

government closest to the local community, while still remaining efficient; and second the notion of mutual recognition whereby partner countries agree to accept a system of integration in which the rules need not be the same – or harmonized – so long as they achieve the same ends. But to reach such a consensus it is clear that the future trade policy agenda will need to advance on an inter-regional – as much as an intra-regional – basis.

I suggested earlier that policy makers cannot take all the credit for the movement toward global free trade. What we can do is ensure that the rules governing this new global reality reflect our mutual interests and are not simply imposed by the larger players. What we have, in other words, is a responsibility for ensuring that the transition to globalization is as fair and equitable as possible. This is not just a statement of principle for Canada; it is a statement of national interest. When 80 per cent of our trade is with one partner, it is axiomatic that we should seek a structure of rules and obligations to give discipline to the relationship. Our policy, almost by definition, must be primarily about the United States. We negotiated the FTA and subsequent NAFTA to build such a structure. But there is more than one way to harness an elephant. Free trade in NAFTA has helped catalyze free trade in Asia, and will perhaps lead to a stronger trade relationship with Europe – all reinforcing a global regime centred on the WTO. This strategy of building an architecture of overlapping circles of free trade not only strengthens the world economic system, it strengthens our critical relationship with the United States.

Canada is well placed to help construct this new architecture. We played a leading role in advancing the idea of a World Trade Organization in the 1980s, building on the many concepts put forward by people such as Sylvia Ostry. We have been active and creative partners in NAFTA and APEC in the 1990s. We are now seeking new bridges to the European Union. But beyond these initiatives, we as a country are committed to the overarching ideal. The notion that the rule of law is the essence of civilization, both within and among nations, is central to Canadian values and Canadian culture. Remaining in the vanguard of those countries working to expand the international rule of law is perhaps Canada's most important and enduring contribution to the new global civilization.

But to play the role we must articulate our interests in a focused and co-ordinated way. As the Prime Minister well understands, when he promotes exports in China, or proposes the reinvigoration of relations with Europe, or hosts his G-7 colleagues in Halifax, he is doing more than conducting foreign policy in the traditional sense. In many ways he is the prism through which our collective interests and aspirations are reflected in the evolving international arena. He is Canada's delegate to the New World Order, a personification of the extent