

Statement

Secretary of
State for
External Affairs



Déclaration

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CHECK AGAINST DELIVERY

NOTES FOR A SPEECH BY

THE SECRETARY OF STATE FOR EXTERNAL AFFAIRS,

THE RIGHT HONOURABLE JOE CLARK,

AT A LUNCHEON HOSTED BY THE

INDONESIA-CANADA BUSINESS COUNCIL AND

THE CANADA BUSINESS ASSOCIATION

AT THE LIBRA BALLROOM, HILTON HOTEL

JAKARTA, INDONESIA

JULY 26, 1990.

For the past year, the eyes of the world have been fixed on Europe. That fixation is easy to understand. The images are magnetic:

- the playwright Vaclav Havel, recently a prisoner, is now President of Czechoslovakia;
- an electrician from Gdansk triggered a political revolution in Poland;
- the Berlin Wall, has crumbled before our very eyes;
- the Iron Curtain is in tatters.

Two years ago, a movie or a novel written with those images would have been dismissed as fantasy. They are not fantasy. They are history - and in a world so small and interconnected, they are our history.

What is compelling about these events in Europe is not their drama but their meaning. An era in history is over and a new era beginning.

For decades, our preoccupation with a brittle peace in Europe has diverted our attention from other global problems - the threat to the environment; the crises of international development and debt; the growth of terrorism made more lethal by the proliferation of weapons of mass destruction; the sophistication and the tentacles of the international drug trade; and the persistence of explosive regional conflicts fuelled by zeal and fear. The preoccupation with Europe - ideologically and militarily - has kept these other priorities far too low on the global agenda.

That focus on Europe has also overshadowed developments of historic proportions taking place elsewhere in the world, most notably in Asia-Pacific.

While the countries of Europe and North America were building their armies and their ideologies, the countries of the Pacific were creating an economic miracle which knows no equal.

Since 1970, Asia's share of global output has doubled. Since 1970, trade within the region has grown 10-fold. By the end of the century, the Pacific may well contain 60% of humanity, 40% of global consumption and an even larger share of global production.

There is no disputing the basic fact: the center of global economic activity is shifting towards the Pacific, and it is shifting fast.

That is of particular significance to Canada, and to our future prosperity as a nation of traders. In 1983, Canada traded more across the Pacific than we did across the Atlantic. And that will be the pattern as far into the future as we can see. British Columbia now trades more across the Pacific than it does with the United States. And Canada as a whole relies more on our economic relation with Japan and the four Tigers than does any other member of the 24 nation OECD. We depend on the Pacific more than the United States does - more than Australia does.

The bottom line for the world is that Asia is now one of the major engines of the global economy. The bottom line for Canada is that our fate as a prosperous society is now inextricably linked to that of the Asia-Pacific region.

That's economies.

Our ties to the Pacific go well beyond trade and investment. Over half of our immigrants now come from Asia. Canada has taken over 100,000 refugees from Indochina. The last war in which large numbers of Canadians lost their lives was not in Europe but in Korea. Much of our peacekeeping experience was acquired in Asia. A major portion of the drugs on our streets comes from fields and factories in Asia. And the pollution which rings the globe and knows no borders is in part of Asian origin.

The problems of the Pacific are not Pacific problems; they are Canadian. Prosperity in the Pacific is prosperity for Canada. And security in the Pacific is Canadian security.

For much of our history, Canada was an Atlantic nation. Most of our trade and immigration crossed that Ocean, and our basic values are European values. But in our consciousness, we have always been a nation of three great oceans - the Atlantic, the Arctic, which makes us a neighbour and a unique partner of the Soviet Union; and the Pacific, whose importance to Canada grows every day.

Naturally, with that background, we note some of the differences between what might be called the "Atlantic experience" and the "Pacific experience".

One remarkable feature of the Asian economic experience is that prosperity has been secured without formal institutional arrangements. Europe had to form a Common Market; North America a Free Trade Agreement. There is no Pacific 1992. There is no Pacific Free-Trade Agreement. There is no Pacific OECD. What has been accomplished here has been accomplished through the efforts of individual states and individual enterprises, albeit with remarkable economic integration.

But - with the singular and very important exception of ASEAN - that economic integration has not been matched regarding political and security questions.

