A Time of Hope and Fear

form part of a cohesive whole that serves to represent well, generally speaking, Canada's many and varied interests abroad. Recent policy statements by the Quebec government, for example, indicate that — despite a mass of foreign dealings and a deep interest in direct participation in international affairs — Quebec sees its transactions as paralleling Ottawa's and not as a challenge to them.

The representation of Canada in the United Nations, NATO, other multilateral organizations, and bilaterally, is that of a well-structured and effective state, even if rather a complex one. Canada appears on the world scene as a single polity, mainly represented by its national ambassadors and the teams who work under them. Representatives of provincial governments, industry or special interest groups may work within Canadian delegations, but always under the leadership and direction of persons appointed and working for the central authorities. Provincial governments conduct their own international relations in some areas, but all parties now seem to have found it to be in their interest for these dealings to be carried out in parallel, coherent and cooperative relationships with activities of the federal government.

As in all other countries, there are powerful political interests at play in economic policy decisions in Canada, and they are especially thorny and vulnerable to abuse when they parallel the political fault lines of constitutional tension. A general example is found in the anti-subsidy stance of Prairie grain producers, and the protectionist position of supplymanaged agriculture which dominates in Quebec and other parts of central Canada. These kinds of difficulties are neither new nor unique to Canada, and traditionally the pressures of international codes and reciprocal bargaining have helped governments to adopt more efficient and rational practices, with Canada's innovation of regional equalization, and strong, standardized social safety nets helping to ease and buffer the differential impacts.

Canadians differ as to how much these mechanisms can continue to function in more competitive North American and global environments and with the possibility of devolution of further economic and social jurisdictions to the provinces. Canada's capacity to adjust to current international economic conditions and to adapt itself for the future is already severely constrained by the huge, accumulated debts overhanging governments and by their continuing budget deficits. This problem persists in spite of substantial efforts at economic policy rationalization, in coordination with agreed G7 goals.