Mario Proulx (Radio-Canada) [question to Kenneth Calder]: One got the impression, when the news came out, that the abandonment of nuclear-powered submarines was in some ways a political decision, but that it was also symbolic, in the sense that it was impossible to cut funds for foreign aid and child care, and build nuclear submarines at the same time. Was this really a financial matter, or was it a symbolic question?

Kenneth Calder: The reason for the cancellation of the submarine was essentially fiscal and one has to be careful here because it is not a question of saving money in the first five years of the defence budget because, of course, we all know that we were not committed to significant funding in the first five years. The problem with the submarines from the fiscal point of view was the magnitude of the total purchase over the longer period of time. The government was not prepared, in light of fiscal uncertainty over the longer term, to essentially sign up to an obligation of that magnitude in the outer ten years of the defence programme.

Jack Spearman (Calgary Herald) [by audio hook-up from Calgary]: Could the panelists give me their assessment on what impact the cancellation of the submarine programme will have on Canada's credibility to make future equipment purchases? Quite frankly why should anyone bother bidding on anything anymore after this? The French and British invested a lot of time and money only to be told at the last minute: cancel the order; we've changed our minds.

Bernard Wood: That is really, probably, the least interesting question that has emerged in this whole exercise. I'm not saying that to you Mr. Spearman,

but it is the question that is around and on a lot of peoples' minds. And it seems to me very interesting that when the submarine idea was first raised pretty much all of our allies said that they thought it was a silly idea. But a couple of them, once they saw the commercial possibilities, seemed to change their appraisals in a massive way and say that our total credibility now hangs on it.... I have talked to NATO planners who have said that in terms of the total military posture, Canada's decision on the submarines means practically nothing at all. There are probably dissenting views on the panel ... [pause] ... it turns out there aren't.

John Marteinson (Canadian Defence Quarterly): I am a little surprised about the continued insistence from you [Kenneth Calder] and frankly from a lot of other people representing the Department of National Defence that the White Paper remains government policy. In reality, as a result of the budget, there has been a de facto disavowal of virtually every major aspect of the White Paper ... can we expect a coherent restatement of what we really are about by the Minister of National Defence and if so, when?

Kenneth Calder: What the government has said is that the parameters of the White Paper remain intact, the parameters still represent the policy of the government. What you have been focussing on are the programmes laid out in the White Paper to achieve those objectives. What the government is saying is: the objectives remain valid. What do I mean by that? In spite of these budget cuts the Canadian security policy will continue to rest upon the three pillars of defence and collective security, arms control and disarmament, and the peaceful settlement of disputes.... Programmes have been delayed and cut not for policy reasons, not because the objectives have changed, but because the money is not there – simple as that, the money is not there.

If we were in a position where the world had changed sufficiently since 1987 to justify a totally new strategic analysis, then we might think in terms of a new White Paper. We don't believe that has yet happened. Contrary to many of our critics the Department of National Defence does acknowledge that things have changed since 1987 and that

we acknowledge that things have changed in East/West relations and the Soviet Union and so forth.... But they have not in our opinion changed sufficiently significantly to justify a new White Paper at this time.

Paul Mooney (Canadian Press): Dr. Hampson, you mentioned peacekeeping and the role in Europe. I wonder if you see a way of streamlining the mission that the Canadian forces have been given? How too thinly spread do you think they are now and how do you think we could go about changing that?

Fen Hampson: I would agree that they are pretty thinly spread and they are going to be spread even more thinly in the future. I guess I would take issue with Dr. Ross. I don't think one's influence in the international community is a function of how much one pays in dollar terms. Whether it is to NATO defence or to peacekeeping or what have you. That is an accountant's mentality of influence ...

I think that the greatest challenge to international security, right now,

is not in the East/West conflict. There are opportunities there, but the challenge in the sense of the threats to international security do come from regional conflict, that is to say conflicts, most of which are in the third world ... Many of these conflicts are rooted in economic and social problems and, therefore, it is important for us not to be cutting back on development assistance and aid precisely at a time when many of these problems are getting worse; not getting better.

Marc Clark (Maclean's): It strikes me that the Canadian military has always tried to maintain a miniature example of the great militaries of the world

with a reasonably complete army, navy and air force.... I am just wondering if it is time to forget this fiction and perhaps throw somebody out of the tent, to agree that we cannot be all things and have this glasscase miniature of the great militaries of the world.

Douglas Ross: I think that is absolutely correct – somebody will be kicked out of the tent and maybe land forces will be reduced to international peacekeeping capabilities only. But are we going to get the transports so that we can move our forces to Europe? No, we are not going to do that, not under any foreseeable budget from this government. Have the direct military threats to North America been increasing? Yes, they have. Basically air defence is going to be a black hole that has a very strong prospect of eating the defence budget entirely by the end of the century. Particularly as cruise missile development goes ahead dramatically.... Then we are going to have an incredible requirement for what is the prudent minimum for air defence ... The alternative, of course, will be having a much expanded American presence on our territory to fulfill that minimum requirement.

Kenneth Calder: I don't think that we are in a position to throw anything overboard. I think we have to probably do everything a little less well than we had hoped. How does a country facing on three oceans, with the longest coastline in the world, do without a navy for example. As Doug was pointing out we do have a threat from the Soviet Union in terms of bombers and cruise missiles – how do we do without aerospace defence and some sort of air capability in this country.... Probably if we had nothing else in the world we would want to have an air force simply so that we would know what is going on inside of the country ... How do we reduce in Europe when we belong to a collective alliance where the primary conventional threat is still in the European theatre ... and particularly in the context of arms control negotiations going on in Europe. Even the arms controllers in Canada are recognizing the importance of us maintaining our forces in Europe and remaining part of the European equation.