

GATT. That organization has been enormously beneficial in promoting world economic growth in developed and developing countries. Any serious weakening of the GATT through beggar-thy-neighbour policies would have the ultimate effect of making beggars of us all. The GATT can and should be strengthened.

Canada will chair the 1982 Annual Session of the GATT Contracting Parties, which will be held at the Ministerial level in November. We regard this Session as a significant test of our collective determination to manage an interdependent system.

Intense preoccupation with domestic economic concerns also confounds our attempts to persevere with development assistance programs. What should be our response to the inescapability of shrinking resources? How do we face the difficulties in generating increased development assistance flows?

We should all -- national donors and multilateral agencies alike -- rationalize deployment of available resources for maximum possible effect. The best results can be obtained from this process of compulsory selectivity only if donors focus on areas of special national expertise and resources. Canada, for example, has chosen to concentrate its efforts in three particular areas which draw upon considerable national experience. These are the food and agriculture area; energy, specifically petroleum exploration; and human resources.

Another response to shrinking resources should be to make full and timely use of every opportunity for enhanced cooperation. In this connection, I am disappointed with the lack of progress made on Global Negotiations since the Versailles Summit. Canada believes that the text of a compromise resolution worked out at Versailles represented a significant step in the effort to find a formula for launching Global Negotiations. I regret that it has not been possible to find a basis for real negotiations.

Economic problems are all the more vexing and potentially dangerous because they are bound up with serious political instability. Political instability produces consequences extending far beyond the immediate region in which conflict has erupted. In a shrinking world, local vulnerabilities and tragedies become the common concern of us all.

We have witnessed the long agony of Lebanon and, no more than ten days ago, the horror of the Palestinian