

IV. CURRENT SITUATION AND RECENT CHANGES IN INTERNATIONAL ENVIRONMENT

The first and overriding point emerging from the groups was the fact that the participants exhibited very little in the way of understanding or awareness of specific conditions in other parts of the world. Impressions of political and economic stability were little more than surface observations; real understanding of economic conditions in other countries was notably absent.

A. Growth in Incomes

While most group participants tended to feel that Canada may be losing ground economically because of a widening productivity gap between ourselves and other countries, this was not the dominant theme which emerged on this question. What did become clear was that many people seemed to expect the gap between rich and poor countries to widen. This feeling prevailed despite a general acknowledgement that countries such as Korea now had a competitive advantage because even their relatively low wage rates were enough to keep their workers happy and thus productive.

The bottom line in terms of expectations regarding general improvements in the world-wide economy is that most professed to have little knowledge, and no strong conviction that either improvements or deterioration would take place.

B. Socio-Political and Economic Stability

While admitting that they did not sufficiently understand the forces at play nor the possible outcomes, most people seemed concerned about the state of economic stability. Many