towards greater economic cooperation through APEC. The North American Free Trade Agreement (NAFTA) remains a trade area without plans for closer political integration, although Canada, which already works productively on a wide range of international issues with the United States, intends to work more closely with Mexico on many issues in the future. The Organization of American States (OAS) offers much potential in a variety of fields, which we will be working hard to develop. Recent evidence demonstrates that regional cooperation in Africa, through the Organization of African Unity (OAU) and otherwise, is also possible. This is a welcome and important development.

We have influence and allies in all of these regions. The continuing challenge will be to use our assets and multilateral engagement prudently and effectively as the regional systems themselves evolve.

Other groups reflecting shared interests will also be influential.

• Institutions such as the Commonwealth and the Francophonie, to which Canada belongs, will be an important complement to regional arrangements. They are valuable fora for countries that have diverse national interests but also shared values and objectives in addressing global challenges. Most critical, because of the power concentrated there, is the role of the Group of Seven (G-7) leading industrialized democracies (Canada, US, Italy, Japan, Britain, Germany, France). The Halifax Summit, which Canada chairs, will be a key opportunity for Canada to exercise world leadership on issues on the international agenda.

Common Values for Consistent Direction

- New approaches are clearly needed for the management of international relations. They will, however, ultimately lack consistency and effectiveness in the absence of basic values. The foundation that supported foreign policy in the past has eroded: the old external military threat posed by the confrontation of superpowers has all but gone; ideologies and religion do not unify; nor, in many countries, is ethnic identity held in common.
- In countries like Canada, unity springs from pride in the civic nationality - based on shared values and tolerance, respect for rule of law and thoughtful compromise - that its citizens share. Unity around these values permits the identification of a new compass for the development of foreign policy in a world where sweeping certainties have been replaced by doubts about what is ahead and where the surest path lies.

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