

But it is with a general history of co-operation in mind that I turn to a set of American concerns, some of which have recently prompted U.S. officials to express public surprise at what they call Canada's nationalist and short-sighted policies. Perhaps in the next few minutes, I can help to alleviate this apparent state of shock.

Clearly, important elements of the U.S. private sector, Congress, and Administration see a disturbing change in Canadian economic policies. In addition to the words "nationalist" and "short-sighted", the terms most often used to characterize this supposedly sudden shift in direction are "interventionist", "restrictive", and "discriminatory". In the view of some prominent Americans, at least, it is no longer possible to look northward and "recognize" the Canada they thought they knew.

Accompanying this generalized concern in some quarters is a more specific complaint, voiced mostly by corporate spokesmen, that the "rules of the game" have been abruptly changed in Canada, and that this amounts to unfair treatment. The companies involved have not hesitated to act on their convictions and seek support in this country, often from their friends in Congress.

This level of alarm is unjustified, but to a degree it is understandable, since the commercial and economic stakes are high. Over 21% of U.S. foreign direct investment world-wide is in Canada; according to the latest available figures, this amounted to more than \$38 billion. So there is a strong degree of exposure involved. But be re-assured that it is two-way. In 1980, two-way trade between the two countries totalled some \$90 billion, the largest trading relationship in the world between any two countries. The point is that neither side wishes to jeopardize economic links of such importance.

A key to ensuring that damage is not done is knowledge. I would like Americans to know more about Canadian realities. They would then recognize that these realities are not threatening to U.S. interests but reveal a country in the process of strengthening itself, not at the expense of others, and in a way which will in fact result in a more capable neighbour and ally for this country.

What is happening in Canada is for us an exciting process -- the enhancement of our nationhood. Our domestic debates over the form of our government are well known to