



STATEMENTS AND SPEECHES

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A POWERFUL AND CONSIDERABLE COMMUNITY

An Address by the Canadian Ambassador to the United States, Mr. Marcel Cadieux, to the English-Speaking Union, Princeton, N.J., May 25, 1971.

Perhaps I might apply my professional and intellectual interests to an analysis of conditions in the Canadian Confederation and of our relations with your great Republic. I am speaking not as the formal representative of a government on this occasion but as a Canadian citizen whose own sense of well-being and of satisfaction in a profession function is closely linked to the achievement of the right kind of consensus between the two major groups that compose the Canadian state. I speak also as a Canadian citizen who realizes in how many ways the prosperous and harmonious development of his country depends upon its finding the correct balance between involvement and detachment in relations with the United States under the changing circumstances of continental and world affairs.

There are three major considerations about Canadian affairs, as they may concern other nations, that I should like to stress this evening:

- (1) An emphasis in our recent policy review on the *domestic roots* of foreign policy and on the very tangible economic and social interests of the nation does not indicate a diminishing interest in world affairs generally. It demonstrates an awareness of need for *reform, creativity and the achievement of consensus* between the two major groups in the Canadian state and society, comparable only, perhaps, to the need perceived when the Confederation was first formed a little over 100 years ago. I should say that, in this respect, the mood of the majority of Canadians is one of reaffirmation of loyalty to the Confederation.
- (2) In reviewing Canadian involvement *in world affairs*, we have been concerned to find *the right scale and focus* for that involvement, considering that the international balance of power and relations between individual nations and groups of nations since 1945 have changed a good deal.

- (3) *In relations with the United States*, we base our policies on two convictions. We expect to continue the close association for mutual benefit appropriate to relations with a close friend and ally. At the same time, the nature of that association in any particular field, which will not necessarily remain static, must take into account (a) the necessity for the smaller nation to preserve and develop those unique features of its political and cultural life vital to its existence as a state and (b) the necessity to preserve a freedom for initiative and differing views in world affairs appropriate even in an age of interdependence.

These are very broad assessments of Canadian preoccupations and intentions. I should like to provide a few examples of relevant policy decisions or national concerns.

Reform, Creativity and Achievement of Consensus

I assume that some of you are aware of the publication of a set of reports last summer entitled *Foreign Policy for Canadians*. These reports must be seen in the context of a much wider-ranging review of national interests and policies, both in their domestic and foreign applications, which has been going on in recent years in Canada. That broader review is not complete; it cannot be summed up in any one report; the national preoccupations that characterize it go beyond even the far-reaching responsibilities of the Federal Government. I have been marked at times by a mood of exhilaration and confidence as Canadians have considered the 100-year history of the Confederation and looked for new ways to contribute to the development of a world community. It has been marked at times by pessimism, by a feeling of vulnerability in the face of internal tensions and external pressures, which has, I think, surprised people in other countries. They have asked, in effect, vulnerable to what? Surely a country with the degree of military security, economic development and apparent political tranquillity enjoyed by Canada has much less to worry about than many other countries.

This national stocktaking has been stimulated by a number of problems and forces. A new type of self-awareness and a good deal of dissatisfaction among French-speaking Canadians about their position as the minority group in Canadian society have been major forces provoking re-examination of national objectives. One of the political founders of Confederation, Georges Etienne Cartier, said in 1865: "We were of different races, not for the purpose of warring against each other but in order to compete and emulate for the general welfare". Many Canadians would say today of the constitutional arrangements and the political visions of 1867 that they were excellent concepts, imperfectly realized even after 100 years, but still worth using as a basis for reform. No arrangements can be static, of course, for a political community which has attempted the ambitious experiment of holding together two distinct societies in an immense territory within the confines of a state genuinely vulnerable to outside pressures and the policies of others.

The nature of this fundamental problem of national existence becomes evident in debates on legislation about bilingualism and biculturalism, constitutional amendments, the conduct of foreign affairs or national and regional economic policy. It is evident in the peaceful debate on the separatist option for Quebec. It is seen in its most distorted form, on the periphery of political life, in the actions of a small but dangerous group determined to apply to the solution of a Canadian problem ideologies and tactics of violence which have no real roots in our country.

