

and, like others, we have been obliged to take temporary measures to safeguard employment. We have kept such measures to a minimum and have been very active on the international scene in defence of open trade. Indeed, for Canada, economic nationalism in the field of trade, dictates that we maintain a firm commitment to free trade and that we encourage others to adopt the same attitude. It is vitally important for us that our principal trading partners, and, in the first instance, the United States of America, maintain their markets open for our exports in the same way as we are determined to maintain our market open to their exports.

We have to work particularly hard to maintain the broad balance of interests in our trade and investment relations and avoid the narrow type of reciprocity conception, on a sectoral and national basis, that seems to have some credibility in the USA. Particularly if extended to the unagreed area of right of establishment of foreign investment, reciprocity would be a new and highly disruptive form of nationalist protectionism. It would vary trade and investment protectionism among economic partners and upset the broad balance of interests in the international economic system.

Coming from a country, Canada, that has not experienced the excessive levels of nationalism that have produced wars and hardship for other nations, I can be perhaps permitted a rather more balanced view of its economic variety. International economic welfare dictates that we should resist excessive nationalistic measures whether they relate to investment or trade. But common sense tells us that economically nationalist measures will continue to exist. The challenge is to understand the different national circumstances that are the basis for our policies and to work together to define generally accepted norms to keep economic nationalism under control.

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