

dence at a meeting of the Trilateral Commission in March. Below are excerpts from his remarks.

"Within the past several months, academic, business and government circles in the West have focussed on the relative importance of the two traditional 'themes' central to international relations: North/South and East/West. Yet we have now arrived at the stage where both converge — where for both the West and the South, the issues of Soviet intentions and capabilities are of increasingly serious concern, and where the economic futures of West and South are becoming inextricably linked.

"Indeed, in addressing instability and insecurity in the Third World, the West will have less to offer militarily than in the economic sphere where, despite current problems, there is long-term potential for mutually beneficial relationships. Economic interdependence between our countries and most of the Third World has given to both the West and the South a common stake in resolving global problems. In the long run, this identity of interests is bound to find an institutional expression beyond the limited political channels which now exist."

In the years after World War II the rich nations of the world grew rapidly richer and most of the poor did not.

As the gap grew, the developing countries demanded that something be done. Bilateral and multilateral aid programs took shape in the 1950s, some directed toward basic survival, some toward industrial development.

Much of the momentum came from the poor themselves. The industrialized nations would contribute about .3 per cent of their GNPs in aid while the poor, on the average, would invest 25 per cent of theirs in self-help.

By the mid 1960s it was clear that basic problems were not being solved.

In 1964 the first United Nations Conference on Trade and Development (UNCTAD) focussed on the long-standing problems that hampered the developing nations. In 1968 UNCTAD II negotiated a general system of trade preferences and in the same year the Commission on International Development headed by Lester Pearson, the former Prime Minister of Canada, suggested a goal for aid by industrial nations of .7 per cent of their GNPs.

In the mid-1960s the developing countries (the majority of the UN membership) had formed the Group of 77 (which would grow to 118). Most of them were non-white, former colonies of European empires, with economies based on primitive agricultural systems. The Group demanded a New International Economic Order (NIEO).

The problems of aid and development were complex, however, and each country had particular interests of its own.

The poor were not homogeneous and they were becoming less so. Some, lacking even the

necessities of survival, needed long-term basic aid. Others had the foundations of trade and industrialization. After the formation of the Organization of Petroleum Exporting Countries into a marketing cartel (OPEC) in 1960, there was a third clearly defined group, oil exporting nations, with large and growing trade surpluses and rapidly increasing per-capita incomes.

In 1974 the UN General Assembly adopted the Declaration and Programme of Action on the Establishment of a New International Economic Order, and in the same year the OPEC nations (all members of the Group of 77) sharply raised the price of oil. International economic meetings became commonplace. The Group of 77 met before each UNCTAD session to adopt common priorities, but they found it difficult to agree on specific goals.

Between 1975 and 1977 a full alphabet of North and South nations met in Paris at the Conference on International Economic Cooperation—Algeria, Argentina, Australia, Brazil, Cameroon, Canada, the European Community members, Egypt, France, India, Indonesia, Iran, Iraq, Jamaica, Japan, Mexico, Nigeria, Pakistan, Peru, Saudi Arabia, Spain, Sweden, Switzerland, the United States, Venezuela, Yugoslavia, Zaire and Zambia.

The results of this lengthy conference, co-chaired by Canada and Venezuela, were, to some extent, disappointing. The developing nations wanted greater commitments by the industrial nations for resource transfers. The latter, in turn, had hoped that the OPEC countries would offer guarantees of oil price and supply stability, or at least an opportunity to discuss these issues. However, significant progress was made, and the CIEC was an important step in the evolution of the North/South dialogue.

Since then, there have been numerous international meetings and dramatic changes in the economic climate.

The shock of oil price rises has severely affected the poorest nations. Emile Van Lennep, Secretary General of the Organization for Economic Cooperation and Development (OECD), noted that "each time the world economy begins to grow at the kind of rate needed to absorb unemployment and create conditions for real advances in the developing world, the price of oil shoots up." The industrial nations have been buffeted by the same oil price rises, as well as lower growth rates, higher inflation, increasing unemployment and unprecedented interest rates.

Last year the Independent Commission on International Development, usually called the Brandt Commission after its chairman, former German Chancellor Willy Brandt, emphasized the mutual benefits that would come from expanded North/South cooperation, and called for an aid program of \$8 billion a year in new food aid and a goal of \$50 billion to \$60 billion in development funds by 1986.