

vigorously address itself to establishing the stable and steady relationships to which I referred earlier.

Economic development in Canada is clearly a matter of priority attention for the federal government -- as it is for the provincial governments. And there must be a viable consensus about what direction that development is to take, but I contend that this consensus must include our foreign relationships simply because the foreign trade and development dimension of the Canadian economy is becoming more fundamental than ever.

Important as they are, I believe we cannot continue to view this dimension solely in terms of the marketing of Canadian exports. Our economic development calculations must also take account of the various ways in which our foreign relationships can contribute to Canada's economic growth. We have to begin thinking of foreign countries as sources of investment, skilled labour, technology, energy and strategic natural resources. Foreign countries also provide opportunities for Canadian investors and entrepreneurs, and they thus become potential partners. Our relationships with them can take the form of project development, industrial expansion, licensing arrangements, etc. All of these things in varying degrees can be key inputs into Canada's economic development. It's logical, therefore, to begin seeking out those potential partnerships which can serve our interests best.

Where do governments fit in this picture? I think an important feature of the eighties is the growing pre-eminence of government-to-government relationships in international economic decision-making. For an increasing number of countries in the world, significant economic exchanges and cooperation are the bond for solid political relationships between the countries concerned. And the world of the eighties will undoubtedly see an increase in these state-to-state relationships. Canada is compelled to examine very carefully how we will respond to this phenomenon and to direct a good deal more attention to systematically developing the kind of political partnerships which our development requires.

All of these factors -- the uncertain world of the eighties, the nature of decision-making in economic development, tougher competition for Canada abroad, the need for viable and strong political relationships -- all of these factors convince me that we must pursue more concentrated bilateralism.