

American economies provide vast scope for potential cooperation and joint ventures. The opportunities lie in both directions. Canada has been a beneficiary as well as a dispenser of technical knowledge: our scientists have benefitted from topographical and thematic mapping techniques developed in Mexico and Columbia and from Brazilian research in earth physics.

Canada's relations with certain Latin American countries will naturally be strongly marked by our concern to secure long-term oil supplies from this stable and historically friendly region of the world. We believe that the complementarity of our economies and the possibilities of cooperation should make this very attractive to both sides.

Latin America as a "Region"

Both Latin America's new prominence on the world's political stage and its evident economic promise make it a region of special interest to Canada. In developing its policy, I think Canada should avoid the pitfall of thinking of Latin America primarily in regional terms and assuming a false homogeneity. Of course, there is a regional dimension to Latin American cooperation. Canada has supported this and been sensitive to the regional dimension, as shown by our permanent observer status at the OAS, and our membership in the Pan-American Health Organization, the Inter-American Development Bank and other institutions having a Latin America focus. Our financial participation in Inter-American Development Bank is now around \$750 million and we also contribute \$237 million to the Bank's Fund for Special Operations for social development projects.

But the diversity of Latin America is one of its central characteristics and Canada should recognize it in its approach. The score of countries from the Rio Grande to Tierra del Fuego differ in their internal make-up, international orientation, in their economic development and areas of concentration, and in their size. The largest country, Brazil, speaks a different language from the others. Geography has presented formidable barriers to communication so that Latin America has been very slow to develop transportation links. As a consequence, intra-regional trade is still only about 15% of total exports, and even this is a considerable increase from earlier periods. There has been a certain sharing of geography, history and cultural links which has given meaning to Latin America as a region, and the last two decades have seen significant efforts to increase regional links through trade agreements, cultural exchanges, diplomatic links and improved transport and communications. But the fact remains that Latin America does not function closely as a "region" in the way Europe, particularly Western Europe, does.

Canadian policy towards the area should be very sensitive to the particular characters of the very different countries which constitute it. I believe Latin Americans themselves will respond positively to such an approach, in the same way that Canadians respond positively to a clear recognition by other countries of our distinctiveness.