

United States, than to trade with other countries. In other words, I believe that, for Canada to retain its identity and as much freedom of action as possible, multilateralism is superior to regionalism or continentalism. My views did not prevail. My efforts, such as they are, are today directed to encouraging the extension of our trade horizons and to harnessing the free trade movement so that it becomes a vehicle for the restoration of non-discrimination as the governing principle of international trade policy.

Before drawing your attention to some things that can and should be done to achieve this goal, I would like to complete the list of what I consider to be the persistent strands of Canadian trade policy. First is our support for the principle of multilateralism, the second, our preoccupation with Canada-United States relations.

Third is our belief in the importance of trade, not only as a means of increasing our earnings as Canadians and as a nation, but as a means of promoting international understanding.

During the Second World War commercial considerations took second place to national security. Imports were limited to essentials, exports directed to our allies and denied to our enemies. The moral choices coincided with our strategic interests. When the hot war ended, and was followed by the divisions of the Cold War, new and complicated moral and ethical as well as material issues emerged in the debate about trade policy.

Central to the debate was the incompatibility of the Communist system of government that prevailed in the East Bloc countries led by the Soviet Union with the democratic market economies of the West, and the fear of Communist aggression. For some 10 years, the atmosphere of the Cold War was frigid.

In 1955, Lester Pearson, our Secretary of State for External Affairs, was invited to visit the Soviet Union and he asked me to go with him. It was the first sign of warmer weather. Pearson didn't want his visit to be a photo opportunity. He wanted to do something tangible to promote detente, so he took advantage of the occasion to propose the negotiation of a trade agreement, which entered into force early in 1956, as one result of which the Soviet Union became a major wheat market for Canada.

I recall this event because it illustrates Canada's general approach over the years to trade. As I have said, Canadian governments have looked upon the encouragement of trade as a useful means of promoting political understanding with our trading partners. They have been sceptical about trade embargoes as a punishment or as a means of bringing pressure to bear on governments of other countries to change their ethical behaviour, although such things have from time to time been advocated in Parliament. (We did, of course, impose restrictions on the flow of strategic goods to the East Bloc during the Cold War, in company with the NATO allies.)

Canada has never acted alone to apply trade sanctions. There have been occasions, however, when we joined international efforts with a moral purpose. One of the targets was South Africa as part of the pressure on the government of that country to abandon apartheid. There were always some doubts among impartial observers about the efficacy of the sanctions – I shared these doubts – but since they were supported by the anti-apartheid groups within South Africa as a symbol of the international condemnation of apartheid, they remained in place until the regime suddenly collapsed.