Basic as these issues are in explaining the need for a review of national policy and a relatively greater attention to affairs close to home, there are others to take into account. Canadians, like Americans, also worry about the social costs of industrialization, urbanization and rapid economic growth. They experience the types of social malaise common to most parts of the developed world. They have also become increasingly concerned about the impact on their society of American influence exerted in many different ways. Today that concern is focused on a very considerable and direct participation by American companies and investors in the economic life of the country. The fear that close association and even economic integration in some sectors would destroy political and cultural independence is not new. Another of our Fathers of Confederation, Etienne-Pascal Taché, warned the scattered colonies in 1865, with reference to the then prevalent fears of military conflict with the United States that, without Confederation, "we should be forced into the American Union by violence and, if not by violence, should be placed on an inclined plane which would carry us there insensibly".

The supporters of the idea of Confederation, in the debates preceding the Act of 1867, emphasized all the advantages of a pooling of resources in achieving what one of them called "a powerful and considerable community". This community would resist pressures from the state to the south and take over some of the burdens of the mother country as the new state moved towards total independence. I hesitated to use the phrase "powerful and considerable community" as a general title for this address because "powerful" usually suggest only the military aspect of power. I prefer to think of "power" as having many other ingredients: political harmony and unity of purpose, economic well-being and social justice, cultural satisfaction, and influential and constructive contribution to the world community. It must also indicate a willingness and capacity to deter attack and contribute to security in areas beyond one's frontiers. One might also think of power as, in a sense, a surplus or reserve of energy, over and above the most pressing needs of normal existence, which enables the leaders of a community to develop a new sense of purpose, and a capacity to initiate reform and to take an active role in relations with other states. We have in the past responded to challenges at home and abroad with achievements which we think have some permanent value. I am confident that we shall continue to do so, provided our home-base is always strong. Need I say more to an audience of this nature than that such preoccupations cannot sound too unfamiliar in the United States?

World Affairs -- the Right Scale and Focus for Involvement

The second major consideration I mentioned had to do with the choice of the right scale and focus for involvement by Canada in world affairs. In our foreign policy review, we have analyzed the complex relations between national objectives contributing to well-being, such as economic growth and social justice, and national objectives contributing to security and independence. Perhaps I could introduce some particularly Canadian dimensions to this universal problem by commenting on the importance of economic matters in the achievement of all national objectives.

Our economy is particularly dependent upon international trade as a factor in growth; one Canadian in four depends upon it for his livelihood -- this is much higher proportion than in the United States. We are affected immediately by changing economic conditions and decisions in the United States. The probable enlargement of the European Community poses trading problems for us with respect to a number of agricultural exports and industrial materials, since we shall lose preferences in Britain. In terms of general trading policy, we have urged on Community members, both present and prospective, the desirability of moving forward as rapidly as possible with further trade liberalization under the General Agreement on Tariffs and Trade. We should like to see the United States take a lead in this respect and we have expressed our concern about indications in the past year or so of a revival of protectionist sentiment in the United States.

The reason for these Canadian concerns is obvious. Even if our trading and balance-of-payments positions are good at present, we cannot expect favourable commercial and monetary conditions to continue without constant attention on our part and on the part of others. We have been giving a very high priority to the achievement of such conditions since 1945. A relatively small trading unit with a high degree of dependence on trade cannot do otherwise. Confrontation between the economic giants of the developed world with resultant loss of momentum towards global liberalization through instruments such as the General Agreement would be dangerous indeed for us.

There are two other particularly Canadian considerations to an emphasis on "economic growth" as a major national objective affecting both domestic and foreign policy. Problems of under-development in Canada (regional rates of unemployment, for example) are not identical with problems of achieving a more equitable balance in the cultural field, but they are very closely linked. A drop in trade, a slowing in economic growth, a diminution in financial resources available to the Governments of Canada and the ten provinces for purposes of regional development and reform could have serious implications in a political sense.

In the second place, we are concerned not only with the necessity for stimulating economic growth but with the very important question of *how* it will be stimulated. We must make the right choices between the extractive and manufacturing sectors in the allocation of financial resources if we wish to have balanced growth, a high degree of employment and a diversified economy. We must consider the advantages and disadvantages of relying to a considerable

extent in some sectors on foreign investment to stimulate that growth. The very resources from outside that can be most helpful in achieving political stability can also constitute a political irritant and danger if, because of the way in which they are brought in and used, they have the effect of undermining Canadian control of the economy or of developing it in an unbalanced way. There are complex questions, now under study in Canada, about which the Government has reached no general conclusions. I mention them chiefly to illustrate the very close connection between economic growth and political questions of sovereignty and independence.

