

CHAPTER 5: ASIA AND THE PACIFIC

Asia's great economic and political diversity is matched by its vast size. As a country bordering on the "Pacific Rim", Canada has Asian interests that are of the first importance. Accordingly, during 1978 a number of events had implications for Canada in Asia.

Of these, the rapid unfolding of the Chinese rapprochement with the West, Canada included, was among the most portentous. Indicative of the shift of Chinese policies in Asia was the conclusion of a friendship treaty with Japan. The promise of stability represented by the Chinese re-emergence on the Asian and world scenes, however, was attenuated by an increase of tension in Indochina. Canada remained deeply concerned about the latter events.

Other events also touched Canadian interests. First and foremost, Japan and Korea, both major Canadian trading partners, sought a readjustment; co-operation, symbolized by the Association of Southeast Asian Nations (ASEAN), emerged as a major Asian theme in the Pacific area. The economic promise of Indonesia, a major ASEAN country, held potential opportunities for greater Canadian involvement.

In North Asia, efforts were made to revive discussions between Canada and India as the latter sought to fashion foreign and domestic policies in accordance with the programs of the newly-installed Janata Government. Across India's northern frontier, from Bangladesh through Afghanistan to Pakistan and beyond, political uncertainty — in some cases amounting to instability — was the most striking feature.

Over the past year, Canada's relations with Japan continued to develop and have reflected the growing importance of the association to both countries. In the political sphere, 1978 began with the visit to Japan of the Secretary of State for External Affairs and the conclusion of negotiations on a protocol amending the 1959 nuclear co-operation agreement. This protocol was subsequently signed in Tokyo for Canada by the Minister of Industry, Trade and Commerce. The Minister of Veterans' Affairs and the Revenue Minister also visited Japan in 1978, while Canada was host to Japan's Minister of External Economic Relations and the Vice-Minister of International Trade and Industry. A bilateral fisheries agreement was signed in April.

The habit of consultation was further strengthened at the ministerial level by discussions at multilateral economic meetings, particularly the Bonn Summit in July and the OECD ministerial meeting in June. Contacts at the official level have continued at the annual Canada-Japan policy-planning talks and at the United Nations. Interest in intensified parliamentary exchanges was highlighted by the July 1978 visit by a delegation from the Japanese Diet.