

However, Canada kept alive the idea that the best way to break the cycle of subsidy was to establish a small group of internationally respected leaders who could put together a specific action plan to place before the next Economic Summit in Venice, this June. We knew the group would have to stand apart from any single Government, if it was to have authority. We secured the promise of funding from Canadian, American and European foundations and other organizations. A prominent political leader, now retired, agreed to chair the group. We had enthusiastic agreement to participate from the United States, Argentina, finally Japan, and there was very real interest among key countries in Europe. A venture of that kind could only succeed with participation of the principal countries practicing subsidies. One of those refused, and gradually the other Europeans dropped out. We came to the reluctant conclusion that, without European participation in forming the recommendations, we would not have European cooperation in acting on them. And Agriculture reform that excluded the CAP wouldn't be worth much. So the attempt stalled to break the subsidy cycle.

At the same time, we made considerable progress towards establishing new international rules to govern trade in agriculture.

The new GATT Round was launched at Punta del Este, Uruguay, in September. I had the honour to lead the Canadian delegation, in a week of meetings that finally ended at 5:00 a.m. on a Saturday morning, with an agreement for a clean launch of negotiations. One of the differences from earlier GATT Rounds was the explicit detailed reference to trade in agriculture. It goes some distance in calling for increased discipline on the use of all direct and indirect subsidies so as to improve the competitive environment and thus achieve greater open trade.

Canadian leadership at Tokyo and afterwards helped get agriculture on the GATT agenda. Another major factor was an initiative taken by a number of agricultural countries, including Canada, to organize before the GATT, so our collective weight could begin to balance the immense power of the European Community, the United States and Japan. Those countries include Canada, Australia, New Zealand, Argentina, Brazil, Chile, Colombia, Fiji, Hungary, Indonesia, Malaysia, Philippines, Thailand and Uruguay, and we all consider ourselves fair traders in agriculture. We are also all victims of the trade war giant economies mount and sustain.