CANADA'S FOREIGN POLICY DIRECTION

Canadian foreign policy has three main objectives for the coming years: strengthening cooperative security; pursuing sustainable development; and ensuring respect for human values.

STRENGTHENING COOPERATIVE SECURITY

The security of Canada and its people is an enduring and vital foreign policy objective. Although it remains essential to maintain military stability through defensive alliances, the 1990s present Canada with an opportunity to work for a more cooperative world order based upon the rule of law.

The international community needs to address threats to security such as nuclear proliferation, drug trafficking, terrorism, and irregular migration caused by political, economic and environmental factors. Consultation about these threats can reduce them and enhance our capacity to cooperate to prevent and manage conflicts.

In moving towards cooperative security, Canada's focus will be on both regional and global structures. Regional structures should be consonant with, and supportive of, a multilateral system based on the rule of law and centred on a strengthened and more effective United Nations.

Canada's participation in defensive alliances will remain integral to the creation of a cooperative security regime. Canada will participate in a reinvigorated NATO, relevant to the more cooperative climate of today's Europe. Canada will continue to strengthen its links with Europe by building up its relations with the European Community, pressing for a more effective Conference on Security and Cooperation in Europe and developing closer relationships with Central and Eastern Europe and the countries of the former Soviet Union. Canada will work with like-minded countries to enhance cooperative security in other regions.

Peacekeeping has been a traditional and justifiable source of pride for Canadians, and efforts will continue in this area. What Canadians currently recognize as peacekeeping may begin to change, however, and this will pose further challenges. Peacekeeping may increasingly take on functions such as electoral supervision and refugee protection, which were once considered to fall under the exclusive purview of national governments.

In the United Nations system, the world already has the essential framework for consultation on global cooperative security. Canada seeks to strengthen that framework, and to foster greater respect for the rule of law and the principles of collective security enshrined in the UN Charter.

PURSUING SUSTAINABLE DEVELOPMENT

Canada's prosperity depends on open, liberal and rule-based trading, and on the productivity and skills of its labour force. Trade policy and domestic policy will be more integrated and will include protection of the natural environment. Given the current international coordination and harmonization of economic, industrial and trade policies, Canada needs to anticipate trends, in order to ensure timely and effective adjustment to continued globalization.

Canada has a vital interest in seeing that the major players in the multilateral trading negotiations are able to reach an agreement on ways to reduce various subsidies, including agricultural subsidies, and otherwise improve the rule-based multilateral trade and payments system. GATT-compatible regional trading arrangements such as the Canada-U.S. free trade agreement and the North American free trade agreement will continue to advance Canada's trade and investment interests.

Canada's well-being also depends on the protection of the environment. Differing economic