

tion as well as greater willingness to develop initiatives — rather than always reacting to the Group of 77 — should be developed. And, in improving our negotiating mechanisms, we must seek to minimize sterile bloc-to-bloc confrontation.

Quite apart from the process there is an urgent need for Canada — the government, Parliament, and the public — to focus on the substance of North-South issues. The Western response in the past to the needs of the Third World has been largely reactive and, in the view of the developing countries, inadequate. There seems, however, to be a growing awareness, fostered in part by the Brandt Report, of the reality of global interdependence and the mutuality of interest — a theme which is also effectively developed with respect to specific issues by our own North-South Institute. And there is a growing appreciation of the need for effective action.

Canada's focus

I would therefore like to turn now to the major issues which I believe Canada must address in the coming months. In preface I would like to make a number of basic points. First, given the natural differentiation of interests and resources among developing countries, policy instruments and solutions will also have to be differentiated. Some will need to focus on the poorest, some on the middle-income industrializing countries and some on OPEC. For this reason, aid alone is not sufficient. Similarly, and of equal importance, the capacity to respond among developed countries is differentiated whether individually or in concert. Secondly, we must continually bear in mind that ultimately the responsibility for development will fall on the developing countries themselves and many of them will need to develop more effective domestic policies in this regard. They will, nonetheless, clearly need help and most particularly, a more favourable international environment. Thirdly, it is clear that all of the related policy options will have costs for Canada, whether political or financial — and some will be very high. Examined one by one, there are always reasons to reject policy changes, particularly in face of criticism from domestic lobbies. But, if in such a process they are all rejected, the outlook for developing countries — and in the end for all countries — will be bleak. There is need to ensure, therefore, that we adopt a comprehensive perspective in which the North-South aspect is clearly borne in mind, even as we look at each individual sectoral issue.

In this respect, I was struck by the second recommendation in your Interim Report "that, in policy-making in Canada and in proposing policy in international fora for the resolution of the current world economic crisis, the government assign a high priority to the needs of developing countries and in particular to the needs of the poorest people". This recommendation clearly has implications beyond aid and points to the need for the type of comprehensive and co-ordinated approach I have suggested. I look forward to your further suggestions as to how this objective might be achieved.

Longer-term prospects

Finally, Mr. Chairman, and most importantly, I am convinced of the need to examine how we as politicians can take a longer-term approach to issues. It is perhaps inevitable that, within a democratic system responsive to the public, we often settle for short-term solutions. This is true even when we know that, in our longer-term interests, an alternative policy might be the best choice. We are only beginning to understand the longer-term perspectives of international economic relations. But we