

creative energy is correctly focussed elsewhere - on regional initiatives. Driven by the changes in the global environment that I outlined earlier, since the mid 1980s much of the growth in trade has been regionally based. In addition, the dynamism of international trade and investment rule making has flowed as much from regional reform efforts toward the WTO/OECD/Quadrilateral world as it has the reverse.

The most active and constructive players internationally now include a number of countries from Latin America and Asia. For example, trade and investment opportunities are emerging in the Americas that appeared to be pipe-dreams just 10 years ago. Also, several Latin American countries tend to share Canadian views on the management of numerous trade policy issues, including the increasingly important trade and environment file, further reform of agricultural subsidy practices and the necessity of considerably tightening the international disciplines on - if not outright dismantling - anti-dumping law. Further reform in these and other areas will help to enhance and secure our access more broadly, including in the other Quadrilateral markets.

From a results-based point of view, regionalism in practice has, by and large, been neither better than, nor dangerous for multilateralism. It is neither a predestined building block nor an inevitable stumbling block to more globalized liberalization. Despite sometimes well-founded fears about the potential trade-diverting impact of regional trading blocs, in practice regionalism can be and often has been a tool to achieve a positive end: growth and job creation.

The two processes, the multilateral and the regional, have often interacted, sometimes easily, sometimes with a certain creative tension, to improve overall access to markets. For example, the establishment and increasing scope of western European integration is the most ambitious and comprehensive example of the regional process at work.

And despite the byzantine protectionism of the Common Agricultural Policy, overall the challenge of a more dynamic Europe has also encouraged others to deepen international trade and investment integration and rule making.

To take another example, the agenda established at the launch of the Uruguay Round in September 1986 helped to shape the Canada-U.S. Free Trade Agreement [FTA], which in turn had a positive demonstration effect on the Round. This creative tension extended to the North American Free Trade Agreement and ultimately back into the final Uruguay Round package.

Without question, regionalism weighs more importantly today than was the case following the conclusion of the penultimate great