

**Multilateral
approach
only
solution**

of helping with the surplus oil revenue "recycling" problem at the same time that it would tackle the basic energy supply question. A great number of technical questions must be addressed and an even greater measure of political will must be mobilized. The Government of Canada intends to do what it can in the coming months, in all the different manifestations of the dialogue, to promote the idea of greater multilateral efforts to deal with the energy situation of developing countries.

It is apparent to me that the energy problem and many of the other issues we have touched on this weekend are only amenable to solution by multilateral approaches, and ultimately through multilateral institutions with equitable sharing of power, responsibilities and statesmanship. I have been particularly impressed with the ability of the World Bank and the regional development banks to design and support integrated global and regional approaches to many of the concrete development problems faced by developing countries.

I expect that in the 1980s we will look to the international financial institutions to play an even greater leadership role. They are likely to grow at a much faster rate than the growth of government budgets earmarked for development assistance and the national economies of donor countries. Imaginative approaches are required to increase their borrowing on international capital markets relative to the size of the capital and other contributions subscribed by their members. This will be particularly important if there continues to be a reluctance or an inability on the part of some of their chief contributors to commit resources to them on the scale required.

Canada intends to do its utmost to maintain its support for these multilateral institutions. I am announcing today, for instance, that the government will be asking Parliament to approve a payment of \$165 million to the World Bank's soft-loan affiliate, IDA. The payment will be made by the end of 1980 as part of the "bridging" mechanism to keep IDA in operation, pending contributions from all major donors. Beyond our own efforts, we intend to do what we can in discussions with developed and developing countries to promote the development of new sources and mechanisms of multilateral assistance where these are needed to deal with truly global problems.

A final word on the North-South dialogue as it now presents itself. It seems to me that the Global Negotiations are essential for setting longer run goals and helping us work out general orientations for policy. Sensitively handled, they will have a positive influence on public opinion and political will. The Brandt Commission Report shows us that the scale of our problems demands a leadership approach. The very complexity and great urgency of the problems also demands that we go on dealing as best we can with issues as they arise, domestically and in the specialized institutions. A "bottom-up" or incremental approach is just as necessary as ever. The challenge for the North-South dialogue in the years ahead will be to find some fruitful accommodation between these two organizing principles, the structural and the gradualist.