





61557737 (E)

S

Dept. of External Affairs  
Min. des Affaires extérieures  
OTTAWA

JUL  
10 1969

RETURN TO DEPARTMENTAL LIBRARY  
RETOURNER A LA BIBLIOTHEQUE DU MINISTRE

January/February 1988

Vol. XVI, No. 1

\$4.50

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

Future of the American empi

Hydro exports and free trade

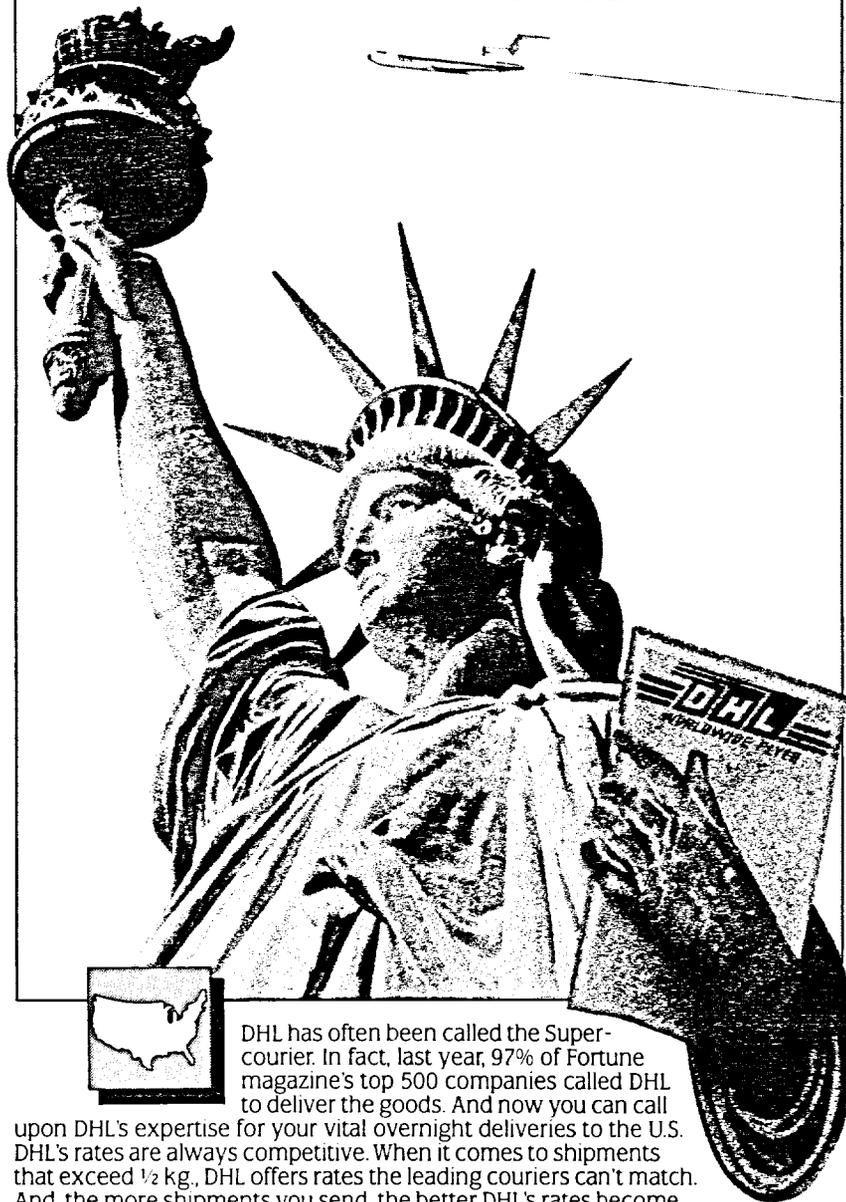
Turkey's Kurdish problem

Law of the Sea opportunity

UN back on its feet

001367 3776  
Library - ETL  
Department of External Affairs  
125 Sussex Drive  
Ottawa, ON  
K1A 0G2

# DHL TO THE U.S.



DHL has often been called the Supercourier. In fact, last year, 97% of Fortune magazine's top 500 companies called DHL to deliver the goods. And now you can call upon DHL's expertise for your vital overnight deliveries to the U.S. DHL's rates are always competitive. When it comes to shipments that exceed ½ kg., DHL offers rates the leading couriers can't match. And, the more shipments you send, the better DHL's rates become.

And with DHL you won't need special envelopes or packages. You can wrap your shipment as you like. But if you prefer to use DHL "Flyer" bags, they'll provide them for you.

When you have a delivery that must be in the U.S. overnight, on time and on the money, that's a job for DHL. The Supercourier.

**OVERNIGHT. ON TIME. AND ON THE MONEY.**

**DHL**  
WORLDWIDE EXPRESS®

The future of the American empire 3  
*by John Holmes*

---

Law of the sea revisited 8  
*by Clyde Sanger*

---

Hydro in the Free Trade Agreement 11  
*by Alex Netherton*

---

UN — back on its feet? 15  
*by Peter Ross*

---

Canadian defence spending:  
lessons from Sweden? 17  
*by Michael Hawes*

---

Turkey's Kurdish problem 22  
*by H.J. Skutel*

---

Book Reviews 26

Letters to the Editor 32

**International Canada**

*Centre supplement reference material on Canada's foreign relations  
presented by the Department of External Affairs.*

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by International Perspectives.

**President:**

W.H. Baxter

**Vice President:**

Wolfgang Schmidt

**Consultant:**

Alex Inglis

**Editor:**

Gordon Cullingham

**Editorial Associates:**

Brigitte Robineault

Stuart Vallance

**Executive Director:**

Stuart Northrup

---

**Publisher:**

David McClung

---

**Advertising Production:**

Wendy McClung

**Circulation:**

Guy Bolduc

Irene Clark

**Subscriptions:**

In Canada:

One year (six issues) — \$25

Three years (eighteen issues) — \$60

**Other Countries:**

Same as above, in US funds.

Additional charge for airmail delivery upon request.

**Editorial and subscriptions:**

National Press Building

150 Wellington Street, #302

Ottawa, ON, Canada

K1P 5A4

Tel: (613) 238-2628

Fax: (613) 234-2452

**Advertising address:**

Baxter Publishing

310 Dupont Street

Toronto, ON, Canada

M5R 1V9

Tel: (416) 968-7252

Telex: 065-28085

Fax: (416) 968-2377

ISSN 0381-4874

Copyright ©1988

Second Class Mail

Registration Number 4929

A  Baxter Publication

## Publisher's Message:

*This current issue of International Perspectives is the second one published under the new ownership of Baxter Publishing, a Canadian company established in 1948. International Perspectives, an independent journal with a Canadian point of view on our country's role in world affairs, complements the progressive role evidenced in the other respected publications our company produces. These publications cover the diverse fields of business travel, the transportation industry, military and strategic affairs, and weekly newspapers.*

*Under the editorial leadership of Gordon Cullingham, International Perspectives has maintained the highest standards of integrity and independent thinking, a tradition we are wholly committed to maintain.*

*Most countries have many journals engaged in the consideration of foreign and public policy. International Perspectives alone fills that role in Canada. To ensure that we are successful in continuing these exemplary standards, we plan to support our efforts with an intensive drive to secure quality advertising from advertisers whose products will interest our readers.*

