

Asia-Pacific region, an area of rapidly growing importance to North American businesses.

What does all of this mean for North American lawyers who advise clients involved in transpacific commercial transactions? I would offer a few concluding thoughts on this point.

In August of this year, Minister MacLaren addressed the annual meeting of the Canadian Bar Association. He set out the following three propositions concerning the changes that are taking place in international trade relations:

- First, international trade rules are more than ever replacing power politics. Rules are providing transparency and predictability so essential to business in a global economy.
- Second, the way we enforce these rules is also changing. Governments are now being forced to come to grips with the limits to their sovereign authority to shape domestic policy. This has implications for the legal profession through the interplay of domestic and international authority.
- Third, while these two propositions mean that the legal community has a special role to play in helping this new rules-based system respond to the needs of global traders and investors, they also mean that lawyers will benefit by this new system as freer trade in legal services comes to pass.

Minister MacLaren pointed out that with the expansion of the scope of international trade law under the WTO Agreement, there is an increasing role for domestic authorities, and consequently domestic legal practitioners, in the enforcement of trade rules. With more and more areas of domestic economic regulation now disciplined to some extent by international rules, so too more and more provisions of domestic statutes have their genesis in international treaties. Domestic and international rules and rule makers must work together, must learn from each other and reap the benefits of trade.

As trade and investment in the Asia-Pacific region continues to expand, we are certain to see a considerable increase in commercial disputes. Moreover, as we have seen in the context of Canada-U.S. trade, while such disputes may only represent a tiny fraction of total trade, they can generate an intense amount of industry and media interest, which may only compound the difficulties of settlement.

The resolution of such disputes should, in many cases, be structured with important cross-cultural differences in mind. At