

do with our savings, and upon our initiative and drive. In large part, however, it also depends upon the United States Government being as willing to receive Canadian manufactured goods as to receive our traditional exports of raw materials and upon the willingness of United States business men to permit their subsidiaries in Canada to export throughout the world, including to the United States.

American business men might feel less comfortable and secure if such policies were to be followed by their Government and by themselves. But one doesn't have to be much of an economist to see that the peoples of both Canada and the United States would benefit....

CULTURAL INDEPENDENCE

As to cultural relations, how much is known in the United States of our art, of our writing, of our theatre? And how much of it is simply assumed to be American?... In reading the final report of last April's Arden House Assembly, I was much impressed by what was said about cultural relationship. I share your view that the best interests of the two countries will be served by the encouragement of the good rather than by repression of the shoddy. Much can be accomplished through a more alert American approach to Canadian affairs and culture by U.S. educational institutions and various communications media - work that needs to be done in depth.

On the other side there is a genuine fear in Canada of being swamped by American influence through radio, television, movies, books and magazines. Given the contiguity of the two populations and the similarity of consumer tastes in many parts of Canada, there are no easy answers. The Canadian Government has no desire to interfere with the free flow of ideas. We cannot, however, avoid addressing ourselves to the problem of maintaining in Canada organs of Communication which reflect our own approach to living on this continent and which provide outlets for the talents of our own people. Even if U.S. mass media were prepared to give far greater attention to Canadian affairs than is now the case, it would hardly be tolerable for Canadians to be able to see themselves only through American eyes!

The co-operation between our two countries is between two national entities of juridical equality and independent sovereignty. One of the inherent difficulties of the relationship, of course, is the need to relate this moral and juridical equality with the enormous disparity between us of economic, political and military power. To me this is the most striking and challenging feature of our relationship. We are talking about co-operation between equals one of whom, as George Orwell might have said, is more equal.

The United States is the greatest power in the world in terms of economic potential, international political influence and defence capability. Canada's population is one-tenth that of the United States. Its gross national product is only seven per cent of the American total. Politically we are a middle power and our defence establishment, although making an important contribution to the NATO alliance and to UN peace-keeping operations, is miniscule by comparison with your own. What clearly emerges is that your policies in any of the fields I have mentioned

can have a profound effect on Canada, whereas what we may do in most cases can have only marginal effects on the position of the United States.

A SPECIAL U.S. RESPONSIBILITY

This is the heart of the problem to be faced in developing more satisfactory relations between the two countries. The power imbalance is pervasive, yet the relationship must respect the sovereign independence and equal status of Canada. This places a special responsibility on the larger partner and responsibility of another kind on the smaller. I do not mean by this that the U.S. Administration and Congress should act to favour Canada, except in cases where it may be in the national U.S. interest or the common interest to do so. It should mean, however, that when policies are being developed there would be an awareness of Canadian interests and a disposition, so far as possible, to avoid measures harmful to them. In my view, the United States should do this not because we are a nice friendly northern neighbour but because of American self-interest in a strong and healthy and developing Canada.

CANADA'S RESPONSIBILITY TO ITSELF

On the Canadian side, we must be prepared at all times vigorously to defend our interests and try to keep the American authorities and U.S. public opinion more closely informed on matters of particular Canadian concern. We must also be prepared to recognize that on occasion American world-wide orientation and commitments, and sometimes too, the reconciliation of divergent interests within the U.S., may involve decisions undesirable from a Canadian point of view. One would hope that even in such cases, Canadian interests would have been considered in advance and where possible measures developed to cushion the adverse impact. Where even this cannot be done, there should at least have been sufficient consultation to permit understanding of the necessities of the situation. If, from time to time, difficult decisions must be taken, the results will have to be faced. And they can be faced if they are unavoidable. But what is difficult for Canadians to accept is that harmful United States decisions might be taken out of inadvertence, or disregard, or failure to understand the Canadian involvement.

On the Canadian side, this problem is different in magnitude. Our actions may from time to time bear on particular U.S. interests, but are unlikely to affect, except marginally, the U.S. interest as a whole. Moreover, as the smaller country, Canadian awareness of our interdependence with the United States is so acute and so much a part of everyday life that the chances of action being taken which would inadvertently harm significant U.S. interest are rather remote. Of course there will be occasions when our national interest will dictate a policy which may not be to American liking. But if we do so, it will not be for lack of information about American concerns, and, as in the past, we should, of course, be willing to consult. In such cases we should expect that our needs would encounter understanding, if not support, and the necessary adjustments accepted as part of the price the United States would be willing to pay