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Notes for remarks by the
Right Honourable Joe Clark,
Secretary of State for
External Affairs, at the
cornerstone ceremony

STANFORD UNIVERSITY, CALIFORNIA
May 14, 1987

OTTAWA
May 28, 1987.

I am extremely pleased to have this opportunity to help mark the 100th anniversary of the laying of the cornerstone of this University. Stanford has a worldwide reputation for academic excellence, and your instinct for innovation, your determination to stay in front of change, is evident in the sharper focus you are giving the Asia-Pacific region. The strengthening of Stanford's Pacific vocation reflects the shift of people and economic power westward in the United States, and also the burgeoning economic and strategic importance of the Asia-Pacific region.

This move to the Pacific has also defined Canada - indeed, the instinct to reach the Pacific formed our country, and made it whole, and the instinct to reach across the Pacific is one of the central elements of our economy, our foreign policy and, increasingly, our demography. Canada is a nation of immigrants and refugees, and, for more than a decade now, more of our new citizens have come from Asia than from anywhere else.

We are a trading nation, dependent on international trade for a full third of our gross national product and, by 1982, Canada's two-way trade across the Pacific exceeded our trade across the Atlantic. We expect our trade with Asia to increase more, proportionately, than our trade with anywhere else, and Asia is a major source of the new investment Canada seeks and welcomes.

We involve ourselves in the security of the region. Canadian soldiers fought to preserve Hong Kong and to ferry supplies over the Burma Road to Southern China. We have taken part in the U.N. action in Korea, in truce supervision in Indochina, and in peacekeeping in the sub-continent. We share the concern of our friends about the Soviet build-up in the Pacific, and are seeking to improve our ability to meet our responsibilities in all three of Canada's oceans.

Since security also depends on development, we maintain large and effective programs of development assistance. Canadian experts, and non-governmental organizations, are active everywhere in Asia, working on everything from irrigation projects to fish management, to developing basic literacy.

Two basic realities guide our policy. The first is that Asia is changing, so we must be more flexible and farsighted in dealing with those changes.

The second reality is that, while we speak of a region, we are dealing with diverse, dynamic, highly individual nations and societies. There is no single political center to Asia. Japan and China are extremely

important countries, countries with global impact, but neither serves as a political fulcrum around which the entire region naturally turns.

What is happening, however, is that the democracies of the Pacific Rim and of Asia constitute a vibrant community - despite the obvious national differences. That is something new and unprecedented, forged by an intensive exchange of technology, ideas, and people - an exchange and a community that reach across the Pacific, and are particularly important to us as North American Pacific countries.

The economic links across the Pacific are growing, powerful, and permanent. This University understands that reality clearly. Stanford has been a world leader in microelectronics, virtually bringing Silicon Valley into being, and contributing consistently to its growth. Microelectronics represent, in a highly compressed form, the two contrasting but inseparable aspects of doing business with Asia today: that double reality of new market opportunities and sharp competition.

Asia, of course, is an immense market, and has always tantalized traders. North America was discovered by discouraged Europeans who were looking for Asia. Canada's railway, whose construction created our nation, was built as much to link Europe with the Pacific as to unite our far-flung colonies. The passenger cars on our first transcontinental train were named after cities in the Orient, and our first steamships, out of Vancouver, were named, with an imperial echo uncharacteristic of Canada, Empress of India, the Empress of Japan, the Empress of China. True to that spirit, they carried missionaries and traders, intent on purveying the benefits of our civilization to much older societies.

But modern Asia is much more than a market. For many North American industries, it has become the competition, the trend setter, and that is just beginning.

We number three hundred and fifty million people here, in the three nations of North America. Asia numbers billions, for most of this century, that imbalance in population has been offset by a difference in development. That gave this continent an undeniable economic advantage, but also the dangerous illusion that we were invulnerable. Economic advantage changes quickly. Illusions last longer, and the most fundamental economic challenge modern Asia offers North America is the challenge to our complacency.

In February, I visited Bangladesh, one of the poorest of the world's nations. I went to fields where the simple installation of a water pump lets farmers harvest three crops a year, not just one. That is the first step out of dependence and poverty.

The economic lesson of the last ten years is how quickly Asia moves once it starts. Bangladesh is a long way from competing with our modern industries - but, to state the obvious, Japan isn't. Korea isn't. Nor are India, Hong Kong, Taiwan, Singapore or the other nations of ASEAN.

The economic changes in Asia are dramatic and continuing. Their characteristic is a reaching outward - a readiness to embrace change: to try pumps in Bangladesh; to encourage joint ventures in ASEAN; to introduce tax reform in Tokyo; even to experiment with market economics in China.

The question for North America is whether we are as willing to embrace change - whether we are as able to reach outward and adjust to a changing international economy. That may be harder for developed economies, because we are accustomed to prevailing; it is our system, and we are practiced in protecting ourselves with tariffs/ and subsidies, and threats. Of course, these practices are not unknown in Asia, and, evidently, groups with interests to protect are as powerful in Japan or India as they are here. But most of Asia acknowledges the need to change its practices, and the question is whether enough North Americans will.

Canada was not formed by revolution; but we were formed by people seeking change, people who left homelands which held them back, people prepared to try something new. The fur-trading company which opened our country was called, formally, the "Company of Adventurers Trading into Hudson Bay". The company of adventurers - we have always thought that name captured the spirit of Canada. They reached out to opportunity and change. They did not draw back on themselves. That is the spirit in which Canada reached the Pacific. Our challenge is to ignite that spirit now to meet the competition, the opportunity for adventure and growth, that is at the heart of the Pacific region.