The Canadian Embassy in Washington is perhaps not the best place from which to assess the degree to which the Government has been consciously applying the Third Option in individual policy decisions and to what extent such decisions have simply reflected the ordinary play of political and economic forces in our changing and growing society. It seems obvious, nonetheless, that a number of decisions - to withdraw from the Canadian editions of foreign-owned magazines (e.g. Time) tax status originally intended to support only genuinely Canadian publications, to require screening of takeovers and certain other categories of foreign investment in Canada and to seek to develop a "contractual link" with the European community, for instance - do reflect the same thinking that led the Government to conclude, on a more philosophical plane, that the Third Option was the correct one.

Focal point

It is surely also true that this statement of objectives in our relations with the United States, once formulated and accepted, has provided a focal point to which a great number of individual issues can be and have been related. It has become customary to ask ourselves not only whether a proposed course of action is sensible or desirable when considered in isolation but also how it fits with the broader and longer-range objectives for Canada formulated by the Government. This does not mean that such considerations never before entered into policymaking, but the fact that we have in some detail defined where we want to go in our relations with the United States obviously makes it easier to think about our approach to individual issues in a broader context.

The Third Option is not, of course, nor was it intended to be, a detailed prescription for every element in Canada-U.S. The Canadian Embassy relations. Washington is particularly conscious of the fact that, whatever conceptual framework may be chosen, our relations do involve a multitude of practical, day-today encounters, most of which go smoothly and take place in the private sector and never hit the headlines. With such a variety and multiplicity of moving parts in our relationship and with two separate national jurisdictions providing the backdrop, it is not surprising that there should be occasional points of friction - even a burnt-out bearing now and then. On this level - and it is the level at which the majority of Canadians become aware of Canada-U.S. relations — our policy, whether or not the Third Option, can on y a framework or way of approaching trelationship, not a fully-developed bluprint.

While any Canadian Government power over recent years would have be expected to act, and no doubt would ha acted, to protect Canadian energy sources (where the essence of our politic in fact, goes back to the beginning o'th century), the Third Option does provi a guideline against which such dec sin are now considered. Any Canadian G ernment might well have decided the because of our own needs, it had become necessary to phase-down oil exports to United States and that it was essential defend the Canadian interest, in part cul cross-border environmental issues. Accept ance of the Third Option, however provided a general rationale for so doi and made it less respectable to argue continental solutions to problems involvi both countries. The Third Option seem to have given expression to the aspiration of Canadians for a greater sense of identification vis-à-vis the United States and may w have proved self-fulfilling in encouraging them to achieve it.

What the Canadian Embas y Washington is well placed to help asset is whether or not our choice of the Thi Option and the policies deriving from have caused a reaction in the Unite States or a change in the American perception of Canada that has created or we create a deterioration in our relations. The short answer is that our choice has not lead need not lead, to any deterioration the intergovernmental relationship as long as Canada is not perceived, as Secretar Kissinger put it in Ottawa, as defining itself in opposition to the United States

## Nationalist dilemma

This touches, of course, on one of the fundamental dilemmas and recurring temptations that face spokesme₁ Canadian nationalism. The dilemma that of identifying, emphasizing and e couraging Canada's positive distincting from our neighbour, ally and frience with out being or becoming anti-American which, in my view, the vast majo ity Canadians are not. The temptation is seek support for nationalist positions or urge the adoption of policies not for the often valid Canadian reasons that lie hind them but because of their suppose anti-American appeal. If spokesmen Canadian nationalism attribute and American motives to Canadian policies home, then they will be seen that way the U.S.A.

Individual issues now placed in broader context