

At another level, the developed countries agree on the importance of taking decisive measures within our own economies as a step towards improving the international economic and political environment. The control of inflation, the reduction of consumption and the development of new energy technologies are domestic objectives whose realization would improve North-South relations. However, Canada does not believe that the achievement of these domestic objectives can or should precede new reforms in North-South relations: many of our fundamental problems stem from disorder in the world economic system and it is a chimera to believe we can solve our domestic problems in isolation. This is the true significance of interdependence.

Canada's perspective and policy on North-South issues are distinctive in a number of ways. Like most of our OECD partners, we enjoy a high standard of living and we have very advanced industries – in our case atomic reactors, telecommunications, and aeronautical manufacturing are especially notable. But unlike some of our OECD partners, we are also large net importers of technology and are more host than home to multinational corporations. Our economy remains largely resource-based and we are net exporters of energy. We do not have tariff-free access to any of the three major consumer markets: Europe, the U.S.A. or Japan. Politically, we are large enough to play a prominent role in the world, but not so large that we create suspicions of over-ambitions. We have privileged links into almost all parts of the Third World through the Commonwealth, la Francophonie, and our place in the Western Hemisphere.

These factors have given Canada a global concern for North-South relations. We have been actively involved in the North-South dialogue since it began and we intend to continue this in the global negotiations, and the three forthcoming summits.

The environment for these meetings will be quite different from those of earlier major North-South conferences. The second oil shock, the Soviet invasion of Afghanistan and the Brandt Report, are all important new elements. I believe that Canada and other developed countries should take stock of these factors in thinking about the global negotiations, just as they should assess the progress made and lessons to be learned from the dialogue so far. Clearly, the next round will not be easy. We can hope that the Group of 77 approaches the negotiations in a flexible, pragmatic way and that it settles on a clear set of priorities. We in the developed world shall have to do the same, recognizing that achieving our objectives will require concessions made in good faith.

A Southeast Asian foreign minister remarked to me last week that we are the most non-aligned of the Western countries. While that is not exactly our perception of ourselves, I think it does indicate the feeling in the Third World that we are sympathetic to them and open to their concerns. Perhaps that will give Canada a unique opportunity to bridge that gap between North and South.