

A second reality is that many Americans believe profoundly that protectionism will work to their advantage. Superpowers often have an illusion of invulnerability. If you are Singapore, or if you are Canada, you know you have to come to terms with new world developments in trade and technology. There is no immunity to these changes - not for the Soviet Union; not for the United States; not for anybody. But some Americans, and undoubtedly some Soviets, think superpowers can protect themselves uniquely against those changes. If we want a more open world trading system, we have to recognize the deep roots of that illusion, and encourage leaders who look outward.

A stronger and more vigorous North American economy will provide an expanding market for all our trading partners; it will provide guaranteed access to a market of over 275 million people.

We should not minimize the current risks to world trade and indeed to the international economy arising from the imbalances which now exist among the major economies. I have just come from the Venice Summit, where there was an agreement on the need for major fiscal and economic adjustments, if the OECD countries are to reach the collective 3% growth rate that the International Monetary Fund considers essential for managing international debt. Those are principally decisions for Japan, Germany, the United States - whose policies contribute particularly to these imbalances. I am hopeful that each of those powerful nations will make the adjustments they must.

Increasingly, trade questions involve all of us directly. History has demonstrated that each successive round of multilateral trade negotiations since the end of the war has stimulated world economic growth, to the advantage of all countries. This is why I am so pleased that Canada and the members of ASEAN are working together to ensure a successful outcome to the multilateral trade negotiations, not least in the resources and agricultural sector.

New trading rules can increase trade between Canada and the ASEAN member states. They will benefit from our common commitment to the free enterprise system and to a culture of entrepreneurship. I note the ASEAN countries are now exporting more goods to Canada than they are importing - by a difference of \$75 million. An increasing portion of those exports to Canada are finished or manufactured goods. Malaysia, the Philippines and Singapore, for example, have become the largest exporters of integrated circuits in the world.

20 years ago, few observers anywhere anticipated that ASEAN would now have achieved its present level of cohesion and cooperation. Canada, like ASEAN's other trading partners, watches intently as ASEAN moves toward further economic