

Tories propose closer U.S. ties, foreign aid cuts

By Bob Hepburn Toronto Star

OTTAWA — The Progressive Conservative government is leaning toward a boost in spending on defence while slashing foreign aid, a federal discussion paper on foreign policy indicates.

The document, released yesterday by External Affairs Minister Joe Clark, also suggests that Canada should strengthen its ties with the United States, possibly through a special free-trade pact.

But the 43-page paper virtually ignores the controversial Star Wars issue, devoting a lone paragraph to whether Canada should join the U.S. in its \$26 billion space-based defence project, formally known as the Strategic Defence Initiative.

The Green Paper, called *Directions for Canada's International Relations*, is the Tories' first formal effort to reshape Canada's foreign policy since taking power in September. It also is the first full-scale public review of foreign policy since 1970.

Drastic changes

It clearly signals that the Tories plan to alter drastically some long-standing policies followed by the former Liberal government of Pierre Trudeau.

Rather than proclaim new policies in blunt language, however, the paper outlines various options for Canada. It asks more than 50 questions ranging from what Canada should do about free trade to human rights and relations with South Africa.

At the same time, Clark told reporters that some policies are untouchable, including Canada's membership in NATO, the United Nations, the Commonwealth, and the annual economic summit of western leaders.

A special all-party committee of MPs and senators will be created to study the document. The group will hold hearings across Canada and, possibly overseas and will make its recommendations on the paper to the government in May, 1986.

In the meantime, Clark said, the government will continue to make major decisions on foreign policy.

Specifically, Ottawa is expected to decide soon on whether to accept the U.S. invitation to join the Star Wars project, and on a free trade agreement with the U.S.

In addition, Defence Minister Erik Nielsen will release a White Paper outlining government policy on Canada's defence role within several months.

Most of the foreign-policy document deals with the need for Canada to increase its productivity and economic competitiveness in the world marketplace — favorite campaign topics of Prime Minister Brian Mulroney.

"The world will not allow us the luxury (of isolating ourselves). The whole range of international issues — economic, political and security — now extends unavoidably into our daily lives," Clark said in an introduction to the paper.

Improve trade ties

Despite efforts to hide its priorities, the government clearly wants to make a radical break from the foreign policies pursued by old Liberal regime.

Specifically, it suggests that Canada needs to improve trade ties with the U.S. Trudeau promoted trade with developing countries, the so-called Third Option.

It hints at new cuts in foreign aid on the heels of the \$180 million reduction in November. And it criticizes Trudeau's decision to trim Canada's troops in the North Atlantic Treaty Organization.

"The decline (in Canada's military) was allowed to go too far," the paper says. It adds that our \$2 billion foreign aid budget must be re-examined because "Canadian funds for use abroad are limited."

And in a bleak foreboding of massive spending cuts to be unveiled May 23 by Finance Minister Michael Wilson, the document warns that foreign aid may suffer.

"Not everything is possible. We do not have the resources to do all we would like in international affairs," Clark said in the introduction.

"In fact, reduction of the budget deficit may require further retrenchment in some of our international activities. Priorities will have to be established; difficult choices will have to be made."

Clark insisted the government will be open to ideas from the public on foreign policy.

But he noted that only "strong, unanimous" recommendations from the special committee would have any influence in forcing the Conservative cabinet to reconsider any decision it has made.

Opposition MPs quickly denounced Clark's paper.

They charged that the Tories have ignored the most pressing foreign policy issues while focusing on the need to boost our economic competitiveness.

Liberal MP Jean Chretien said he was startled that Clark would virtually ignore Star Wars, yet "deal with marginal problems."

Attacks paper

Chretien, the last external affairs minister in the former Liberal government, also said it is amazing that Clark would suggest Ottawa might alter its policy on a major issue, such as Star Wars, after making a commitment to the U.S.

New Democrat MP Pauline Jewett (New Westminster-Coquitlam) called the paper "an elaborate and expensive exercise to keep Tory backbenchers busy" while the cabinet makes the major foreign-policy decisions.

Jewett attacked the paper for concentrating on the need to boost trade while almost dismissing Star Wars, Latin America and foreign aid.

"This is unacceptable at a time when 60,000 people took to the streets in Vancouver last month about Star Wars and the nuclear arms race, when Canadians have opened their hearts in an unparalleled gesture to Ethiopia and when war, change and the survival of new democracies in Latin America are critical issues," she said.

In its only reference to Star Wars, the paper says the project's "technological spin-offs could be very important for both military and civilian sectors."

"We will have to reach a consensus on whether strategic defence is likely to enhance or diminish our security, and we will have to consider to what extent our economic and technological interests are at stake."

While carefully avoiding the words "free trade," the paper suggests a "comprehensive trade agreement" with the U.S. could avoid many of the current trade problems between the two nations. Its words are very similar to a discussion paper on trade policy released in January by International Trade Minister James Kelleher.

Military decline

On defence issues, the discussion paper claims Canada emerged from World War II "a major military power, with an army of half a million soldiers, a navy of 200 ships, and an air force comparable to that of Britain."

But the Liberal governments of the mid-1960s allowed the military to decline, it says.

"Some decline was inevitable, and normal. Canadians have no history of large forces in peacetime and no tradition of universal military service. . . . It is now generally recognized, nevertheless, that the decline was allowed to go too far."

On foreign aid, the paper claims Canada must reassess its foreign aid spending, especially in terms of where it wants to focus its efforts.

In November, Wilson announced \$180 million would be cut from foreign aid. Canada will spend about \$2 billion in aid, which amounts to about 2 per cent of total government spending.

"There is a need to examine the objectives, policies and programs of Canada's co-operation with the Third World," the paper says.

"In seeking the right balance in our programs abroad, we will have to decide the priorities we wish to attach to humanitarian

objectives, to attaining common social benefits, to sharing in the management and support of the global economy and the global environment and to achieving political stability and progress."