

Address of the President and Prime Minister Pierre Elliott Trudeau of Canada Before a Joint Session of the Parliament in Ottawa

March 11, 1981

The Prime Minister. Mr. Speaker of the Senate, Madam Speaker of the House, Mr. President, Mrs. Reagan, distinguished American visitors, honorable members of the Senate, members of the House of Commons, Excellencies, mesdames et messieurs:

Mr. President, yesterday I welcomed you to Canada. Well, I repeat that welcome now because in this chamber Canada's democracy finds its ultimate expression. Here, in a special way, we speak on behalf of the people of Canada. And here, the people of Canada are honored to receive you, sir.

Nations do not choose their neighbors; geography does that. The sense of neighborhood, however, is more than a product of geography; it is a creation of people who may live as far apart as California and Quebec. It is what makes neighbors of Canada and Mexico, for instance. Canadians have noted this sense in you, Mr. President, and they know that it gives a particular meaning to your visit to Ottawa.

[In French:] Our neighborhood, Mr. President, is not only a place but a state of mind, not only North America but the New World. We share the dreams that have made this continent a beacon, a hope, and a haven for people everywhere. We share the courage and joy in hard work that enabled us to build two great federal states side by side, from our first landfalls on the Atlantic to our last frontiers on the Pacific. We cherish what we have made. We are determined to preserve it, but at the same time we have been glad to admit others to the bounty and freedom we have found here.

[In English:] It is right that we should celebrate what we hold in common. At the same time, it is necessary that we remember and respect what makes us different. More than 200 years ago our paths diverged although our goals remained the same. You created a great republic with a presidential system. We evolved as a constitutional monarchy under a parliamentary system. You placed yourselves from the outset under a written constitution that you continue to revere today. We are only now finishing the work of writing ours and bringing it home. You fought a tragic civil war. We have recently undergone the experience of a referendum that involved no violence, but nonetheless touched the very fiber of this country. The differences of history affect our relations today because they affect our perceptions, our approaches, our priorities.

You, Mr. President, would perhaps agree with Thoreau where he says of the United States Government, and I quote, "this government of itself never furthered any enterprise, but by the alacrity with which it got out of its way. It does not settle the West. It does not educate. The character inherent in the American people has done all that has been accomplished."

The character of the Canadian people, Mr. President, has also made Canada. But here in Canada, our own realities have sometimes made it necessary for governments to further enterprise. Those realities and that necessity are still with us today.

[In French:] Mr. President, you have come to Canada at a busy moment in our history. We are still engaged in the task of nation-making. As an American you will understand the challenge before us. We are seeking to perfect our democracy and strengthen our unity. Sometimes, the noise we make will reach your ears. I can assure you, however, that out of the tumult and heat of creation we are forging a stronger Canada. To borrow someone's definition of a megalopolis, we are determined that we will not emerge from our present debate as a "loose confederation of shopping centers."

In the years ahead, the United States will face a dynamic neighbor to the north. As we put our house in order, we in Canada will grow in self-confidence. We will see our interests more clearly and pursue them more vigorously. What will not change, however, is our deep friendship with the United States. Indeed, the relationship between our two countries will grow as Canada grows. Certainly, we will have some lively discussions over the back fence. But we have always spoken plainly to each other, plainly but with mutual respect, because that is the way sovereign equals and close friends should speak to each other.

[In English:] Mr. President, you take on your awesome responsibilities at a time of stress and crisis in international affairs. The world badly needs the courage and wisdom of the United States, that courage that it can provide under your leadership, sir. I speak for all Canadians when I say we are ready to work with you in the cause of stability, security, and humanity.

Your task, our joint task, will not be an easy one. Many people fear that the world has become too complicated, that events have spiraled beyond the control of individuals or governments. They're tempted to give up, to opt out, and to hide from reality and responsibility. That way lies oblivion.

