system. Thus a basic trade policy objective for Canada and others vis-à-vis Japan will be to urge greater and real trade liberalization efforts by the Japanese authorities. Equally, we need to ensure that Japanese moves to counter such pressures from the EC and the USA create equal opportunities for access by Canada. Growing Congressional frustration with the imbalance in US-Japan trade suggest that US pressure is likely to mount in the near term. Japanese skill and success at economic planning and in pursuit of economic objectives call for a clear and disciplined response on the Canadian side. Patience, perseverance and singleness of purpose will be vital to success and will help offset the assymetrical nature of the relationship. They are essential to the further development of market opportunities for a range of Canadian goods and services. Specifically there is a need for aggressive and persistent marketing support for Canadian business, to take advantage of Japan's industrial restructuring; to place greater emphasis on the high technology sector, and to encourage greater diversification of the economic relationship involving investments, joint ventures, etc.

d) *Developing Countries: Toward More Mature Relationships*

In the years ahead, the markets of developing countries will provide increasingly significant export opportunities for Canadian agriculture and fishery products, capital equipment and a range of advanced-technology products, although access conditions remain uncertain. Canada's economic and political interests are advanced through the creation of multi-faceted relationships with dynamic partners in Asia (e.g., China, Korea, ASEAN), Latin America (e.g., Brazil, Venezuela, Mexico) and the Middle East (e.g., Saudi Arabia, Algeria). The government can continue to create a favourable environment and competitive support for trade with these countries through high-level visits, promotional efforts, and assistance programmes, but the initiative to take advantage of the potential rests with the private sector. These countries will continue to be major suppliers of tropical foodstuffs, and some industrial materials such as bauxite. They will also pose competitive challenges for Canadian producers of labour-intensive and standard-technology goods, as well as for raw materials in third countries. Because of the similarity of the Canadian and LDC economies, however, LDC trade will remain of less direct significance to Canada for some years to come than it is to the USA, EC, and Japan, both in terms of exports and imports. A further factor limiting the short-term potential of these markets is the heavy debt burden many are carrying, extending to the point where some are seeking loans to pay off debt charges. Nevertheless, some LDC markets will offer promising outlets for capital goods and high-technology products.

The development of a more mature relationship will include attention to:

- continued efforts in concert with other countries both to accommodate the economic development needs of developing countries through expanded exports and to seek a greater degree of acceptance of international trade obligations by the newly-industrialized countries;
- active expansion of commercial relationships with the more industrialized developing countries and exploitation of export opportunities for Canadian agriculture, fisheries, advanced-technology products, capital equipment and related engineering and consulting services;