

if associated with a larger package (e.g., the MTN) that allows participants to view the results and the trade-offs as part of broader, balanced commitment. The chances of initiating such an effort soon after the difficult conclusion of the current MTN are minimal into the foreseeable future.

3.2 The Multilateral Approach

One alternative to sectoral free trade would focus on working to initiate comprehensive trade negotiations, perhaps under the auspices of the World Trade Organization (WTO) established as part of the Uruguay Round package. This approach is consistent with Canadian foreign policy since World War II and has brought steady gains to the benefit of Canada, both with respect to market access and international rule-making. Consequently, Canada should continue to emphasize the importance of the multilateral route, including by actively encouraging the establishment of a balanced WTO work programme that will address emerging trade policy issues as well as a number of holdovers from previous negotiations that remain central to Canadian prosperity (e.g., agricultural subsidy practices).

Yet, this option suffers from a short to medium term problem of timing. Several more months of negotiations on market access and difficult legal fine-tuning lie ahead before the Ministerial meeting scheduled for mid April, at which time the MTN package will be signed and the CONTRACTING PARTIES could begin to scope out a preliminary programme for future work. In all likelihood, not much of substance will happen for at least a year thereafter, until the WTO actually enters into force and the first Ministerial session is held. Participants will be politically exhausted. Countries will largely disband their negotiating teams. Governments will focus on implementing the changes in domestic law required to bring the MTN commitments into force. Neither the U.S. nor the EU will be eager to work actively for a quick start to launching the "next Round" of negotiations. The MTN has lasted so long and has involved so many players, and the "new" agenda issues are likely to prove so controversial, that it will prove difficult to launch another comprehensive exercise soon. More selective negotiations (in terms of the agenda) may be feasible under WTO auspices (and is foreshadowed with regard to financial services and other issues), but this is by no means certain, may face the same difficulty with identifying trade-offs that a more limited exercise often entails and, in any event, is unlikely before 1995-96 at the earliest.

Moreover, although Canada can (as it has in the past) develop some leverage in terms of outcomes through hard work and the creative use of alliances once the negotiations are underway, we enjoy less leverage in terms of initial agenda setting and almost none with respect to the decision to actively seek the launch of a