

At the beginning of last December, Prime Minister Chrétien revived the idea in a speech in France. Apart from the advantages for Canada, a free trade area of this scope would give a new impetus to world economic cooperation, which is urgently needed; our international institutions are not adequate to the demands that are being placed on them by the trading and investment revolutions being played out before us.

It would be a signal, in particular, of the continued partnership of Western Europe and North America in world affairs, which my generation took for granted for so many years.

The problems involved in constructing a free trade agreement of which the European Union and NAFTA can be part are formidable, both technically and politically. But one shouldn't be deterred. It is common experience, at least it has been my experience, that not all problems need to be settled at the outset. Some can be allowed to mature and often, when neglected, disappear. The essential decision is to embark upon the exercise; that decision brings constructive factors into play, which would otherwise be dormant.

Canada is in a unique position to take this initiative. Historically, this country enjoyed a reputation as a bridge across the Atlantic in relations between Britain and the United States. A generation ago, as I have said, Prime Minister Pearson advocated a North Atlantic Free Trade Area. Canada's two major trading partners are the United States and the countries of the European Union. We already have a contractual link with Europe. Canada has the advantage that it also looks westward across the Pacific and took the lead several years ago in developing relations with Japan and China and is a member of SEATO and APEC. This is important because, in advocating a free trade agreement between the European Union and an Americas Free Trade Area, Canada would be drawing attention to the possibility of extending this proposed free trade area in the Atlantic region to include countries in the Asia-Pacific region that wish to join and can meet the requirements of membership – a global approach to free trade, an idea whose time has come.

Perhaps I should repeat what I said at the outset, in case anyone thinks otherwise, that these are my views and not necessarily the views of the Government. By opening the subject, Mr. Chrétien has stimulated me and I hope others to think in new ways about future possibilities.

This lecture is coming to an end. But history is not coming to an end. The international trading revolution that has taken place during the 50 years or so that I have been involved in government has not yet had its full effect on the lives of men and women and on the economic development of the countries they inhabit. Things are moving in the right direction from a Canadian point of view and from a global point of view. Technological innovations are spreading more rapidly than before and so is investment capital. The world economy is expanding, and so is democracy. But progress for some individuals and businesses involves disruption for others. A major task facing democratic governments everywhere, and certainly in Canada, is to ensure that the unfortunate are not forgotten and that they, as well as the fortunate, benefit from the new wealth created by the trading revolution and the innovations and investments that accompany it.