, as the prospects of sales to the US or other markets shrank to zero,¹⁵ and with the strategic assumptions underlying the CF-105 undermined by the advent of intercontinental missiles,¹⁶ the Arrow was doomed. Diefenbaker postponed the decision to scrap the program in Sept., 1958, while announcing cutbacks in it. On Feb. 20, 1959, he announced the cancellation of the program, blaming a "rapidly changing defence picture" for his decision.

The scrapping of the Arrow, with the resulting loss of

15,000 jobs, pointed out the inability of a small power such as Canada to compete with the great powers in research and development, or to adjust its defence production to meet shifts in strategy. As David Vital has stated it:

The heart of the problem - and of the dilemma which faces the small state - is that it is becoming well-impossible for a small power to maintain a modern (conventional) military establishment without compromising its political independence and freedom of manoeuvre even within the customarily limited sphere of small power action. . . .¹⁷

Not surprisingly, the consequence of the scrapping was an intensification of Canadian dependence on the American military-industrial complex, through the Defence Sharing Agreement of 1958-9.

As early as Oct., 1957, the Soviet sputnik had led to a pooling of scientific resources among the United States, Britain, and Canada, embracing research and development in ten fields.¹⁸ A Tripartate Technical Cooperation Program was initiated, and in Nov., 1957, a long-range program for comprehensive defence research and collaboration between Canada and the US was initiated, with a view to the advent of NORAD.¹⁹

With the establishment of NORAD in May, 1958, the argument for an extension of continentalism in defence to weapons systems gained ground. It appears that the implications of cancelling the CF-105 were discussed at the time of Eisenhower's visit to Ottawa in July, 1958, and the first steps taken towards the establishment of a Defence Production Development Program between the two countries. On Aug. 8, 1958, the American

Secretary of Defence designated the Air Force to head a DOD committee to prepare for such a shared program.²⁰

In his announcement of Sept. 23, 1958, Diefenbaker could state that "the US Government . . . are now prepared to work out production arrangements with us"²¹, and a month later, a Senior Policy Committee, consisting on the Canadian side of senior officials from the Departments of National Defence, Defence Production, External Affairs, and Finance, began negotiations with representatives of the American Services and Department of Defence.²² By December of 1958, an agreement had been reached, and Eisenhower approved the agreement on Dec. 30, and gave it effect through a Department of Defence Directive, entitled "Defence Economic Cooperation with Canada".²³ No further formal action was required, and on Feb. 20th, in his statement cancelling the Arrow, Diefenbaker announced "the production-sharing concept . . . cover (ing) the broad range of development and production of military equipment for North American defence generally."²⁴

The Defence Sharing Agreement, as this informal arrangement came to be called, removed the impediments which, until then, had stood in the way of Canadian weapons sales to the United States. Most importantly, the Americans agreed to waive the provisions of the Buy America Act, where Canadian firms were concerned, allowing Canadian industry to compete for American defence contracts with American, freed of the 6-12% premium barrier that applied against all other countries.²⁵ For the

Canadian Government, faced with the dislocation of its aircraft industry, integration of Canadian defence production with American appeared as a veritable deus ex machina. In the absence of an independent defence policy, there was no logic in attempting to pursue a costly, independent policy in defence production. As Diefenbaker observed in his Feb. 20th, 1959 statement:

Under the irresistible dictates of geography the defence of North America has become a joint enterprise of both Canada and the United States. In the partnership each country has its own skills and resources to contribute, and the pooling of these resources for the most effective defence of our common interest is the essence of production sharing.²⁶

That NORAD lay directly behind the Defence Sharing Agreement was a point which the Opposition stressed repeatedly in the ensuing debate. In the previous chapter, reference was made to the prediction by Bert Herridge that NORAD would lead to a subcontracting role on the part of Canadian defence production vis-à-vis the US.²⁷ Now, in light of the CF-105 fiasco, Lester Pearson was also prepared to question the implications of Canada's new defence production role. "The Government should adopt policies to ensure that our defence production and defence activities do not become mere adjuncts to those of the US",²⁸ he argued. "We should have linked the signing of the NORAD Agreement with equitable arrangements for pooling defence productions and developing defence resources".²⁹ At the same time, however, both Pearson and Hazen Argue, then CCF House Leader, argued less for an altered defence role, e.g. Canadian withdrawal from NORAD,

and more in favour of "genuine interdependence" and "full Partnership".³⁰ How such interdependence could be squared with Canada's overwhelming inferiority in defence production was unstated.

By placing Canadian industry on a par with American in defence bidding, the Defence Sharing Agreement carried the process of economic continentalism a stage further. Tariffs would be eliminated on all defence sales. Canadian firms would be allowed to participate in research and development, and an integrated market in defence commodities would be established. That Canadian freedom of action would thereby be limited, that economic links might compromise Canadian initiatives in foreign policy, scarcely seemed to bother Canadian policy-makers. Here again, the Defence Sharing Agreement appeared as only one more element, in the economic integration of Canada with the US, which Canada's political and corporate elites had accepted ever since the Second World War.

