that spirit breeds no bitterness. This is the lesson the nations need to learn. Freedom can never hope for -- nor would it wish -- a world in which competition between peoples was eliminated. Freedom only seeks competition that does not breed hate, bitterness and bloodshed.

Mutual knowledge leads to tolerance of national ideologies whatever their characteristics and differences, arising from the diverse backgrounds of geography, language, religion and culture may be. The history of mankind suggests that such a spirit of tolerance was regarded throughout the ages as weakness. The goal of emerging civilizations has been world domination, and every civilization passed into history when it ceased to dominate.

The nations of the free world, comprising more than half the people of the world, deny the concept of domination and are dedicated to the belief that peace, prosperity and survival itself demand the practise of tolerance. Equality of opportunity for every individual in every area of human want and aspiration, once regarded as sheer idealism, is an attainable objective which mankind must now seek collectively, or perish in senseless strife.

These Games, dedicated as they are to the fostering of closer relations between all the countries of the Americas, suggest that I should speak of the Canadian concept of Canada's relationship with its neighbours. This, of course, immediately raises the age old question: "Who then is our neighbour?" The answer is that of the parable two thousand years ago of which President Eisenhower spoke in his joint broadcast with Prime Minister Macmillan -- neighbourliness is a thing of the spirit, not just a matter of geography. In the modern world none of us can escape the conclusion that all the world is our neighbour.

## <u>Trade Relations</u>

Canada and the United States are the greatest trading neighbours in the world, and trade is the lifeblood of the Canadian economy to an extent that relatively few persons realize. Canada is now the world's fourth largest trading nation, ranking behind only the United States, the United Kingdom and Western Germany. But, while the United States is the largest trading country, the important thing to realize about Canada is that on a per capita basis Canadian foreign trade is three-and-a-half times that of the United States. Therefore, trade relations and trade neighbours are vital considerations for Canada.

Every businessman knows that trade is a two-way street, and that a customer with money to spend is a better customer than the man or the country who has no trading income with which to be a buyer. For many years now Canada has faced an unfavourable trading balance with the United States, but recent figures indicate an improvement in this regard.