

# U.S.-Canada trade act: The British are coming

by Joseph Brewda

A little-known feature of the U.S.-Canada Free Trade Act, quietly signed by President Reagan and Prime Minister Brian Mulroney in October 1987, is the major threat it poses to the sovereignty of the United States. (Canada has never really had sovereignty.) Barring possible last-minute resistance from the usually ceremonial Canadian Senate or the United States Congress, whose approval is considered certain, the agreement will become law on Jan. 1, 1989.

Under the terms of the act, U.S. finance, farming, and industry will rapidly become easy prey to European financial interests, just in time to take advantage of the largest financial collapse in centuries.

Most public discussion of the bill centers on its provisions eliminating all remaining tariffs between the two nations, and the abolition of barriers to trade in agriculture and energy.

The most important, and least known, feature of the agreement, however, is that under its provisions Canadian banks will have the same rights in the United States as American banks. The expected early repeal of the Glass-Steagall Act, which currently prohibits banks registered in one state from freely operating in another, will consequently not just allow the major New York or Boston banks to seize control of regional banking. It will also open the door to a massive takeover of U.S. financial interests by Canadian banks.

The act is intended to implement the financial side of the redivision of the world that was decided upon at the Memorial Day Reagan-Gorbachov "New Yalta" summit. According to the scheme's euphoric Western proponents, the world will soon be carved up into a North American sphere, a European-North African sphere, a Russian zone, and a Chinese zone. "Europe 1992" is the name for the integration of Europe into one super-state by that year. The U.S.-Canada Free Trade bill is its North American correlate.

## Narco-banking

Unlike the situation in the United States, Canadian banking is so highly centralized that five major banks hold almost all of the country's banking assets. As a result, these five banks are as powerful as the largest banks in the United

States. So, for example, the Canadian Imperial Bank of Commerce has the same official assets as Chase Manhattan, \$75 billion (U.S.).

However, this is only part of the story.

Canadian bankers, unlike their U.S. cousins, did not bankrupt themselves through David Rockefeller's Third World debt bubble. More importantly, Canadian banking is far more involved in the international narcotics trade than even New York or Boston financial circles. For such reasons, all the major hot money centers in the Western Hemisphere are based on former British colonies in the Caribbean, colonies now overseen by Canada. The Cayman Islands and the Bahamas are only two of the more notorious dope money centers whose banking laws were written by Canadian bankers.

There are other processes afoot which will increase the relative power of Canadian banking. By 1997, Hong Kong will formally revert to Chinese control. In preparation for that development, many of Hong Kong's powerful, dope-centered banking interests are shifting their bases of international operations. The Canadian cities of Vancouver and Toronto are being built up as two of the new centers of Hong Kong finance.

Canadian bankers and diplomats are already licking their chops over their projected U.S. victims. One Canadian government figure recently gloated that U.S. banking is up for grabs. There is no possibility that any U.S. bank would have the ability to take over even one of Canada's banks, he chuckled.

## Dope smuggling

There is a second dangerous feature of the trade act pertaining to narcotics and espionage. Under the terms of the act, any individual who belongs to one of 200 specified occupation categories can move, without any visa or Labor Department or ministry requirement to the other country, indefinitely.

Canada is currently one of the easiest countries in the world to enter. An immigrant to Canada can get citizenship in a mere three years. Emigrés from Eastern Europe, and many other areas, automatically get refugee status, and typically, subsequent citizenship. Thus, the vulnerability of the United States to new narcotics rings, espionage, and terrorism via Canada will soon be dramatically increased.

However, in a surprise development, the Canadian opposition Liberal Party announced on July 20 that it will use its majority in the Canadian Senate to block passage of the agreement. The Canadian Senate, which is an appointed body similar in some respects to the British House of Lords, is primarily restricted to a ceremonial, rubber-stamp role, at least publicly. The Liberal Party action, which is unprecedented, would force the ruling Progressive Conservative Party to call a new election, and throw the entire issue up for grabs.