I believe that we must neither cower before reality nor oversimplify it. Yet complexity should not obscure plain truth. On this most favored of continents, we can not simply turn our gaze inwards and ignore poverty, ignorance, and injustice elsewhere.

To the East, Mr. President, we face a system that seems ill-designed to respond to change and growth. Nevertheless, the Soviet Union and the Eastern European states may come to accommodate themselves at least to the dynamics of their own region. If, for example, the Polish people are able to work out their own destiny within a framework accepted by their neighbors, then they will have matched revolution with a no less remarkable evolution. Through courage and restraint they will have begun the process of making their reality more Polish and their system more responsive, more adaptable, and ultimately more stable.

In the West, Mr. President, we have a long familiarity with the pressures of change. In the past decade our economies have undergone a severe test, as trusted assumptions have been found wanting. In the 1970's we were buffeted by the rude shock of rapid energy price increases. We were forced to recognize that the old monopoly of economic power was coming to an end. And

yet for all the strains upon us, our political and economic framework has survived, survived at least as well as the chicken and the neck to which Winston Churchill once referred in this chamber.

Each of the Western countries has met the challenge of change in its own way. Since all of us have our own distinctive economic strengths and weaknesses, our solutions have had to be diverse. We have found no simple answers. We've fashioned no single way. With cooperation and consultation, however, we've been able to complement our various approaches.

At another level, though, we do have a single approach. Let there be no doubt about our unity in the defense of our most precious heritage -- that democracy which is envied by those who rightly crave it and feared by those who wrongly deny its force.

As to North and South, we are not dismayed by the complexity of the problems. The poverty of the developing countries does not have to be permanent, nor is it unalloyed. The gap between the two groups is neither racial nor unbridgeable. In the growth of the oil-producing states, in the vigor of the newly industrialized countries, there is convincing evidence of the dynamism and potential of the developing world. In the unity of the South, there's not so much an identity of circumstances as an idea, a point of view, a shared sense of injustice. The poorer peoples are at the mercy of circumstances that leave them out of balance, often out of hope, and too often vulnerable to opportunists who come poaching in troubled waters. The industrialized democracies have not only a human duty but a strategic obligation to help developing countries in their struggle, their survival, and their success.

Mr. President, humanity will prevail. We in the New World can never be pessimists, for we are, in a very real sense, the custodians of the future. You have reminded us of this, sir, on both sides of the 49th parallel. You've done so by evoking a past in which both our peoples have been the architects of change, not its victims. I wish you well in your task and comfort in your burden. May part of that comfort come from the assurance of Canada's abiding friendship for your country and for your people.

The President. Mr. Prime Minister, Mr. Speaker of the Senate, Madam Speaker of the House of Commons, the honorable Senators, members of the House of Commons, distinguished members of the diplomatic corps, ladies and gentlemen:

I came to this great capital of this great nation by crossing a border not which divides us, but a border which joins us.

Nous nous sommes souvent serré la main par dessus cette frontière et nous le faisons une fois encore aujourd'hui. For those of my own party who accompanied me, I have said we've often shaken hands across this border, and we're doing it once again today.

Nancy and I have arrived for this, the first state visit of my Presidency, in the spirit expressed so well by a Calgary writer and publisher some 60 years ago. He said, "The difference between a friend and an acquaintance is that a friend helps where an acquaintance merely advises."

[Laughter] Well, we come here not to advise, not to lecture; we are here to listen and to work with you. We're here as friends, not as acquaintances.

Some years ago, Nancy and I both belonged to a very honorable profession in California. And as I prepared for these remarks today, I learned that among those in the motion picture industry in Hollywood, it has been estimated that perhaps as many as one out of five are of Canadian origin. Now, many of those whom I counted as close professional colleagues and, indeed, close personal friends did not come from America's heartland, as I did, but from the heart of Canada, as did most of you in this historic chamber. Art Linkletter, Glenn Ford, Raymond Massey, Walter Pidgeon, Raymond Burr are but a few of your countrymen who are celebrated in our entertainment industry.