From the outset, the Government pursued its policy of drumming up defence contracts for Canadian industry with rare vigour. Offices of the Department of Defence Production were opened in eleven American cities; the Minister and other officials carried the good word to industries across Canada; and the Government itself contributed \$1.8 million to projects in 1959, a figure which was to climb to the \$22 million mark by 1965.³¹

In 1960, the Department produced the first edition of the Canada-US Defence Production Sharing booklet, giving Canadian

business detailed advice on how to bid successfully for US defence contracts.³² The next year, there followed a handbook entitled Canadian Commodities Index, listing the entire range of materials, from aircraft to electronics, which Canada could supply to the American military.³³ Simultaneously, American purchases in Canada began to climb, from \$96.3 million in the base year of 1959, to \$142.6 million in 1961. In 1962, spurred on by the Voodoo-F-104 package deal of June, 1961, American contracting soared to a high of \$254.3 million, a level that would be regained only three years later, as Vietnam expenditures sent US purchases in Canada skyrocketing.³⁴

With the installation of the Bomarc's and the purchase of the Voodoos and F-104's, Canadian dependence on American weaponry increased, as did dependence on American strategy and good-will. The nuclear weapons controversy of 1961-3 and the American intervention of Jan., 1963, showed the limitations of Canadian freedom of action, once the decision to go continental in defence policy had been taken. The Defence Sharing Agreement provided one more forum for economic reprisal, should the United States have felt that Canadian policy on the nuclear question posed a threat to its own interests.

In any event, a Liberal electoral victory and Pearson's subsequent pilgrimage to Hyannis Port on May 11, 1963, for a conference with Kennedy, did much to clear the air in Canadian-American defence relations. Canadian acceptance of nuclear weapons was matched by renewed American support for the Defence

Sharing Agreement, despite proposed cuts in American defence spending overseas. C.M. Drury, Minister of Defence Production, journeyed to Washington on June 6th, 1963, and reached agreement with US Defence Secretary MacNamara on collaboration in both research and development and production.³⁵ The only stricture on the American side was the demand for balance in the purchases by each country.

Thus, the Liberal Government proved only too eager to intensify the production relationship begun by its predecessor, which Pearson had felt free to criticize at the time of its initiation. And Canadian defence spokesmen, still smarting from the refusal of the US to bail out the Avro Arrow, were as insistent as ever on the virtues of a continental market in weaponry. As the Financial Post stated it:

There can be no true cooperation in defence production while this type of economic nationalism or selfishness persists. Just as the military defence of North America is now a joint undertaking, so must production for military use be shared on a basis of full equality. Canadian industry should have the same freedom to compete for military orders as US industry, with no question of political interference to steer the contracts one way or the other. . . .³⁶

Where the pressure for NORAD had come from the military elite, the corporate elite was in the forefront where continentalism is defence production was concerned. Junior partnership demanded its reward.

To be sure, the new cordiality between Ottawa and Washington respecting defence production, did not mean Canadian industry had unobstructed access to the American market. In

the words of an American commentator: "There is a level of sophistication above which weapons for US forces will not be procured from abroad except for political reasons weighed at the highest levels."³⁷ Instead, it was sub-contracting in which Canadian industry could show the most dramatic increase in sales to the US, as developments in the middle 1960's showed.

From 1963 to 1968, US defence contracting in Canada increased dramatically, from a low of \$142 million in 1963 to \$259 million in 1965, - the takeoff year for Vietnam expenditures, - to over \$300 million in both 1966 and 1967.³⁸ While Caribous and Otters were the most visible of these sales, valves for battle cruisers and explosive fill for land mines were more typical. And US purchases of resources such as nickel or iron scrap, in many ways more vital to the American economy than Canadian weaponry, were not even computed in the figures regarding defence sharing.

The Department of Defence Production, through the Canadian Commercial Corporation, a crown corporation dating back to 1946, undertook a vigorous sales program with regard to the US. Where contracts were involved, the Canadian Commercial Corporation frequently acted as go-between for the Pentagon and Canadian contractors. Thus, in 1966, the Corporation handled approximately 3000 contracts, the bulk with the United States. The contracts with the US were valued at \$160 million, "with significant procurements for aircraft parts, electronic navigation and communications equipment, wire and

cable and other small components and parts."⁴⁰ Government intervention was clearly acceptable in defence contracting, far more than in other branches of export trade.

With the escalation of the Vietnam War, the real implications of the Defence Sharing Agreement began to come home. Ever since the Second World War, Canada had exempted the United States as well as the United Kingdom from any requirements for export permits, where defence commodities were concerned. On the other hand, Canadian policy explicitly forbade the export of war material to a war zone, when Canada herself was not involved.

Since 1954 and the Geneva Conference, Canada had been a member of the International Control Commission for Indochina, albeit in the capacity of western representative.⁴¹ Nonetheless, Canadian foreign policy had often professed its peace-keeping intentions, and Canada had shirked any involvement on the American side. With the heating up of the Vietnam War, Canadian arms began to find their way to Vietnam in increasing numbers. The bulk of these weapons and parts moved directly to the United States, exempt from export control, under the terms of the Defence Sharing Agreement. On at least one occasion, arrangements were made by Defence Production to ship Canadian components directly to Vietnam, in contravention of the Canadian ban on exports to war zones.⁴² This incident provoked a flurry of activity in External Affairs, and a hurried

decision by Defence Production to trans-ship the parts through the US. But the ability of Canada to pursue an independent policy on Vietnam was severely compromised by the increasing tempo of the arms sales.

