

When Castro overthrew the Batista government in Cuba, the United States broke relations with the new régime and imposed an embargo on trade. Canada did not follow suit. Although we did take measures to prevent Canada from being used to circumvent the American embargo, we thought it was important to maintain ordinary channels of communication between governments through diplomatic contacts, and with ordinary Cubans through trade and tourism. If the United States had followed similar policies I venture to say that by this time Fidel Castro would not be a problem.

As for the Chinese revolution, Canada and the United States continued for several years to recognize the Republic of China government, even though its effective authority was limited to the Island of Taiwan. The United States government imposed an embargo on trade with the mainland – Canada, on the other hand, regarded the whole of China as being covered by the trade agreement that existed before the Civil War and continued to accord most-favoured-nation treatment. It was partly because of our continuing trade relations with China, especially the growing market for Canadian wheat, that the Trudeau government took the initiative of entering into negotiations to transfer our recognition from the Republic of China government in Taiwan to the People's Republic of China government in Beijing. Seldom is Canada in a position to give international leadership. This time we did so. Many countries immediately followed our example, using the Canadian formula about Taiwan. Years later, the United States government did so too.

There was very little disagreement in any quarter about the appropriateness of these political and trade decisions – until Tienanmen Square. I had been in China in 1985 and had been impressed and encouraged by the changes that had occurred since my first visit in 1972. Not only was there an improvement in living conditions, there was also a new openness in personal conversations and discussions. Needless to say, I was appalled and bitterly disappointed by the bloody suppression of dissidents in Tienanmen Square.

My shock and disappointment did not lead me, however, to conclude that Canada should change its trade policy towards China. It is through trade and travel that democracy and the rule of law are being spread throughout the world, particularly in places where, until now, enterprise has been suffocated by authoritarian and arbitrary bureaucracy. This is as true of China as of anywhere else. As the vast Chinese economy expands through trade and foreign investment, as it is expanding today, it becomes increasingly difficult to control from the centre by authoritarian methods and by the suppression of human rights. Greater freedom becomes a necessity.

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Tremendous progress has been made since the end of the War in reducing and eliminating barriers to trade that so discouraged and distorted the world economy. Truly there has been a trading revolution. It is no longer an exaggeration to refer to the globalization of markets.

The most rapidly growing economies and markets are in the Asia-Pacific region. It was Japan and Hong Kong that originally led the way. Taiwan, South Korea and countries of South East Asia followed and massive investments are now being made in China, particularly in the provinces in proximity to Hong Kong.