

Our relations with Japan are now so close that we have formed a Joint Ministerial Committee to oversee our shared concerns and to deal with problems as they arise. Japan has become the third great economic centre of the non-Communist world, with the United States and the Common Market.

Nor can we continue to follow a rather passive policy towards the countries of Latin America. It is often forgotten that more people live south of the Rio Grande than do north of it, and that several countries of Latin America are fast approaching the take-off point where the growth of their economies will become self-sustaining and accelerate rapidly.

With economic growth will come political strength. Some of the Latin American countries will soon exert much more influence in the hemisphere and the world. This is of importance to us as we come to accept, increasingly, our responsibilities as an American nation.

The need for closer relations with the Latin American countries has not led us to seek full membership in the OAS at this time. As a part of our effort to increase relations on a broad front, we are seeking permanent observer status. The OAS has approved our request in principle and is now working on the modalities of the question. Whether this will lead to full membership will depend very much on what we learn from our experience as permanent observer.

The principal aim of Canadian foreign policy is to preserve for Canadians the essential independence of action and expression that will enable Canada to survive, to grow and to make its own contribution to an interdependent world.

Interdependence in today's world means, I suggest, three things:

- interdependence in terms of peace and security;
- interdependence in terms of world prosperity;
- interdependence in terms of the human condition.

I shall deal with these in turn.

Interdependence in terms of peace and security is not confined to the alliances -- NATO, NORAD, the Warsaw Pact -- that the nations of the world deem necessary to their safety. We see today an interdependence between the power blocs that arises from modern weaponry and the balance of deterrence. The United States and the Soviet Union no longer threaten each other, as they did in the days of Henry Cabot Lodge and Vishinsky at the United Nations. They rely on each other to see to it that nuclear war does not break out. China is on the way to becoming a major nuclear power. The balance of deterrence to which we have become accustomed may well be replaced, in time, by a triangle of forces. I do not expect world problems to be eased when three nuclear powers rather than two must find an equilibrium, but they can never be solved while one of the three stands aside.