*In the meantime we request but one thing of you, the reader: reaction.*

*Good intentions are fine; but without comments or criticisms, we have no way of knowing whether our readers are being properly served (or stimulated). We value your opinion.*

## Editor's Note:

*The rise and fall of empires is not as easy to observe up close as it is from a distance of centuries. But John Holmes dares to probe the state of today's "American Empire in an essay which provides just the right opportunity for his wise wit to flourish. Naturally he found no simple answers, but it's fun to carouse with him in his vast warehouse of insights. John Holmes of Toronto, of CIIA, has been a refreshing and reliable commentator on international affairs and foreign policy for decades, and he can't stop. That makes us the winners.*

*Other articles touch directly or tangentially on Canadian foreign policy. Clyde Sanger follows up his book on the making of the Law of the Sea with some new material on what has happened in the past year. That includes a job for Canada. The Free Trade Agreement gets closer and closer to becoming a reality, and there will undoubtedly be some surprises in it for us as it comes into force. One of these could be in hydroelectricity, and its export by Canada to the US. Alex Netherton of Acadia University isn't so sure we can recapture it when we need it.*

*The United Nations may be emerging from the darkest period in its history, at least financially, according to Peter Ross of Ottawa. We hope he's right. The defence debate triggered by the White Paper throws up a great range of inquiry. A lot of that is financial, and Michael Hawes of Queen's University finds some instruction in the experience of Sweden, an industrial small country that had to learn to defend itself — and to develop its own weapons.*

*And to end, a look at how Turkey deals with the pressures from the multi-state nation of the Kurds.*

# The future of the American empire

by John Holmes

Empires, like generals, do not usually die, they just fade away, leaving, as did the Romans and the British, a lasting radiance as well as a considerable mess. The Romans left us an inheritance of law and governance on which we are still building. The British empire did not fall; it was sublimated into a Commonwealth. The American Empire is unlikely to last as we have known it during this past half-century. It is tired and a bit senile, but there has been so much good in it that I think we can hope or at least work for its sublimation, a transfiguration into a wider world order.

One must first ask whether this Empire is an empire. I would call it an empire, because it shares with the great empires of history a global thrust, military, economic and cultural influence well beyond the borders of its sovereign sway. The extent to which its hegemony is voluntary or imposed is a matter of fierce dispute, with no simple answer. How do you calculate the inevitable intimidation of power, whether or not it is intended? This empire is not run by satraps, and there is a kind of absent-mindedness about it that makes it hard to define. It is stretched so thin that there must be a considerable degree of willing collaboration. To some extent it is the English-speaking world writ large, no longer Anglo-Saxon, its language and habits become universal.

## Empire of contradictions

It is not just because history comes more easily than prophecy that I propose here to take the historical look. It is too tempting to focus on this present phase with its obvious symptoms of decay, all there on television. The Americans are so condescending and bossy it is hard to resist the temptation to score points, get belly laughs and feel morally superior over their hypocrisies in Central America, their two-faced postures on agricultural and other subsidies, their unshakable conviction that their culture is internationalist and ours is nationalist, and their incurable habit of seeing the world in black and white. The American Empire is beset with contradictions, and that is my main theme. When we Canadians talk about that empire, it is well to bear in mind also that if it were not for the ambivalence of the American imperialists Canada would not exist. We defied the revolution that set this empire on its way and got away with it. Living with the Messiah has not been easy, but it beats living with the other one.

The great American sin is overstatement. They are blessed and cursed with a messianic complex. We would find it easier to acknowledge their great services to mankind if they would not insist on their moral uniqueness. The United States was conceived by its founders more as a crusade than as a country. The New England puritans believed that they had a "mission of cosmic significance"

and would provide a "moral example to all the world." John Adams said that the United States "will last forever, govern the globe, and introduce the perfection of man." (I doubt if he had in mind Ollie North.) For their first century or two Americans regarded themselves as too virtuous to get mixed up in the power struggles of a wicked world. So they nobly eschewed foreign conquest and slaughtered each other in the bloodiest war of the century — and managed to interpret that ghastly failure of democracy as a heroic epic. Woodrow Wilson, after bringing his country into the First World War in its last months, prescribed for the benighted Europeans the American dream — impossible formulas of universal collective security and the self-determination of peoples, from which the US Senate promptly withdrew, holding its nose. (They watched the League they had largely fashioned disintegrate and fascism breed on the excessive application of self-determination.) Then, having been booted by the Japanese into the second great crusade against tyranny, Roosevelt fashioned another world order on the American plan.

Canadians believe in the American mission — up to a point. We are especially vulnerable to those illusions of New World innocence and Anglo-Saxon superiority. But we too have built a remarkably successful democracy against greater odds and without a civil war. (Not Gettysburg, but Meech Lake.) We set an example of peaceful disengagement from the imperial power, a process on which a great Commonwealth was founded and which meant, among other things, that the history of India was not the history of Vietnam. The missionary spirit, you see, is catching. That is okay provided we are content to be a medium messiah, moderate and mediatory, of course, bearing in mind always Daedalus's advice to Icarus before his flight: "You will go most safely in the middle." Icarus got illusions of grandeur, flew too near the sun and you know what happened. We Canadians are not likely to be tempted into overseas imperialism; it is much too expensive. But we have to tune our mission to our capacity. Our diplomacy must be intrinsically different from that of a superpower. We are much more dependent than they are — or think they are — on coalitions, alliances and international institutions. We must always, however, bear in mind the awesome responsibility of being a superpower and alone.

---

*John Holmes is a former Canadian diplomat and has long been associated with the Canadian Institute of International Affairs in Toronto. This article is based on an address Mr. Holmes made to the Couchiching Conference in August 1987.*

### Good intentions help – sometimes

What I left out of that jaundiced survey of American history is that the American revolution did indeed bring hope and inspiration to the world at large. While keeping their hands clean from European politics, they contributed much to establishing the international economic and social infrastructure which is now the basic element of the vast United Nations system. In due course they set a precedent for peaceful coexistence with a weaker neighbor. They promoted regulations for quarantine, for agriculture, arbitration and other forms of peaceful conflict resolution. Roosevelt's Trade Agreements Act of 1934 was the precursor of GATT. Without admitting it the US Navy joined the British in maintaining the freedom of the seas.

The conviction of exceptionalism leads Americans in alternative directions. The intentions are noble enough. The problem is with prescribing moral abstractions from their own experience for a world more complex than New England. Their moral absolutism gives them the strength of crusaders when we need it, but it leaves them open to the charge of irresponsibility and hypocrisy. Self-determination was good for Czechs and Poles in 1919 but it tore Europe apart – and it did not seem to apply to black Americans.

With a force so strong there are bound to be some good things we applaud and some bad ones we deplore. In the part the US played in recreating world order after WW II, the good things certainly prevail. Roosevelt's idea was that the world would be run by the great powers, one in particular. But fortunately we lesser powers changed that. However, the UN system would never have got on its feet if the US had not acted for several decades as a kind of surrogate UN. They alone at that time had the economic resources to float the IMF, the World Bank and provide the bulk of the UN force in Korea. By the Marshall Plan they got the Europeans on their feet and contained the challenge of communism from the East.

