

In the months since I assumed my present office, I have frequently had to deal with down-to-earth problems relating to international trade and economic relations, for such matters are, in fact, part and parcel of our external relations. For this reason, I should like to make a few observations on the international economic scene, and to outline for you what our policy is towards some current problems. I might add here that not only is foreign policy closely bound up with trade policy; it is also closely connected with many aspects of our domestic policies. You cannot keep these things in water-tight compartments. Policies which we might think apply only within Canada turn out to have important consequences for our friends abroad, and for our own external trade interests, and Canadians have a similar interest in what happens in other countries.

I do not think it is too simplified a definition to say that the purpose of a country's foreign policy - any country's foreign policy - is to look after the best interests of its citizens. Some of these interests are economic, some of them are cultural, some are personal; all of them are inexorably bound up in the overriding objective of maintaining world peace. And I submit that, second only to this paramount objective, and indeed, a prime factor in its achievement, is the promotion of the economic well-being of the world. Human beings whose economic circumstances are improving will, in general, be less likely to have aggressive designs on their fellows, and it is also true that the more prosperous a country is, the more difficult it will be for a government to place that prosperity in jeopardy for the sake of some chauvinistic objective. We have, in short, a substantial interest in our neighbour's prosperity and welfare.

One reflection in our foreign policy of the importance which the Canadian Government attaches to the promotion of the economic well-being of the international community has been the active part we have played in the field of assistance to the less-developed regions of the world.

The problem of assisting the under-developed countries in their programmes of economic development is an exceedingly complex one; there is no across-the-board formula which can be applied. For this reason, Canadian assistance, if it is to be fully effective, must take many forms in order to meet the individual needs of recipient countries.

Some of our assistance has been provided under the auspices of the United Nations, which has in many ways proven itself to be extremely well suited to such purposes. It can act as a clearing house for the diverse skills of the international community, and also act as an agency for the pooling of funds. The economic work of the United Nations General Assembly is handled by the Assembly's second committee, which is becoming a very important forum for the discussion of all these questions. This committee deals with such matters as international commodity problems, economic development of the under-developed countries,