

that policy, with a view both to developing a more effective international non-proliferation regime, and to ensuring, to the extent possible, that Canada's nuclear exports do not contribute to nuclear proliferation.

I have spoken about the global macro-economic situation, which affects all our lives, and about the decline in the state of East-West relations, which also affects us all. Less understood is the potential impact of North-South tensions on Canada and other industrialized countries, and the need to give priority to the management of that latent crisis.

The first step should be to understand what we mean when we refer to the North and to the South. One can legitimately question whether there is a distinct North and a distinct South in every sense. Within the Third World there are as many differences as in the world itself. From the outset it needs to be emphasized that the South is not a homogeneous group of countries. It contains countries with the highest per capita income in the world and those with the lowest, countries with the fastest growth and those suffering negative growth, countries with the world's biggest financial surpluses and those with the greatest deficits, countries with abundant natural resources and those with none, countries with sophisticated, modern industrial economies and those with rudimentary, tribal, agricultural societies.

Yet the South is not a myth. It is a group of countries, most of them former colonies, held together by a shared perception of their status in relation to the rest of the world. In their view, solidarity among themselves is the way to exert countervailing power against the weight of the industrial North. Their vision of a new international economic order proceeds from their common view that the old rules have not permitted equal opportunity or an equitable sharing of the fruits of effort.

They are right. Justice is on their side. But even if we were not moved by justice, common sense and self-interest should tell us that if we want growing markets for our products, an orderly global economy, and peace in the world, we should support reform. We should enhance the growth of opportunities of the South, selecting the best bilateral and multilateral techniques to do the job. That effort should include a process of global negotiations.