Whether the Canadian Government would under any circumstances have been prepared to break with the United States over Vietnam is in any case doubtful. Canadian officers on the International Control Commission were prepared to pass information on to the Americans in Vietnam, even as their counterparts at home cooperated in continental defence.⁴³ "It is senseless to argue that Canada can demonstrate its independence of judgement only in criticism of the United States policy",⁴⁴ argued Paul Martin, while Canadian minority reports on the ICC whitewashed American actions.

But the Defence Sharing Agreement served to implicate the Canadian Government directly in the workings of the American war machine. Faced with a strong demand from the United States for nickel, copper, and steel, the Government tightened its export controls on nickel scrap destined to all other countries other than the United States, in the summer of 1967.⁴⁵ Faced with soaring American procurement in Canada, the Government was more than content to relax its tariff regulations and step up Canadian purchases in the US.⁴⁶

For much of Canadian industry, the war was a godsend. De Havilland sold the US about 160 Caribou aircraft, C-I-L was involved in shipping explosives, York Gears could supply

helicopter transmissions for the Boeing Vertol Program.

Ingersoll Machine and Tool Co. could supply more than \$500,000 worth of machine tools for US aircraft rockets, and so on.⁴⁷

In addition, Canadian companies like Orenda, struck hard by the Arrow, could regain the levels of activity of their heyday, working on a "huge backlog of orders" for jet engines, which had built up in the US because of the war.⁴⁸

In Feb., 1967, the Minister of Industry, responsible for the Department of Defence Production, could estimate that the jobs of 13,000-15,000 Canadians depended directly on foreign contracts for defence equipment, the bulk of which were American. "An additional 110,000 persons were estimated to be affected in varying degrees by the many sub-tiers of industrial activity generated by the contracts involved".⁴⁹ Canada's stake in the continuation of American Contracting was obviously high.

Not surprisingly, therefore, Lester Pearson turned a deaf ear, in Jan. 1967, to a request by professors in the University of Toronto, that the Government ban all further arms sales to Vietnam. The faculty group had demanded that the Government follow the example of Sweden and refuse to sell arms to the United States for the duration of the war.⁵⁰

Pearson, while claiming sympathy for the objective of ending the Vietnam War, was insistent that Canada would not abrogate the defence sharing agreement. He stated his position in a letter on March 10th, 1967:

Relations between Canada and the United States in this field are currently covered by the Defence Production Sharing Agreements of 1959 and 1963, but in fact they go back much further and find their origins in the Hyde Park Declaration of 1941 . . .

It is clear that the imposition of an embargo on the export of military equipment to the United States, and concomitant termination of the Production Sharing Agreements, would have far reaching consequences which no Canadian Government would contemplate with equanimity. It would be interpreted as a notice of withdrawal on our part from continental defence and even the collective defence arrangements of the Atlantic Alliance.⁵¹

Here in a nutshell, Pearson expressed the political and military implications of the Agreements, the thread which bound Canadian foreign policy, through continental defence and NATO, to the US. As Pearson expressed it in an earlier speech to an American audience, in March, 1965, good neighbourliness was a matter of choice.

In concrete terms, and on the Canadian side, this means that we shall support the United States whenever we can and we shall hope that will be nearly all the time.⁵²

It followed that as far as the Vietnam War was concerned, Canada would continue to support the US, and abstain from any measures which might detrimentally affect her long-term relationship with the US. To withdraw from the Defence Sharing Agreement would indeed have meant putting into question the whole structure of continental defence. Neither Pearson nor Martin were clearly prepared to contemplate this possibility.

In response to criticism from the NDP of continuing arms sales, Paul Martin replied that the agreement was "a solid commitment and one that is very important to the economy of the country".⁵³ C.M. Drury, in debate in the House of Commons on

June 13th, 1967, restated the rationale that underlay continentalism in defence production:

By integrating the whole of North American production in this way we have been able to achieve very substantial economies in respect of equipment for the armed forces of both countries. . . . In philosophical terms the North American market is regarded as a single unit and production is for the whole of the North American market rather than for separate parts of it.⁵⁴

The economic stake in continentalism served to reinforce the military stake. The North American continent, one for purposes of defence since 1945, was no less one, where defence production was involved. Canada could not disengage from integration in weaponry without grave consequences in the short run to the Canadian economy. Nor could she turn her back on the sophistication and expertise of the United States in military production, given her dependence for over twenty-five years on American research and development. The Swedish model of an independent industrial base and independent defence industry was well-nigh unrealisable in Canada, in the late 1960's, short of a concerted national plan to Canadianise the economy. And despite Walter Gordon and the Watkins Report, the Canadian corporate elite was no more susceptible to economic nationalism then, even if it would have involved a minimum of government intervention, than it had been a decade or two before.

The impact of American military expenditure in Canada was far from negligible for the Canadian economy. Gideon Rosenbluth had estimated that the total demand for Canadian goods and services arising from US military expenditures was \$580 million in 1962 and \$560 million in 1963. These figures represented

one-third of Canadian defence expenditures, over one per cent of Gross National Product, and between 6 and 7 per cent of Canadian exports of goods and services.⁵⁵ In the cases of metal and non-metal mining and paper and wood products, American defence expenditure in Canada exceeded Canadian defence expenditure, in 1962.⁵⁶ The total effect of US defence expenditure on transportation equipment equaled \$129 million in 1962, in electrical apparatus, \$62 million, and in transportation \$69.8 million.

