

Mr. President,

The Sixth Special Session of this General Assembly posed a grave challenge to the international community. The proposals for a New International Economic Order involve a far-reaching transformation of the world's economic relations. Let there be no doubt that a challenge of this magnitude demands from all of us a considered and forthcoming reply.

Thirty years ago, against a background of war, misery and economic collapse, a remarkable group of internationally-minded, and far-sighted statesmen also faced the challenge of creating a new economic - and political - order. We owe the United Nations to their creativity and daring. We also owe to them those economic institutions whose existence and operations have done so much to increase economic growth and human well-being such as the International Monetary Fund, the World Bank and the General Agreement on Tariffs and Trade.

It is easy now to lose sight of the greatness of their achievement. We have grown too familiar with the institutions they created and we have become increasingly conscious of their shortcomings in recent years. But let us not forget that, acting with little precedent, they created institutions and arrangements which provided a sound basis for international cooperation and economic growth. Now, the challenge of the New International Economic Order is to apply a similarly innovative spirit to the changed circumstances of the present day.

As I understand it, the new economic order is based upon two propositions:

- that developing countries do not derive sufficient benefits from the existing system of international trade, investment and finance; and
- that monetary instability, lagging economic growth, inflation and the impact of price increases of petroleum and of other essential imports have demonstrated the shortcomings of the world economic system and the need for changes which will benefit developing countries.

Canada accepts the validity of these assertions and recognizes the need for changes in international economic relations in order to reduce the intolerable disparities between rich and poor nations.