

Thank you, and good evening everyone.

What a year it has been.

The Union of Soviet Socialist Republics is no more. Its constituent parts are today neither socialist nor united.

Countries now exist with names most of us had never heard.

Great empires have collapsed. Great houses have fallen. New forces have emerged and maybe the roots of new empires planted.

Throughout this tumult, most of Asia Pacific has been ticking along its virtuous cycle of growth and development. Admittedly, this development has not been without growing pains, as we have seen recently in the democratization of Thailand. Yet some of our transpacific partners bemoan their shortfalls below double-digit growth, generate internal rates of savings and investment that we can only dream of, and -- with little fanfare or formality -- proceed along the path of integrating an extraordinarily dynamic, flexible and determined collection of peoples.

There is no doubt that the Asia Pacific region has become an economic powerhouse that, in many ways, now sets the pace of change for the global economy. The region now boasts an aggregate gross national income twice that of the European Community (EC), and is the source of some 28 per cent of world trade.

The combined Gross Domestic Product of the four tigers and the three smaller Association of Southeast Asian Nations (ASEAN) has quadrupled over the past two decades, and shows little sign of relaxing. These economies have, furthermore, just begun to tap their own enormous potential for domestic consumption, with a combined population that approaches North America's -- and this calculation excludes both China and Japan.

It has been estimated that, by the end of the decade, the Asia-Pacific region could represent 60 per cent of the world's population, 50 per cent of global production and 40 per cent of total consumption. I cannot overemphasize the importance of being a player in this game, for Canada as well as Canadian businesses individually and collectively.

Just as Japan positioned itself in the 1950s to take over low-technology, high-labour production from North America, the newly industrialized economies of Korea, Taiwan, Hong Kong and Singapore in turn took over that production from Japan in the 1970s. Now we are seeing the third wave of Asian economies -- Thailand, Malaysia and Indonesia -- do the same thing again, each finding its own model in which savings, investment and more investment produce continuous growth. A fourth tier of developing economies may well just now be emerging, as investors