

Of course, it would be critical to ensure that such a tax be allowed only pursuant to a Security Council decision, in order to avoid potential unilateral abuse by the major economic powers, always a sensitive point for a trade-dependent country such as Canada. Moreover, guidelines should be developed to identify the types of state behaviour that the international community might most appropriately address by a mercantilist-like tax, in part to ensure that actions remain consistent with contractual international trade obligations (e.g., pursuant to the GATT/WTO).

One of the problems associated with a system of pro-active sanctions is the determination of appropriate purposes for which the generated revenue should be used. An obvious first call is the expense incurred by the international community in enforcing the sanction, but it has to be borne in mind that the deflection of wealth from trade to bureaucratic and peacekeeping purposes has negative implications for the world economy. The development of programmes of a more commercial nature, which would confront the immediate problem and would also provide an opportunity for businesses to offset their lost trade with the target state, would inevitably be complicated. If the task were left entirely to an agency of the United Nations, the competing claims of different national economies would have to be met, and the claims of individual businesses would have to be considered. Only some of the affected enterprises would be able to take up the opportunities created for deflecting their business in new directions. As with the collection of the tax, however, its application could also be left to national governments, under the guidance of one of the agencies of the United Nations which would be instructed to establish guidelines and to approve projects. It would be appropriate for commercial firms whose business prospects were reduced by the tax imposed on aspects of their trade to be asked to suggest ways in which they could use the revenue so accumulated to develop investments which were consistent with the pro-active programme.

It may be useful to consider a hypothetical example of the manner in which pro-active sanctions could be used, drawn from the history of the effort to use sanctions to change the racial policies of the Republic of South Africa. India imposed a comprehensive trade ban on South Africa in 1946; in 1964, Japan banned direct investment in South Africa; and in 1973, an oil embargo was established by the Organization of Arab Oil Exporting Nations. It was not until after the 1976 Soweto uprising, however, that the sanctions campaign moved into high gear, with a United Nations Security Council resolution banning arms sales to South Africa, and the collective action to stop South African participation in international sporting events. Prime Minister P.W. Botha asked for more time to resolve the problems of apartheid, but used the breathing space he was given to develop efforts at destabilizing neighbouring economies. In order to strengthen its position, to undermine the African National Congress forces operating from neighbouring states and to make life at home appear all the more