

# OPTIONS

## The Liberal Party and Foreign Policy: Part 2

EDITOR'S NOTE: On June 23rd in Calgary, the Liberal Party of Canada will elect a new leader and possible Prime Minister. International Perspectives continues its look at the foreign policy positions of the leading contenders alphabetically by surname. Fluently trilingual (English, French and Italian), Sheila Copps was first elected to the House of Commons as MP for the Ontario riding of Hamilton Centre in the 1984 general election after three years in the Ontario legislature, where she ran against David Peterson for the provincial party leadership in 1982.

As the federal leadership race continued to gain momentum through mid-April, Miss Copps had yet to make a scripted foreign policy presentation. But two issues — the Free Trade Agreement (FTA) with the United States and the environment — have been recurring points during her campaign appearances. The latter reflects her role as environment critic in the Liberal shadow cabinet as she has emerged as the "green candidate" for the leadership.

The FTA has been a concern for Miss Copps ever since it first was proposed. In a September, 1985, speech in Hillsborough, Prince Edward Island, she cautioned that Canada might be staking too much of its national identity on attaining a comprehensive agreement. "The key question before we develop a continental economy is: 'what makes us different? Is Canada worth saving?'" She pointed out that U.S. protectionism was constraining markets for Canadian goods and services and warned that the price for an open border could include dismantling universal health care and other social programmes. "We're not for sale," she said. "I am not prepared to see the work of 100 years wiped out by a Free Trade Agreement."

Some 14 months later, in Halifax, her militancy on the trade issue had hardened. She evinced particular concern during a public forum about what she said was the probability that Canada would not be able to control most corporate takeovers by foreign multinational interests. "We believe that's one of the reasons we have to oppose vigorously the free trade deal," she said. "Canada already has an economy that is, by any standard, dominated by foreign investment control. We have 30 per cent of our economy owned by people outside this country, mostly Americans."

Last spring, Miss Copps ventured into the defence-cum-environment field with a Telex to Prime Minister Mulroney, who was in Washington for talks with President George Bush. Her concern was the

barge transportation through the Strait of Juan de Fuca, which separates the southern tip of Vancouver Island from Washington State, of reactors from decommissioned American nuclear submarines. An estimated 100 submarines are to be taken out of service over the next 25 to 30 years at the U.S. Navy yard near Seattle and the reactors shipped down the West Coast and up the Columbia River for disposal at the Hanford Nuclear Repository. "The United States should cease the reactor shipments and find alternate forms of transportation," she said. "We obviously do not have the resources to protect Canadians and our Pacific fisheries from a radiation spill." But analysts point out that there is no other option. Air shipment is out of the question not only because of the increased risk but also because of the sheer logistical practicabilities — each unit, concrete filled and encased in steel — weighs approximately 100 tonnes. Ground transport is equally impractical and the concerns about a possible maritime disaster are effectively groundless because of the way the reactors are handled.

### Accuses PM of Hypocrisy

Miss Copps broadened her horizons last summer by accusing Prime Minister Mulroney of preaching environmental awareness in Europe while being environmentally stingy at home. "The Prime Minister has been wrapping himself in the green flag at the G-7 summit (in Paris in July)," she said. "Unfortunately, the colour of the flag at home is black." She accused the Mulroney administration of spending too much on potentially polluting energy megaprojects and not enough on research into non-fossil fuel alternatives.

Then, last Dec. 6, with five weeks remaining before she declared her candidacy, she made it clear that the environment was a top priority. "The clock is ticking," she told a college audience in Chatham, Ont. "If we don't come to

grips with our garbage problem, by the time you are having your children, we will have drowned ourselves in our own garbage." A hallmark of her campaign has been to focus on local issues and the one in question this time was pollution in the Chatham area. She suggested a "green tax" to encourage conservation and recycling. "It's going to cost money but I believe Canadians are prepared to pay the price if they feel they're going to get results.

When she finally confirmed she would seek the leadership, she said she would be "talking about the return of Canada as an honest broker — indeed, a leader — on the international stage." Under questioning at her kick-off news conference in Ottawa Jan. 15, however, she did not mention the FTA in her prepared statement. When asked, she said that with three years to go before the next general election, it was too soon to take a stand on the free trade issue because there was no way of knowing what the economic situation would be. "You do not say that the Liberal Party, if elected, should tear up the Free Trade Agreement?" she was asked bluntly. "No," she replied with equal brevity.

