

appreciation among our publics that it is trade in goods and services, or current account balances, not merchandise figures exclusively, which has the greater significance. I welcomed recognition of this point in an editorial in the Washington Post just a few days ago.

As the United States transforms itself into a more service-oriented economy, and aggressively seeks foreign markets for its services and investments, it simply cannot measure its relations with other countries by the merchandise account alone. To do so would run counter both to the fundamental changes occurring in the United States economy and to the dominant thrust of your international trade policy.

You cannot attach paramount importance to services in the new multilateral trade negotiations and yet discount this sector when calculating your balance of payments. After all, Canadian tourism alone poured almost 3 billion U.S. dollars into this country in 1985 and this is important down here. Our tourist dollars equal the total U.S. exports to Brazil, or to the whole of Eastern Europe, in 1985. So let's not sneeze at services.