

## INTRODUCTION

Predicting the future is always a hazardous activity, and no field is more challenging to grapple with than international affairs. Consideration of a nation's foreign policy requires applying a long-term strategic view to the lessons of history, to the predicted global trends of tomorrow, and with even greater difficulty, to the perceived policies of other nations. All of these factors are beyond the control of national policymakers.

It is with a recognition of these limitations that the Business Council on National Issues welcomes this opportunity to respond to Competitiveness and Security: Directions for Canada's International Relations. It should be stated at the outset that we believe that Competitiveness and Security raises a host of important policy issues that must be addressed as Canada proceeds to fashion its external policies in future years. But rather than responding to all of the issues raised in the paper, we will concentrate on a few select developments which we believe have special significance for Canada. These will be presented under two broad headings: Canadian Security and Sovereignty, and Competitiveness and Economic Policy in a Changing World. Because the Business Council on National Issues has recently pronounced at some length on the subject of Canada-United States trade and economic relations, the second half of this paper will mainly focus on key multilateral economic issues of concern to Canada.<sup>1</sup>

The first step is to position Canada within the global environment. Viewed from this perspective, it is clear that Canada holds a remarkably privileged position with a high standard of living, an educated work force, and freedom from the devastation of war or overpopulation. Yet Canada is more than the sum of its natural or socio-economic descriptors; it is also rich in its values -- a liberal, Western, capitalist democracy with a history of stable government, an enviable record in human rights, and a longstanding concern for the struggling and less privileged.