

assisted by carefully designed governmental policies, but should not be stimulated by artificial expedients. We have had enough unhappy experience over the last thirty years to recognize the fallacies and the perils of trying to force economic industrial and agricultural growth in the name of economic nationalism.

Economic and trade policies based on short-sighted considerations could do more harm to Canada than to most countries. It is because we have taken the long view of our national interest that the foundations of our economic structure are strong; until today Canada has achieved an important position among the nations of the world; a position which has been buttressed by the development since the war of basic industries. This development, which has been unprecedented, would not, I think, have been possible without the participation of United States venture capital and technical knowledge. We should be very careful, therefore, not to discourage such participation by ill-considered and unfriendly talk. We can't kill the goose, but she may decide to lay her dollar eggs somewhere else.

I am not suggesting that the possible impact of outside and, above all, American investments in Canada may not have important results for our future; or that great care must be taken by governments on all levels to ensure that those results are good. Corporations and investors from outside who come to Canada should be warmly welcomed, but if they are to share in our national progress, they should become rooted in the national community to the maximum possible extent. The experience of recent years has shown that there is no other sound basis for foreign investment.

But this does not mean adopting on our side a narrowly nationalistic and prejudiced attitude; indulging in intemperate language, or striking suspicious attitudes at the expense of those whose co-operation - political and economic - we need.

It is far better to adopt a positive approach to this problem of national development and by our laws, policies and actions to encourage Canadians to supply more and more venture capital and management for enterprises in Canada.

This will be a more helpful and constructive course than merely to lament over the extent to which Americans contribute what we need, but which we do not or cannot ourselves provide.