the history of freedom. I remember those days, not so very long after the attack on Pearl Harbour had once again united our two nations in a world conflict, when Winston Churchill stood-where I am standing today. Wake Island had fallen just a week before; on Christmas Day, after an heroic defence by Canadian troops, Hong Kong was captured by the Axis; Manila was soon to be swallowed up as well.

But those who might have been expecting a picture of democracy in retreat got something very different from that indomitable spirit. "We have not journeyed all this way across the centuries," he said, "across the oceans, across the mountains, across the prairies, because we are made of sugar candy". Churchill was speaking of the members of the British Commonwealth, most specifically of the people of Canada, but I confess we Americans have always flattered ourselves that, though the thought was unspoken, he had us in mind, too.

As two proud and independent peoples there is much that distinguishes us, one from the other, but there is also much that we share: a vast continent, with its common hardships and uncommon beauties, generations of mutual respect and support, and an abiding friendship that grows ever stronger. We are two nations, each built by immigrants, refugees from tyranny and want, pioneers of a new land of liberty. The first settlers of this new world, alone before the majesty of nature, alone before God, must have been thrown back on first principles, must have realized that it was only in their most basic values that they would find the wisdom to endure and the strength to triumph. And so a dedication was formed, as hard as the granite of the Rockies—a dedication to freedom, a commitment to those unalienable human rights and their only possible guarantee, the institutions of democratic government.

A shared history, yes, but more than that: a shared purpose. It must have seemed to Churchill, besieged and isolated as he was in the one corner of Europe still clinging to freedom, that this American continent, and his two great friends and onetime colonies, had been placed here by a wise and prescient God, protected between two vast oceans, to keep freedom safe. In the crisis of the moment Churchill said it was not then time to "—speak of the hopes of the future, or the broader world which lies beyond our struggles and our victory". We must first, he said, "—win that world for our children".

In a very real sense, that is still our imperative today: to win the world for our children, to win it for freedom.

Some Hon. Members: Hear, hear!

Mr. Reagan: Today our task is not merely the survival of liberty, but to keep the peace while we extend liberty to a world desperately in need. Today we still contend against war, against a foreign expansionism, and I will speak to that in a moment. But I wish first to talk about a second struggle, one that must occupy an equal place in our attentions, the struggle against the plagues of poverty and under-development that still ravage so much of mankind.

Our two nations have committed many resources to that struggle, but we have it within our power at this moment to take an historic step toward a growing world economy and an expanding cycle of prosperity that reaches beyond the industrialized powers even to the developing nations. We can lead, first, by our powerful example, specifically by the example of Prime Minister Mulroney's far-sighted proposal to establish a free trade agreement that would eliminate most remaining trade barriers between Canada and the United States.

Some Hon. Members: Hear, hear!

Mr. Reagan: After the Allied victory over the Axis powers, America and Canada combined their efforts to help restore Europe to economic health. Those were golden years of international economic co-operation that saw the creation of GATT which knocked down the tariff barriers that had so damaged the world economy; the International Monetary Fund; and 30 years ago last month, the creation of the Common Market. The theme that ran through it all was free and fair trade. Free and fair trade was the lifeblood of a reinvigorated Europe, a revitalized free world that saw a generation of growth unparalleled in history.

We must keep these principles fixed in our minds as we move forward on Prime Minister Mulroney's free trade proposal, a proposal that, I am convinced, will prove no less historic. Already our two nations generate the world's largest volume of trade. The United States trades more with the Province of Ontario alone than with Japan. United States citizens are by far the principal foreign investors in Canada, and Canadians, on a per capita basis, are even greater investors in our country. This two-way traffic in trade and investment has helped to create new jobs by the millions, expand opportunity for both our peoples, and augment the prosperity of both our nations.

Prime Minister Mulroney's proposal would establish the largest free trade area in the world, benefiting not only our two countries but setting an example of co-operation to all nations that now wrestle against the siren temptation of protectionism. To those who would hunker down behind barriers to fight a destructive and self-defeating round of trade battles, Canada and the United States will show the positive way.

Some Hon. Members: Hear, hear!

Mr. Reagan: We will overcome the impulse of economic isolationism with a brotherly embrace, an embrace, it is not too much to hope, that may some day extend throughout the Americas and ultimately encompass all free nations.

We can look forward to the day when the free flow of trade from the southern reaches of Tierra del Fuego to the northern outposts of the Arctic Circle, unites the people of the western hemisphere in a bond of mutually beneficial exchange, when all borders become what the U.S.-Canadian border so long has been—a meeting place rather than a dividing line.