

donor country have allowed it to assume a valuable role as intermediary between the major industrial powers and the less-developed countries. Canada has used the summits to promote a number of initiatives that benefit less-developed countries, such as the more favourable treatment of debt agreed to at the Toronto Summit in 1988.

The importance of summit participation for Canada has, if anything, increased since the mid-1970s. The globalization of finance, trade and information during the 1980s and 1990s, along with the need to respond to the collapse of the Soviet bloc, has increased the need for international economic co-operation.

Canada's prosperity and security is directly related to its ability to influence the direction of international affairs, and its role in the economic summits will continue to be critical. Canada's recognized commitment to the development of a rule-based international system adds credibility to its participation in the summit process.

The most valuable outcome of the economic summits may be the role they play in setting a common framework for G-7 economic policies. They demonstrate to the world that the leaders of the

seven largest industrial economies can agree on a collective approach to economic growth. In doing so, they send a message of confidence to businesses, governments and consumers around the world.

Summits can also contribute to resolving political issues important to Canada. G-7 action in support of reforms in the former Soviet Union and in Central and Eastern Europe promotes global security and assures a greater sharing of burdens among contributors. Successful institutional and economic transition in these countries, in turn, can create opportunities for Canadian exporters and investors.

Canada can use the summit process to raise issues of particular concern to Canadians. At the 1991 London Summit, for example, Canada obtained a particularly strong declaration urging protection of living marine resources and compliance with regimes established by regional fisheries organizations.

Canada's participation in economic summits serves both its domestic and international interests at a time when the distinction between the two is increasingly blurred.