

You know, it took nearly two years of patient negotiation to establish diplomatic relations between Canada and China. In the course of these negotiations many difficulties had to be faced and overcome. But I believe the corner was turned when the Chinese finally realized that we were acting on our own behalf, for our own good reasons and in pursuit of our own interests as we saw them, and not as a stalking horse for the United States. It is perhaps ironic that within a few months the United States started down the same path we had followed.

Interdependence in terms of world prosperity arises from the fact that no country in the world today can be self-sufficient. Even the United States depends on imports to supply its economy and on exports for a significant percentage of its national income. Nations must trade in order to survive, and international trade means interdependence.

History is on the side of those who favour freer trade and the international movement of capital, technology and ideas as a means of promoting the legitimate national aspirations of states, whether they are industrialized, developing or, like Canada, a bit of both. True independence derives from economic strength not from economic weakness. I venture to say that the people of Newfoundland have greater independence today than they had before Union with Canada.

The historical evidence is certainly that freer trade and access to capital, technology and ideas reinforces the ability of individual countries to control and improve their economic performance. I cannot resist adding that the policies of economic nationalism which were so widely practised during the pre-war period did not protect individual countries from the effects of the Great Depression as Canadians and Newfoundlanders well know. In fact the reverse was true. Moreover, during this recent post-war period we have seen a dispersal of economic power, not a concentration. The United States, in the post-war era a giant among mortals, is now only one of three, sharing its economic power with the new Europe and Japan.

I am impressed as I am sure you are, by this growing interdependence of the community of nations. The ability of any country, even the most powerful, even the United States, to control its economic destiny is limited. There is no way in which any one country can insulate itself from external economic events and if it were to try it would probably find that it had lost more than it had gained.

In its economic policy, Canada is the most internationalist of nations. This does not imply abrogation of