

2. where Cabinet is of the opinion that a grave breach of international peace and security has occurred that has resulted, or is likely to result, in a serious international crisis.

The problem is the phrase 'grave breach of international peace and security', which has a defined (though still-tenuous) meaning in international law. Currently, officials within the Department of Foreign Affairs and International Trade cleave to a narrow interpretation of this clause, holding that 'breach of international peace and security' refers solely to international incidents on a scale and of a type similar to those leading to the Gulf War. This narrow interpretation is unfortunate. Not only is it out of keeping with the legislative history of the Act, it also puts Canada out of step with its major international partners.

### **Assessment**

In conclusion, there are a number of holes in the current policy landscape. The Government's strongest claim to leadership on corporate social responsibility issues has been its exhortations to better behaviour on the part of Canadian corporations. While such exhortations no doubt play a role in promoting corporate social responsibility, they are not sufficient on their own. Voluntary codes of conduct, in particular, tend to be ineffective in the absence of some penalties or other material incentives associated with gross noncompliance with their underlying rationale. While Canada has in place powerful and flexible sanctions legislation in the form of the *Special Economic Measures Act*, Cabinet has been unwilling to use it. Canada has in place the beginnings of a public, principled, and prudent human rights strategy. The task ahead is to strengthen the individual elements and to integrate them into a coherent framework.