The Americans made mistakes, of course. They pursued their own interests, as we all did, but with a sense of responsibility for the welfare of the international community that has been missing of late. It was to their advantage to open the channels of trade and exchange, but one must ask in whose interest it would have been to perpetuate the barriers that had led to stagnation and war. None of us was adequately aware of the plight of the Third World, mostly hidden within the old empires. Canadians, like Americans, were sincerely beguiled by the trickle-down theory of a prosperous world economy and we thought that self-government alone would do wonders. It is easier to see now that, as Robin Winks has put it: "The US transferred abroad its consumptive technology, but it did not transfer its productive technology. If its absolute contribution to the less-developed countries was positive, its relative contribution was negative. It created an *imperialism of interdependence*." That was very hard to foresee in 1945.

The Americans cannot be blamed more than others for the partial breakdown of the security provision of the UN. Universal collective security is not a practical proposition for a lopsided world, and for all kinds of historical reasons the lack of trust between East and West was such that unanimity in the Security Council was out of the

question. That did not mean that the UN was irrelevant, but its function was to prevent war by multilateral diplomacy rather than by trying to enforce peace. To that kind of diplomacy the Americans devoted their best brains. They did not impose the Cold War on us. The Russians managed stupidly to scare the hell out of Europeans, Canadians, all of us, and the initiative for NATO came from us. We wanted a guarantee of Europe from a reluctant US Senate. (NATO rescued us from panic and stabilized an exceedingly dangerous situation.) That the US alone had an atomic bomb was an inescapably intimidating fact, but, whatever the ravings of wild editors and generals, the US in association with its allies acted with prudence to contain the Soviet probing for weak spots – especially in Berlin.

### Having power thrust upon one

There are those who see from the day of Pearl Harbor a calculated US plot to take control of the world and run it in their interest. That makes little sense to me. As Averell Harriman noted at the time, all the American people wanted to do was make a settlement with the Russians, go to the movies and drink coke. Furthermore, with their antiquated constitution they cannot calculate a concerted foreign policy of any kind. (They have a government with no one in charge. It remains a serious problem that the superpower on our side cannot fine-tune its policies.) The war was just the culminating factor of twentieth century history that left the US in a predicament of power from which it could not escape. We must be eternally grateful to them for not trying to and for recognizing the awesome responsibility of their strength. Congenital messianic fever helped.

The essential formula for international security as conceived in the UN Charter is to be found not in the rhetoric of collective security but in the provision for the management of peace by the five great powers in the Security Council – aided, abetted and restrained, of course, by wise representatives of the lower and middle classes. In the absence of this prescribed unanimity it was inevitable that the dominant power would feel obliged, or tempted, or both, to act as it saw fit to hold the world in equilibrium as the Charter intended. The rest of us are unhappy about that in principle, but in practice we feel more comfortable because the US accepted the responsibility of pilotage, even though we often have grave doubts about the wisdom of the pilot.

Encased in an alliance to which it must pay some attention and, more than they realize, in the politics of the international community, of the United Nations, the US has not had it all its own way. *In extremis* the responsibility placed on the five great powers to manage peace has actually been assumed by the two superpowers, and it is well for us at this critical time on the Persian Gulf to recall the occasions on which, when faced with what they both feared most – the global escalation of hostilities – the US and the USSR have been in collusion to check the combatants. The Arab-Israeli conflicts of 1967 and 1973 provide classic examples. In fact, there is now some evidence of concern in Europe and Asia that if the superpowers achieve nuclear agreements they will try to dispose of the rest of the world as they see fit. Those two might well find bilateralism more comfortable

than tedious multilateralism. They are unlikely to get away with it. Even together they have barely half the population of India, and their nuclear supremacy is largely inapplicable in the really basic issues the world faces — starvation, pollution, terrorism, racial and religious genocide.

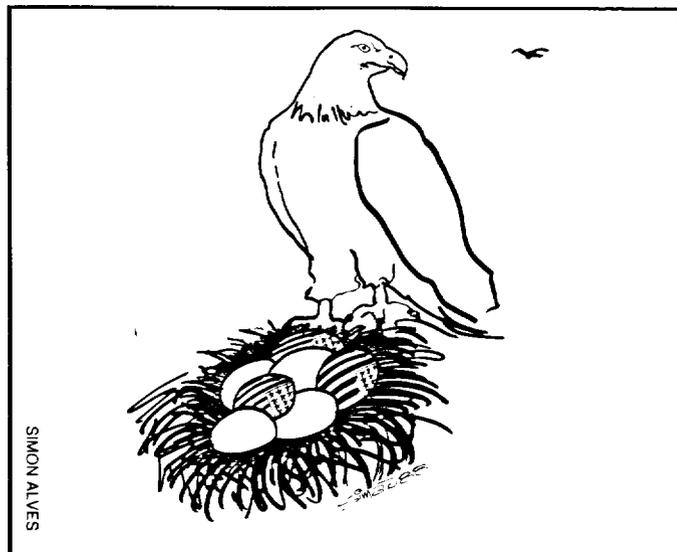
#### Advantages of being wise

We Canadians fought hard for an appropriate place for lesser powers, but we recognized the special responsibility of the great military powers for security because that seemed the only practical way. There are things, however, that middle powers do best — mediatory diplomacy and peacekeeping, for example. We should be careful, therefore, about railing against the great powers in the abstract. It is not so much their assumption of stewardship as their wisdom in carrying it out that we criticize — an important distinction to make. The same may be said about the US on its own. When they maneuver a Camp David agreement we praise them, but not when they send an American peacekeeping force to Lebanon. Attitudes to the US role can be pretty unreasonable. The almost universal assumption that the US has not only a responsibility but an obligation to run the world can be seen in the complaints made when there is trouble in Cyprus or Panama that the Americans should have prevented. Why they? They are accused of supporting every regime in the world, from Paraguay to Somalia, which they are not actively trying to overthrow. When they do try to overthrow a government they are denounced — and often properly so — for interfering. It seems sometimes that they can do nothing right.

Criticizing American foreign policy with precision is not being anti-American, and we should continue to do so — but with a due measure of forbearance, first trying to grasp the moral and strategic contradictions involved. We have to ask ourselves in each case whether the US is trying to run the world or just finding it hard not to — and there is rarely a straight answer to that question. Personally I would be more assured in my criticisms if I were as confident about what the US should be doing in Central America as I think I am about what they should stop doing.

A problem for the American Empire is that the rest of the world is obsessively preoccupied with what they do or do not do. Canadians, for example persistently judge our foreign policy in terms of whether or not we are agreeing with the United States. One cause is what I might call historiographic imperialism. The history of the postwar period has been extravagantly US-centric, largely written by Americans and only from American archives. This distorted version of history confirms the mistaken view that the Americans alone set up and ran the UN and NATO, bossed the world economy and determined the rise and fall of regimes from Chile to Iran. In the more romantic versions, both pro- and anti-American, world government has at last been achieved in the CIA. This kind of history is not necessarily chauvinist. The worst offenders are the American revisionists who see their country not as God but as Devil. As Raymond Aron has put it: "In saddling the US with causal responsibility for the Cold War the revisionists once more succumb to the myth of American omnipotence."

