

In matters of economic security, just as in matters of military security, the search for unilateral advantage through unilateral means is futile. The zero-sum game is dead.

In international trade, the zero-sum game has been dead for some time. There are people who deny that reality, modern day mercantilists who believe that prosperity can somehow be sustained in isolation. They believe that a country can ask others to buy its goods and at the same time refuse to accept the goods of others. We know those people are wrong by knowing history. We know the Great Depression was made much worse by protectionism. We know the results of beggar-thy-neighbour policies, policies which turn everyone into beggars eventually.

Trade and investment are not optional extras for economic policy. It is through trade that countries benefit from comparative advantage. It is through trade that our citizens can buy better products at lower prices. Trade and investment encourage competition, bringing efficiency, profits and jobs.

That is a reality now for all the world. It has long been a reality for Canada. We depend on trade for over 30 per cent of our gross national product (GNP) and more than 3 million jobs depend on trade. If Canada were denied open and predictable access to the markets of the world, our prosperity would crumble. The prosperity we now enjoy was built on trade. Our future prospects will depend on it more, not less.

The structure of a healthy trading system for Canada is straightforward. That system must be open, and predictable. And it must be constructed with others. Canada cannot impose order in international trade. Neither can we ignore it. So we must build it co-operatively.

That has been at the core of our government's trade policy since 1984. It governed our initiative on free trade with the United States and has determined our approach to the ongoing General Agreement on Tariffs and Trade (GATT) talks. It is at the heart of the announcement on February 5 that Canada would join the United States and Mexico in North American free trade negotiations.

The logic of free trade does not always make good politics. A Canadian government concerned only with short-term political gain would never nail free trade to its political platform. I don't need to remind this audience of the pervasive anxieties which run through the body politic of Canada when it comes to trade with the United States. Discussions degenerate into dogma, into chronic concerns of cultural conquest, economic imperialism and political absorption. Economics and logic have little to do with these arguments.