

issues and problems that, in my view, will remain the major challenge faced by the international community during the last quarter of this century.

Diplomats have become somewhat immune to catchwords, slogans and slick phrases; I shall, accordingly, be restrained in qualifying the policy document you have before you.

I shall not call it a radically new departure, although it unquestionably inserts Canadian development assistance in a novel and wider perspective and contains a number of proposals whose potential implications for reducing the economic and social disparities between the peoples of the world could be quite radical, were they to be implemented with the active co-operation of other countries, both developed and developing. May I mention, for example, our intention to develop new forms of co-operation with developing countries now deriving substantial earnings from raw material exports and to engage in tripartite or multipartite development co-operation with countries at varying stages of development. But I could claim, with some justification I think, that a radical departure was not really needed, given Canada's historical record in the field of development assistance.

Similarly, I shall resist the temptation to call this document an agonizing reappraisal of Canada's international development policy, although I can assure you that the Cabinet, as well as CIDA and other departments involved, went through quite a bit of soul-searching -- and some agony -- as they progressed from one draft to another. It was not the easiest of policy reviews, being undertaken at a time when the world economy plunged into its worst recession in more than 30 years, suffered through the worst bout of inflation since the Twenties and struggled to overcome the trauma of quite unprecedented increases in energy costs. From one draft to the next, we had to beware of a new set of myopic -- and therefore excessively pessimistic -- predictions about the world's economic future. From one month to the next, we were bombarded with new facts -- yet another formulation of the rising expectations of developing countries, yet another twist in the response of industrialized countries. All this while, negotiators were attempting to establish a new international monetary framework and to launch the third postwar reform of the international trading system.

In the final analysis, we have felt that a cautious optimism was justified. We have banked on a resumption of growth, on more comprehensive and international co-operation, on increases in resource