

could easily be imagined in which difficulties arose in certain economic sectors or regions of the United States when the Congress might feel constrained to seek to halt or reverse the process. The central problem, here as elsewhere, is the enormous disparity in power between the United States and Canada.

It is arguable, therefore, that in the end the only really safe way to guard against reversal and to obtain essential safeguards for Canadian industry and other Canadian economic interests might be to move to some form of political union at the same time. The object would be to obtain for Canadians a genuine and usable voice in decisions affecting our integrated economies.

At first glance this might look like pursuing the argument to an unwarranted conclusion. The Europeans, it could be argued, have, after all, found it possible to operate a customs union without substantial derogations from their sovereignty. Even if this changes to some extent as they progress towards economic and monetary union, the prospects for full political union or confederation continue to look relatively remote.

But the configuration of power in Europe is different. The European countries are more recognizably different from one another; their identities are older and more deeply anchored; and they are much more nearly equal in resources and power. There is a certain balance in the decision-making system of the European Economic Community that would not be conceivable in a bilateral Canada-U.S. arrangement. For the Europeans, moreover, the problem has been one of transcending historical conflicts. For Canada, on the contrary, the problem has been one of asserting its separate identity and developing its character distinctive from that of the United States in the face of similarities, affinities and a whole host of common denominators.

Throughout this discussion it has been assumed that proposals for free trade or a customs union with Canada would be welcomed in the United States. This is not an unreasonable assumption, taking account of the substantial interpenetration that already exists between the two economies and the vested interests that have been created in the process on the part of U.S. business and labour. It is, nevertheless, an assumption that remains to be tested against changing attitudes in the United States and the implications for U.S. trade and other policies that, like Canada's, have been global rather than

regional in their general thrust. Congressional reaction, in particular, would be a matter of conjecture until the issue was on the table. Political union would presumably raise issues of a different order of complexity, although it has from time to time had respectable support in some circles in the United States.

Safeguards required

If we were to opt for integration, deliberate and coherent policies and programs would be required, both before and after an arrangement was achieved, to cope with the difficult adjustments that would be entailed for Canada. An adequate transitional period would be essential. Some safeguards for production and continued industrial growth in Canada would have to be negotiated. Agriculture might emerge as another problem sector. In practice, any safeguards would probably be limited largely to a transitional period and could not be expected to cushion the impact of integration for an indefinite future. A tendency for the centres of production – and population – to move south might, in the long run, be difficult to stem. But the more relaxed environment Canada has to offer and the lesser prominence of pressures in Canadian society might also, over time, exert a countervailing influence on any purely economic trend.

The probable economic costs and benefits of this option would require careful calculation. The more fundamental issues, however, are clearly political. In fact, it is a moot question whether this option, or any part of it, is politically tenable in the present or any foreseeable climate of Canadian public opinion.

Reactions and attitudes would no doubt differ across the country. The cleavage of interest between the central, industrialized region and the Western provinces on this issue has become apparent in recent years. Attitudes rooted in historical tradition could be expected to play their part in the Atlantic Provinces. The reaction in the French-speaking areas is more difficult to predict. On the one hand, they tend not to draw a very sharp distinction between the impact of economic control of local enterprise whether exercised from the United States or from elsewhere in Canada. But it is not unlikely that among many French-speaking Canadians the prospect of union with the United States would be viewed as risking their eventual submergence in a sea of some 200 million English-speaking North Americans and as a reversal of the efforts made in Canada over the last ten