

grant national treatment to foreign firms and permit them to invest in at least some sectors of the economy, then it would have to decide whether it wished to implement nondiscriminatory regulation of mergers and acquisitions.

Aside from this issue, pressures to harmonize antitrust or competition policies would be limited. One exception, however, could be in the area of antidumping policies and domestic price-discrimination laws. If antidumping procedures were eliminated for bilateral trade, then the issue of harmonization of price-discrimination laws would have to be considered. However, if Canada's objectives in the negotiations are merely to streamline antidumping policies to remove harassment, the issue would not arise.

Where Pressures Will Decrease

Most significant in this concluding assessment are the areas in which Canada is likely to seek negotiations to reduce pressures and, therefore, to increase its policy choices. The magnitude of such relief provides one important rationale for embarking on the negotiations in the first place. Piecemeal U.S. pressures through unfair trade legislation and commercial policy are now considerable. Reducing the mounting pressures in the United States to use duties to penalize perceived Canadian subsidies to such goods as softwood lumber and other resources could be halted; pressures to prevent Canada from using regional subsidies as instruments of social policy could diminish; pressures on cultural policy could stop if Canada were able to negotiate an acceptable approach. Finally, freer and more secure access to the U.S. market probably would enhance the return to investment in Canada and widen the range of opportunities for highly skilled individuals.

To the extent that issues are not settled at the bargaining table, there will be post-agreement harmonization pressures. One area where