Indeed, the Canadian Government itself lacked accurate figures on the overall dependence of Canada on American defence procurement. As C.M. Drury admitted in the debate of June 13th, 1967, "our control is statistical rather than in detail and physical".⁵⁷ But the dependence was large enough that the Government could rule out any immediate abrogation of the Defence Sharing Agreement. Nor was there any suggestion of emulating the program of reconversion that had followed World War Two,⁵⁸ with a crash program funded by the Canadian Government, to find alternative uses for the men and resources tied up by the American defence procurement.

Though postwar reconversion had worked, the Canadian political elite was not disposed to attempt a program of retrenchment in the field of defence production sharing. By the end of 1967, total US expenditure in Canada under the Defence Sharing Agreement was \$1789.9 million, \$190.9 million in excess of Canada's expenditure of \$1608.0 million in the United States.⁵⁹

The multiplier effect of these figures lay somewhere between 2 and 3, so that anywhere between \$4 to \$6 billion of Canadian GNP had been caught up in American Defence procurement by the middle of 1968.⁶⁰

Moreover, defence production was only a small part of the much larger flow of goods and services between the United States and Canada. If the Canadian defence industry by the middle 1960's has lost its autonomy and become a branch plant industry, hooked into the American defence production machine, the same was true of large portions of the Canadian economy as a whole. If defence production served to limit political independence, as in Vietnam, the acceptance by the Canadian political and military elites of American strategic and foreign policy interests had itself intensified the process of economic continentalism in the post-war period.

The Defence Sharing Agreement complemented NORAD, even as the establishment of the radar lines in Canada's north had complemented the great resource give-away of the early 1950's. Although the economic pressures in the case of defence production were strongly for integration, this was only because from 1945 to 1965 Canada's industrial base had developed overwhelmingly along continental lines. Although the strategic pressures for defence integration were strong throughout the 1945-1965 period, Canada succumbed to them only because her elites defined Canadian interests within the framework of the American Empire.

Footnotes - Chapter Six

1. Hansard, Feb. 12, 1947, p. 366.
2. See Foster Lee Smith, "Canadian-US Scientific Collaboration for Defense", Public Policy, XI, Harvard, 1963, pp. 302-336, p. 307.
3. Ibid., p. 306.
4. State Department Bulletin, Vol. XXIII, Nov. 6, 1950, pp. 742-3.
5. Thus Section 26 of the Defence Production Act of 1951 reads: "The Governor in Council may make such regulations and orders as he deems necessary or advisable to require persons who produce or deal in defence supplies or construct defence projects to give priority in the carrying out of their business . . . to the production of or dealing in defence supplies or construction of defence projects to meet the requirements of Canada or of an associated government."
6. Hansard, 1960, Vol. 1, p. 457.
7. Report of the Department of Defence Production for 1951, p. 19.
8. Report of the Department of Defence Production for 1956, Ottawa, 1957.
9. Hansard, 1960, Vol. 1, p. 916.
10. "Defence Expenditure and Its Influence on the Canadian Economy", Department of Defence Production, Special Study for the House of Commons Special Committee on Defence, Ottawa, 1965.
11. Cited by James Eayrs, "Sharing a Continent: The Hard Issues", in J. Dickey Editor, The US and Canada, Prentice-Hall, Englewood, N.J., 1964, p. 65.
12. See Jon McLin, op. cit., p. 61.

13. Hansard, 1959, Vol. 11, pp. 1221-2, Diefenbaker's statement on the Arrow,
14. McLin, op. cit., p. 66.
15. Thus a determined effort was made by George Pearkes to sell the Arrow to the Americans in Aug., 1958, with little success. McLin, op. cit., pp. 73-4.
16. As Diefenbaker put it in his Feb. 20th statement: "In recent months it has come to be realized that the bomber threat against which the CF-105 was intended to provide defence has diminished, and alternative means of meeting the threat have been developed much earlier than expected." p. 1221.
17. David Vital, The In-equality of States, Oxford Univ. Press, Oxford, 1967, p. 63.
18. See Foster Lee Smith, op. cit., p. 309. The fields in which Canada was involved included Weapon Delivery Systems, Ballistic Missile Defence, Undersea Warfare, Aircraft and Aercengines, Electron Tubes and Infrared.
19. On Nov. 4 and 5, representatives of the RCAF and USAF met in Ottawa along with representatives of the DRB, and a program of coordination was worked out. Smith, op. cit., pp. 310-11.
20. Smith, op. cit., p. 312.
21. Press Release of Sept. 23, 1958.
22. Report of the Department of Defence Production for 1958, Queen's Printer, Ottawa, 1959.
23. McLin, op. cit., p. 180.
24. Hansard, 1959, Vol. 2, p. 1223.
25. Richard Preston, Canada in World Affairs, 1959-61, p. 71.
26. Hansard, 1959, Vol. 11, p. 1223.
27. Hansard, 1958, Vol. 1, pp. 1020-1.
28. Hansard, March 2, 1959, p. 1497.
29. Ibid., p. 1498.
30. Ibid., pp. 1287, 1497.