I believe I know the very special relationship between Canada and the United States, but with all respect to those few that I have mentioned, I can do better than that. A young lady once came to Hollywood from Toronto, and before long little Gladys Smith was embraced by our entire nation. Gladys Smith of Toronto became Mary Pickford. And I know that you'll forgive us for adopting her so thoroughly that she became known the world over as "America's sweetheart." [Laughter] But "America's sweetheart" was Canadian. [Laughter]

Affinity, heritage, common borders, mutual interests -- these have all built the foundation for our strong bilateral relationship. This relationship has grown to include some of the strongest economic links among the nations of this Earth. Some 16 percent of America's total world trade is done with Canada. Our joint trade amounts to about 90 billion Canadian dollars annually. This is greater than the gross national product of some 150 countries. It's estimated that three-quarters of a million United States workers are employed in exports to Canada and, in turn, Canadian exports to the United States account for one-sixth of your gross national product. Not only is the vast bulk of this trade conducted between private traders in two free economic systems, but more than half crosses our borders duty-free. Our seaways, highways, airways, and rails are the arteries of a massive, interconnecting trade network which has been critically important to both of us.

Thus, while America counts many friends across the globe, surely we have no better friend than Canada. And though we share bilateral interests with countries throughout the world, none exceeds the economic, cultural, and security interests that we share with you.

These strong and significant mutual interests are among the reasons for my visit here. Already, I have shared with Prime Minister Trudeau very helpful discussions across a range of issues -- to listen and to ensure that these important ties shall not loosen.

I'm happy to say that in the recent past we've made progress on matters of great mutual importance. Our governments have already discussed one of the largest joint private projects ever undertaken by two nations -- the pipeline to bring Alaskan gas to the continental United States. We strongly favor prompt completion of this project based on private funds. We have agreed to an historic liberalization of our trade in the Tokyo Round of the multilateral trade negotiations. We've continued our efforts, begun with the Great Lakes Water Quality Agreement

of 1972, to protect our joint heritage in the Great Lakes. We want to continue to work cooperatively to understand and control the air and water pollution that respects no borders.

During my visit here, I've had the pleasure of participating in the conclusion of two other important agreements.

We are renewing the North American Aerospace Defense Command Agreement for 5 more years. For more than two decades now, NORAD has bound us together in our common defense with an integrated command structure symbolizing our interdependence. This agreement represents continued progress in our relations and mutual security.

And second, we have concluded an agreement regarding social security benefits between those of our citizens who combine work in both nations. And with this new agreement, these people who are employed in both countries, they can then be eligible for the combined benefits. And the workers will be eligible for those benefits in whichever country they choose to live.

Our deep and longtime bilateral economic interests lead me to depart from the norm today and to give to you a report on America's progress toward economic recovery.

Five weeks ago, I reported to the American people that the U.S. economy faced the worst economic mess since the great worldwide depression. We're a proud people, but we're also realists. The time has come for us to face up to what I described as a potential economic calamity.

I raise this issue today because America holds a genuine belief in its obligation to consult with its friends and neighbors. The economic actions that we take affect not just us alone but the relationships across our borders as well.

As we examined America's economic illness, we isolated a number of contributing factors. Our Federal Government has grown explosively in a very short period of time. We found that there had grown up a maze of stifling regulations, which began to crush initiative and deaden the dynamic industrial innovation which brought us to where we are. We saw unbelievable deficits -- this year alone reaching up to nearly \$80 billion, including off-budget items. And we found that these deficits got in no one's way, because the Government found it easy to fuel inflation by printing more money just to make up the difference.

