

for reducing material and energy intensity in manufacturing.⁹⁹ A key variable for China is the rate of technological progress, from both domestic and foreign sources, and the dissemination of innovation throughout the economy. On both these points, it is important to note that certain types of economic reform, such as allowing enterprises to fail if inappropriately managed, encourage innovation. While over-simplified, the implication of a higher level of technological advancement is less environmental stress, and correspondingly less pressure for environmentally motivated conflict.

This review of the environmental stress-national security linkage suggests that there is no need to reassess fundamentally Canadian foreign policy on China. Political stability, economic reform and sustainable development in China remain major Canadian objectives. The linkage between environmental stress and violent conflict should reinforce Canada's interest in reducing environmental stress and channelling discontent with Chinese environmental conditions toward constructive resolution. In its decision-making, on both bilateral and multilateral initiatives, Canada will need to continue to take into account China's environmental problems and responses.

Canada is involved in a number of bilateral activities that address China's environmental and development problems. For example, Environment Canada and China's State Science and Technology Commission have jointly conducted a study on greenhouse gas emissions in the Beijing area. More broadly, a Canada-China Memorandum of Understanding on Environmental Cooperation was signed by Environment Canada and China's National Environmental Protection Agency in April 1993. This MOU offers a wide range of possibilities for Canadian initiatives including cooperation with China on issues related to the global environmental, economy and the environment, and public awareness and education. The Canadian International Development Agency (CIDA) has also been actively involved in assistance programmes. This work includes involvement in China's Agenda 21 projects, such as an ecological study of the Tarim River Basin in Xinjiang Province, and a project in support of energy-efficient buildings.

While a more aggressive bilateral posture has some appeal, such as promoting the establishment of nongovernmental Chinese organizations advocating sustainable development, in practice it poses innumerable practical obstacles. If Chinese decision-makers view a policy initiative as adversely influencing short-term economic growth or encouraging types of public participation that are not "desirable", such an initiative would be ineffective. Perhaps efforts to increase Chinese decision-makers' interest

⁹⁹The development of natural gas facilities, for example, could present a opportunity for Canadian expertise.