

I do not believe this is the case. Just as trade and investment will intensify in the region in the years ahead, so too will the possibilities of conflict. Whatever the achievements of the Asia-Pacific region, it is not immune from developments elsewhere nor from the shortcomings or consequences of domestic policy. Industrial success in Korea and Taiwan cannot be sustained in the face of policy failure in North America. And the full benefits of industrialization cannot be realized without a parallel effort to re-structure the rural sector.

Moreover, pollution which pervades our globe and knows no borders has an Asian dimension. The efforts of countries like Canada or Japan to control their own pollution will pale into insignificance if the populous countries of Asia are unable to control their pollution.

There is no such thing anymore as "national" economic policy. Interdependence cannot be managed through good luck or ad-hocery. The consequences of failure are too great, as are the rewards which come from success.

Six days from today, the second Ministerial Meeting of the Asia-Pacific Economic Co-operation forum - APEC - will take place in Singapore. Although APEC is new, although it is still working to define its role, Canada believes this emerging forum is worthy of cultivation by all its members. Its virtue lies in its very existence - a unique vehicle for conversation and dialogue on Pacific economic and trade matters. We should never underestimate the value of such dialogue. It is only through a regular exchange of views and information that understanding can result and problems can be anticipated before they become crises. There is one way to ensure policy failure and to increase the odds of economic conflict. And that is not to talk. Solutions to economic challenges which by their very nature involve more than one state cannot be sought through unilateral action or a search for unilateral advantage. The interdependent economy of the Pacific cannot tolerate such outmoded approaches.

Canadian foreign and trade policy toward Asia Pacific are based on the view that there must be more contact and co-operation among policy makers if growth is to be sustained. That broadened policy dialogue offsets the prospect of an axis dominated, however inadvertently, by the US and Japan. It offers a new forum in which to resist protectionism and it provides opportunities to collaborate in specific sectors where all of us can benefit.