There is reason to question whether the world's greatest



debtor can sustain the kind of hegemony it has heretofore wielded in international economic bodies. Will the IMF be obliged to haul the US before them to prescribe austerity measures as it has done for other countries that cannot pay their debts, such as Brazil or Jamaica? When the US had a very favorable balance of trade and payments it could afford the magnanimity required of a hegemon state. It approaches the new GATT round not as the stimulator of world trade but as another member desperately in need of markets to pay off its foreign debtors. It has all happened quickly, and, as William Diebold has said, "The internationalization of the American economy has outgrown people's understanding of its implications." (It is easy to mistake a cycle for the future.) Whatever its relative decline, the United States remains a very wealthy country, and the imperial tradition fades slowly. The US dollar remains the world's reserve currency. The country has, however, become so enmeshed in the imperialism of interdependence that a retreat into isolation (with or without Canada in fortress America) seems inconceivable. It cannot do without the give-and-take of multinational rules and regulations. The xenophobic protectionism that incites Congress is self-defeating, because it will provoke retaliation and mire the US even further in debt. Austerity does not inspire magnanimity as prosperity did, but vulnerability just might make the Americans better partners.

The future lies in either more effective multinational collaboration or anarchy, a fact that the Reagan administration seems to understand better than Congress. If the United States can no longer play the confident hegemon, there is no other power that can. The Japanese have lacked the necessary sense of responsibility for the community, although their increased contributions, financial and diplomatic, to UN bodies in a time of American petulance is encouraging. The European Community has not the unity to be a flexible and generous leader and stands in the way of its more powerful members acting as such. Another major player is looming. The Soviet Union is letting it be known in various ways that it wants to swim out into the world economy and join the international clubs. China is likewise interested.

To reject this kind of initiative by communist powers

could be dangerous. They are at least strong enough to play the rogue elephant if they are refused admittance to bodies trying to arrange an orderly world economy. At the same time, the challenge of absorbing countries with very different economic principles into institutions already in an uncertain state of health is daunting. It is not a decision that the United States will be allowed to make unilaterally, although they too can act as spoilers.

**If not in doubt, don't consult**

It is the trend towards unilateralism by the US that is most worrying. We have accepted a special role for nuclear superpowers, but when Washington announced SDI without any consultation with its allies, thereby upsetting the basic NATC concept of deterrence, our faith was shaken. It is not restored either by loud voices in the US calling for casting off the entanglements of NATO, and of NORAD as well, and go it alone. How did this come about? Why have Americans shifted from the earnest endeavor to create a world community in concert? One reason is obviously frustration with what they regard as their associates' refusal to share the burden. They have a point, but they do not see that those who are expected to bear the burden must have a legitimate say in determining what the burden will be and what policies will guide its deployment. Power corrupts even the idealists.

When John Kennedy came to Washington with the brightest and best of Boston, a friend in the Canadian embassy wrote to me that he found them all very impressive intellectually, but he wished they had a few doubts. Then the President proclaimed that America would "pay any price, bear any burden, meet any hardship, support any friend, oppose any foe to assure the survival and the success of liberty." It was thrilling stuff — rather like listening to the glorious sound of "The Battle Hymn of the Republic" without noticing the words, which are really scary — all that mystic stuff about seeing the glory, tramping out the vineyards and knowing the truth that goes marching on. Personally I would rather hear Americans singing "America the Beautiful." It is awfully corny, but perhaps the solid qualities of America we like best are corny.

That missionary zeal can be the bright side of American exceptionalism, but it can also be the dark side, when they are so sure they are right that they listen to no one else. There is what has been called the imperialism of anti-imperialism. I recall being in Saigon in 1955 when the French were leaving and the Americans were moving in — as advisers of course, utterly convinced that they were a different breed from the European imperialists. The Americans were there to help the Vietnamese to salvation. They were nice guys and they meant it. It is a mistake to write off the high motives that led them into that great disaster. They had been called to a great crusade and the issue was stark, the forces of good against the forces of evil. The wise men who fashioned American policy at the end of the war had argued sanely for containment of undue Soviet expansion, just that. However, to rouse a reluctant people, still hopeful about the Russians, they oversimplified the issue and made confrontation with communism a religious rather than a strategic issue and compromise a sin. The Russians, North Koreans and the Viet Minh did all they could to make that view

plausible. So we had two paranoid superpowers. Confidence of rectitude led to a gross overestimate of American strength, and pride sucked them into catastrophe. If they were virtually alone in the fighting it was because they had disregarded the advice of their allies.

**Judicial imperialism**

I shall mention briefly what has been called American judicial imperialism and only to support my argument for sublimation. The extraterritorial assertion of US laws has now led Britain, Canada and a number of other countries in exasperation to pass legislation to counter their pretensions, such as our Extraterritorial Measures Act of 1984. This incapacity of Americans to recognize that their writ does not run worldwide is attributable in part to their constitution in which Congress must have the last word on everything. The legal adviser to the State Department, Judge Sopher, shocked us recently by saying that the President and Congress must be unfettered by international law. It is an attitude that is going to be harder to get away with as hegemony declines. What I would like to point out, however, is that sometimes the US has an acceptable motive even if its unilateral assertion is unacceptable. It may be that the interests of the world community would be served by the recent attempt to apply abroad higher American standards for environmental controls on nuclear reactors. We have to persuade Americans that these are common problems on which the OECD and other international bodies are trying to act. The threat to the ozone layer, the prospect of climate change, not to mention acid rain on all continents, the implications of Chernobyl urgently require multilateral agreement and not just the extension of US rules.

The Americans, bless their hearts, are terrible windbags. So it is important to judge US policy by deeds rather than words. Whatever the President once said, he has had genial chats with Comrade Gorbachev and is clearly very anxious to get an arms control agreement with the untrustworthy Russians. He is still pretty inconsistent about which are acceptable and unacceptable totalitarians, but the US has been instrumental in removing dictators in the Philippines and Haiti — and possibly even South Korea. While he fulminated about the Soviet naval threat in the Persian Gulf, his tough ambassador to the UN, General Walters, was in Moscow and Beijing seeking agreement on a Security Council resolution by which all the great powers would act, as the UN Charter requires, to cope with a threat to the peace. That is a move which in spite of the much louder sober rattling has been publicly supported by Messrs. Shultz and Baker, and over that other staunch member of the Reagan team, Margaret Thatcher. There are indications that tough-minded Americans are having second thoughts about the UN — a subject which has seriously divided Ottawa and Washington. They are reconsidering their posture on finances and recognizing, I think, that their resentment against unfair anti-American rhetoric and bureaucratic waste has gone too far. They are finding that in an age of interdependence they cannot afford not to play the UN game. Recognizing that they need GATT, a UN body, is significant. We are deafened by the protectionist oratory of Congress, but the administration preaches freer trade like a gospel hymn.

It makes it difficult to know who speaks for Uncle Sam, but we need not always assume the worst.

### Cultural imperialism

It is not only foreigners but more often Americans who take for granted the end of American hegemony. One scholar, Bruce Russett, has pointed out, however, that "cultural hegemony has proved a major resource to the hegemon in maintaining its general hegemony." The United States continues to exert, without trying, a powerful centripetal force. There can be arguments about the quality of American culture, but not about its universal attraction. As Noel Coward once sang at Las Vegas, "But I like America — every scrap of it, all the sentimental crap of it." Satellites and computers now spread or spew it further. Like it or not, America is great theater. "The American public has a melodramatic sense of reality," according to Carlos Fuentes.

