Mr. Chairman, there is a parallel between Canada's geopolitical and economic circumstances. Geographically, we are situated between the superpowers. Economically, we are out in the open, directly affected by abrasive encounters among the larger trading entities. In terms of exposure, freezing northern temperatures are the least of our problems.

Let me turn to relations with the Third World. If insularity in the three trilateral areas is unacceptable in our relations together, so is collective insularity in the face of daunting Third World problems.

We must keep developing countries solvent through trade flows. We must continue to implement sensible, coordinated, and compassionate policies on Third World debt. And we must do as much as we can, to increase the efficiency and effectiveness of our official development assistance.

Another major issue in the developing world that calls for both responsibility and coherence on the part of trilateral states is <u>regional conflict</u>. The crisis in <u>South Africa</u> is not moving toward peaceful resolution: quite the contrary. The conclusion of the Eminent Persons Group of the Commonwealth remains valid today - Southern Africa holds the prospect of the greatest bloodbath since the Second World War. The response of nations represented here will be judged, inevitably, in the context of our claims to represent a system based upon democratic values.

When Prime Minister Mulroney visited Zimbabwe in January, he was the first Western Head of Government to do so since Zimbabwe's independence. Canada has played a leading role in the Commonwealth program to fight apartheid, and we believe it essential that the Front Line States not feel abandoned by the West.

We would like to see the Economic Summit look closely at the deteriorating South African situation when it meets in Venice. The Summit will be held in June shortly after the South African election, and at that time it would make sense to reconsider our options for coordinated action. Meantime, we must continue helping those black states which border South Africa, which carry the heaviest load in the fight against apartheid. They must know they are not alone.

Two other protracted regional conflicts of major concern are in Afghanistan and Kampuchea. What is required there, of the Soviets, is full disengagement. Improving East-West relations requires not only Soviet expressions of good intent, but Soviet

-