

as if multilateral, regional and bilateral negotiations are little more than simple manoeuvres in an international "us" versus "them" war for jobs, growth and most important, technology. Trade becomes a zero sum game, a win/lose struggle of the economically fittest. The logic that a "beggar-thy-neighbour" trade policy, while perhaps providing the appearance of gain and relative advantage over the short term, leads only to diminished growth and employment over the longer run, risks being forgotten in the scramble for economic security.

The danger of this trend for the global economic order can hardly be overstated. It was, after all, North America's postwar economic leadership that was instrumental in creating those liberal trade and payments system so central to the expansion of the world economy. It was the foresight we demonstrated at Bretton Woods that helped to build the great multilateral institutions of the last 50 years — the World Bank, the International Monetary Fund and the General Agreement on Tariffs and Trade. And it was our common resolve that helped to drive successive rounds of GATT trade liberalization, including the latest and farthest-reaching agreement in Marrakesh. The success of this open, multilateralist trade policy should not be measured simply in terms of the unprecedented expansion of world trade since 1945. The success must also be measured in the dynamism and strength of the North American economy today.

In the same way, North America's continued global economic leadership will not be secured by retreating from multilateral trade — by becoming "an island unto itself." Our economic strength now and in the future depends fundamentally on our willingness to take a leading role in building a more open, rules-based trading system, in forging new relations and in building new structures that, over time, can extend the reach of the international trading order.

The NAFTA [North American Free Trade Agreement] can provide a nucleus for building a more open, more dynamic global trading order. It can do so, however, only if it reflects our collective desire, not to protect domestic or regional interests against competition, but to enable these interests to benefit from a more comprehensive rules-based regime. That is, we must recommit ourselves to a wider and deeper level of free trade. At a minimum, this means living by both the letter and the spirit of the existing agreement. Without the ability to look beyond narrow, short-term interests and to keep our focus on the shared national goal of sustained economic growth, we know from experience that the sterile forces of protectionism will work inexorably to turn the clock backwards.

We must set our collective sights on moving the NAFTA forward — on building a broader and deeper agreement. On the one hand, this means ensuring that it remains fundamentally open to all