

review puts it, "for the majority of Canadians the aim appears to be to attain the highest level of prosperity consistent with Canada's political preservation as an independent state". The ambivalence has persisted, in essence, because policy choices at either end of the spectrum are likely to involve unacceptable costs to Canadians. To avoid such costs will presumably remain a primary objective of any policy option.

In the third place, it is difficult to make any pronouncement about the impact of the Canada-U.S. relationship on Canadian independence without at least a cursory look at the concept of the "special relationship". The term is not uniquely applied to Canada. Other countries, too, have intermittently used it to describe their relationships with the United States. This is presumably because it has been considered beneficial to enjoy a "special" relationship with the United States.

As far as Canada is concerned, there can be little doubt that the relationship with the United States has been and continues to be special in the sense that it is probably the most articulated relationship between any two countries in the world involving a unique level of mutual interaction, even if unequal in its impact. The intensity of the relationship and perceptions on either side of the border notwithstanding, it has been conducted, by and large, as a normal relationship between two sovereign states. On occasion, however, it has also involved transactions involving special ground rules that have not been extended evenly to other countries.

To the extent that the concept of the "special relationship" reflects an objective reality, it will continue to be valid. To the extent, on the other hand, that it denotes special arrangements between Canada and the United States, its currency is likely to diminish on both sides of the border. In the United States, the perception is gaining ground that the "special relationship" with Canada was an unbalanced relationship, that it involved accommodations in favour of Canada that are no longer tenable in the light of current economic and political realities, and that any restructuring of the "special relationship" would have to proceed on a basis of much more demonstrable equity of benefit to each country. On the Canadian side, there is a concurrent feeling that special arrangements with the United States, for all their acknowledged benefits, may in the end have curtailed our freedom of action, domestically as much as in the realm of foreign policy, and that the cumulative

impact of such arrangements taken together carries the risk of locking Canada more firmly into a pattern of continental dependence. This probably does not rule out some special arrangements in future, arrived at selectively on a basis of mutual advantage, but the prospect under anything like the third option would be for a more normal nation-to-nation relationship.

Any discussion of the theme of Canadian independence would not be complete without some judgment as to the realistic parameters of such a discussion itself. It would obviously be absurd to proceed from the assumption that Canada is today substantially deficient in independence. In fact, Canada probably has much more independence than most countries in the modern world and more than many Canadians recognize. There is no denying, on the other hand, that the pervasive span of the linkages between Canada and the United States represents a set of potential constraints on the latitude Canada has in dealing with its national problems. Some of these linkages are immutable; others are susceptible to modification. The real question is to what extent we can look to any policy option to enhance the measure of independence Canadians now enjoy without involving unrealistic, unacceptable and unwarranted costs.

Diversifying interests

The foreign policy review brings the concept of countervailing factors into play. Among these, it instances the active pursuit of trade diversification and technical co-operation with countries other than the United States. The notion that Canada's interests are best served by policies that seek to diversify those interests on a global basis as one means of avoiding excessive reliance on the United States is, of course, not a new one. In one way or another, it has been an explicit assumption behind Canadian support for trade liberalization over the years. If trade liberalization has not contributed significantly, if at all, to our explicit objective of diversification, a less liberal world-trading environment would probably have led to even stronger links between the Canadian and U.S. markets. The fact remains that, with more than two-thirds of our total trade concentrated in the United States, Canada is unique among industrialized countries in having a trading pattern that, by the standard of diversification, is so unbalanced.

This suggests that we should be unrealistic to set our sights too high. There is clearly no possibility of our being able to