### If power could be yielded gracefully...

There is grave danger that Americans, uneasy about their economic future, resentful of allies who do not see the world as they do and poor countries that are ungrateful, cynical about international institutions in which they are less dominant, will seek that isolationist alternative of exceptionalism. They are not likely to succeed, but in the meantime our international infrastructure could crumble without their constructive participation.

The sublimation of empires so vast and clumsy as the American and the Russian is bound to take time. The Cold War has been a framework for hostility and military

exhaustion, but in recent years it has also been a framework for deterrence, détente and negotiation, and even the most peaceful internationalist may feel a little lost without it. Some people will insist that nothing has changed lest they lose their bearings, and others, with an eye on the budget, will conclude that the Soviet empire has changed overnight. We must beware of the panic that accompanies the disillusionment of the impatient. We must, as Canadians, realize also that a shift from superpower hegemony to wider international structures will require more responsibility for middle powers. One of the strongly entrenched myths in this country is that in a golden age we were constructivists in international institutions, but no longer are. That view ignores our solid and helpful role in the Law of the Sea, financing of the UN, in the Cairns group of middle powers at GATT, in working for consensus in the Assembly and the reform from within of UNESCO and FAO, not to mention our initiatives on Africa. None of this is sudden and spectacular enough to attract the media. Building the infrastructure of international collaboration may be boring, but let us not forget that it should be the purpose of all peace-lovers to make the world more boring.

As for the future of the American empire, I am still betting on the good guys, but I would like to draw to their attention the words of Edmond Burke when he was addressing his own empire on behalf of the American colonists in March 1775: "Magnanimity in politics is not seldom the truest wisdom and a great empire and little minds go ill together." □

## Investing? — Yes, in Nova Scotia!

Why don't you come and see for yourself that Nova

Scotia is a good place to live, work and invest.

Pratt & Whitney, Litton and Michelin did.

"There were several reasons why Pratt & Whitney located its new plant in Nova Scotia. First and foremost, was the availability in Nova Scotia of a large pool of manpower that could be trained easily to work in our facility and also, a very enthusiastic response from the governments of Nova Scotia and Canada to work with us to develop a very large training program to make it happen."

*Gilles Ouimet, Senior Vice President-Operations, Pratt & Whitney Canada Incorporated*

Litton Canada's decision to locate in Nova Scotia was based on the availability of a dedicated workforce, dependable supply of services, an efficient transportation network, quality education facilities and, above all, a cooperative and supportive government. All the important factors that contribute to the long term viability of a modern company.

*O. K. MacLean, Director, Special Projects  
Litton Systems Canada Limited*

Michelin began tire production in Nova Scotia in 1971. Since then our employees have proven they can compete for high quality tire markets around the world.

We work together to produce Michelin Tires made in Nova Scotia with a quality of workmanship that keeps us on the leading edge of our industry. Our progress is a result of employees' efforts, and we will continue to progress as we all strive to reach our maximum potential in our Nova Scotia plants.

*Alain Redheuil, Vice-president, General Manager, Michelin Tires (Canada) Limited.*

### For more information on:

Industrial Regional Development Incentives  
Investment Tax Credit  
Research and Development Tax Credit  
and many other programs available in Nova Scotia.

### Contact:

Nova Scotia Department of Industry,  
Trade and Technology  
1800 Argyle Street, P.O. Box 519  
Halifax, Nova Scotia  
Canada, B3J 2R7  
Telephone (902) 424-5320  
Telex 019 22548

or Atlantic Canada Opportunities Agency  
Telephone (902) 426-8361  
Fax (902) 426-2054

Nova Scotia



Canada

# Law of the sea: a Canadian opportunity

by Clyde Sanger

Canada was one of the countries to benefit most from the United Nations Law of the Sea Convention which it signed together with 118 other states in December 1982. In the five years since, another forty states have signed the Convention, but a total of only thirty-five countries have ratified — and it takes sixty ratifications to bring the treaty into force. The time has surely come to make a concerted effort with two dozen other countries to consolidate these gains. Canadian officials played an outstanding role in nearly fifteen years of complex negotiations leading to the Convention. It seems appropriate as well as wise for the Canadian government to take up this role again.

## Benefits to Canada

To summon this resolve, it may only be necessary to recall a few of the benefits Canada now enjoys from the hard work its lawyers and scientists put into negotiating the 320-article treaty

- Canada was able to declare sovereign rights over 1,290,000 square nautical miles of continental shelf off its coasts. This is Canada's Exclusive Economic Zone (EEZ), and is the equivalent of adding 40 percent to its land area.
- In this huge EEZ, which off the east coast extends up to 350 miles beyond Newfoundland, Canada is able to control all oil and mineral exploration.
- It is also enabled to regulate fisheries in the EEZ, by deciding the total "allowable catch" and the optimal use. This right has come just in time to arrest the decline in the Northwest Atlantic catch, which became evident in the 1970s from overfishing.
- A special clause to cover salmon (Article 66) gives the states in whose rivers these "anadromous stocks" originate the primary right and responsibility over them. Canadian officials worked hard and effectively to insert this clause.
- Under its provisions for drawing maritime boundaries "for all uses," Canada argued the Gulf of Maine case at the International Court. The line drawn by the Court awarded Canada about one-sixth of Georges Bank, but this included the best sector for scallop fishing.
- In a special provision (Article 234) for "ice-covered areas," so named because the Soviet Union did not then want to open up discussion on the Arctic (Mr. Gorbachev has since done so in his Murmansk speech of October 1987) the Convention endorses Canada's unilateral action in making regulations within a 100-mile zone in its Arctic Waters Pollution Prevention Act of 1970.

---

*Clyde Sanger is an Ottawa freelance writer and the author of **Ordering the Oceans: The Making of the Law of the Sea**, published in 1987 by the University of Toronto Press.*

- The provisions for marine scientific research give coastal states — and Canada has one of the world's longest coastlines — the right to regulate and authorize (and in specific circumstances withhold consent to) research in their EEZ. This is some protection against the bigger maritime powers carrying out military activities under the guise of research.
- Canada resisted any suggestion that the Northwest Passage was "a strait used for international navigation," and thereby subject to the newly-minted "right of transit passage," which allows, for example, submarines to pass submerged and without notification to the coastal state. So Canada's claim to complete sovereignty over the Passage was undented by the Convention.

## Even opponents gain

To go beyond Canada's own gains, the Convention offered every country some benefit, in what the conference's president, Tommy Koh of Singapore, called this "comprehensive constitution for the oceans." The United States gained most of all, from transit passage for its warships through strategic straits, to an enormous accretion of EEZ — some 4,820,000 square nautical miles, mainly in the Pacific. But the Reagan administration chose to oppose the Convention over its provisions for seabed mining, and together with Britain and West Germany, did not sign it within the 2-year time limit. They will now have to "accede" (sign and ratify in one leap) if they are ever to participate.

The signing ceremony in the ballroom of a Montego Bay hotel on December 10, 1982, was the culmination of nearly fifteen years of remarkable work and, with no doubt a sideways look at the United States across the Caribbean waters, Tommy Koh said: "Let no nation put asunder this landmark achievement of the international community." The United States has not succeeded in putting it asunder, and has failed to organize a mini-treaty of the industrial powers in its place; but some might conclude the Reagan administration has managed to put it aside.

