

community can truly make a difference and send a clear message to countries whose military spending exceeds their social spending. Faced with such an imbalance, we might be tempted to reconsider the relevance of our aid programs in light of the military spending of recipient countries. I have proposed to Japan that we adopt a concerted approach in this regard. I think that our two countries can expect to continue discussing relevant ideas on this issue. The summit thus gives us the opportunity of expanding our discussions to include the views of our G-7 colleagues.

Obviously we cannot impose our will on other countries, but certainly together we could influence their decisions. Canada alone cannot change the policies of, for example, some African countries. But surely, if we worked together in a team effort involving large numbers of other countries, significant change could happen in many of these countries.

And let me be very frank with you: those whose military spending is the highest are encouraged, unfortunately, by countries who belong to the G-7. In fact, the biggest exporters of arms are those who are permanent members of the Security Council. So it is unbelievable that on the one hand we ask the United Nations to send troops for peacekeeping missions, while on the other hand those who make these decisions to send peacekeeping missions are the ones who are selling the greatest number of arms to these countries.

So of course, we are realistic. We know that this is a big industry. It will not change overnight; but, indeed, it is something that Canada will want to pursue in co-operation with others. We think that Japan is very much on our side in this regard, and eventually, if other members of the G-7 realized the precarious positions they are in in regard to commercial arms sales in some of these countries, I think we could make substantial progress.

I said at the beginning of my speech that I would limit my remarks to the political aspect of the G-7. However, if you will allow me, I would like to give you a foretaste of the speech that the Prime Minister will deliver tomorrow. Please excuse me for talking about a subject that is both political and economic.

Canada has strongly urged that the G-7 leaders examine the institutions of the Bretton Woods system. This issue will play a very important role in our discussions in Halifax, thanks to the leadership of Prime Minister Chrétien.

The Bretton Woods institutions are the products of a bygone era. Although they themselves have undertaken some attempts at reform, these efforts have never been guided by clear and concerted political leadership. The Halifax Summit allows us to join together and give the International Monetary Fund [IMF] and the World Bank a clear vision.