

Middle East

Affairs and Co-operation. Moreover, the Canada-Tunisia Joint Committee, formed to strengthen political and economic relations between the two countries, held its seventh annual meeting in April.

The Arab-Israeli dispute and the civil strife in Lebanon, as well as their repercussions, continued to hold centre stage for most Canadians. The assurance by the Secretary of State for External Affairs during his Middle East tour that Canada wished to develop its bilateral relations with all countries of the region outside the context of the Arab-Israeli dispute constituted an important step forward in Canadian recognition of the Middle East as a growing political and economic force in the world. Practical manifestations of this recognition were the establishment during the year of joint economic consultative committees with Saudi Arabia and Israel.

The Canada/Saudi Arabian Joint Economic Committee held its first meeting in Ottawa from September 13 to 15, with Dr. Ghazi Al-Gosaibi, Saudi Minister of Industry and Electricity, heading the Saudi Arabian delegation and Don Jamieson (then Minister of Industry, Trade and Commerce but appointed Secretary of State for External Affairs on September 15) heading the Canadian team. In December, a second meeting of the Canada-Iran Joint Economic Committee was held at the official level in Tehran. A memorandum of understanding setting up a Canada-Israel Joint Economic Committee was signed in Ottawa on September 27 at the conclusion of a visit by Israel's Vice-Premier and Foreign Minister, Yigal Allon.

It was expected that these committees would promote economic and commercial activities beneficial both to Canada and to countries of the Middle East. Some of the benefits might be the formation of joint ventures, increased participation of Canadian consulting firms and higher levels of Canadian exports sales, which would reduce the massive trade surplus in favour of Middle East petroleum-exporting countries.

Canada continued to pursue a policy of balance towards the Arab-Israeli dispute, basing its stand on Security Council Resolutions 242 and 338 concerning the Middle East, and stressing both the need to recognize Israel's right to exist in peace as an independent state and the legitimate concerns and interests of