In actual fact, a good deal has been achieved, especially in the last few months, in working out a viable system for mining the seabed, even though the prospect of exploiting the resources of the ocean floor is probably twenty years away because of depressed mineral prices. This has been done through patient work in the Preparatory Commission that was set up in 1983 to make detailed rules for the International Seabed Authority and the International Tribunal. The United States has refused to have anything to do with the "Prep Comm," but Britain and West Germany (by virtue of having signed the Final Act of the conference) have attended as observers and indeed have played active roles. The Prep Comm's work has reached the stage where a concerted effort should be

made to bring the Law of the Sea Treaty into force with enough financial backing to launch these two institutions with a sensibly-sized budget.

**Protecting the "Pioneers"**

One large obstacle the Prep Comm had to clear away was a set of overlapping claims in seabed mining sites by the "pioneer investors." To make it more complicated, there were two groups of "pioneer investors" recognized in the treaty documents as having prior rights in staking out the ocean floor because they had already by December 1982 each spent US\$30 million in exploration. Their pioneer work also included developing methods of dredging up the main treasure — manganese nodules which contain copper, nickel and cobalt in rich quantities.

One group consisted of state enterprises in India, France, Japan and the Soviet Union. As well, private companies in eight Western countries came together in four mining consortia; Noranda joined a consortium headed by Kennecott Copper, while the other Canada-based company, Inco, became an equal partner with West German, Japanese and American firms.

It turned out that seven of these eight enterprises were all interested in the same section of the ocean floor: the Clarion-Clipperton Zone lying about halfway between Hawaii and Mexico. India was the exception, wanting to explore an area of the Indian Ocean, and in August the Prep Comm gave it exclusive rights over an area there of some 75,000 square kilometers.

The others were attracted to the Clarion-Clipperton zone because the potato-sized manganese nodules there are free of sediment and they both lie closer to the surface (at about 4,500 meters) and have a higher ore-grade than nodules in the Atlantic.

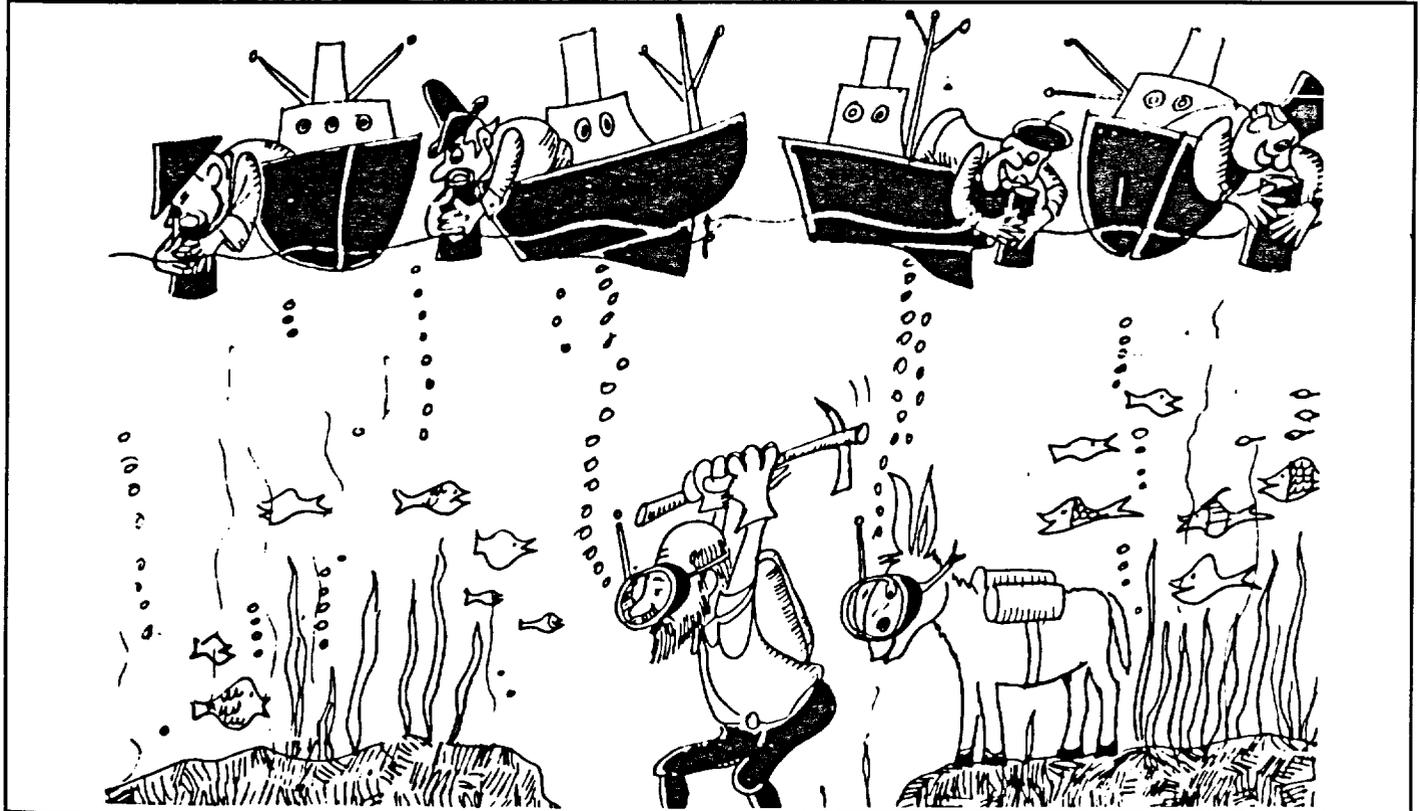
**US goes it alone**

In its drive to undermine the UN treaty by establishing a "mini-treaty" among industrial states, the United States pressed the four consortia to sort out any overlaps in their claims and then issued its own exploration licenses to them — and published a map in 1984. It had stolen a march on the Prep Comm, which was still struggling to reconcile the overlapping claims of the three state enterprises and the four consortia.

The Prep Comm president, Joseph Warioba of Tanzania, clinched part of this in September 1985, when Soviet, Japanese and French officials met in Arusha to sign an understanding. The final task remained of persuading all three state enterprises and the four private consortia to reconcile overlaps in proposed mining sites which can, under the treaty rules, be as large as 150,000 square kilometers.

Pragmatism has triumphed over ideology. On August 14, in a midnight huddle like free trade negotiators, the two sides agreed on adjusting boundaries for the seven sites. Officials from Canada, Belgium, Italy and The Netherlands (all of whom have signed the Convention) signed on behalf of their governments an agreement with the Soviet government. This opens the way for the consortia to apply to the Prep Comm (or, later, the Seabed Authority) to explore sites under the international system. Meanwhile the Soviet Union, France and Japan are expected soon to take the final step of registering their claims with the Prep Comm.

There is plenty of work for the Prep Comm, and its four commissions, still to do. In 1988 one commission will be drafting the agreement setting up the headquarters of the International Seabed Tribunal. Intriguingly, it is headed by an East German, while the headquarters is to be sited



in the "Free and Hanseatic City of Hamburg." Most supporters of the Treaty believe that West Germany, whose coalition government was closely divided on the issue of signing before the 1984 deadline, will be tempted to accede to the Treaty to gain the prestige of this international court.

