

Mr. Winch: Would you now explain to us U.S.-Canadian purchases and offer any advice as to how we can bring our deficit a little more in balance.

Mr. Golden: I am not familiar with the day to day figures. I only see them when they are published, but it was my understanding that on strictly military products, as defined in the various agreements between Canada and the United States, in fact that deficit does not exist. If it does it is a rolling deficit and not of any real consequence. Of course, the overall deficit in trade between Canada and the United States in normal years is very, very great indeed, but it is my understanding, subject to correction, that in recent years the transactions between the two countries on military procurement are not out of balance; however I only see the published figures; I do not have access to anything else.

• 1145

Mr. Cafik: Mr. Golden, I would like to refer to the paper that you gave us prior to this meeting. On page 2 you indicate,

...Canada should play a role in defensive measures considered important by the U.S. even if our assessment of the necessity of such measures should be at variance with that made by the U.S.

Surely one would not draw the conclusion from that remark that if we felt our contribution was of no value to North American defence we should proceed in any event.

Mr. Golden: I can see now in retrospect that perhaps I should have worded that differently, although I do not withdraw anything I have said there. I suppose instead of a period I should have had a comma or colon, or something. I really meant that sentence to be read with the next sentence where I said,

I do not mean by this that Canada should surrender her right to make an objective appraisal of each situation as it comes up—what I do mean is that Canada in making such an appraisal should consider the role played and responsibility borne by the U.S.

Mr. Cafik: Yes, but I do not really think that answers the question. I had also read further. I agree we should take their interest into consideration, but that does not mean to say that we must act upon those interests against our own, or against our own judgment. If we are going to have the right to

make a judgment, surely we have the right to make the judgment to stay out of or to get into NORAD, for instance.

Mr. Golden: Oh, yes, but you see I differ with you on this point. I think the right to make a judgment does not necessarily mean that you are going to act on that judgment. You might make a judgment that a particular defensive system is less important than the United States considers it to be. You might, nonetheless, decide to go along under whatever appropriate conditions and terms could be negotiated.

I do not believe that making a judgment necessarily means that you then carry through and execute that judgment. There may be many reasons why you would make it and for other good and sufficient reasons modify the judgment that you have made in the execution thereof. That is the point I am trying to make.

Mr. Cafik: Surely there is not much point in making a judgment if you feel compelled not to exercise it.

Mr. Golden: I do not think that at all. I think there are many cases where Canada will, of course, feel impelled to exercise it. I am also saying it is possible that there are cases where, bearing in mind the responsibilities which the United States bears, Canada might decide, weighing in balance all the factors, that it will not exercise it. I quite agree that there are many cases where it would be unthinkable for us to yield what our judgment tells us is the right thing to do.

• 1150

Mr. Cafik: All right; thank you on that point. On page 3 you indicate that the United States, in exercising its leadership and responsibility, will ordinarily be prepared to permit its security to be adversely affected by the action or inaction of a close neighbour. In previous testimony before this Committee some witnesses have indicated that the United States might take rather severe action in respect of Canada if we did not behave in just the right way in relationship to her. What is your view of this?

Mr. Golden: I certainly would not put it in that way. That paragraph represents my best judgment of this matter and it is only a private, personal judgment; it is not an exercise in morality. In that paragraph I am not really trying to discuss the morality of the way in which nation states operate; I am trying to