

been to work towards compatible macroeconomic policies to foster balanced growth. These Summits are not decision-making fora, but over the years have enabled the leaders of the industrialized democracies to gain a deeper appreciation of the extent to which their economies are linked, to strengthen their consensus on key issues, to pursue a more co-ordinated (and effective) response to economic problems and, when necessary, to generate new policy initiatives.

All Economic Summits have emphasized the inter-relationship of world problems. Economic growth, employment, inflation, energy, debt and the maintenance of a liberal trading environment are all facets of an interdependent world economy. Summits recognize the close connection between the prosperity of the industrialized countries and that of the developing world. Naturally, the focus has shifted from year to year reflecting the most pressing preoccupations at the time. Despite the fact that Summits are essentially economic in character, a tradition of discussion of political subjects has developed, and political declarations have been issued from time to time. While the significant political developments to emerge in 1988 will be on the minds of leaders at Toronto, there can be little doubt that recent economic developments affecting stock markets and exchange rates will ensure that the original objectives of economic summitry remain central at the Canadian Summit.

The participation of Canada's Prime Minister in the annual meeting is immensely valuable. It assures our full involvement in the shaping of major economic trends of enormous importance to a trading nation such as Canada, and allows us to voice our concerns, be they on the need to lower international barriers of trade, to deal equitably and humanely with the desperately indebted nations of sub-Saharan Africa, or to seek political solutions to deep-rooted problems such as apartheid or disarmament.