31. Cited in McLin, op. cit., p. 187.
32. Canada, Department of Defence Production, Canada-United States Defence Production Sharing, Queen's Printer, Ottawa, 1960.
33. Report of the Department of Defence Production for 1961, Queen's Printer, Ottawa, 1962.
34. In 1963 and 1964, American procurement in Canada dipped to \$142 million and \$166 million respectively, climbing back over \$250 million in 1965. Annual Reports of the Department of Defence Production, 1963, 1964, and 1965.
35. The Globe and Mail, June 7th, 1963.
36. The Globe and Mail, Editorial, June 3, 1963.
37. Jon McLin, op. cit., p. 188.
38. Annual Reports of the Department of Defence Production 1966 and 1967, Queen's Printer, Ottawa.
39. Foster Lee Smith, op. cit., p. 332.
40. Report of the Canadian Commercial Corporation for 1966, p. 7.
41. See John Holmes, "Geneva, 1954", in International Journal, Vol. XXII, No. 3, Summer 1967, for an account of Canada's membership on the ICC.
42. The Financial Post, Editorial, "Two Canada's on a Collision Course", Jan. 15, 1966.
43. The Montreal Star, May 9 and 10, 1967, in reports by Gerald Clark.
44. Paul Martin, "An Independent Canadian Foreign Policy", in Paul Martin Speaks for Canada, McClelland & Stewart, Toronto, 1967, p. 14.
45. The Financial Post, June 14, 1967, "Canada Tightens Nickel Controls."
46. The Financial Post, Feb. 18, 1967.
47. The Financial Post, Oct. 14, 1967, "What Vietnam Is Doing to Canadian Business."
48. "Orenda Will Build US Jet Engines in Toronto Plant", a headline article in The Financial Post of Nov. 12, 1966.

49. Inquiry of the Ministry, Feb. 9th, 1967, No. 2,595.
50. The Globe and Mail, Jan. 18, 1967.
51. S and S, March 10, 1967.
52. S and S, March 5, 1965, 65/6.
53. The Montreal Star, Feb. 14, 1967, in an article headed "Admits Canadian-made Arms Could Be Going to Aid Saigon."
54. Hansard, June 13, 1967, p. 1469.
55. Gideon Rosenbluth, Disarmament and the Canadian Economy, Macmillan, Toronto, 1967, p. 20.
56. Ibid., pp. 18-19.
57. Hansard, June 13, 1967, p. 1468.
58. Rosenbluth, op. cit., Chapter Seven, "Mobility in Perspective".
59. Annual Report, Department of Defence Production, 1967, Queen's Printer, Ottawa, 1968.
60. In 1967, American procurement in Canada shot up to close to \$400 million, and that figure will probably hold true for 1968.

Chapter Seven

An Overview

This thesis has examined the stages whereby Canada came to accept American strategic doctrines in the postwar period as her own, linking her defence policy to that of the United States, in a continental framework controlled in Washington. The argument has been that the process of continentalism in defence was not an autonomous one, but rather was intimately linked to Canada's increasing dependence on US capital and markets after World War II, and to the support by Canada's political, military, and corporate elites, of American hegemony in the "Free world".

Emphasis has been placed on the vital role played by Canadian territory and resources in the unfolding of the Cold War, symbolized by the extension of American military installations in the Arctic and the integration of the RCAF into the North American Air Defence Command, and by the intermeshing of the two economies during the great resource boom in Canada which was set off by the Korean War.

In addition, the ideological components in Canadian foreign policy, in particular the strong antipathy of the

Canadian political elite to communism, and its uncritical support for the liberal order propounded by American policy, have been dealt with, in the period that preceded the formation of the North Atlantic Alliance.

It remains necessary, however, to reassess in this concluding chapter, the myths which characterized Canadian defence and foreign policy throughout the postwar period, and suggest an alternative to the policy of continentalism and junior partnership. For the Canadian political elite did not see its policy of quiet diplomacy and tacit support for the United States as implicitly colonial, nor did it see the structures of continental defence as compromising Canada's role as a middle power. Instead, it equated independence with interdependence, and middle powership with a brokerage role between the United States and the rest of the world. Thus it was able to support American policy in the Cold War and continentalism in defence without feeling them to be a threat to any specific Canadian interests. As an American commentator observed in 1956:

The United States was entitled to take particular satisfaction in its relationship with a neighbour that was independently committed to a viewpoint so similar to our own.¹

In fact, Canadian policy became so dependent on that of the US, the perception of common interests by the Canadian political elite so complete, that an alternative policy of neutralism was never seriously considered by a Canadian

Government. As Lester Pearson had remarked as far back as 1951, "If the United States went it alone, where would we go?"² The security of an alliance became the sine qua non of a foreign policy incapable of articulating any specific interests of its own. The result was that the military and economic pressures that the US came to exert on Canada after 1945 met with little resistance on the Canadian side, and that Canada very early on in the Cold War became the most secure in the farflung chain of bases and allies that came to constitute the American Empire.

To be sure, the process of subordination of Canada to the United States was marked by an occasional dissenting note, by Canadian concern over political sovereignty in the North, by criticism of General MacArthur in 1951, or the doctrine of massive retaliation in 1954, or American bombing of North Vietnam in 1966. But then the American Empire does not appear to require of its vassal states the automatic obedience which the Soviet Union, partly because of its relative weakness, requires of its client states. The United States can tolerate dissent, knowing that in the end it has the economic and military means to impose its will. More sophisticated in the art of imperial management than its Soviet counterpart, the US welcomes participatory imperialism, as in the long run stabilizing its rule. But there are clear limits to this participation, as the experience of Canadian-American defence relations shows.

Canada was indeed consulted through the Permanent Joint Board of Defence, when the United States was seeking defence

installations in the Arctic from 1945-7. But Canada was not consulted on the broader question of containment of Russia, on American policy towards Eastern Europe and Germany, on American policy with respect to the A-bomb, and on the hundred other matters out of which the strategy of confrontation flowed. Canada was asked to provide facilities in the Arctic, and after certain reservations, did just that.

