

Economic Affairs

The importance of economic questions in international relations increasingly blurs the traditional distinction between the political and economic aspects of foreign policy. Canadian foreign policy was described in the 1970 White Paper as the promotion abroad of Canada's objectives at home; it is not surprising, therefore, that the growing national concern for such subjects as inflation, investment, commodity prices and foreign economic penetration finds echo in the conduct of Canadian external relations. The present troubled state of the world economy and the structure of the Canadian economy, with its high dependence on export trade to sustain the standard of living Canadians enjoy, has created two imperatives. First, Canadians must expend maximum and sustained efforts to promote co-operation and find solutions to international economic problems in the multinational organizations working on these issues. Second, national policies and bilateral relations must be

shaped in such a way as to reduce harmful impacts on Canada in the short term, and to strengthen the structure and capacity of the Canadian economy to continue to bring prosperity to Canadians in the long term. Canada's ability to play a meaningful international role in almost all facets of international relations—and particularly its ability to share with those nations less fortunate than itself—depends on Canada's response to these two imperatives.

International consultations

Canada participated in a wide range of multilateral and bilateral discussions in 1974. Preparations for the "Tokyo Round" of multilateral trade negotiations continued throughout the year. The Canadian Trade and Tariffs Committee received views on the position Canada should adopt in the trade negotiations. The passage of the U.S. Trade Act in late December paved the way for the substantive negotiations which



This Care-Canada self-help project exemplifies co-operation between Canadian Government and private agencies in Bangladesh.