

BE ACCEPTED AS A FACT OF LIFE RELATIVE TO THE EC AND JAPAN WHETHER OTHER, SMALLER TRADING COUNTRIES LIKE IT OR NOT.

IT BECOMES THEN A QUESTION OF HOW BEST TO ADVANCE CANADIAN INTERESTS IN THE NEW CIRCUMSTANCES. WHERE THERE IS A DEGREE OF TENSION AND DIFFERENCE OF INTEREST CHARACTERISTIC OF TRADE RELATIONS BETWEEN THE BIG THREE, THERE IS ROOM FOR CREATIVE USE OF CANADIAN INITIATIVE AND BARGAINING POWER - JUST AS THERE WAS IN EARLIER DAYS WHEN NUMBERS WERE SMALLER AND DISPARITY OF POWER LESS MARKED. AND IT CAN BE ARGUED THAT ONCE YOU HAVE ONE OR MORE OF THE BIG THREE ON YOUR SIDE, YOU ARE FURTHER AHEAD THAN YOU MIGHT BE IF YOU WERE TRYING ON YOUR OWN TO CONVINCING A WIDER IF LESS DISPARATE GROUP. AS TO THE OCCASIONS WHEN THE BIG THREE MAY COMBINE AGAINST YOU, THERE ARE ALSO SOME HOPEFUL LESSONS TO BE LEARNED FROM THE RECENT MTN. WHEN IT CAME TO PRESSURE ON US WITH RESPECT TO NEW OBLIGATIONS ON EXPORT RESTRICTIONS, WE PROVED QUITE CAPABLE OF DIGGING IN OUR HEELS AND MAKING OUR REFUSAL STICK. AND WE ALSO LEARNED IN THIS AREA HOW TO WORK WITH OTHER ALLIES, IN THIS CASE THE DEVELOPING COUNTRIES, IN BRINGING THE BIG THREE BANDWAGON TO A HALT. SO FAR AS THE VALUATION CODE WAS CONCERNED, THE PRICE OF OUR WILLINGNESS TO COME ON BOARD - AND WE HAVE A SUBSTANTIAL POSITIVE INTEREST IN THE UNIVERSAL APPLICATION OF THE NEW CODE - WAS AND REMAINS AGREEMENT OF THE BIG THREE AND OTHERS TO MEET THE PARTICULAR CONDITIONS WE SET FOR SO DOING