

Canada-China Relations: Celebrating 25 Years

On October 13, 1970, Canada and China established formal diplomatic relations and laid the foundation for political, economic, development assistance, cultural and academic exchanges.

According to one observer at the time: "A page was turned; a new chapter is beginning in the history of East-West relations." The event would lead the way for other countries, including the United States, to recognize China. And it would provide momentum for China to gain United Nations membership and a seat on the UN Security Council in 1971.

In an editorial on the day following the establishment of relations between Canada and China, a major Canadian daily newspaper, *The Globe and Mail*, stated that Canada's recognition of China "should be a source of satisfaction to all Canadians ... the international implications of yesterday's announcement are important — perhaps in the long run even more significant to the world than to Canada...."

The Globe and Mail editorial also pointed out that "few important international problems can be resolved today without the participation of China...." That same observation could be made today, 25 years later.

In 1995, China is one of the most dynamic nations in the world. Its output has quadrupled since the 1980s. And it now attracts almost one-third of foreign direct investment flows to developing countries. China is the world's 11th largest trading nation. As a permanent member of the United Nations Security Council, a nuclear weapons state and an active participant in Asia-Pacific regional organizations, China's influence continues to grow.

As home to one-fifth of the world's population, China must overcome significant challenges to its social and economic development as it transforms itself from a centrally planned economy to a market-based economy, and as it addresses the needs of its growing population.

For its part, Canada has supported China's economic reform program by extending it most-favoured-nation trading status since 1973. Canada has encouraged China to become more fully integrated into global and regional political and economic institutions, including the World Trade Organization. Canada has worked through the Canadian International Development Agency and other multilateral institutions like the World Bank and the United Nations to help China overcome challenges to sustainable development and to foster greater openness, freedom and prosperity in China and for its people.