

The world already has the essential framework to contribute to a global co-operative security dialogue -- the United Nations system. We need to strengthen that framework and take advantage of the opportunity before us to develop greater respect for the rule of law and the principles of collective security enshrined in the UN Charter.

Through the framework of the UN, Canada will continue, indeed even expand, its peacekeeping efforts. The Western Sahara, Cambodia, Yugoslavia, and perhaps again the Middle East are all areas of conflict where Canadian expertise will likely be required. The UN's vocation is evolving from peacekeeping to peacemaking and even -- as we see in Cambodia -- into quite intrusive nation-building. The international community, urged on by Canada and others, is increasingly assuming such functions as electoral supervision, refugee protection and even the development of democratic institutions -- actions that were once considered to fall under the exclusive purview of national governments.

Prosperity, Development and the Environment

The second broad direction for Canada's foreign policy in the 1990s is creating what might be called "sustainable prosperity." Our prosperity depends on an open and liberal trading regime. With some 30 per cent of our gross national product (GNP) linked to exports, it could not be otherwise. As a high-wage and high-cost country, Canada's sustained prosperity depends on improving the productivity and skills of our labour force. We must expand our knowledge-based industries of the future, through better skills, more innovation and more efficiency, even as we continue to seek improved market access for our large natural resource exports.

Foreign policy, trade policy and domestic policy (including environmental considerations) must become and are becoming more and more integrated. Given international co-ordination and harmonization of economic, industrial and trade policies, we need to anticipate future trends in such co-ordination to ensure our own timely and effective adjustment to continued globalization.

While our multilateral trade-related objectives are clear -- successful completion of the Uruguay round, obtaining consensus on export financing, and management of debt problems -- regional trading arrangements such as the Free Trade Agreement (FTA) and the North American Free Trade Agreement (NAFTA) will continue to be instruments through which we can advance, in an immediate and effective manner, our trade and investment interests. The new trade policy agenda -- investment, trade in services, intellectual property protection -- will be pursued vigorously to assist Canadian industry to become more competitive.

But the prosperity we seek must also be sustainable. Our economic well-being, living standards and quality of life are dependent upon our ability to protect the environment and its resources not only for ourselves but for future generations of Canadians.