

It is axiomatic that if economic conditions are worse in industrialized countries, even graver difficulties can be anticipated in many developing countries. We cannot expect developing countries to wait patiently for worldwide economic recovery to see action taken in their favour, particularly if their own circumstances deteriorate. Yet, at the same time we know that without economic recovery our capacity for substantive action is diminished.

Apart from this general dilemma, it is difficult to know how much progress has in fact been made. On the positive side, we know that developing countries, overall, have in the last 25 years moved toward industrialization at a rate of economic and social development which is without historical precedent. Yet, the world's poorest countries, where over half the planet's population lives, have seen their growth rates decline in the first half of this decade. Perceptions vary: at times the glass seems half full and at others, it seems to be half empty.

It is essential that our perceptions remain global and not simply national in perspective. Efforts must be made to accommodate the problems and points of view of others. Still more important, each must try whenever possible to avoid recourse to nationalist and protective measures. Signs have emerged of protectionist tendencies. These must be discouraged. It is important that the momentum for trade liberalization continue and be strengthened. Only on the basis of this framework can sufficiently productive structural changes be made to ensure enhanced opportunities for developing countries.

This is why my government continues to place great store in the multilateral trade negotiations. There is the promise that in the next several months these negotiations will attain the momentum which until now, for a variety of reasons, has been absent. The Tokyo Declaration identified the improved trading position of developing countries as being one of the explicit goals of the negotiations.

An important focal point of the North-South dialogue will be the common fund negotiations resuming in Geneva in November. The difficulties inherent in the negotiations should not be underestimated. The subject matter is both innovative and complex. If a common fund is to be of lasting value to those for whom it is designed, great care will be required to launch the new initiative on a sound basis. Canada's position was well described by Mr. MacEachen at the resumed 31st General Assembly session when he said "We want these talks to succeed and we'll work actively toward that end".

On the transfer of resources, commitments undertaken at the Paris Conference, both with respect to ODA generally and to the billion dollars Special Action Programme, are important. Canadian experience in development co-operation stretches back many years. Most recently, the Canadian strategy has emphasized the needs of the very poor developing countries. By far the major part of our bilateral assistance is directed to countries with an annual per capita income of less than \$200. Our experience in working with those countries has been particularly instrumental in giving us a very real perception of the difficulties of the development process. It is true that gains