

This calls not only for the greatest possible diversification in our patterns of international trade but in the totality of our international relations. In the course of the last few years, Canada's world view has been enlarged. Up to the Second World War, Canada's world view was focused, to a very large extent, on London. The events of the War, and the emergence of the United States as the predominant world power required us to broaden our field of vision to acknowledge Washington's pre-eminence. In a bi-polar world, we found ourselves very much at home among the nations clustered around the American pole.

The great changes in world power relations that have taken place have been incubating for a decade or more and have come to light only within the last few years. They are three in number: the Soviet response to the long-standing efforts of the West for a reduction of tension; the emergence upon the world scene of China; and the resurgence of Western Europe and Japan. The enlarged Common Market and Japan are now great powers in economic terms and can become so politically.

Rivalry between the Soviet Union and China is one of the root-causes for Soviet *rapprochement* toward the West, however slow and hesitant. There are others: growing self-confidence on the part of the Soviets; their acceptance as a power with world-wide interests, which has reduced their sense of being an embattled fortress; their growing need for Western technology; and increasing trade between the socialist and market economies.

Canada has been playing a quiet but effective role in the search for *détente*. In NATO, Canada has been a leader in the move from confrontation to negotiation.

For some years we have worked carefully but steadily to increase our contracts with the Soviet Union and the countries of Eastern Europe. There have been many ministerial visits in both directions; trade agreements and exchange agreements of various kinds have been reached, to the benefit of all concerned. Looked at in perspective, the visit Mr. Trudeau paid to the Soviet Union and Mr. Kosygin's return visit to Canada last year did not signal a departure in Canadian policy but rather a logical step in a process, taken at the right time, the time when the Soviet Union was clearly signalling its wish for better relations with the countries of the West, not least with the two great states of North America -- Canada and the United States.

By finding, after a long, delicate and demanding process of negotiation, a formula for recognition of the People's Republic of China, Canada broke the log-jam and opened the way for Peking to take the China seat in the General Assembly and on the Security Council. This is not just the Canadian view -- it is a view held widely in the world.

The bi-polar world, with the United States at one pole and the Soviet Union at the other, has passed into history. It was going already as contacts between the East and West multiplied and as confrontation gave way to the phase of negotiation that may yet usher in an era of co-operation. The arrival of China on the world scene presents us with a triangle of forces. Chou En-lai has said that China's intentions are peaceful. China is determined, however, to become a