

stitutions that give us our unique Canadian identity. Only a strong economy will allow us to support our health care, our unemployment insurance programs, our regional equalization payments. If our economy were weak, our social programs would surely suffer and our cultural sovereignty would be less resilient. It is hard to maintain your pride when you have your hat in your hand.

There is nothing new or unusual in this. We have, in large measure, become what we are today as a result of more than 50 years of negotiating agreements that have expanded our trade throughout the world. One after another, these agreements have given us the means to grow and prosper, and our prosperity has allowed us to support and foster our vibrant cultural community. It has helped us build social institutions and programs that truly reflect Canadian values and attitudes.

So the question is not how our cultural sovereignty and social institutions can survive freer trade with the Americans. The question is how they could survive if our trade were restricted.

I might mention that there is plenty of historic precedent for a bilateral trade agreement between us. Five decades ago, the world was in the midst of the Great Depression, and trade wars had broken out to make things worse. Canada and the U.S. were the first to react to the rampant protectionism of the times. In 1935, we signed a bilateral agreement to bring the barriers down, and its principles became the foundation for the multilateral trading system we have today.

I don't believe it would be going too far to say that a new bilateral

agreement between us might yield somewhat similar results. A new round of multilateral trade negotiations under the GATT is expected to begin in the fall, supported wholeheartedly by Canada. Negotiations for this eighth round will take many years. They will not be easy, for not all the world's trading nations are agreed on what they should cover. If Canada and the United States could lead the way, if we could show the rest of the world that trade liberalization is to everyone's advantage, I believe it likely that the multilateral negotiations would yield better results -- that more barriers would come down faster throughout the world.

And that's what my message today is all about. It is a message of surviving and prospering in the real world, the world of rapid and fundamental transition, the world where it's tough out there and getting tougher. It's the world that you are going to be living in, working in, competing in for the next five decades or so -- until the year 2030 and beyond.

Where will your place in it be? That depends partly on you, without any doubt. But it also depends partly on us, on the decisions we must make today, in the fading years of the twentieth century.

In reality, we have only one choice. We cannot afford to close our doors, draw the blinds, and look inward at ourselves. Our future lies in opening up, straightening up, and looking outward -- with confidence -- at the world. That's what we intend to do. Here comes Canada. Look out, world.

Thank you.