When the United States was evolving its policy of military alliance with Western Europe, Canada was largely irrelevant to the final result. Although Canadian participation in the Alliance was welcomed, the US moved towards Europe for reasons of its own, and had little patience for Canadian illusions about an Atlantic social and economic community. Similarly, the United States became involved in Korea for reasons flowing out of her interests in the Far East, and pursued the War, quite oblivious to Canadian reservations.

If the US consulted Canada regarding the establishment of the radar lines in the early 1950's, the strategy dictating an emphasis on air defence was in response to American needs. The US was equally willing to concede the principle of joint consultation in the NORAD Agreement, while bringing about the integration of Canadian air space and the RCAF under American command. The Cuban Missile Crisis showed how irrelevant Canada was, where broader American interests were involved. Nor can the Defence Sharing Agreement be regarded as much more than a sweetener, a favour extended to Canada as a result of

junior partnership, which could permit a tightening of economic screws, in the event of any independent Canadian stances.

It would appear sheer folly to argue, therefore, as General Foulkes did, that continentalism in defence "puts Canada in a favourable position because, as we are full partners in the defence of North America, we have to be consulted every time the US contemplates using force anywhere in the world. . . . Therefore, we are in a very favourable position to influence US policy."³ There is no evidence of such consultation extending beyond the realm of continental defence to matters pertaining to American management of the Empire. On the other hand, there is evidence throughout the postwar period of links between measures for continental defence and American Cold War strategy and of Canada's involvement in the consequences of American policy, rather than in its formulation.

The rationale of Canada's foreign policy of close alliance with the United States rests, of course, on the assumption of Canadian influence in the making of American policy. "The assumption that Canada is more influential in Washington than most other countries is one of our strongest diplomatic assets; we could not recoup the loss of this asset by seeking comparable influence in any other capital, or group of capitals."⁴ In pursuit of this influence, Canada had foresworn a policy of neutrality after 1945 and chosen "to make and pursue policy within a framework broader than that of our own country", and rejected economic nationalism which "sooner or later corrodes and weakens

any coalition and destroys cooperation and unity in foreign and defence policies."⁵

The price Canada paid for her foreign policy of alignment was a sharp reduction in her freedom of manoeuvre. "We can tell our neighbour when we think he is wrong, but we know that in the end we will, in our own interests, side with our neighbour right or wrong."⁶ Beneath the cloak of sovereign equality, the Canadian foreign policy elite was well aware of the ultimate constraints on Canadian action, the overwhelming onesidedness of the bilateral relationship with the US. But publicly, Canadian policy-makers could continue to protest their freedom from outside pressures, and declare: "Our policies emerge from our own combination of interests, convictions and traditions - they are not borrowed or imposed by others."⁷

It has been the contention of this study that precisely such outside pressures had a large part to play in bringing about the continental defence ties of the postwar period. At the same time, it has been argued that a particular Canadian tradition has been brought to bear in the formulation of Canadian foreign policy, a tradition of colonialism and junior partnership that can be traced back to 1867 and earlier. It was not by accident that a nation which had historically looked to the outside for direction and capital, should in the period since 1940 have intensified its dependence vis-à-vis the rising imperial power of the United States. The Canadian political

elite had little patience for independence, seeing the American sphere of interest as very much its own. Middlepowerish became the operational front for a foreign policy which sought special influence in Washington, but which was prepared on more than one occasion since 1945, to play the role of errand boy for the US.

The style which Canadian foreign policy adopted was that of quiet diplomacy, a concept which was elevated to the level of official dogma in the Merchant-Heeney Report of 1965. Quiet diplomacy held that Canada and the United States were in broad agreement on most things, and that when occasional controversy did arise, it was best settled outside the public domain by the officials of the two countries. Open polemics were to be avoided at all costs, and the closeness of Canadian-American relations was seen to be in direct proportion to the absence of open friction between the two countries.

If the Merchant-Heeney Report came out in support of "intimate, timely, and continuous consultation"⁸ between Canada and the United States, this must be interpreted in the light of certain other comments. "Access to what is known nowadays as the decision-making process in Washington should be, in my judgement, the primary objective of Canada in dealing with the United States",⁹ Henney argued a month after the release of the Report. "Canada's capacity to influence the United States' policy is Canada's principal diplomatic asset",¹⁰ argued John Holmes, Director-General of the Canadian Institute of

International Affairs. It was with a clear perception of Canadian dependence on American goodwill that Canadian quiet diplomats entertained consultation with the US.

The heart of the Report was set forth in Paragraph 80, where attention was drawn "to the heavy responsibilities borne by the United States, generally as the leader of the free world and specifically under its network of mutual defence treaties around the globe. It is important and reasonable that Canadian authorities should have careful regard for the United States Government's position in the world context and, in the absence of special Canadian interests or obligations, avoid so far as possible, public disagreement especially upon crucial issues."¹¹ This paragraph can easily stand as a summary of Canadian foreign policy throughout the postwar period, predicated on support of America's world position, i.e. centre of the American Empire. The reference to the "network of mutual defence treaties around the globe" is also revealing if one turns to the continental defence relationship, and puts it in its international context.

