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The third aspect of the changing circumstances I have in mind is the conduct of economic diplomacy in the 1980s.

In the postwar era, international economic policy has had a predominantly multilateral flavour, highlighted in recent years by the MTN and previous trade negotiations and the so-called "North-South dialogue". The importance of multilateral approaches to the management of international economic relations will remain. The MTN, for example, represent the most comprehensive and ambitious attempt yet, both as to coverage and the number of countries involved, to come to common agreement on how trade is to be conducted. Despite the broad scope of the expected agreement, however, much remains to be done. In the 1970s we may see a continuing series of conferences dealing with particular aspects of world trading rules. Other international economic institutions are taking on an increasingly active role – the Organization for Economic Co-operation and Development (OECD), the Food and Agriculture Organization (FAO), the United Nations Industrial Development Organization (UNIDO) and UNCTAD. The international economic environment will thus continue to be shaped in the 1980s by what governments decide to do collectively as a result of the continuous give-and-take of multilateral discussion and negotiation.

Less visible, but increasingly important, is the fact that the management and conduct of our bilateral economic relations are changing and call for increasingly close attention. They are now much more complex and sophisticated. The examples range from our relations with the United States, dominated by a complex network of corporate and other private-sector ties, to the framework agreements with the European Community and Japan, to the highly-formalized government-to-government agreements and consultative mechanisms that are a prerequisite to successful economic penetration of some of the developing and state-trading nations.

In recent years, particular emphasis has been placed upon developing mechanisms and consultative relations that better respond to the complexity of contemporary economic interests. This approach aims at co-operation across the economic spectrum: in the fields of production, research and development, energy, food-production, development of natural resources, as well as joint marketing arrangements and trade. As we move into the post-MTN period and face a global economic climate marked by modest growth and continued caution in effecting structural adjustment, the manner in which we use and develop both multilateral economic diplomacy and the growing network of bilateral ties will assume increasing importance.

The tools of the trade of economic diplomacy are also changing. Many people seem to see a good part of international relations today as a struggle between developed and developing countries, the former trying to keep as much of the pie as possible and the latter trying to get all they can. This is, of course, a somewhat simplistic view. In the first place, the North and the South are by no means homogeneous blocs. Within the developing world there are newly-industrializing countries such as Brazil, Korea and Singapore; there are the oil-rich but still very much developing countries: Nigeria, Saudi Arabia and Indonesia; and there are middle-income developing countries such as India, Algeria and Kenya. There continue to be the very poor countries;

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