

First, countries in the region seek international attention and respect. Simply put, following the early stages of the war against terrorism they feel neglected and misunderstood by the West. Yet Canada, perceived as a fair-minded and sophisticated middle-power, with none of the political baggage of the world's super power nor the colonial heritage of Europe, is perceived as a welcome interlocutor. Elites in the region are anxious to have a real and broad-based dialogue with Canadian officials and representatives of Canadian institutions and organizations. It is in Canada's interest to respond actively to this genuine desire for dialogue and better understanding.

Second, there are a range of mutual interests and topics on which the exchange of information is of immediate interest to both Canada and the countries of the region. Issues such as security, counter-terrorism, military intelligence, among others, are all key elements relevant to the "next steps" in the war against terrorism for Canada and the West.

Third, it is in Canada's strategic long-term interest to build, pro-actively, strategic linkages with the new generation of political, cultural and academic elites that is starting to become influential within the region.

Fourth, in many areas of policy consultation, even a relatively minor increase in Canadian representation or presence, for example, the holding of annual consultations with officials can pay huge dividends in terms of information and intelligence-gathering for Canada. Within many regional organizations, such as the Gulf Co-operation Council, with its sub-committees and areas of specialized activities, there are groups of experts who would be valuable contacts for Canada.

Fifth, despite the temporary reduction of interest in and travel to the region following September 11 *many commercial opportunities for Canadian firms and institutions, such as those involved in the educational field, have actually increased.*

Compared to our G-7 allies, Canada has a limited diplomatic presence in the region. Resources are stretched. However, even a minor incremental presence in terms of personnel, programs, and visits would have a major impact. The Department should also look closely at how collaboration with the Canadian private sector, academic institutions, and civil society can be used to leverage our presence in the Gulf.