

countries also perceived more clearly their own divergent interests with respect to certain elements of the New Economic Order.

Analysis of the results of the Sixth Special Session indicated that the benefits of the New Economic Order would accrue largely to the middle-income developing countries and would do little for the countries of the "Fourth World" -- those that are at an early stage of economic development, poor in natural resources, and greatly affected by rapid increases in food and oil costs. Many of the poorer developing countries may also have concluded that excessive concentration on structural changes might inhibit the flow of assistance to them from traditional donor countries. The differing national interest of those developing countries that were importers and those that were exporters of particular commodities was also a factor.

But, if there was greater moderation among developing countries, there was also greater moderation and a greater readiness to accept new approaches among Western countries. While the shock of the oil-price rise had tended to make the developed countries more rigid in their defence of traditional arrangements, 18 months of analysis and reflection had brought home to them that the real changes in the international world required a greater degree of accommodation than they had earlier envisaged. That, too, was an important factor in the success achieved at the Seventh Special Session.

Canadian Government response

I should now like to turn to the manner in which the Government has organized its response to this new situation.

After the Sixth Special Session, it became apparent that a special effort was needed to resume the dialogue and to find a better basis for understanding between developed and developing countries. In the Throne Speech of October 1974, the Government indicated that Canada's contribution to international measures to aid LDCs would require an increase in the flow of development assistance and a re-examination of other policies affecting our economic relations with developing countries. Subsequently, ministers agreed to set up a Senior Interdepartmental Committee on Economic Relations with Developing Countries, chaired by the Under-Secretary of State for External Affairs, in order to prepare and co-ordinate the Canadian Government's response to "the New International Economic Order". It was clear from the start that the issues in play fell within the responsibility of several government departments and would need to be approached on an interdepartmental basis. In its operations, the Committee facilitates the co-ordinating role of the Department of External Affairs with respect to Canada's relations