

In the calculation of this new balance, we must aim for nothing less than an acceptable distribution of the world's wealth. In doing so, the inequities resulting from the accidental location of valuable geological formations should no more be overlooked than should the present unequal acquisition of technological and managerial skills. Nor should we be reluctant in encouraging those willing to help themselves. We must encourage and offer incentives to peoples who -- given the opportunity -- are willing to exercise self-discipline, to demonstrate tolerance, to work industriously.

The attainment of a goal of wealth-distribution does not require the replacement of the present international monetary system, nor does it require a wholesale abandonment of the trading mechanisms employed with such success in the past, which have brought unprecedented levels of prosperity to increasing numbers of persons in all countries in the world. It does require, however, imagination and ingenuity and hard work -- of the kind that brought forward the recent Lomé trade, aid and co-operation agreement between the European Community and 46 developing countries in Africa, the Caribbean and the Pacific, providing, among other things, for the stabilization of the foreign-exchange earnings of these 46 countries from 12 key commodities; of the kind that entered into the recent recommendations of the International Monetary Fund and the World Bank concerning floating exchange-rates, developmental assistance, extension of the decision-making process, enhancement of the role of the Special Drawing Rights, and study of the feasibility of international buffer stocks of primary products; of the kind that will be necessary if Britain and Canada are to discharge their proper responsibilities at the Commonwealth heads of government meeting in Kingston next month, and in the many other international gatherings in the forthcoming months at which economic issues will be featured.

We shall find ourselves well started on this process through the simple acceptance of several self-evident propositions:

- (1) The need for continuing and intensive consultation and co-ordination of national economic policies;
- (2) the need for steady movement in the field of multilateral trade negotiations, and early liberalization of tariffs and non-tariff barriers in the GATT;
- (3) the need for strengthening the political direction of the International Monetary Fund and the governing structures of other international agencies;