The American taxing structure, the purpose of which was to serve the people, began instead to serve the insatiable appetite of government. If you will forgive me, you know someone has once likened government to a baby. It is an alimentary canal with an appetite at one end and no sense of responsibility at the other. [Laughter] But our citizens were being thrown into higher tax brackets for simply trying to keep pace with inflation. In just the last 5 years, Federal personal taxes for the average American household have increased 58 percent. The results: crippling inflation, interest rates which went above 20 percent, a national debt approaching a trillion dollars, nearly 8 million people out of work, and a steady 3-year decline in productivity.

We decided not just to complain, but to act. In a series of messages and actions, we have begun the slow process of stopping the assault on the American economy and returning to the strong and steady prosperity that we once enjoyed. It's very important for us to have friends and partners know and understand what we're doing. Let me be blunt and honest. The United States in the last few years has not been as solid and stable an ally and trading partner as it should be. How can we expect certain things of our friends if we don't have our own house in order?

Americans are uniting now as they always have in times of adversity. I have found there is a wellspring of spirit and faith in my country which will drive us forward to gain control of our lives and restore strength and vitality to our economic system. But we act not just for ourselves but to enhance our relationships with those we respect.

First, we're taking near revolutionary steps to cut back the growth in Federal spending in the United States. We're proposing that instead of having our national budget grow at the unacceptable rate of 14 percent per year, it should rise at a more sensible 6 percent. This enables us to maintain the kind of growth we need to protect those in our society who are truly dependent on government services. Just yesterday, I submitted our proposed budget for the coming year -- and then immediately crossed the border. [Laughter] With extraordinary effort, we've isolated some 83 items for major savings and hundreds more for smaller savings, which together amount to \$48.6 billion in the coming fiscal year.

Our second proposal is a 10-percent cut across the board every year for 3 years in the tax rates for all individual income tax payers, making a total cut in tax rates of 30 percent. This will leave our taxpayers with \$500 billion more in their pockets over the next 5 years and create dramatic new incentives to boost productivity and fight inflation. When these personal cuts are combined with tax cuts to provide our business and industry with new capital for innovation and growth, we will be creating millions of new jobs, many of them ultimately on your side of the border.

Our third proposal is to eliminate those unproductive and unnecessary regulations which have slowed down our growth and added to our inflationary burdens. We shall do this with care, while still safeguarding the health and safety of the American people and, I might add, while mindful of our responsibility to have equal regard for the health and safety of our neighbors.

Finally, we'll be working closely with our Federal Reserve System to achieve stable and moderate growth patterns in our money supply.

As I said, America's program for economic recovery is designed not merely to solve an internal problem; it is viewed by my administration as part of an essential effort to restore the confidence of our friends and allies in what we're doing. When we gain control of our inflation, we can once again contribute more helpfully to the health of the world economy. We believe that confidence will rise, interest rates will decline, and investment will increase. As our inflation is reduced, your citizens and other world citizens will have to import less inflation from us.

As we begin to expand our economy once again and as our people begin to keep more control of their own money, we'll be better trading partners. Our growth will help fuel the steady prosperity of our friends. The control we regain over our tax and regulatory structures will have the effect

of restoring steady growth in U.S. productivity. Our goods will go into markets not laden down with the drag of regulatory baggage or punitive levies, but with a competitive edge that helps us and those who trade with us.

Now, such new, sustained prosperity in an era of reduced inflation will also serve worldwide to help all of us resist protectionist impulses. We want open markets. We want to promote lower costs globally. We want to increase living standards throughout the world. And that's why we're working so hard to bring about this economic renewal.

There are, of course, other very important reasons for us to restore our economic vitality. Beyond our shores and across this troubled globe, the good word of the United States and its ability to remain stable and dependable rely in good part on our having a stable and dependable economy. Projecting solid internal strengths is essential to the West's ability to maintain peace and security in the world. Thus, our national interests, our bilateral interests, and our hemispheric interests are profoundly involved in truly international questions. That's why we must act now, why we can no longer be complacent about the consequences of economic deterioration. We've entered an era which commands the Alliance to restore its leadership in the world. And before we can be strong in the world, we must be once again strong at home.

