

Canada's bilateral relations with the Eastern European countries also make a contribution to better East-West relations, and thus to security and stability in Europe, to the extent that they demonstrate that countries with different political and social systems can do business together to their mutual advantage on a basis of reciprocity. While Canada is under no illusions about the importance of the differences that persist, it has every reason to live in peace with the Communist countries and to try to have more normal relations with them.

In its approach to European problems, Canada will place increasing emphasis on action to resolve the underlying causes of tension in Europe, as well as on the promotion of arms control and disarmament. It will seek to encourage serious negotiations on these issues in whatever forums seem most appropriate, including an eventual conference or conferences on European security when the time is ripe. The Government recognizes, however, that progress on these issues will depend on the degree of confidence and trust developed and shared by the European states generally in a climate of continuing peace and security. This means preventing local conflict in Europe from erupting, either by accident or miscalculation, and from escalating into nuclear war.

One of the compelling reasons for Canada to remain a member of NATO is the important political role that NATO is playing and that Canada is playing within NATO in reducing and removing the underlying causes of potential conflict by negotiation, reconciliation and settlement. The Canadian Government has rejected any suggestion that Canada assume a non-aligned or neutral role in the world. Canada will continue to participate in an appropriate way in collective security arrangements with other members of NATO in the interests of Canada's national security, and in furtherance of the values Canada upholds.

These collective arrangements involve co-operation with the United States in the defence of the North American region of the alliance and participation in other defence arrangements in the North Atlantic and in Europe. The precise military role that Canada assumes at any given time will depend in part on the role of Canadian forces in the defence of Canada and North America and in part on the requirements for peacekeeping. It will also take account of the economic recovery of the countries of Western Europe and their enhanced ability to provide for their own conventional defence. In the light of these considerations, some reduction of Canadian forces in Europe is being effected this year after extensive consultations with NATO allies.