

The second point is that in our economic policies we should strive to avoid unnecessary dependence upon the United States by promoting trade and financial links with the rest of the world. This is not anti-American in any sense. It is traditional Canadian policy, which is becoming more and more relevant as Europe and Japan, for example, challenge the predominant position of the United States as an economic power and the Soviet Union looks outward for trade with the non-Communist world.

The effort to diversify lies behind the Prime Minister's visits to the nations of Asia and the Pacific (and our transpacific trade is multiplying apace), behind the constant consultations my colleagues and I are having with European governments and the European Economic Commission, behind the exchange of visits between our Prime Minister and Mr. Kosygin. None of these activities is anti-American in intention or effect. They are in pursuit of Canada's best interests. The economies of Canada and the United States are interdependent to an extent unequalled and unprecedented. It would be to the interest of neither nation were Canada to become an economic satellite of the United States.

I have dealt with Canada's economic interests first, since they represent solid realities that touch us all, that we can identify and measure in dollars and percentages. But Canada would be a poor country and I certainly would not be the Canadian Foreign Minister if we saw ourselves as no more than a business enterprise....

North of the Rio Grande, this continent is shared by the people of Canada and the people of the United States. Canadians and Americans are proud peoples. They cherish their independence of each other, and the particular traditions and differing institutions that give independence meaning.

As we cherish our differences, even more we cherish the shared ideas and goals that unite us. This simple but profound fact overshadows the constant conflicts of interest that arise between us. Conflict is a function of contact. Canada has very little in the way of conflict with Mongolia; our relations with that country might be regarded as a model for all nations if we were to overlook the fact that our contact with the people of Mongolia is almost non-existent. Should changing circumstances bring us into close contact with Mongolia, I can guarantee you some pretty good conflicts of interest within a very short time. No two nations in the world have so many contacts at so many levels, official and unofficial, as Canada and the United States. Essentially, these contacts serve the common interest but, no matter how busy Secretary Rogers and I are with the oilcan, constant contact leads to constant friction and the generation of frequent heated exchanges.

In a recent far-reaching statement on Canadian foreign policy, the Government had two things to say about our relations with the United States -- that the United States is our closest friend and ally and will remain so (this I have discussed with you), and that the central problem for Canada is how to live in harmony with, but distinct from, the most powerful and dynamic society on earth.