

barriers in the region, liberalizing trade and drawing countries into an integrated economic space, Mercosur represents a bold and imaginative step forward, one that Canada encourages.

Nevertheless, it does not require much imagination to recognize that, faced with a closed NAFTA door, the four countries of Mercosur would confront even greater pressure to carve out their own markets and to formalize their own distinct economic space, possibly even by erecting exclusionary walls. At that point, the dream of comprehensive western hemispheric integration could give way to the *Realpolitik* of competing regional blocs — the "them-versus-us" mentality so antithetical to further trade liberalization.

But perhaps the greatest danger in a loss of momentum is to the NAFTA itself. The NAFTA was conceived originally not as a closed or inward-looking bloc but as an open, dynamic arrangement — an association of countries willing to move further and faster toward the goal of free trade. Canada joined the NAFTA in the expectation that it would remain just that — an agreement fundamentally open to all countries prepared to accept its common rules and its disciplines. Unless we can ensure that the NAFTA door is kept open to Chile, Argentina, the Caribbean or other would-be partners, there is a very real risk that it will be permanently closed.

In this respect, the Summit of the Americas in Miami next month marks an important crossroads. For Canada, it is an opportunity to underscore our renewed commitment to Latin America and the Caribbean; to highlight Canada's long-term objective of strengthening our political, social and economic ties throughout the western hemisphere.

But more than that, Miami represents an opportunity to articulate an overarching trade and investment policy for the Americas — a larger, bolder vision that could serve to overwhelm more parochial and divisive concerns and avoid a welter of conflicting trade rules and practices. What is needed in Miami is a clear signal that we are prepared collectively to harness the energy of our economies; that we recognize the creative synergy that can emerge from the marriage of developing and developed economies; that we are committed to building the most open and dynamic trade and investment regime in the world.

Canada has a number of economic objectives that will be advanced at the Summit, including an acceleration of GATT [General Agreement on Tariffs and Trade] tariff reductions in the region; the introduction of greater disciplines in the application of trade remedy laws; the prohibition of all agricultural export subsidies; and the removal of obstacles to investment flows. Beyond this, it is critical to address prospects for harmonization of the various existing sub-regional trade