

It is, in fact, this fundamental change in the rational political response to current problems which should give us all hope for the future. For the political imperative to act sooner, rather than later or act later, rather than never, is not unique to Canada. It is a function of the pace of change.

I would suggest that today's politicians are really no different than their predecessors. As in times gone by, there is a constant temptation to defer difficult decisions -- to never worry about the future until it is the present. But in this wired world, we modern politicians must face a most inconvenient reality -- the future is simply getting here a lot faster. If it is not the world of Thomas Hobbes, it is certainly the world of Hobson's choice -- a world in which the responsible course of action becomes the political thing to do -- considering the alternative. And I still have sufficient faith in the self-preservation of politicians the world over to believe that unpopular actions will therefore be taken to lessen imbalances avant le deluge.

Over the next few days, you will be discussing a variety of policy reforms which might set aright today's imbalances. Some of the discussions will focus on highly ambitious institutional reforms. As a practising politician, let me focus on two sets of very real and very current negotiations within existing institutions, the outcomes of which are central to global prospects in the 1990's, and whose outcomes depend entirely on realpolitik -- not political theory.

The first is the current budget negotiation in Washington between the Congress and Bush Administration. And the second is the Uruguay Round of multilateral trade negotiations.

As we all know, American fiscal policy lies at the heart of current global imbalances.

For my part, I simply cannot believe that U.S. leaders will allow their deficit impasse to go beyond this summer.

The risks they would be running in the absence of action would simply be too great.

Not only that, I firmly believe that a credible U.S. fiscal plan would create the conditions for sustained North American expansion into the 1990's -- growth which would reflect well on those seeking public approval.