releasing an annual report on its exports of military goods.

There is, with arms, a demand side and a supply side. Measures can be taken to restrict supplies to stabilizing and prudent levels. But demand must also be addressed, and that is why a regional approach to confidence-building is relevant to this issue too.

Finally, Mr. President, Canada believes that more can be done to ensure that the UN's unique capacity to provide peacekeeping forces for regional conflicts remains effective and efficient. I am pleased that Canada was able to help breathe new life into the Special Committee on Peacekeeping Operations, which has now provided the UN with new proposals to improve present peacekeeping activities and to plan for new ventures. However, more work and even greater commitment will be needed to ensure that the UN is provided with the capacity and the resources to mount varied, speedy and successful peacekeeping operations be they in Cambodia, Central America, the Western Sahara or in the Persian Gulf.

In particular, Canada would support a United Nations effort to secure a clear indication from all member countries of the forces and equipment they could make available in future UN peacekeeping operations. We believe that effort could include an inventory of civilian resources. This might include police forces, communications and logistics personnel and elections experts and observers which could be utilized not only to keep the peace but to prepare for peace.

Mr. President, if there is one thing which recent events make clear it is that democracy and freedom are fundamental factors in building a co-operative security structure for your new era. In Central and Eastern Europe, in Latin America, in Asia and in parts of Africa, there is a new recognition that democracy is necessary because democracy works. This is not the victory of one ideology over another. It is the victory of common sense.

Democracy allows governments to gauge and reflect the needs of their society. Democracy allows individuals to express their views and exercise their abilities. Democracy and development go hand in hand since it is the open market which feeds prosperity and leads, almost always, to democracy.

Democracy limits the conflict which inevitably results from repression. Democracy is flexible. And because it is flexible, it does not snap. Democracy, at bottom, is the politics of pragmatism and the politics of security.

It is our belief in the role of democracy in building security which led Canada to propose a Democratic Development Unit for the Organization of American States. That proposal has been accepted. It is that same belief which has led Canada to put forward human rights proposals in the CSCE which will strengthen the rule of law and the rights of minorities throughout Europe. It is the same belief which has led Canada to contribute, bilaterally and through