

Venezuela and Canada are both new countries in their modern incarnation. We have developed at great speed, with the international trading systems serving as a conduit of economic growth. In recent years, many countries have been hampered in their attempts at economic development by high debt burdens. In an effort to service these debts, countries have compressed import levels to free sufficient amounts of foreign exchange to meet critical payments. These domestic constraints have had negative repercussions on the world trading system in general and on individual trading partners in varying degrees. Canada strongly supports the consensus which has developed in favour of growth-oriented adjustment policies. We believe the Baker plan recognizes this imperative, and although much remains to be done to give practical expression to Mr. Baker's proposals, I am pleased that the plight of debtor nations is now being viewed through a growth-oriented prism.

Canada has worked hard and consistently for policies internationally conducive to lower interest rates. This has meant painful adjustment of economic expectations and performance to fight inflation there have been notable successes, although this war is never won. We have also sought to encourage our more powerful trading partners, whose policies determine international interest rates, to adopt policies conducive to lower rates, including enhanced international economic cooperation. The Tokyo Summit commitment to economic policy coordination makes real progress in the thinking of major industrialized countries. Canada will gain from this process, but so will Venezuela.

These gains will not be limited to the economic sphere. Bolivar himself recognized the need to examine the totality of the human condition if true liberty were to be achieved. The full benefits of a democracy cannot be experienced in a climate of economic uncertainty. Nor can the full potential of countries and their citizens be attained without economic progress. Hunger, illiteracy and social hardships can all be traced to economic deprivation.