

assistance had to be continued while long-term solutions were sought.

A Canadian M.P. spoke of how the African famine had touched and mobilized entirely new groups in Canada. Young people, for example, had been aroused by the involvement of rock stars in famine fund raising. He mentioned the exciting initiative of the Steel Workers of Canada to have 1 cent an hour deducted from their pay and contributed to famine relief. "We have to find new ways of solving these problems because we know the methods of the past did not work." A Congressman cautioned that, important as outside support was, it was crucial to have the involvement of the people and governments of Africa. He noted that the root of the problem in Africa was long-term habitat destruction as a result of tremendous population pressures. He warned that unless problems such as deforestation were solved, massive international efforts would be to no avail. A second Congressman added that government policies, in particular Marxist agricultural policies, were a major contributing factor to the African famine.

A Canadian Senator raised a note of scepticism at this point in the discussion. He said that the conversation reflected a "colonial" way of thinking about Africa, as if the western industrialized countries would analyse the problem and impose the solution. He warned that the Marshall Plan was a misleading comparison because while it had enjoyed the strong support of European governments, "African governments cannot agree on the cause of the famine or the solution". He further warned that there might be no development solution for some areas of Africa because the drying up of the region had been going on for hundreds of years. In any case, he concluded, "charity is no answer to poverty". The Canadian M.P. who had opened the discussion denied that there was any suggestion of a charity approach. She pointed to the self-help orientation of African non-governmental organizations and the growing activity and effectiveness of the Organization of African Unity. "I think there is a strong indigenous movement in Africa." A Canadian M.P. agreed that it was essential to get local people involved and pointed to India as an example of what was possible when people, their governments and the international community worked together. "Ten years ago they said India was a basket case. Now it exports food. No one should give up on Africa."

PLENARY

The bilateral trade relationship

The momentum in Canada for a comprehensive trade agreement with the United States has never been stronger, a Canadian Senator stated in beginning this discussion. It was only a decade ago that the Trudeau government had launched the Third Option in an effort to diversify Canadian trade. But

before it left office, the former government had issued a report which recognized the priority of the U.S. market for Canada. In a world of large trading blocs, Canada was almost alone among industrialized states in lacking guaranteed access to a large market. With the country having just come through the worst depression since the 1930s, and facing protectionist thrusts on every side, the Trudeau government committed itself to explore the prospects for a series of sectoral free trade arrangements with the United States.

The new government gave increased momentum to this policy thrust, issuing a discussion paper last November which laid out a range of options for the trading relationship with the United States, including sectoral free trade. The Minister of International Trade subsequently undertook extensive cross-country consultations. The first results of these consultations were made public in a speech given in early May in which he rejected the sectoral free trade approach on the grounds that it was impossibly complicated to work out trade-offs acceptable to both sides. He likewise rejected the *status quo* because protectionist pressures in the United States would subject the existing trade arrangements to continuous erosion.

The Mulroney-Reagan trade declaration of March of this year represented another important development. The leaders decided to assign the "highest priority" to reducing bilateral trade barriers and charged their respective trade ministers to report within six months on steps to achieve this goal.

Support for a bilateral free trade agreement was growing steadily. The speaker mentioned as evidence the report of the Canadian Senate Committee on Foreign Affairs, statements made by participants in the government's March economic conference, the joint declaration agreed to by premiers of the four western provinces, and the position taken by both political parties in Quebec. Ontario, with a minority government, was the most cautious province and if there were determined Ontario opposition, this could complicate federal moves. However, there has been considerable evolution of opinion amongst the Ontario business community in favour of bilateral free trade. The polls too showed growing public support.

The importance of the bilateral trade relationship was evident from the figures: a two-way trade in 1984 totalled \$113 billion; and Canada was the largest market for U.S. goods, taking 21 per cent of all U.S. exports, of which 85 per cent were manufactured items. This meant twice as many U.S. exports go to Canada as to Japan. Even more U.S. exports go to Ontario alone than to Japan.

Twice before in this century, this spokesman continued, the two countries almost concluded a free trade agreement. Now there was more maturity and self-confidence in Canada, but it would be difficult to sustain support for such an initiative if protectionist measures continued to increase. In conclusion, this delegate stated that Canada supported the GATT mul-