Seven weeks later, in a speech in Vancouver, she seemed to take a few halting steps toward a foreign policy that would bear her personal imprint while still reflecting the views of the party, saying "Canadians want a Prime Minister ... whose foreign policies will not be written from the United States." She promised that any government she formed would negotiate a Clear Air Treaty with the U.S. and a Circumpolar Treaty with other Arctic countries "to reduce the fallout of airborne toxic chemicals" as well as standing up to international pressures that affect Canadian farmers and fishermen. And pitching to her B.C. audience, she also promised legislation to require double bottoms on all oil tankers and barges used in Canadian waters.

Sheila Copps and her organizers are obviously more concerned with the immediate priority of the leadership race than with playing to the world stage, so they have chosen in the name of political pragmatism to concentrate on predominantly domestic questions.

# STATISTICS

## International Trade

January got 1990 off to a good start with a merchandise trade surplus after December had yielded Canada's second merchandise trade deficit in nearly 14 years. Statistics Canada indicates that the turnaround was broadly based. Exports of aircraft, engines and parts alone rose by \$128 million while wheat exports rallied by \$118 million to a 17-month peak of \$416 million but the effect of these and other smaller improvements was undermined by a slump in automotive exports. The automotive sector also figured prominently on the import side of the ledger as lower vehicle production in Canada reduced the demand for parts imports. The January surplus was \$607.7 million, seasonally adjusted on a balance of payments basis, after a December deficit of \$91.2 million. The latest surplus resulted from exports of \$11,626.3 million, subject to revision, which were 6.1% from December, and imports that declined 0.8% to \$10,955.6 million. Here is a rounded breakdown in millions of dollars:

	JANUARY			PRELIMINARY 1989 CALENDAR YEAR			Change from '88
	Exports	Imports	Balance	Exports	Imports	Balance	
	21.8		+10,409.9				-3,225.2
	52.3		+209.6				-96.8
	04.5		-1,066.2				+107.8
	30.6		-1,953.0				+1,429.8
	29.6		-622.3				-109.5
	56.2		-2,298.7				-3,235.4
	55.0		+4,679.4				-5,129.3

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compared with almost 2.31% of \$11,214,284,000 of overall spending in January, 1989. However, a comparison of the cumulative figures for the first 10 months of the year, which ended March 31, shows total spending to January 31 was \$111,932,917,000, of which 1.97% was for the External envelope. The comparable 1988-89 share was 2.26% of \$102,807,105,000. Here is a rounded breakdown in thousands of dollars:

- \*Abbreviations used refer to the following:  
 APF — Asia Pacific Foundation  
 CCC — Canadian Commercial Corp.  
 CIIPS — Canadian Institute for International Peace & Security  
 CIDA — Canadian International Development Agency  
 APF — Asia Pacific Foundation  
 EDC — Export Development Corp.  
 ICOD — International Centre for Ocean Development  
 IDRC — International Development Research Centre  
 IJC — International Joint Commission

	Y			F. Y. CUMULATIVE	
	1989	1989/90	1988/89	1989/90	1988/89
	4,979	516,242	481,757		
	7,462	64,920	50,262		
	1,077	150,021	138,553		
	-896	-573	-1,960		
	—	—	500		
	129	357	1,813		
	IP-90-015				
Sub-total	137,733	72,751	730,967	670,925	
CCC*	721	2,128	10,723	11,614	
CIIPS*	—	1,000	4,000	4,250	
CIDA*					
Operating costs	9,273	7,078	78,262	72,865	
Grants	138,825	135,722	1,174,377	1,381,555	
Pymts to financial inst.	4,200	4,300	39,626	71,488	
APF*	—	—	—	500	
Sub-total	152,298	147,100	1,292,265	1,526,408	
Canadian Secretariat	34	—	378	—	
EDC*	1,763	5,045	65,256	5,045	
ICOD*	1,000	900	7,200	5,250	
IDRC*	9,050	9,517	90,475	95,167	
IJC*	654	309	3,981	3,297	
OVERALL TOTALS	305,253	258,750	2,205,245	2,321,956	