Another commission, chaired by a Dutch diplomat, has to work out the seabed mining code and tackle the controversial question of transfer of technology. A third commission has been debating whether to establish a system for compensating developing countries which are land-based producers of nickel, copper and cobalt and which might be hurt when seabed mining becomes a reality.

But the reality will not come for at least twenty years, say mining executives. With mineral prices likely to remain depressed, no consortium is going to sink a billion dollars or more into developing a seabed site. The whole dispute over seabed mining issues, if not a complete abstraction, is a debate about something far over the horizon.

### Canadian opportunity

So the question comes: if the only part of the Convention at issue has become a remote matter, why not ratify the Treaty? The Hockin-Simard report, from the Special Joint Committee on Canada's International Relations, asked this question. It said the government should press for early completion of the Prep Comm's work and then do a detailed cost-benefit analysis of the Treaty. "Although it has not yet come into force, the Treaty has already brought Canada significant benefit, and the committee thinks Canada should ratify it."

In response, last December the government agreed we were deriving "substantial benefit" and said it was active in the Prep Comm's work, hoping for "universal acceptance of the Convention." Then it fell back into utmost caution, declaring: "When the Preparatory Commission

completes its complex task, Canada will be in a position to determine whether to ratify the Convention."

This is chicken-and-egg stuff. The Prep Comm could go on for decades devising new rules and formulae as circumstances and prices alter. Its task will be completed when the Treaty comes into force with sixty ratifications and the Assembly of the Seabed Authority takes over. And to wait for "universal acceptance" means waiting for the United States to accede — that is to ratify ahead of Canada.

The real reason for the Canadian government's caution is the worry that, if it ratifies ahead of larger industrial powers, it will be liable to pay a disproportionately large share of a (presently incalculable) bill to maintain the Seabed Authority in its Jamaica headquarters and even to develop the first seabed mining site of its operating arm, the Enterprise. These fears are wildly exaggerated — seabed mining, everyone agrees, will not start this century — and the costs can certainly be spread, if Canada now shows a little of the diplomatic boldness and skill that External Affairs lawyers under Alan Beesley and Len Legault provided during the conference itself.

### Waiting for Canada

The mathematics are not too complicated. The operations of the Seabed Authority and the Tribunal will be paid for by those who have ratified the Treaty according to their scale of assessment for the United Nations regular budget. The thirty-five countries which have so far ratified are nearly all Third World states — the most substantial are Mexico, Yugoslavia and Iceland — and together they contribute less than 3 percent of the UN budget. Canada's assessment is 3.08 percent and, if only twenty-four other small states came forward to ratify and bring the Treaty into force, Canada could find herself paying, say, one-third of the costs.

The solution is obvious, but it requires some entrepreneurial initiative. The two dozen ratifying countries needed to bring the Treaty into force should be recruited as a body from among those who pay sizeable assessments. Fortunately, the time is ripe for such a recruiting drive.

For a start, the four countries which are registering claims for their state corporations contribute 29.4 percent of the UN budget. Then eleven countries of the "West European and Others" group, which also call themselves "Friends of the Conference," make up nearly 17 percent. This group includes Australia, New Zealand and Canada as well as the Nordic countries and Ireland and Austria. Finally another dozen Third World countries which played important roles during the conference or gained largely from the Convention and have not yet ratified it add another 8 percent. Together, these twenty-seven countries could bring the treaty into force and would contribute enough that Canada's share would be less than 6 percent of the cost.

Canada would do well to persuade these countries to sign a joint declaration saying that, if reasonable progress is made at the next session of the Prep Comm, they would be prepared to ratify the convention as a group. This would give urgency to the work of the Prep Comm and end uncertainties about this historic treaty. □





Intimately small.  
Infinitely charming.

Glowing with the changeless character that stamps the exclusive club. Understated elegance. Superb dining. Sophisticated surroundings bathed in an aura of soft light, soft music. Complimentary Continental Breakfast in the dining room. Shoe shine service. The morning paper at your door. And all located close to cosmopolitan Yorkville in the heart of downtown Toronto. The Brownstone, 15 Charles Street East. Intimately Toronto. Very intimately yours. Rates from \$85.

Call 1-800-263-8967 for reservations. In Toronto, call 924-7381.

**KANATA HOTELS.**  
 Toronto - The Brownstone.  
 Ottawa - Hotel Roxborough.  
 Muskokas - Rocky Crest Resort.  
 Niagara Falls - The Old Stone Inn.

# Hydro and the Free Trade agreement

by Alex Netherton

The inclusion of a continental energy policy, a *bête noir* to nationalists, within the Free Trade Treaty (here called FTA) has raised some serious and debatable questions. But the major change represented by the Treaty is not the shift toward continentalism, but rather the loss of regulatory and sovereign power by the Canadian government to preserve a "national interest" while cultivating this trade. Furthermore, the terms of the Treaty work more toward establishing the legal claims of US purchasers to Canadian energy than they do to awarding Canadian producers a secure access to their most advantageous US markets. The Treaty ignores the concern that unqualified energy commitments to continental markets may leave Canada without control over natural resources.

## Canadian export policy

The contentious issue for electricity exports stems from the level of long-term control a purchaser of energy may gain over the exporter's resources. Unlike other forms of energy, electricity cannot be stored. Therefore a purchaser of dependable energy buys more than a quantity of energy; he also buys the primary rights to the use of the capacity, e.g., generators and turbines. This is what the industry refers to as a "firm" or primary energy contract. Because it secures long-term supply, it can be regarded as a substitute for investing in capacity. Most utilities are interconnected and trade extensively. There is a great deal of "economy" trading where utilities shop around for the least costly energy, something like the trading-on-the-spot market for oil. These transactions, also called "secondary power" sales, can be terminated at any point by buyer or seller. The purpose of the secondary power sales for both parties is to benefit from the savings gained through the most efficient use of resources.

Our concern is primarily with the level of firm energy contracts between Canadian and US utilities. At issue is the danger, through firm power contracts, that Canadians could lose control of the use and benefits of the resource base. This is not an idle question. Historically, Canadian energy policy was torn by these conflicts. In present times the Newfoundland-Quebec contract concerning Churchill Falls raises the same issues. So does the continental energy policy.

## Current practice

Since 1963 Canadian export policy has handled the problem in three ways. Firm energy contracts, indeed the investment in hydroelectric megaprojects for export, were encouraged. But the export energy had to be surplus to Canadian needs, it had to be priced fairly, and conducted through a mechanism of licences for specific periods of time. The licences could last up to twenty-five years.

Federal policy was oriented towards allowing US importers the ability to securely use Canadian resources while at the same time allowing these utilities a healthy planning horizon to gain alternative sources of supply should the resources later be needed for the Canadian domestic market. The recapture provision has never been used. This policy underscored all subsequent trade.

The National Energy Board was given the power to regulate electricity exports and international transmission facilities. The NEB regulatory concerns touch two major areas, both of which will be substantively changed by the Treaty. First, exporting utilities have to demonstrate that an exportable surplus exists for the life of the export licence. Second, the NEB has examined the export price according to three price criteria: first, that the price cover all of the costs of production in Canada; second, that the export price be not lower than the equivalent Canadian price for the same energy; and third, that the cost of the power to the purchaser be not materially lower than the nearest low-cost alternative in the export market (a revenue earning measure). The durations of the export licences have run from ten to twenty years. Generally, NEB regulation of this trade has not produced either the inter-governmental or government/industry conflicts witnessed in other energy regulation. It appears to have been able to accommodate the fundamental aspirations of the federal government, provinces and US consumers in continental trade.