The development of Canada's postwar defence relations with the United States cannot be understood in isolation from the establishment of a network of American military alliances in Europe, Asia, and Latin America. Continentalism in North American defence was only one element in the militarization of the American Empire, a process to which Canada contributed on three continents. And the strategy underlying continental defence was the American strategy of containment of communism, mirror image to American

hegemony in the non-Communist world.

This study has shown how at the end of World War II, the Canadian political and military elites were prepared to accept the American appreciation of Soviet intentions, yielding to American pressure for an intensification and prolongation of wartime collaboration in defence. Far from fearing American power, Canadian policy-makers positively welcomed the new international vocation of the United States, and saw intimate relations between the two countries as eminently desirable, not to say unavoidable. Any idea of an independent Canadian defence strategy was abandoned, as Canada allied herself with the US in the Cold War. Simultaneously, the Canadian economy became more and more dependent on the American, making any future reversal of alliance well-nigh impossible.

What followed was Canada's enthusiastic membership in NATO, not to serve any specific Canadian interest, but to achieve some kind of general influence on American policy.¹² The Korean War furthered Canada's policy of junior partnership to the United States, leading to Canadian participation in a war to defend American interests and to the freezing of Canadian relations with China. The rearmament set off by the War coincided with a large increase in American capital inflow into Canada, and the mortgaging of Canadian resources and industrial capacity to the American military-industrial complex.

Thus, by the middle nineteen fifties, when the radar lines had been completed in the North, Canadian defence policy

had ceased to have an identity of its own. Canada's brigade in Europe, coupled with the presence of American installations and forces in Canada, attested to the "internationalisation" of Canadian defence. The new American emphasis on air defence would lead to still closer integration of the defence forces of the two countries.

NORAD followed, entailing virtual absorption of the Canadian air force into an American command. Despite protestations by Canadian leaders that Canadian sovereignty had been safeguarded and American consultation with Canada ensured, an integrated air command sealed Canada's fate as lackey to American policy. Continentalism in defence production followed logically, making still less possible any independent strategy, and implicating Canada in American interventions overseas. The continental defence relationship, on the Prime Minister's own confession, set important limits to Canadian policy on Vietnam. Canada's junior partnership to the United States in defence could not but spill-over and affect other areas of foreign policy.

The alternative to a foreign policy of alliance was never seriously broached by Canadian policy-makers. While over \$30 billion was spent on defence between 1945-1965, largely in support of American strategy, almost \$20 billion in American investment entered the country, bringing American control over large chunks of the Canadian economy.¹³ While diplomatic and military support was offered to American moves to empire half way around the globe, little attention was paid by the Canadian elite to the

Americanisation process, turning Canada into an adjunct of the United States. As St. Laurent had expressed it in his Gray Lecture of 1947, "It is not customary for us to think in terms of a policy in regard to the United States."¹⁴ The American Empire represented the setting, not the challenge to Canadian foreign policy.

In the realm of defence, however, it can be argued that there was "no other country in the world which could suddenly stop spending a comparable sum of money on national defence with so little effect upon its security position"¹⁵ as Canada. Indeed, a constant expenditure of \$500 million annually during the last twenty years would have been ample to meet the needs of specifically Canadian forces, concerned not with countering a Soviet attack which would never come, but with merely supervising Canadian territory. The resultant saving in defence expenditure could have ensured development of Canada through her own means, and would have reduced overall Canadian economic, and therefore political, dependence on the United States. Canada would have had no great difficulty in producing the material for small armed forces, and at the same time would have avoided entanglement in America's overseas alliances.

A policy of neutrality in the Cold War would have freed Canada to pursue a much more progressive policy towards the third world, in a period when colonialism, race, and underdevelopment were becoming the burning issues of world politics. Where East-West relations were concerned, Canada might have worked

towards an easing of tension, taking a first step herself through the relative disarming of her own territory. A Canada which had ceased to be the northern fortress of the United States would not necessarily have lost influence in the world. Quite the contrary, an independent Canada might well have gained recognition in world capitals, not the least in Washington and Moscow. One has only to examine the flexibility of French diplomacy during the last ten years, a flexibility growing out of France's bolstered economic and geo-political position, to recognize that Canada might have used her economic and diplomatic resources after 1945 to much greater national advantage.

In short, had the Canadian political, military, and economic elites been less committed to the American cause after 1945, had Canadian public opinion been more conscious of Canada's unique position and the possibility of maximizing national development, had there been a healthier suspicion of American motives and interests in confronting the Soviet Union, an alternative to continentalism would have been possible.

Whether such an alternative would have been compatible with the development of Canada along liberal capitalist lines is an open question, however. It was not by accident that the Canadian corporate elite looked to the United States for a model of development, or came to see Canada's international economic interests as tied up with those of American capitalism. Nor was the behaviour of Canadian decision-makers irrational, when one bears in mind the common liberal premises they shared with

their American counterparts, from emphasis on the formal rule of law to a concern for open economic systems. Liberal policy-makers saw Canada's internationalist vocation as liberalism written large, and sovereignty as an archaic shield obstructing Canada's full membership in the American Empire. Accordingly, they twinned interdependence and independence in their own minds, and saw Canada merging her interests with those of the United States in economics, in defence, and on the broad outlines of foreign policy.