In many ways, the geopolitics of the nuclear age have been played out in Europe, with Asia bearing the consequences. Asia has been a recipient of Cold War antagonisms. It has seldom been a donor. Regional conflicts have been fought in Asia - in Korea, Vietnam and Cambodia - for reasons of Cold War ideology. but there has not been a structure of security cooperation, or of traditional military Alliances, or of regional political institutions.

The Cold War is over in Europe. It is not yet clear, however, if the Cold War is over in Asia.

Equally, ideology is diminishing as a source of contention between East and West. However, in a variety of situations in Asia and the Pacific region, ideologies survive and thrive, threatening regional and indeed global security.

It is precisely because the Cold War is over in Europe that we should intensify the search for durable peace in the Pacific. That is for at least three reasons. First, if the new Soviet foreign policy has now led to real peace in Europe, we must press the Soviets to see if Mr. Gorbachev's sincerity in Europe finds a parallel in the Pacific. We must test that sincerity, probe his intentions, match proposal with counterproposal. It is possible, of course, that we will be disappointed. But disappointment without having tried is indefensible.

Second, relaxing Cold War tensions does not automatically end regional conflicts. Superpower confrontation has been a factor feeding tension and conflict throughout the world. And this region has suffered more than its share of tragic consequences. But superpower confrontation has also acted to limit conflict in some cases, to deter and to constrain. In the absence of such limits, states are able to exercise a new freedom, but that can be a freedom to open new disputes as well as a freedom to co-operate.

Finally, if tensions between superpowers increased regional conflicts in the past, the reduction of that tension presents the prospect of superpower co-operation in solving regional conflicts. Unhelpful intervention can be replaced by helpful co-operation. Countries of the region, while freer to fight local battles are also freer to seek their own solutions to their own problems. This is a challenge and an opportunity we must not let pass.

There is a direct relation between security and prosperity. Each can guarantee the other, and when one is absent, the other is threatened. Poverty and under-development threaten political security, just as conflict is the enemy of prosperity and growth.

The world has a tremendous investment in the growing prosperity of Asia, and it is only prudent that we make every effort to secure that prosperity. One level that means continuing to encourage market forces, as the Government of Indonesia is doing with its programs of deregulation and diversification; as the Canadian private sector is doing with its increasing interest and investment here; as our governments are doing together in seeking substantial progress in the Uruguay Round of multilateral trade negotiations. But now, we also have a new opportunity to promote the political security which can make prosperity permanent.

The relaxation in superpower tensions and the new approaches to security and cooperation in Europe raise the question whether Asia-Pacific nations should consider developing a wider framework for political and economic dialogue.

We have already begun to build new mechanisms to promote economic co-operation in Asia Pacific. The Asia-Pacific Economic Cooperation Forum (or APEC), inaugurated in Canberra last November, is already proving its value and constitutes an important milestone in this process. So many of the economic issues of concern to nations in the region are, at the same time, issues of global significance. There is no such

thing any more as "national" economic policy. Interdependence needs proper management. The great gains of the recent past in Asia can only be secured if the major trading nations in Asia Pacific consult regularly and meaningfully on ways to advance the big issues of economic and trade policy which all GATT Members are now wrestling with in the Uruguay Round.

In Tokyo on Tuesday I suggested that we should consider the applicability to the North Pacific of some of the recent and successful experience of Europe in constructing measures designed to enhance confidence and increase security. I would not suggest the same type of arrangements for South-East Asia, but I do feel that the time is right to examine additional ways to build confidence and defuse tensions here too.

The core of any evolving Pacific community will be ASEAN, the most successful regional organization of its type in the world. One reason for its appeal to nations outside its immediate membership is the dialogue partnership arrangement by which countries such as Canada enjoy a special relationship of trust with ASEAN Governments in discussions about the major issues of global importance.

These dialogue meetings are valuable to us, to improving our own relationships with participating nations, and to strengthening our own networks of interdependence. They permit Ministers to talk with one another in a direct, frank and informal fashion, to share perspectives and improve understanding - the first step in any process of cooperation. Around the dialogue table, I have found an enormous amount of goodwill and desire to bridge differences among us. I have also found that, despite the differences, the twelve nations which make up the dialogue community all share basic common views and commitments: a commitment to market-based economic policies; a commitment to democratic systems of government; and a commitment to finding solutions to common problems through collective action.

