

that we impart to our Japanese customers an understanding of Canada and Canadians which will enable us to show them that Canada is not one vast pool of limitless resources nor are Canadians the fat cat energy guzzlers we are perceived to be. Already such perceptions are changing. There is much greater travel by businessmen and tourists alike between the two countries. Improved communications make broad knowledge of important events in each other's countries more readily available, but there is an important role for Government-sponsored cultural exchanges in the furtherance of understanding. All other industrialized countries and many developing countries have demonstrated an appreciation of the returns to investment in the promotion of such mutual understanding. Those who have neglected it have done so at their own peril. Interesting to note: Australia spends most of its international public affairs funds in one country — Japan.

Beginning only 10 or 15 years ago, Canada launched a relatively aggressive program of cultural promotion in Europe and we are still involved in developing this program. The Canadian Studies program in Germany is an important recent illustration. There is no doubt that we have achieved notable successes, and there are few Western Europeans who still perceive of Canadians as unsophisticated latter-day frontiersmen living, in the words of a distressingly popular French song of the early Sixties, in their "cabane au Canada".

Given the close cultural attachment of most Canadians to the European continent, the cultural values of the countries of Western Europe and, increasingly, Eastern Europe, and the way Canada is perceived there affect many aspects of Canada's international relations. Cultural and academic exchanges with European countries will remain among our most fruitful and among the most critically important for individual artists and academics. It might, however, become harder to justify Government promotion or financing of such undertakings. The level of mutual understanding is high and capacity for private maintenance of cultural exchanges is considerable. While I believe our programs should continue, there is a dilemma. In other parts of the world, Canada has been remiss in making itself better known.

Too few Canadians are aware that Venezuela is Canada's fifth largest customer (fourth if the U.K. and West Germany are subsumed into the European Communities) and, more importantly, Canada's largest offshore market for manufactured goods. Many know we depend heavily on Venezuela for oil supplies, but are they aware that that country is Canada's third largest supplier of imports (after the U.S. and the European Communities)? When is the last time the Winnipeg Ballet performed in Caracas? The long-term market potential in Venezuela for just the sort of highly finished goods we want to export is enormous. The same considerations apply to the newly emerging industrialized economies of Brazil and Mexico, as well as to certain other countries of Latin America. Latin America has not of course been entirely forgotten: the Grands Ballets Canadiens visited ten countries in South America a couple of years ago and there have been other exchanges. Nevertheless, the fact is that our opportunities in the field of cultural diplomacy are not sufficiently exploited nor do we have the financial amplitude to align new priorities with new interests without danger of weakening important existing priorities.

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