

BUT THEN, BEGINNING IN THE LATE SIXTIES AND PERSISTING TO THE PRESENT DAY, THE SYSTEM HAS BEEN SUBJECTED TO A SERIES OF RADICAL SHOCKS. GOVERNMENTS KNOW THAT THE SYSTEM THAT DEVELOPED SHOULD NOT BE DISMANTLED.

CANADA, AS MUCH AS ANY COUNTRY, SHOULD BE FAMILIAR WITH THE LESSONS OF INTERDEPENDENCE. FOR US, IN TERMS OF TRADE, STANDING STILL MEANS MOVING BACKWARD. EXPORTS CONTRIBUTE ABOUT 30% OF OUR GNP, SIMILAR TO YOUR FIGURE IN THE UNITED KINGDOM. COMPARE THAT TO JAPAN OR THE UNITED STATES, WHERE THE FIGURES ARE 15% AND 10% RESPECTIVELY. WE ARE BOTH OPEN ECONOMIES, PARTICULARLY SENSITIVE TO INTERNATIONAL CHANGES.

IN CANADA'S CASE, THE UNITED STATES IS BY FAR OUR LARGEST EXPORT MARKET. IT IS SUCH A HUGE AND POWERFUL MARKET THAT IT HAS, HISTORICALLY, APPEARED CAPABLE OF PULLING US ALONG FOREVER. WE HAVE ALWAYS BEEN WELCOME THERE AND HAVE DRAWN MANY ECONOMIC ADVANTAGES FROM OUR PROXIMITY TO THAT GREAT POWER. BUT STRONG PROTECTIONIST SENTIMENTS IN THE UNITED STATES ARE THREATENING OUR ACCESS TO OUR LARGEST MARKET. THE RAPID PENETRATION OF THE U.S. MARKET BY OUR COMPETITORS FROM OTHER COUNTRIES IS ALTERING THE DIRECTION OF U.S. TRADE. ALSO, THE U.S. IS ADAPTING MORE RAPIDLY THAN MOST TO THE CHANGING GLOBAL ECONOMY AND WE COULD FIND OURSELVES SLIPPING IN AN ENORMOUS MARKET WHICH NO LONGER HAS THE SAME NEED OF OUR GOODS AND SERVICES.