

Basically, I think it is a failure to communicate with each other.

What we need is a view of these negotiations that meets the commitments of President Reagan's letter to Prime Minister Mulroney nearly two years ago when the President wrote:

"...I believe our objective should be to achieve the broadest possible package of mutually beneficial trade barrier reductions. If history has taught us one thing", added the President, "it is that the freer flow of world trade, the stronger the tides for human progress and peace among nations".

We believe in that sentiment but it is not clear if America, in these days of protectionism, still shares the vision of its President.

Once, both countries did.

Canada and the U.S. were founding members of the GATT and are both strongly committed to the liberalization of trade. That longstanding commitment has led to the largest bilateral trading relationship in the world. America does more business with Canada than with Japan or West Germany - a fact which surprises U.S. congressmen and even some of our Canadian politicians. As Prime Minister Mulroney has said, "we have a history of fair trading and a history of generating prosperity through fair trade. (Our trade initiative with the U.S.) is designed to strike a fair deal with the United States".

Our trading relationship has deep historical roots. In 1854, the U.S. entered into a trade reciprocity treaty with British North America. That was unilaterally terminated by the U.S. at the conclusion of the Civil War.

Trade reciprocity was subsequently a frequent subject of negotiations between our two countries. In each case, special interests won out at the expense of the national interests of both countries.

The closest we came to comprehensive trade reciprocity was in 1911 when the Liberal Prime Minister, Sir Wilfrid Laurier, negotiated a deal with the Taft administration. Though the U.S., including Congress, was willing to go ahead with the deal, strong opposition grew in Canada. Laurier's government was defeated in a general election that year, defeated on this issue by a coalition of protectionists.