

Our geography has additional consequences. Without any other close neighbours geographically, we do not fall naturally into any regional grouping. Regional associations that discriminate against non-regional partners thus can have a greater negative impact on Canada than on other nations. While supportive of efforts for regional co-operation, therefore, we have continued to emphasize global solutions to the problems of international economic relations.

We also have a relatively small population and hence a small domestic market. We are thus heavily dependent on trade for our economic growth. In fact, about 30 per cent of our gross national product (GNP) is dependent on exports, compared to 12 per cent for the United States. Of the major industrialized countries represented at the annual economic summits, none is more dependent than Canada on the trade dimension for economic growth. Just to illustrate, it is estimated that more than two million Canadians are directly involved in the production of goods for export; that is about 20 per cent of our total work force. Our major export industries are also our most efficient producers. They command the best prospects for future growth and, most significantly, for the generation of profitable jobs for Canadians.

Such basic interests have led over the years to consistent Canadian attempts to "multilateralize" our economic relationships. Leaders such as Louis St. Laurent and Lester Pearson were keenly aware that our long-term interests were best served through the development of international institutions that would balance the influence of the great powers and contribute to a broader stability in the world. Canada, like our partners, clearly benefits from an economic system that promotes global and non-discriminatory approaches and commands the support of all major players.

It is precisely our stake in an open and stable international economic system that has driven home to us the importance of encouraging fuller participation of developing countries in that system. We welcome their input in creating a system more responsive to their needs. I do not believe it can be in anyone's self-interest to deny fundamental economic justice to vast numbers of peoples when we know that the perception of justice denied has so often led to international conflict and violence. Like justice, the system must not only be fair; it must also be seen to be fair if it is to function effectively.

Two guiding principles

In the light of these national interests, the Canadian government has elaborated two underlying principles to govern our approach to North-South issues. The first is the Canadian commitment to social justice. In a shrinking world, we have had to broaden the definition of who is our "neighbour". With 800 million people living in absolute poverty, we cannot turn a blind eye to the plight of others, regardless of national boundaries or the ideologies that may divide us. Canadians have come to expect that a moral dimension be reflected in their country's foreign policy. Thus one of the well-springs of Canada's development assistance program is a straightforwardly