

reduce them, now appear quite obviously, in my view, as a threat to international stability and a recurrent source of tensions and conflicts. You are no doubt aware of the strains placed upon the United Nations during the last session by some of the initiatives and tactics of the so-called new majority from the Third World. You are also aware that the sudden and very considerable increase in the price of oil decreed less than two years ago by OPEC countries has been a source of acute economic difficulties for the rest of the world -- developing as well as developed. I cite these examples not to blame this or that group of countries; indeed, I think that very little would be achieved by "passing the buck" and distributing the blame. But these two sets of events well illustrate my point. The countries of the Third World sought to advance their political interests in the United Nations through questionable means; but they did so because they felt that all other avenues were blocked. Similarly, the OPEC countries raised the price of their oil much too suddenly; but they did so in an international economic environment where inflation had been rampant for years with little being done to check it, and where there existed no effective framework for negotiations between producers and consumers.

The fact that history never quite repeats itself should not prevent us from learning what we can from those recent events. If we are really sincere when we say that we do not like cartels because they are not the most effective means to maintain a balanced and equitable economic relationship between producers and consumers of raw materials, then we should use our imagination and determination to forge better instruments. Similarly, if we are really serious when we claim that Third World countries are endangering the network of international institutions by attempting to achieve through them purposes for which they are not suited, then we should seek more actively, in co-operation with them, arrangements that would suit these new purposes.

The interdependence of all nations has become the cliché that graces after-dinner speeches such as this one. Yet we are faced today with the hard realities of such interdependence. OECD countries can no more attempt to resolve collectively the problems of the industrialized world than the OPEC countries can resolve those of the oil-producing world; and similarly for the wheat-producing world, the iron-ore-producing world, the coffee- or cocoa-producing world. Canada, like all other countries, is part of all these worlds, as consumer or producer, and often as both. This is why the Government has undertaken a comprehensive review of its economic relations with developing countries; and, needless to say, this review must take into account Canada's changing relationship with other developed areas of the world, such as the United States, Europe and Japan.