

suspicion and resentment. On both sides.

"Nothing is just trade."

The department's capacity for consultation, and the commitment of its senior management to the obligations of consultation, are tested now most severely in the conduct of trade policy. From APEC in Vancouver to the World Trade Organization in Seattle to the intended Free Trade Area of the Americas, trade policy has aroused on all sides animosities of mistrust, uncertainty and frustration. This is not a mere failure of effort; in fact, Trade Policy officers have spent unprecedented energies opening the policy process to parties beyond the department's traditional business "clientele." The worst problems here are institutional and political, and they are rooted in a puzzle the department has yet to solve.

The puzzle is this: How can DFAIT integrate non-trade issues, interests and objectives into the making of trade policy? The worst (and a usual) answer is to say that trade negotiations and agreements cannot be expected to carry all of life's concerns with them. To pretend that trade and investment are somehow separate from other questions is just fatuous—especially if trade treaties give the appearance of trumping all other treaties and even domestic law. As one trade officer put it in an interview: "Nothing is just trade."

Nor does it seem promising (against the opposition of foreign governments) to answer by saying no trade agreement will be signed without provisions on human rights, labour or environmental standards. NGOs and labour organizations themselves can sound ambivalent on this point. Some oppose virtually any treaty of liberalized trade or investment. Some would attach social, environmental or human rights obligations to any trade treaty—in effect, capturing the enforceability of trade law for non-trade interests. Still others would undo the pre-eminence of trade and investment, and elevate human rights, environmental and labour agreements as equally enforceable. It was this confusion of objectives, along with much else, that occupied the streets and corridors of Seattle at the WTO meetings.

The object of this paper is not to solve the puzzle. But there is a very strong view, within and outside the department, that DFAIT is stymied on this by its own institutional bifurcation between trade and "everything else." In the words of a senior officer in an important geographic unit: "I understand the frustrations of NGOs. The trade policy people don't tell *me* what they're doing. They don't accept that everything is *connected*."

The effects of this institutional disconnection on consultation are endlessly destructive. There is a chronically dysfunctional conflict here, and it is hard to imagine how it can be resolved with the department divided as it is—and while ministers and senior-most managers allow the division to poison consultation processes.

A structural hypocrisy?

The department's ministers, deputy ministers and assistant deputy ministers often assert their