

Events in Moscow and Zagreb and Port-au-Prince and Mogadishu have a direct effect on the lives of Canadians in Toronto and Thunder Bay and Trois-Rivières. We can see that vividly today -- uncertainty over the future of Europe, an attack on the British pound, and the Canadian dollar comes under extreme pressure. The values and the principles that we establish for ourselves in Canada are an important determinant of the structure of our overall foreign policy in a world that would not permit us to live in isolation even if we wanted to.

Think back to just about two years ago when Saddam Hussein strode into Kuwait. If this had been dismissed as a regional skirmish, there is no telling how far he may have advanced by now. We still marvel at the courage of the Israelis who stared down the Iraqi scuds and miraculously survived that brief but brutal war.

I am proud of Canada's participation in the UN-sanctioned forces that restored some semblance of order in the region, and I am proud that my country and my government answered the call when the peace of the world was being threatened.

But there were many casualties in the Gulf War and other costly effects -- environmental damage, continuing starvation and sickness among displaced persons, and numerous local and national economies in turmoil. Overall, the Gulf War cost the nations of the world a billion dollars a day in direct costs -- or a grand total of \$65 billion!

Compare that to the costs of a major peacekeeping action, which runs in the order of a billion dollars or less. Even if we were to think only in financial terms, which we don't, peace still remains the world's best investment.

What about Somalia? How much should the world spend to end the starvation and helplessness of a country that is without government, without functioning social structures and that is controlled by bands of lawless hooligans?

What price would the world pay for a lasting peace in the Middle East? Or in Cambodia? Or in Haiti?

We do not engage in "chequebook diplomacy," but, in a time of restricted resources for all governments, the foreign policy and humanitarian challenges that we face are enormous.

The United Nations, which Canada has supported since its inception both philosophically and financially, teeters constantly on the brink of financial ruin. Some nations cannot pay; others will not pay -- not a very healthy prospect for financial survival.