In 1968, on the other hand, there is a growing tendency to question the wisdom of Canada's continentalist vocation, of a Canadian foreign policy that identifies its interests with those of an imperialist United States. The Vietnam War has discredited the American version of liberal internationalism, and there is a corresponding scepticism regarding American posture throughout the Cold War.¹⁶ This scepticism spills over where Canadian policy is concerned, and there are critics to-day who see Canadian quiet diplomacy and middle powership in a different light -- as evidence of Canadian junior partnership to the US.¹⁷

To dismantle the continental structure of Canadian defence or economics will require far more, however, than an emotional appeal to Canadian nationalism.¹⁸ Continentalism in the late 1940's made excellent sense, given the needs of liberal capitalist development. Twenty years later, with the Canadian economy in many respects a mere region in the larger North

American whole, the liberal economic imperatives have not lost their cogency. Indeed, to reverse the continentalist direction would today be far more costly an undertaking than in the period following World War II.

Similarly, to opt out of her defence alliance with the United States would make sense, only if Canada were thereby breaking with the entire direction of American policy, and giving notice of her intention to withdraw from the American Empire. The strategic and economic imperatives that led to continentalism in defence at the dawn of the Cold War have declined somewhat, but remain operative. Defence production sharing is to Canada's advantage, in narrow economic terms, while a continental air defence strategy is, on military grounds, eminently reasonable. Neutrality has little more appeal to Canada's elites than it had back in 1945.

The argument in this study has been that Canada's elites since World War II have, with few exceptions, identified with the United States, and looked to it for political, economic, and military direction. This colonialism was closely connected to the common liberal outlook of the Canadian and American elites, to a common anti-Communism and support for liberal capitalist institutions.¹⁹ Liberalism led the Canadian elites to define Canadian economic development and defence policy in continentalist terms, and to spurn any independentist option. Only a radical break with past attitudes and values, with colonialism as well as the liberalism to which it has been linked, can lead to any change in Canada's relationship to the American Empire.

Footnotes - Chapter Seven

1. Richard P. Stebbins, The US in World Affairs, 1956, Harper and Row, 1957, N.Y., 1957, p. 250.
2. L.B. Pearson, "The Development of Canadian Foreign Policy", Foreign Affairs, Vol. 30, Oct., 1951, p. 25.
3. General Charles Foulkes, "Canadian Defence Policy in a Nuclear Age", Behind the Headlines, C.I.I.A., Toronto, Vol. XXI, No. 1, 1961, p. 12.
4. Peyton Lyon, "Quiet Diplomacy Revisited", in Stephen Clarkson, ed., An Independent Foreign Policy for Canada?, McClelland and Stewart, Toronto, 1968, pp. 29-41, p. 35.
5. Lester Pearson, Diplomacy in a Nuclear Age, Saunders, Toronto, 1959, p. 29.
6. John Holmes, "Is There a Future for Middlepowership?", in King Gordon, ed., Canada's Role as a Middle Power, C.I.I.A., Toronto, 1966, p. 23.
7. Paul Martin, "An Independent Canadian Foreign Policy", in Paul Martin Speaks for Canada, McClelland and Stewart, Toronto, 1967, p. 14.
8. Livingston Merchant and A.D.P. Heeney, Canada and the United States - Principles for Partnership, Ottawa, 1965.
9. A.D.P. Henney, "Dealing with Uncle Sam", in King Gordon, op. cit., ed., p. 98.
10. Cited, ibid., p. 100.
11. Merchant and Heeney, op. cit., Para. 80.
12. Thus, John Holmes speaks of Canada's search in defence policy for "some formula for its place in the sun" ("Canada in Search of its Role", Foreign Affairs, XI, p. 661), a judgement in which James Eayrs concurs in his analysis of Canada's reasons for joining NATO ("Military Power and Middle-Power", in King Gordon, ed., op. cit., p. 77).

13. Thus, US long-term investment in Canada totalled \$5 billion in 1945, and had shot up to an estimated \$24.7 billion by 1965. (See Table 3 in Cy Gonick's "Strategies for Social Change", in Nationalism, Socialism and Canadian Independence, Canadian Dimension Magazine, no date, p. 30.) The figures for defence expenditure are calculated using an annual average of \$1.5 billion.
14. Louis St. Laurent, S and S, Jan. 13, 1947.
15. James Eayres, "Military Power and Middle-Power", in Gordon King, ed., op. cit., p. 84.
16. See the writings of American revisionist historians such as William Appleton Williams, The Tragedy of American Diplomacy, Dell Publishing, N.Y., 1959; D. F. Fleming, The Origins of the Cold War, Two Volumes, Garden City, New York, 1961; David Horowitz, Free World Colossus, Macmillan, N.Y., 1965; Carl Oglesby, Containment and Change, Macmillan, N.Y., 1967, and Gar Alperowitz, Atomic Diplomacy: Hiroshima and Potsdam, Simon & Schuster, N.Y., 1965.
17. Several essays in Stephen Clarkson, ed., op. cit., argue this position. See for example, F. Griffiths, "Opening Up the Policy Process", Thomas Hockin, "Federalist Style in International Politics", and Kenneth McNaught, "From Colony to Satellite".
18. See Gad Horowitz, "On the Fear of Nationalism", in Nationalism, and Canadian Independence, Canadian Dimension Publication, no date, pp. 5-7, where Horowitz calls for a united front of all Canadian nationalists, conservative, liberal, and socialist.
19. In The Ideology of Canadian Foreign Policy, unpublished M.A. dissertation, Queen's University, Danny Drache explores the connection between colonialism and liberalism in more general terms than covered in this study.

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