The very close connection between economic growth and questions of peace and security should be evident also. We should never have left Canadian forces in Europe for two decades -- or have them there now -- if we had not recognized the intimate connection between military security, political confidence and economic growth. At the same time, in the specifically military field in NATO, the choice of a scale and focus for involvement is not easy for a nation that is neither a guarantor of the whole system like the United States nor a regional power in the area in which the Atlantic system confronts the Warsaw Pact system most directly. Our reduction of Canadian forces in Europe and their conversion to a somewhat different role, both in the NATO and Canadian contexts, resulted from a re-examination of our own role within the alliance. It did not affect our guarantee about involvement in the system or our estimation of the political value of the association.

Our review envisages a steady and planned growth of relations with Latin America that will not lead immediately to full participation in the inter-American system but will likely lead to formal observer status for political purposes and will certainly lead to greater involvement in economic co-operation. In the Pacific area, we expect also a steady growth of activity with an essentially economic emphasis. Our commitments to the full range of United Nations and Commonwealth activities have not changed and our aid allocations will increase in volume by 16.5 per cent in 1971, with better terms for recipients. Our association with French-speaking countries in a new type of cultural and social community is an expanding and highly desirable one, both for international and domestic purposes.

Friend and Ally

A very large part of our debate about national policy is centred on the relationship we ought to have with a close friend and ally, the United States; if there is such a thing as a national consensus on this point, it would probably be that we wish to live as a nation distinct from but in fundamental harmony with our continental neighbour. I do not think that I have to elaborate the theme of friendship or enumerate the areas of common interest. Merely stating the obvious facts about a friendly relationship of long standing does not, however, solve all the problems of policy in particular fields.

I propose, therefore, to use the shrewd advice of Benjamin Franklin, in suggesting what will be required in the coming years between friends. His recommendation is well worth pondering: "When a Friend deals with a Friend/Let

the bargain be clear and well penn'd/That they may continue Friends to the End". We should all do well to look at the details of any general understanding and to take precautions against misunderstandings and disputes before they prejudice an entire relationship. That relationship has in any case changed over the years in response to the dynamics of developments in each country.

The Member for South Grenville on the shores of the St. Lawrence warned his fellow legislators in 1865 that: "To use their own expression, the Americans are 'making history very fast' and it is impossible that eventful history can be manufactured in a territory separated from our own by little more than an imaginary line, without our having eventually some part in its pages, for good or for evil". Walter Shanley could not have foreseen all the ways in which the two countries have been involved in common ventures or in which the smaller nation has been affected by the larger in the intervening century, but he was right in thinking that the great surge of American power beginning in the nineteenth century would provide a constant source of influence on Canadian society and that an "imaginary line" would not provide much of a barrier.

There can be no doubt that, in scale and in economic and social importance, the movement of goods, people and knowledge between Canada and the United States will not diminish but will probably continue to increase. I stress the word "between" in case it appears that I am painting a very gloomy picture in which the power of the larger nation is set only against the passivity or weakness of the smaller one. Statistics for the movement of goods and investment capital in *both* directions demonstrate the high degree of mutual interest in a very close economic relationship.

The Canadian economy, both in its constant expansion and in its diversification, has become, in relation to population and in comparison even with industrially-developed nations, a powerful one. Given a state of relative political tranquillity at home and avoidance of global war, its potential for continuing expansion would appear to be fairly considerable.

We are therefore discussing a continental relationship between two economies, both of which, with due regard to all the obvious differences of scale, are powerful, expanding and diversified. It is natural that the two economies should become very closely interrelated as both private and governmental agencies seek the greatest advantage possible from a sophisticated use of resources and development of markets, both through competition and through co-operation. If you wish illustrations of the complexity of the economic relationship, consider the automotive products agreement of 1964 introducing essentially free-trade conditions in a particular sector or the trade in oil, in which Canada exports its products to the United States in the West and imports from outside the continent in the East.

In both cases, normal and current market forces create a trading pattern with a high degree of integration but not without control by, or negotiation between, governments to ensure what they consider to be a balance of benefits or to support long-term political or security interests that are never the same in two independent states. Reconciliation of differing interests

and opposing pressures of this nature will remain at the heart of Canada-United States relations for the indefinite future.

