

Japan. It is now recognized as essential to Canadian interests that well-defined and co-ordinated policies be formulated and executed with relation to Japan, and that these policies be communicated clearly to the Japanese.

Other countries

The Canadian Government's policies toward the countries of Southeast Asia are embodied in its general policy for the Pacific area—to share in and contribute to its economic growth, to help bring about conditions in which the requirements of social justice can be met, and to assist in improving the quality of life in both developed and developing countries. These policy in-

terests combine in different ways respecting each of the Southeast Asian countries, which themselves differ in the opportunities they offer for the development of bilateral relations with Canada.

Thus Canada continued in 1972 its efforts to expand mutually beneficial political contacts and new opportunities for trade and private investment in Southeast Asia. Malaysia, Indonesia, Thailand and Burma were again given bilateral development assistance, and the Indonesian program in particular was expanded in accordance with the Government's decision in 1970 to concentrate more funds for development assistance there. Canada's presence in the region was enhanced by the establishment in August, 1972, of an Embassy in Manila, replacing the former Consulate General.

EUROPE

During 1972, the Canadian Government actively pursued its stated objective of developing closer and more substantial relations with the countries of Europe in as many fields as possible. This effort involved expanded exchanges and other forms of co-operation in almost all sectors of public and private interest and met with increasing recognition and response from the European side. Further impetus was given to this policy of diversification when the Secretary of State for External Affairs announced in October that the Canadian Government had adopted a general long-term strategy for the development and strengthening of Canada's economy and other aspects of its national life for the purpose of enhancing Canadian distinctness and independence.

Politically, the year 1972 was highlighted in Europe by the ratification of the Berlin agreements and of the treaties of Warsaw and Moscow between the Federal Republic of Germany, on the one hand, and Poland and the Soviet Union on the other. Perhaps the most dramatic and potentially significant developments were those which took place in the multilateral sphere. The prospect for holding the first general negotiations affecting security in Europe in a generation was en-

hanced by the opening in November, at Helsinki, of talks between the ambassadors of 34 nations—those of Europe, with Canada and the United States—with a view to preparing for a full-scale Conference on Security and Co-operation in Europe. From the outset, Canada took the view that such a conference could only be successful if it were properly prepared and, also, that if it came to grips with the issues, the conference could mean the opening of a new phase of negotiations aimed at dealing with, and eventually resolving, the underlying causes of divisions and tensions in Europe. Political *détente* as an objective, however, would necessarily require concomitant reduction of the military confrontation in Central Europe. For this reason, Canada welcomed the understanding that talks on mutual and balanced force reductions would begin early in 1973.

Western Europe

For Canada's relations with its Western European partners the year 1972 was one of consolidation and progress. As part of the Canadian policy of diversification, this practical co-operation in all areas of common