

labour, and a conducive climate for Canadian entrepreneurial activity. The strategy could entail the use of such policy instruments as fiscal policy, monetary policy, the tariff, rules of competition, government procurement, foreign investment regulations, and science policy. While such a policy would involve somewhat greater government involvement in the economy and effective cooperation between the federal and provincial governments, the policy would not involve radical alternations of relationships or objectives. Such a strategy, applied over time, would not involve any drastic changes in our relationship with the United States and would possibly serve U.S. interests in promoting a more liberal world trading environment.

In the future conduct of Canada-U.S. relations Canadians will not be able to take their cultural environment for granted (pages 19 and 20). Certain essential choices have already been made. (For example, two approaches have already been applied, regulatory measures through organizations such as the C.R.T.C., and direct government support for cultural activities.) Extension of such policies to other areas, and their international projection would, under this option, further enhance the goals of the federal and provincial governments in developing the socio-cultural environment in a distinctive way.

SUMMING UP (Pages 20 to 24)

Foreign Policy for Canadians noted "the complex problem of living distinct from, but in harmony with, the world's most powerful and dynamic nation, the United States". Distinctness, a reasonable degree of independence and harmony are essential criteria in weighing these options. In terms of distinctness, for example, the first option does not represent an advance in achieving a distinct Canadian way of life. It is not