We are linked closely to United States activities and policies in many fields other than the economic one, and these links present both opportunities for co-operation and problems of reconciling differing interests. Combating pollution in border areas with shared responsibility is obviously one. Reaching agreement on the best means in North America of ensuring the military security of the two countries under changing strategic and technological conditions is another. While Canada is committed by the North Atlantic Treaty to full participation in regional security arrangements and regards co-operative defence arrangements with the United States and protection of the strategic deterrent as fundamental in its own defence policy, there still remain questions to be settled about the ways in which the defence forces of a smaller, non-nuclear power can best co-operate with the forces of a world power.

Basic understanding and goodwill do not eliminate problems caused by impersonal economic forces or conditions -- commercial, technological or monetary -- which are much harder for the smaller nation to control. Nor do they provide any easy answer to questions about the cumulative economic, cultural or political effect in the smaller nation of a high degree of foreign ownership of resources and industry, which, in the short term or in purely economic terms, might be seen as advantageous and natural in contemporary world society. The problem of reconciling complex and often conflicting forces of economic and political interest under such conditions are not limited to Canada-U.S. relations. The West European nations face them as they proceed along various paths of integration, unification or political co-ordination. Within Canada we face them as we consider how best to achieve justice, satisfaction and consensus between our two cultural communities. Even with highly-developed political traditions of a century based on our federal, parliamentary and cabinet system of government, the reconciliation of conflicting interests poses a considerable challenge. When some aspects of an internal problem assume international dimensions in economic relations, with no superior political institution to make decisions, and only the normal diplomatic processes of negotiation available, then the need for foresight, understanding and Franklin's "well penn'd" bargains becomes evident.

Conclusion

Sometimes preoccupations of individual Canadians about preserving national identity under the impact of the society to the south, particularly as reported outside the country, make it appear that only a few more degrees of American influence or presence would bring the whole Canadian political and cultural fabric down in ruins. My own view is that Canada is scarcely so fragile. I have referred several times to Confederation, because it was a political act in the last century which gave the Canadian political community its present form. Our society, in its North American context, is, however, much older than that and you would be brought up sharp in many parts of Canada if you seemed to assume that our significant history began only in 1867.

Our first diplomatic representative in Washington, Vincent Massey, who was later Governor General, traced the origins of his family to colonial Virginia. His successor as Governor General, Georges Vanier, was a descendant of the settlers of La Nouvelle France. Although some Canadians occasionally seem to have difficulty in deciding what it is to be a Canadian, I find it hard to share this predicament. I think I know what it is to be a Canadian. My ancestors have been in Canada for more than three centuries. Most of my French-speaking compatriots are in the same situation. North America is our home, our only home. We consider ourselves as something distinct and original to this part of the world, entitled to and determined to achieve survival, a place in the sun. I speak, of course, as a member of the smaller group in our country which has often had to ask itself about the value of the Canadian experiment in ensuring the group's survival and in nation-building. From the same vantage-point, I should say that I have never felt a greater determination among French-speaking Canadians to work out the full implications and promises of their destiny in North America. They think they can, in the process, strengthen the Canadian state.

As for my English-speaking compatriots, who are, of course, more open in many ways to continental influences, I must note that, from the beginnings in the eighteenth century, they have shown a fairly well-developed capacity to absorb what they needed from the society to the south and then to do what they wanted on matters most important to them. Current national preoccupations suggest a strong desire to keep on doing exactly that.

The Canadian story will continue, therefore, and it will be characterized by a typically North American insistence on progress and a fundamental optimism. In order to continue, to improve, to meet the particular problems of today, we have to act, whenever necessary, to maintain a freedom of choice and a sense of security in our own destiny. I do not think that outside pressures will destroy a sense of purpose and identity. Without foresight and diplomacy in the continental relationship, however, the frictions entailed in reaching accommodation of our interests in particular areas between two nations could affect a political relationship which is of great value.

To allow that relationship to be affected would be unfortunate. The well-being of many people in both our countries depends on a relationship of confidence which encourages bargaining to find the best mutually-acceptable arrangements in all the areas where our interests are overlapping. Furthermore, we both have an obligation towards the rest of the world to co-operate in the global search for peace and justice. How many times in this century, since the United States has moved from a hemispheric role to a global one and since Canada has assumed the obligations and opportunities of independence, have Americans and Canadians worked together or along parallel and independent lines to achieve greater tranquillity in the world community? This is another part of our continental history which will continue.

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