

West. In addition, Saudi Arabia and the small Gulf oil states, nervous not only of being drawn into their neighbours' bloody battle but also of the target they themselves represent with their enormous oil revenues, have stepped up their military expenditures. Saudi Arabia's conservative monarchy is also uneasy about the possibility that Iran's firebrand type of Islamic fundamentalism will spread across the Gulf. Finally, militarily well-equipped but unpredictable Libya is stirring up trouble throughout the area. All in all, the whole region is bristling with armaments that are continually being upgraded. On top of all of this, Israel is believed by many Arabs to have some kind of nuclear capability and Egypt, Libya, and Iraq all have active nuclear research programs, a fact which causes apprehension in Israel. Not only do these developments increase the sense of insecurity that prevails in the region, but they also are the cause of a wider international apprehension.

As a western industrialized nation, Canada has a deep interest in the stability of the Middle East and is concerned that a major international confrontation should not erupt from the several conflicts which persist in this volatile region including the Arab-Israeli dispute, the continuing turmoil in Lebanon and the Iran-Iraq war. In respect to the stability of oil supplies, while Canada imports very little Middle East oil at present, it is committed through the International Energy Agency to share its own supplies in the event of an international shortage. Thus, a cut-off of Gulf states' oil could affect not only Canada's oil imports from the Middle East and elsewhere but even its domestic oil supplies. Further, Canada has growing trade ties with Arab states which are likely to flourish only in a stable environment. Finally, Canada has an interest in the peaceful resolution of the Palestinian problem and the Arab-Israeli dispute from the perspective of its traditional friendship with, and support for, the state of Israel. Canada was deeply involved in the partition plans leading to the creation of Israel 37 years ago and remains committed to its existence as a viable state in the area.