

This misconception, I think, arises out of myth number four.

If you labour under the illusion that anything in the public sector automatically represents a subsidy, it follows that a country with a relatively larger public sector, like Canada, must subsidize like blazes. As I have just indicated, this presumption is belied not only by economic theory, but also by United States and international trade law.

Our two societies have long held somewhat different philosophies concerning the proper role of government. I don't want to exaggerate the differences because the similarities are equally important, especially since the New Deal has irreversibly altered the role of government in the United States. But my point is simply that because of your traditional view of government, there is perhaps some disposition here to deny or at least minimize such government participation or intervention in the economy as does occur.

I don't say that Canadians are crazy about government intervention. Rather, we tend to see it as good or bad depending on its nature and effectiveness.