

I am very honoured by your invitation to address the Atlantik-Brücke Conference. This forum is one which, by bringing together Canadian and German decision makers, helps to reinforce the strong bonds of friendship between our two countries. It also provides us with an opportunity to share our views on emerging issues of mutual concern and to look together at how best to address them.

It is my pleasure this evening to address one such important subject: the evolving role of the State since the end of the Cold War. This broad topic can be approached from many different perspectives: political, economic, or cultural. It is a development, however, which affects us all and which has left many of us wondering about how we will deal with the challenges facing us in the 1990s and beyond.

The crux of the matter is that the certainties of the Cold War no longer seem certain. A strong, effective State can no longer be taken for granted. Indeed, many argue that the State is in decline because sovereignty is losing meaning. States appear to have less control over what occurs inside their borders. Borders themselves are disappearing for the growing number of people communicating across data lines and satellite links. On the other hand, the accessibility of new technology has *de facto* increased the sovereignty or autonomy of individuals as people who share common political, ethnic or social interests increasingly see themselves and act as transnational players. A profusion of new commercial organizations are mirroring this trend and joining the older multinationals, vaulting borders to trade and invest.

In conjunction with the end of the Cold War, these trends have accelerated. An iron curtain no longer divides Europeans. At the same time, beliefs that sustained a large, interventionist State in Western societies are held by fewer and fewer people. Partly, this is due to a perception that since the principal enemy — the Soviet Union — no longer exists, allied governments no longer need support large military establishments. Moreover, resources available to the State are diminishing. Deficits and changing attitudes about what kinds of activities are appropriate for the State have combined to make it very difficult for governments in the nineties to take on new tasks, even if they wished to do so.

Increasingly, we understand that our most pressing problems are not limited within our own borders. No one country can protect the ozone layer for example; no single state can stop international crime or disease; no government acting alone can stop arms proliferation or manage the world's financial flows. Pessimistic observers point to the complete breakdown of Somalia and Liberia as examples of "failed states," the beginning of a "coming anarchy." Others fear we will see more of the kind of ethnic and religious conflict that has destroyed states like Yugoslavia.

Some look at this scene I have described and conclude that we must resign ourselves to it. They argue that the State, with its decreasing resources and declining stature, is not ready, willing