

Finally, it should be made clear that the studies reviewed by Hazledine focus mainly on the effects of tariff elimination in terms of deadweight or static benefits and costs. Consequently, a great deal of room remains for consideration of the potential benefits to be gained from removal of nontariff barriers and for examining the effects of trade liberalization in a dynamic framework. In the absence of relevant studies, no quantifiable estimate can be made of the full benefits associated with the removal of nontariff barriers or of the influence borne by shifts in parameters such as demand or supply relationships. However, there is no doubt that the benefits of eliminating nontariff barriers would be significant and that failure to take this consideration into account in the studies renders their estimates conservative. Failure to take dynamic influences into account is, of course, a reflection on the state of the economic art rather than on the scholars cited by Hazledine.

C. Qualifications and Extensions

Hazledine's main conclusion is that "there is a strong consumer case for a bilateral free trade agreement with the United States". Although he points out that "it is a case that can easily be over-sold", he qualifies this by noting that all studies have led to the conclusion that such trade liberalization would yield net benefits to Canadians, especially those in the lower income groupings, and that even studies which forecast modest gains translate into billions of dollars of benefits. While Hazledine acknowledges that liberalization of trade in individual sectors would be of particular importance to consumers, he discounts studies of the likely impact of free trade on individual industries as incapable of yielding "hard, believable facts to the policy debate" and suggests that "it is impossible to predict with any great assurance just who the losers and gainers will be". In this regard, he suggests that "consumers should push for a comprehensive free trade agreement in the belief that ... such will lead to a significant improvement in overall economic efficiency".... While suggesting that actual net gains from bilateral trade liberalization may be even smaller than estimated as a result of the Tokyo Round, "so too is the downside risk of adjustment disruptions smaller than the opponents of free trade would have us believe".

Hazledine attempts to provide a balanced treatment of the consumer's interests not only in terms of the foregoing considerations but also from the vantage of other aspects. He notes that multilateral free trade arrangements would be superior on the basis of larger benefit flowing to consumers as well as from the vantage of minimizing trade