



# Statements and Speeches

---

No. 75/26

## THE CHALLENGE OF CHANGE

A Speech by the Secretary of State for External Affairs, the Honourable Allan J. MacEachen, at the Seventh Special Session of the United Nations General Assembly, New York, September 3, 1975.

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 magnitude of these achievements. We have grown too familiar, perhaps, with the institutions these men created and, in recent years, we have become increasingly conscious of their shortcomings. But let us not forget that, with scant precedent to guide them, these remarkable statesmen created institutions and arrangements that provided a unique basis for international co-operation and economic growth. Now the challenge of the new international economic order is for us to apply a similarly innovative spirit to the changed circumstances of the present.

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

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