I believe that the process and techniques of consultation developed in the ASEAN dialogue forum offer a model for improving cooperation more broadly within the Asia Pacific region. I wonder if some way could be found to apply these same techniques and attitudes to engage other Asia Pacific nations.

What I have in mind is the creation of what I would call a "third circle of co-operation". It would be built on the foundation of what we now have in the present dialogue arrangement: ASEAN Ministers meet among themselves in their annual ministerial meeting: the First Circle. Dialogue partners join them for informal consultations on a broad international political and economic agenda in the forum of the PMC: the Second Circle.

The Third Circle could be based on a further phase of consultations, this time with countries which may not share the full range of values common to ASEAN and the current dialogue partners but countries which nevertheless have a substantial stake in the stability and prosperity of the region. Potential discussants would be easy to identify, including among those who have sought full dialogue status in the past; and those whom ASEAN Members had in mind in crafting the ASEAN Treaty of Amity and Cooperation.

I believe, for example, that it is important for ways to be found to integrate South Asia into the economic and political life of Asia Pacific, not only because these nations have something to learn but also because they have something to contribute.

Of course, this sort of initiative would have to be led by ASEAN Members who lie at the heart of the region. It has been their leadership which has brought the Association to the remarkable position of respect from all nations. ASEAN has developed the techniques which work in this region. Canada, for one, would encourage ASEAN to apply these lessons for the betterment of themselves and for the entire Asia Pacific region.

Let me deal directly today with one specific concern about development in Eastern and Central Europe - and that is the apprehension that Official Development Assistance will be diverted away from developing countries. I can only speak for Canada, of course, but our help to Europe will not come at the expense of our traditional partners in development. We have fiscal problems in Canada that affect development budget, as well as others. Last year, despite intense budget pressures, the Government of Canada maintained our high priority for Official Development Assistance.

In Indonesia, our aid has been realigned to take account of the Indonesian Government's abilities to carry out sustainable development, and to help link Indonesian and Canadian institutions. This marks quite a change from the time when our programmes were geared more directly to basic needs, and serves to show the very great advances made in this country under the Soeharto Government since 1966.

Institutional linkages are being established at a variety of levels between organizations in the public and private sectors, as well as voluntary organizations. Of special note are programmes to support the Open University of Indonesia through the open agency of British Columbia and the Islamic Institute in Indonesia through the Institute of Islamic Studies at McGill University in Montreal.

Areas of concentration of the aid programme include human resource development, environmental protection, water supply, regional development and programme assistance in the form of potash.

Last year in Singapore I opened the Canada-Asean Centre to coordinate those aid projects which have Asean-wide application, and to increase awareness about Canada within ASEAN generally. The new Director of this Centre has recently been named. He is Ian Robertson, who has a strong background in business and government, and he is here with us today.

The Canadian private sector has established a strong presence for itself in Indonesia. As an Albertan, I am pleased to note the strong Alberta-based component of our business presence. Asamera Oil, headquartered in Calgary, has been doing business here for nearly thirty years. I am very pleased to note the active participation in the work of the Canadian Business Association and the Indonesia-Canada Business Council of firms from across Canada.

These links provide a fitting backdrop to another step forward in Canada's growing partnership with ASEAN nations. I have the great pleasure to announce today that ASEAN Foreign Ministers have agreed to come to Canada, specifically Jasper, Alberta, from October 5 to 7, 1990, to a special Canada-ASEAN Ministerial meeting to discuss ways to strengthen cooperation between ASEAN nations and Canada.

Those of you who are familiar with Jasper will realize that it is one of the most beautiful places on earth at any time of year. Our talks in Jasper will complement the current round of dialogue talks in Jakarta. They will help Canadians understand matters of strategic concern to ASEAN member nations and will strengthen Canada's links with ASEAN as it develops into the next decade.

Preceding these talks we will be holding a number of related events in Calgary with the emphasis on exploring new business relationships. We will have a major business forum on ASEAN, an academic seminar on Canada's relationships with ASEAN, and a range of integrated events designed to increase awareness within Canada about ASEAN realities, as well as to expose my ASEAN guests to some typical western Canadian hospitality. These events will bring together ASEAN Foreign Ministers, federal, provincial and municipal leaders, the business community, academics and journalists. It will indeed be ASEAN week in Alberta, and I am grateful for any suggestions you may want to make to the Ambassador about improving the impact upon our ASEAN visitors.