Canada [13] and launched in the United Kingdom [14] would be useful guides, but clearly a U.S. effort would in addition cover such particular concerns as balance-of-payments effects.

In summary, the United States might opt for establishing a formal free trade area if the traditional multilateral approach appeared, before or after a new round of negotiations, to have no prospect for success. This decision might be influenced by official British support for a free trade area in the event that the EEC rejected the United Kingdom's application for membership. Conversely, a successful multilateral round could lead GATT countries to creating gradually arrangements to ensure fair competition and to handle problems of internal and external imbalance that would amount to a free trade area. For these reasons, the free-trade approach is already a relevant, and could soon be an applied, means of U.S. policy. Americans need, in consequence, to explore its potentialities and limitations and its benefits and costs much more seriously and thoroughly than they have hitherto done.

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[13] The Private Planning Association of Canada is completing the Atlantic economic studies program, a 3-year project to assess the implications for that country of freer or free trade among Atlantic nations. Nearing publication are over 20 studies grouped under the following subjects: discussions of policy options; economic impact studies (covering agriculture, a number of specific industries and geographical regions, and capital movements); analyses of appropriate harmonization policies and of transitional arrangements; appraisals of the long-term prospects of the Canadian economy under freer and free trade; and the implications of closer Atlantic trading relations for Canada's trade with other areas.

[14] The recently initiated Atlantic Trade Study, whose objectives are noted in footnote No. 11, is reported to comprise at least seven studies covering the following aspects of a "North Atlantic free trade area" from the British viewpoint: trade policy alternatives, monetary problems, political aspects, U.S. investment in Britain, problems of harmonization, agriculture, and relations with the less developed countries.