

financial failure. In particular the problems of Third World debt and disparity in wealth between the developed and non-developing nations was one of the great elements of insecurity which would affect the economic recovery and the general stability of the West. The second was a tremendous worry about protectionism, and closely allied with the discussions we had on Third World issues, that the continuing economic pressures that we were faced with in the West would lead nations in general, and the United States in particular, to adopt a highly protectionist stance. This was felt to be the second potentially great danger to the recovery and to the security of the West. The third that I mention is of the general problems of the Third World. So, Mr. Chairman, there was a large part of our discussion, particularly in the first seminar which dealt with macro issues which focussed in on the international dimensions of the world economy, and perhaps has relevance for this session. I would just conclude by saying that Mr. McEachan has said that when we are trying to define both the short term stance of the government vis-à-vis security issues and the longer term, our office felt, and the Prime Minister felt, that foreign policy and security policy were crucial components.

The questions have been put before you for each of the various sessions, but behind them all is one major one, and that is how can a small nation like ourselves make a contribution to world peace and security. I think nobody around the table would disagree with those goals of ensuring peace, more prosperity for all. We differ on how to achieve it. A larger goal is clearly before us: how do we make this a better and more secure world and, in particular, how can we in this part of North America with this country's