

The awful word "protectionism" may seldom be heard but it has aliases -- like fair trade, reciprocity, managed trade, voluntary restraints, import substitution. Anyone in search of an anthology of euphemisms need look no further.

How do we renew and revitalize the system? How can we ensure the success of the Uruguay Round?

The best way of achieving these objectives, in my view, is by setting an example and providing a stimulus. We can do this best by implementing the letter and the spirit of our Free Trade Agreement.

We have compatible goals and objectives in the multilateral negotiations. We both want to lower world tariffs to the greatest degree possible. We both want to reduce and eliminate world non-tariff barriers. We both want to negotiate binding global rules for services based on fair treatment and non-discrimination. And we both want to strengthen the GATT procedures for the settlement of disputes.

One area warrants particular attention -- Agriculture!

The sad fact is that most world trade in agriculture is not governed by any rules. If there is law, it is the law of the jungle.

Everyone suffers: farmers because they can suddenly lose their markets to subsidized competition; processors and packers and consumers because the supply and price of agricultural products can fluctuate wildly; and taxpayers because our two governments have been left with no choice but to join the subsidy war. This is of particular interest to you given the importance of agriculture in your state's economy. Agricultural products constitute your largest export sector, as far as Canada is concerned.

The Free Trade Agreement commits our two countries to work together in the multilateral negotiations to achieve the elimination of agricultural subsidies that distort trade.

This is an area where, by working together, we can pool our bargaining strength and make some real headway.

Working together, we can also realize progress in multilateral negotiations covering services and investment.

This would promote greater direct investment in both developed and less developed countries - investment that would help all the less developed countries through their current financial difficulties.