

BOOK REVIEW

A Trading Nation: Canadian Trade Policy from Colonialism to Globalization

Michael Hart

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Canada has always been a trading nation, Michael Hart reveals in his sweeping study of the nation's trade policy from the first Europeans to arrive on Canada's coasts to trade for fish and fur, to the North American Free Trade Agreement (NAFTA) and the Uruguay Round. Hart, the Simon Reisman Chair in Trade Policy at the Norman Paterson School of International Affairs, Carleton University, is eminently qualified to write this survey. Although he openly acknowledges that his background as a trade official with the Department of Foreign Affairs and International Trade influenced his decisions on which facts, events and ideas he chose to highlight (p. x), this allows him to develop a "practical and theoretical appreciation of economics and politics." He does not simply rely on theoretical models with self-serving anecdotal evidence; instead his analysis is well-grounded in historical evidence and systematic analysis to bolster his arguments. Canada's trade policy options always have been subjected to pressures from our major trading partners, particularly the British and the Americans, and our high dependence on foreign markets has forced Canadian decision-makers to continuously adapt to external pressures. Overall, Hart observes, they have done

a good job — Canada's modern economy, and our participation in efforts to open the global economy, makes this obvious.

This is an ambitious book in both breadth and analytical depth, and Hart achieves his main objectives through clear lines of argument and an effective, flowing writing style. The focus is on policy, not on "trade" itself, which delimits what he chooses to assess. In his examination of the colonial period and the mercantile system between the "New World" and the "Old" (Hart starts with the arrival of the Europeans, and does not discuss the extensive pre-contact Aboriginal trade networks on the continent), the author demonstrated that trade reflected prevailing political organization and economic doctrines. While this accessible overview does not add much detail to the existing literature, and only references Native traders in superficial terms (pp. 18–19, 22), it does lay out the basic contours of core-periphery structures and the transition from mercantilism to free trade in the mid-nineteenth century. There is no discussion of Native peoples after the end of the French era. Dependency theory is not examined in terms of individual actors like Aboriginal peoples in the fur trade. Given the breadth of the book, it is

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Canadian dependency — from the colonial period to present — that is the central theme of his reflections on Canada as a “trading nation.”

In his coverage of the last 150 years of Canadian trade policy, readers will find a rich discussion of the competing pressures to adopt nationalist, bilateralist and multilateralist solutions to trade issues. Hart’s coverage of Canadian protective tariffs during the 1850s period, best known as an era of “reciprocity,” serves as useful context to the National Policy and American wariness about Canadian economic intentions through to the late twentieth century. The particular strength of Hart’s book, however, is in his coverage of the post-Second World War period. His own beliefs are clearly discernible: trade liberalization is positive (and its opponents either well-intentioned but misguided or self-interested beneficiaries of protectionism), and trade policy is best crafted by professional trade negotiators who do not succumb to trying to find ideal solutions, but rather practical and realizable ones. He suggests that continental integration has been beneficial rather than harmful to the Canadian economy: a good example is the Auto Pact, which was a windfall for Canadian workers and consumers. Furthermore, Hart integrates regional perspectives rather than treating “Canadian” trade policy as a monolith. Despite the strong public backlash against Prime Minister Mulroney during his last mandate, Hart depicts his government as astute in recognizing that a “bilateral” agreement would become multilateral and would ensure Canada a special relationship with the U.S. in terms of trade policy. While this reader craved more depth on some issues related to the post-Mulroney era, this was largely because Hart makes such an interesting case. He is at his best when contrasting the views of Canadian and foreign (particularly American) policy makers, particularly during the free trade negotiations which neatly juxtaposes the two sides’ distinct perspectives. It also reaffirms that trade policy

is inherently political: from Diefenbaker’s failed European policy to the negotiators’ efforts to break the impasse over the Free Trade Agreement. Because it is both comprehensive and eminently readable, this book will be essential to general readers and senior undergraduate or graduate students unfamiliar with the broad contours of Canada’s evolving trade policies. It also provides an insightful overview for specialists seeking to ponder how these policies were devised over time.

The danger in reviewing a book such as this in a specialized journal is to place expectations on an author that far exceed those intended for the book. This study is about the highly political and bureaucratic processes of trade policy formation. As a result, it is not surprising that Aboriginal peoples’ perspectives are not presented: this is definitely not intended to be a study of Native peoples in Canada and the global economy. There are no Native voices after the French colonial era, and Hart’s broad scope and policy focus precludes discussion of Aboriginal contributions. A fair review, however, can reflect on future research initiatives flowing from a study. The existing historiography on post-fur trade Aboriginal economies has tended to focus within: what continuities and change can we find within regional or local economies? Scholars should also extend these questions outwards, to include national and transnational trade networks. What are “Aboriginal economies”? How do these compare with Canada’s evolving economy over the last century in particular? And how do they operate in an era of globalization? Scholars will likely need to devise new methodologies and theories to address these questions. Michael Hart’s skilful navigation of more than three centuries of Canadian trade history provides us with a much-needed foundation from which to explore these uncharted waters of intellectual inquiry.