information, has been improved over the pre-debt crisis situation. Not only the International Monetary Fund and private banks, but also the debtor countries themselves share responsibilities to the world community. More use of private, direct capital investment in the affected countries, thereby reducing their dependence on loans and aid, would be desirable. Aid from the wealthier countries to the poorest, especially in Africa, will also be required; the commitment of the Canadian government and people in this respect is commendable given the country's present economic circumstances. The indebtedness problem of developing countries cannot be solved overnight. Grand schemes to ameliorate the problem on a world-wide basis probably should be avoided. However, the careful proposals outlined by the U.S. Secretary of the Treasury, James Baker, on October 8, 1985 to the annual meeting of the International Monetary Fund may help to address the debt situation facing many developing countries in a constructive manner. A greater role for the World Bank and increased investment in Third World countries are certainly called for, and we believe that Canada should be active in exploring these and other ways to assist hard-pressed Third World economies. A sense of mutual responsibility, patience, and sensitivity to the political and social elements involved in the adjustment process of developing countries will clearly be needed on the part of both lenders and debtors in the years ahead.

Canada is also linked to the Third World as a market for exports. Over the last decade the Third World has been a rapidly growing market for the developed world. A few examples of the present percentage of exports going to the developing countries include: Canada-12%, U.S.A.-35%, Japan-45%, and for the developed countries as a whole, 25%.[18] Thus our future growth and prosperity is linked, at least in part, to the Third World. On the other hand, as suppliers of raw materials and commodities, some developing countries