

*Forecast
for decade
conventional
but not optimistic*

asked to indicate for each development whether it was (1) very improbable, (2) improbable, (3) probable or (4) very probable. They were also asked to provide written comments on their own evaluations and on those of others. The evaluations were analyzed to determine the degree of consensus on each possible development. (A "consensus" meant that about two-thirds of the participants indicated either "probable" and "very probable" or "improbable" and "very improbable".)

On the international scene, the consensus forecast for the coming decade was a conventional but not optimistic one. On the one hand, certain presumably beneficial developments were expected to occur — industrial growth in the Third World and agreement on a basis for a new international monetary system. Major disruptions such as world economic recession were not forecast. Some existing trends were expected to continue, including East-West *détente* and the expansion of the European Economic Community (EEC). On the other hand, future international politics were seen as unfolding in an increasingly unstable, complex, and perhaps confrontation-prone, multipolar system. Delphi participants forecast no major progress in the current round of multilateral trade talks, an increasing challenge by developing countries to the international economic status quo, continued opposition to Third World demand by the developed world, increased conflict between developing countries, proliferation of nuclear weapons, and a greater level of regional conflict.

Few changes

On Canada-U.S. trade questions, few major changes — either integrative or de-integrative — were expected. The development of a North American free-trade area, the mutual lowering of tariffs without a formal free-trade agreement, a significant relative increase in Canadian exports to the U.S., and institutionalized co-ordination or co-operation on economic policy were all judged to be improbable. So, too, were American proposals for bilateral trading preferences, arrangements for integrating particular industries or economic sectors (similar to the Auto Pact), and Canadian interest in or agreement to such arrangements. At the same time, no significant relative reduction in Canadian trade with the U.S. and no substantial changes in the nature of Canadian exports (towards a greater proportion of manufactured goods) were expected.

A number of possible conflicts on trade matters were identified. Delphi participants regarded as probable U.S. Government initiatives to correct balance-of-payments

problems, pressures to revise the Auto Pact, and disputes over trade in agricultural products. They also forecast the increased development and use by Canada of collective or national marketing arrangements for certain goods and resources and "significant co-operation" by Canada with other primary-producing countries in pursuit of improved or stabilized international market conditions.

Forecasts on resource issues to a large extent paralleled those on general trade questions. Major American proposals for bilateral arrangements integrating continental resource sectors and for assured access to key Canadian raw materials were judged to be probable. However, Canadian agreement to such arrangements was regarded as improbable, as were significant restrictions on ore-mineral exports to the U.S. in order to conserve domestic supply, and Federal Government initiatives to ensure 50-60 percent Canadian ownership of *all* resource industries. The Delphi panel regarded as probable a number of developments that might lead to conflict, including increased provincial nationalization of resource industries, federal initiatives to ensure 50 percent Canadian ownership of certain resource industries, and the establishment of a Canadian "National Resources Board" to regulate and/or co-ordinate resource-exploitation and -marketing.

More sanguine

The outlook for energy issues was somewhat more sanguine. Despite an expectation among participants of bilateral differences over the pricing of natural-gas (but not oil) exports, there was a consensus (a correct one, in hindsight) that the Canadian and American Governments would agree on a northern gas-pipeline, and that the decision to build the pipeline would not be put off until 1985. In general, the Delphi participants did not forecast restrictions on exports or imports of gas, coal or electricity. They reached no consensus on whether oil exports would be halted to conserve domestic supply, on whether there would be bilateral agreements on oil and/or gas "swaps", or on whether the Canadian Government would gear new development of oil and gas resources to Canadian energy needs only.

Forecasts of the industrial-policy area also suggested both little in the way of de-integrative measures and some likely sources of conflict. Major initiatives to discourage or impose conditions on U.S. capital were not expected, nor was effective action by the Foreign Investment Review Agency to reduce the extent of foreign