

I am very pleased to be with you this evening at the Center for International Studies.

I cannot think of a more appropriate setting to discuss international institutions and their meaning for Canada. Some of the best thinking in Canada on the subject of multilateralism has been generated within this Center. Over the years this University has sent many able men and women to Ottawa to help formulate and execute Canada's foreign policy. You have also lent your expertise and personnel to those very international institutions we are here to discuss. I hope for many more years of fruitful collaboration between the Center and the Canadian government.

In the last decade or so we have come through a double recession, economic and political. The current economic recovery can easily short-circuit our memory of how tough recent times have been. The major economic strains of the 1970's -- the oil shocks, the surging inflation -- were succeeded by the worst recession since the 1930's. The world had to grapple with very high unemployment, serious structural adjustment challenges, massive deficits, and protectionism. These were of such virulence that the whole global trade and payments system seemed for a time at risk. The Third World faced a major debt crisis, and the North-South Dialogue ran into formidable obstacles.

We have come through the worst of this. But in the process we have become more alert to the phenomenon of rapid change, more aware of the complexity of major economic issues, more aware of the imperatives of cooperation.

We have also survived what I think of as a major political recession. Detente broke down, a period of very considerable tension took its place, and momentum seemed to be gathering for a major escalation in the arms race. Regional conflicts smouldered or raged openly.

But good sense prevailed and the superpowers pulled back from the brink. With strong Allied encouragement, the U.S. offered dialogue, and in due course under a reinvigorated leadership the Soviet side responded. That dialogue must be maintained.