

- a central agency with responsibility for providing **coherence** and **coordination** across the full range of Canada's international engagement.
- an administrative agency responsible for the **management** of Canadian government operations in 153 locations outside the country **and** the delivery in these locations of five diverse programs - trade and investment promotion, conduct of intergovernmental relations, provision of consular services, public advocacy, cultural promotion.

OUR CHALLENGES

We are challenged on three fronts to ensure that we continue to add value in performing our role.

Decentralization of Power:

My working definition of "Diplomacy" (much of what DFAIT does) is that it is society's means of dealing with power beyond its direct control. Traditionally, the only power beyond the control of a sovereign state was that of other sovereign states. Most of our attention as a "Foreign Affairs" Ministry has, as a consequence, been focussed on them. The **nature of "international relations", however, is being changed by the growing power of non-traditional actors.** States increasingly have to develop new partnerships and new forms of accommodation with:

- organized **civil society** which is increasingly able to shape opinion on a global basis
- **MNE's** which are developing a new kind of mobile, virtual economic sovereignty
- **financial markets** which apply a global discipline on economic and social policy
- **subnational jurisdictions** which increasingly play on the "inter mestic" agenda, leaping over national governments to pursue their interests
- evolving **global media** which continue to be the main channel for the dissemination of information around the world.

States also have to develop new "diplomacy" to deal with "a-national" threats such as global crime, and environmental degradation, as well as rogue states and technology empowered terrorists.

We, as an institution, have to keep changing to keep up with this reality, a reality that is **eroding the distinction** between "political" work and "business development", between "policy" and "communication", between "domestic" and "foreign" policy, between "security" and "economic".