

payments. This objective and perception is reinforced by the political goal of the U.S. Administration to restore and enhance U.S. economic strength and vitality so as to enable the United States to play a reduced but still dominant role in world affairs that will be more easily sustainable over the long run.

At the same time, U.S. policy could also involve less liberal elements and might not be free of contradictions. A sharp swing toward economic isolationism seems unlikely, but it could result from failure to resolve the outstanding and difficult issues of reforming the trade and monetary system and of launching new and meaningful trade negotiations involving the enlarged European Economic Community and Japan, or from an inability to control domestic inflation and to bring the U.S. balance of payments into better equilibrium. Even if the United States manages to hold to the course of freer trade, it is expected to be an even tougher bargaining partner than in the past.

There is little evidence to suggest that the United States has consciously had in mind any particular continental doctrine with respect to Canada in the context of the Government's new economic strategy. At the same time, in implementing this strategy, U.S. policies and interests on particular Canada-U.S. issues, ranging from the automotive and defence-sharing agreements through the growing concern over congestion and pollution to the increasing U.S. need for energy and natural resources, could well converge towards a more continentalist U.S. approach. The U.S. interest in maintaining a substantial volume of U.S. investments abroad could also in practice involve some problems for Canada, notwithstanding the recent indications that the United States Government understands that on this matter Canada must decide for itself what policies are best suited to its own national interests.

The Canadian scene

Canadian attitudes, too, have been changing. Perhaps more than ever before, the Canada-U.S. relationship is becoming an absorbing focus of much Canadian thinking about the Canadian condition. This is nowhere more evident than in the foreign policy review, which attributes its own genesis in part to "frustration . . . about having to live in the shadow of the United States and its foreign policy, about the heavy dependence of Canada's economy on continuing American prosperity, and about the marked influence of that

large and dynamic society on Canadian life in general".

This is a relatively new set of perceptions. In fact, one of the most dramatic aspects of such evidence as is provided by the public opinion polls has been the change in Canadian attitudes over the past two decades. In the 1950s and early 1960s, most Canadians were firm in their support for U.S. policies and certainly gave no evidence of perceiving a U.S. threat to Canada. In 1956 as many as 68 per cent of those polled supported the idea of free trade with the United States. On the more general issue of dependence, the polls taken between 1948 and 1963 indicated that at least half of those polled did not think Canadian life was being unduly influenced by the United States. Indeed, a 1963 poll recorded 50 per cent as believing that dependence on the United States was beneficial to Canada. All in all, attitudes during that period appeared to be much more congenial to close Canadian involvement with the United States than is the case today.

The evidence suggests that the over-riding issue to emerge from the Canada-U.S. relationship for most Canadians today is that of economic independence. For example, a cross-section of various polls indicates that 88.5 per cent of Canadians think it important for Canada to have more control over its own economy; that two of every three Canadians view the current level of American investment in Canada as being too high; that, while seven out of every ten Canadians are prepared to acknowledge that American investment has given them a higher standard of living than they might otherwise have had, almost half of them would be willing to accept a lower living standard if that were the price to be paid for controlling or reducing the level of American investment. These are admittedly national averages. They do not necessarily do justice to pronounced regional variations.

If the national mood is to be comprehended in one sentence, it would appear that Canadians remain aware of the benefits of the American connection but that, today more than at any other time since the Second World War, they are concerned about the trend of the relationship and seem willing to contemplate and support reasonable measures to assure greater Canadian independence.

Net flow reversed

It is a matter of more than passing interest that the movement of people between