

moreover, tends to be accounted for by a rather limited number of commodities such as automobile parts, newsprint, wheat and flour, aluminum and steel shapes, asbestos and synthetic rubber. There is clearly a need not only to increase exports to Latin America quantitatively but to broaden their range as well.

There will undoubtedly be a continued demand in the seventies for Canadian foodstuffs and industrial raw materials. Other prospects should perhaps be examined in the light of the fact that, as one of the most developed parts of the developing world, Latin America occupies an economic position midway between that of the advanced nations and those whose resources have scarcely begun to be explored. On the one hand, to the extent that the standard of living of the mass of the people rises, there will inevitably be opportunities for the sale of a wider variety of Canadian consumer goods. On the other hand, the general drive toward a more industrialized society and toward economic development on both a national and a regional scale opens the way to the sale of Canadian capital equipment and technical services. Many fields exist in which Canada, because of its own rather recent development experiences and similar geographical conditions, is particularly well qualified to provide the necessary plant or expertise. Such fields include telecommunications, grain-storage facilities, hydro-electric equipment, port handling equipment, forest-fire-fighting equipment, pulp and paper machinery, specialized aircraft, subway, road and rail equipment, nuclear reactors, airport construction, aerial surveys, consulting engineering services and educational equipment.

However, other factors need to be taken into account. The first is the importance of finding a suitable organizational framework in which trade may be promoted. In Latin America, governments tend to play a major role in economic matters, not only because of their direct involvement in the development and industrialization process and in moves towards regional economic integration but also because of the importance of inter-governmental negotiations on such important matters as commodity agreements and trade preferences. Closer economic relations with Latin America will consequently require more direct and continuing contacts, not only with governments but with the regional and international organizations through which they seek to attain their joint objectives. The most important of the regional organizations are the Latin American Free Trade Area (LAFTA), comprising the South American countries and Mexico, and the Central American Common Market (CACOM), to which all the Central American countries except Panama belong. There are also two