Our friend, our ally, our partner, and our neighbor, Canada and the United States have always worked together to build a world with peace and stability, a world of freedom and dignity for all people.

Now, with our other friends, we must embark with great spirit and commitment on the path toward unity and strength. On this side of the Atlantic, we must stand together for the integrity of our hemisphere, for the inviolability of its nations, for its defense against imported terrorism, and for the rights of all our citizens to be free from the provocations triggered from outside our sphere for malevolent purposes. Across the oceans, we stand together against the unacceptable Soviet invasion into Afghanistan and against continued Soviet adventurism across the Earth. And toward the oppressed and dispirited people of all nations, we stand together as friends ready to extend a helping hand.

I say to you, our Canadian friends, and to all nations who will stand with us for the cause of freedom: Our mission is more than simply making do in an untidy world. Our mission is what it has always been -- to lift the world's dreams beyond the short limits of our sights and to the far edges of our best hopes.

This will not be an era of losing liberty; it shall be one of gaining it. This will not be an era of economic pessimism, of restraint and retrenchment; it will be one of restoration, growth, and expanding opportunities for all men and women. And we will not be here merely to survive; we will be here, in William Faulkner's words, to "prevail," to regain our destiny and our mutual honor.

Sometimes it seems that because of our comfortable relationship, we dwell perhaps a bit too much on our differences. Now, I too have referred to the fact that we do not agree on all issues.

We share so many things with each other; yet, for good reasons, we insist on being different to retain our separate identities.

This captured the imagination of Ernest Hemingway when he worked as a writer for the Toronto Star Weekly in 1922. Hemingway was traveling in Switzerland, and he noted that the Swiss made no distinction between Canadians and citizens of the United States. And he wondered about this, and he asked a hotelkeeper if he didn't notice any difference between the people from the two countries. "Monsieur," he said to Hemingway, "Canadians speak English and always stay 2 days longer at any place than Americans do." [Laughter] Well, as you know, I shall be returning to Ottawa in July, and if you don't mind, I'll plan to stay as long as everyone else. [Applause]

I'm not here today to dwell on our differences. When President Eisenhower spoke from this spot in 1953, he noted his gratitude as Allied Commander in World War II for the Canadian contribution to the liberation of the Mediterranean. This touched my curiosity, and even though I'd participated in that war myself, I did a little research.

In the Second World War, there was something called the 1st Special Service Force, a unique international undertaking at the time. This force was composed of Canadians and Americans, distributed equally throughout its ranks, carrying the flags of both nations. They served under a joint command, were taught a hybrid close-order drill, and trained together as paratroopers, demolition experts, ski troops, and then as an amphibious unit.

The 1st Special Service Force became famous for its high morale, its rugged abilities, and tough fighting in situations where such reputations were hard earned. Alerted to their availability, General Eisenhower requested them for special reconnaissance and raiding operations during the winter advance up the Italian peninsula. They were involved in the Anzio Beachhead campaign in Italy and were at the spearhead of the forces that captured Rome. The 1st Special Service Force made no distinctions when it went into battle. Its men had the common cause of freedom at their side and the common denominator of courage in their hearts. They were neither Canadian nor American. They were, in General Eisenhower's term, liberators.

So, let's speak no more of differences today. Certainly your Ambassador, Ken Taylor, didn't when he first sheltered and then spirited six Americans out of the center of Tehran and brought them to their freedom. Their daring escape worked not because of our differences, but because of our shared likenesses.

A final word to the people of Canada: We're happy to be your neighbor. We want to remain your friend. We're determined to be your partner, and we're intent on working closely with you in a spirit of cooperation. We are much more than an acquaintance.

Merci. Thank you.

Note: The Prime Minister spoke at 11:15 a.m. in the House of Commons Chamber at the Centre Block.

Earlier in the day, the President met with former Canadian Prime Minister Joe Clark at Rideau Hall and then participated in a tree-planting ceremony near the Governor General's residence.