

Canada would also be subject to the greater influence and power of the United States with less countervailing influence from third parties. Integration would presuppose favourable decisions in the United States and require coherent policies with a transitional period and safeguards for Canadian industry and agriculture. The fundamental issues are clearly political - i.e., whether this option is tenable, given present and foreseeable future public opinion in Canada. The danger of economic pressures leading towards ultimate political union with the United States would probably engender opposition throughout the country.

Option three, a comprehensive strategy to strengthen the Canadian economy and the other assets of national life (pages 17 to 20) would aim at lessening the vulnerability of the Canadian economy to external factors - in particular, the impact of the United States. It would also strengthen our capacity to achieve basic Canadian goals and to further a sense of national identity. This option recognizes that the strategy would take time to succeed and that in an interdependent world, limits exist to the degree of desirable immunity.

This option also assumes that the basic nature of the economy, including our dependence on exports, will continue.

"The object is essentially to create a sounder, less vulnerable economic base for competing in the domestic and world markets and deliberately to broaden the spectrum of markets in which Canada can and will compete." (page 17).

Necessary aspects of the strategy would include specialization and rationalization of production, the development of strong Canadian-controlled firms, close co-operation among governments, business and