

Main themes

In this seminar, you have been looking at both Latin America and the Caribbean. You all know how very different the two are, despite their proximity and links. The Canadian Government is now reviewing its policy in the Caribbean where Canada's interest is profound and growing and I look forward to speaking on that soon. Today, however, I want to focus on Canada's relations with Latin America. I shall present two major themes:

— First, Canada's relations with Latin America should recognize not only the increased economic importance of Latin America but also the new weight of Latin America in global political issues. I believe these two dimensions of our relationship, the economic and political, should be mutually reinforcing.

— Secondly, Canada's relations with Latin American countries should recognize their diversity. While needing to be sensitive to the regional dimension, we should avoid thinking primarily in terms of a "regional" policy. In recognizing Latin America's diversity, Canada should give special priority to developing further our relations with those countries where our political and economic interests are more concentrated.

**Latin America
in the global
context**

Before turning to the development of Canada's bilateral relations with Latin America, I want to consider the remarkable emergence of Latin America onto the world scene.

Most countries in Latin America won their independence from Europe early in the nineteenth century. While they maintained cultural ties with their former colonial powers, and some had important trading links with Europe, the Latin American countries remained largely outside "world politics" which were focused on the great colonial and continental powers of Europe. The vigorous young republic of the United States, itself isolated from world politics, soon became the dominant outside force in Latin American politics. With the Monroe Doctrine, it proclaimed the whole area as a sort of protected domain, a *chasse gardée*. The U.S.'s influence probably reached its peak in the period from the end of the First World War until the early Fifties. In any case, for roughly one and a half centuries Latin America remained largely outside the world's central political struggles. This relative isolation was exemplified by the non-participation of all Latin American countries, except Brazil, in the hostilities of the two world wars.

In the last 20 years, Latin America has come to assume a much more prominent place on the world stage. Partly, this has been for economic reasons. The new economic importance of Latin America can be seen in many ways. In the first eight months of 1979, for example, Mexico, Venezuela and Brazil were the world's three largest borrowers on the Eurocurrency market. The 1970s was the decade in which oil turned the world economy on its head. Venezuela, Ecuador — which are both members of OPEC — and Peru were early beneficiaries while Mexico, which is not a member, stands to make extraordinary gains in the 1980s. The 1970s saw increasing differences in the performances of the world's economies but most Latin American countries, even those that are poor in oil, enjoyed good economic growth. Brazil, which alone counts for almost half of Latin America's population, developed very rapidly, to emerge as the world's tenth-largest economy and a significant exporter of manufactures.