## Growing demand

Since 1973 Canadian exports of electricity to the United States have grown immensely. There are several political and economic reasons behind the trade. All of them support the relatively strong economic position of hydro-generated electricity on American markets dominated largely by more expensive thermally generated electricity. Water is a renewable energy resource, less costly and less environmentally damaging than either the nuclear, petroleum or coal alternatives. The increase in value and volume of exports has been the product of specific trading relationships between interconnected Canadian and US utilities or pools. The largest hydro-based utilities are in British Columbia, Manitoba and Quebec, and they are in the best position to develop along continental lines. Of the three, Quebec has been the most successful.

The underlying logic of this trade presents a new role for Canadian hydro resources on continental energy markets. Unlike the period from 1963 until the present, this trade assumes Canadian hydro resources will become not an in-

---

*Alex Netherton teaches Political Science at Acadia University in Wolfville, Nova Scotia.*

## **No way to stop the selling**

cidental, but rather a structural part of regional US energy supply. This form of trade has been the subject of study. Both sides have indicated the need for some guarantees. The Americans needed assurance that the power could not be suddenly repatriated, for without backup capacity, interruption of exports would leave them with a supply crisis. The Canadians needed secure long-term market access and trading relations, for if the export market simply became a temporary bubble they would be left with the financial burden of capacity well beyond the needs of domestic markets. How did the Free Trade Agreement deal with these issues?

### **FTA: a framework for continental investment**

Promoters of this trade have emphasized that the whole question needs to be openly discussed because of nationalism — the resentment of Canadian exports by both Canadians and Americans. Binational coordinating institutions and firm and public governmental support have been their major objective. Bourassa's Power From The North attempts, among other things, to convince the Canadian and US publics that the hydro option is by far the cheapest and most environmentally acceptable. The Northeast-Midwest Institute, a large congressional lobby, on the other hand, tends to emphasize the importance of less expensive energy for the economic revitalization of the region. The Free Trade Treaty accomplishes all of these objectives, and as such can be the major political underpinning for new directions in energy investment. Energy markets will be continental, not national.

### **Declining NEB and federal power**

The major changes provided in the Treaty relate to existing powers to control the quantity, price, form and duration of export contracts, as well as powers to repatriate the energy or terminate contracts during national emergencies. The Treaty substantially diminishes the powers of the Canadian and US governments to place restrictions on energy trade.

Essentially the Treaty asks the governments to treat energy as any other commodity within the free trade market. Sections 902-905 affirm that each government maintain existing GATT rights concerning the import and export of energy goods, including the right to take measures to conserve natural resources. However, aside from the GATT exceptions, neither can place quantitative, or price, restrictions on the import and export of energy. (The one limitation to this is the application of countervail and anti-dumping measures on imports.) Nor can either levy special taxes on exports unless they are also placed on the domestic market. Annexes provide that each country (that really means Canada) implement legislation to have the definition of "exportable surplus" changed to reflect these provisions, and also to have the NEB "third price test" eliminated. US utilities regarded the latter to be an assault on the underlying economic rationale behind the trade.

The National Energy Board is waiting for a ministerial statement and enabling legislation before it responds to the Treaty. That makes it difficult to speculate on the practical consequences of the Treaty's provisions. The Treaty establishes a continental market whose entities have

"national treatment," i.e., foreign firms are treated as domestic ones. The rights of US importers, through the treaty, extend beyond the length of the licences; they are long-term rights that grow in proportion to the amount of resources they consume.

### **Loss of repatriation right**

During the 1963-87 period we noted a progressive weakening of Canadian federal powers to repatriate energy committed to the US market. The Canadian government, however, maintained the sovereign power to control the terms of international trade, a power it exercised with regard to petroleum during the energy crisis. This Treaty formally limits the power to the Canadian government to do the same in the future. Canada and the United States keep these powers, but in a limited form. Restriction cannot take away the proportional market position of the importer (calculated with reference to the last thirty-six months), or include the direct imposition of higher prices on exports, or disrupt normal channels of supply or normal distribution of product mix. Essentially these provisions safeguard the US from Canadian export reduction in the advent of another energy crisis. Moreover, the agreement on an international energy program, when completed, will take precedence over the whole of the energy provisions of the FTA.

A series of defence-related national security provisions can override the rights of access by buyers. Those provisions speak more directly to the ability of the United States to suspend Canada's limited access to Alaskan crude than to Canadian rights to curtail electricity exports. Those provisions are also more related to the politics of petroleum and uranium than they are to electricity.

To what extent are these provisions a major departure from existing regulatory policy? Recently the NEB Act was changed to reduce the Board's powers to terminate contracts. Now it may only do so when the terms of the contract have been grossly violated, although existing GATT rules allow Canada the right to conserve national resources. What the FTA means for the ongoing management of cross-border trade will therefore depend upon the still-to-come implementation legislation. The Treaty provides for a diminished role for government, and supports a more decentralized energy policy. In Canada this may translate into a greater role for provincial governments and utilities in shaping energy strategies. At the same time it may also limit the provincial governments' traditional wide scope in hydro affairs. The Treaty's influence may also be more directly felt over time, when it becomes difficult to repatriate the Canadian electricity capacity dedicated to the continental market. The logic of the Treaty is to make energy a commodity like others, hence limited both the national and provincial governments' ability to use it as a tool of domestic development.

### **FTA and the provinces**

One outstanding question, particularly to provinces without an abundance of inexpensive hydro power, such as Prince Edward Island — and perhaps in the future, Ontario — concerns the NEB's "second price test," the one requiring that the export price be not lower than the Canadian one. As a substitute for working out comparable

energy prices, the NEB has stipulated that exportable surplus energy had to be offered to neighboring interconnected Canadian utilities at the same price before being offered to the export market. This is an important element of NEB regulation. Recently, for example, a Quebec Hydro application was refused on the grounds that none of the exportable surplus had been offered. The question facing Canadian utilities is whether this small, but important, attempt at national market integration will be lost. A more decentralized regulatory power would undoubtedly allow more authority to major producing provinces, and at the same time lessen the economic entitlements of those Canadians who reside in provinces without the same resource base. On the other hand, the retention of the test might become a good offset to the loss of national powers to repatriate energy.

The effect of the Treaty might be more forcefully felt in provincial energy planning rather than in federal regulation. The Manitoba Limestone project, for example, was the first hydro project developed expressly for the export market. The idea was to pay for financing the megaproject through export sales, so that it would be manageable when the power was needed provincially. The logic of the Treaty runs counter to this strategy because within the FTA the US consumer gains permanent rights to proportional share of the resource base. While these rights might strengthen the case of long term continental hydro exports, as envisaged by provinces such as Quebec and British Columbia, which have the resources, it may hinder others not so fortunate. Future implementation, interpretation and enforcement of the Treaty may clarify these issues.

#### FTA and US utility regulation

US regulatory policy has been a major obstacle to continental electricity exports. Under the present system of regulation, US utilities may make a profit only in return for investing in capacity. Hence, importing Canadian electricity pleases consumers and regulators, but not the owners of the energy industry. US advocates of imports from Canada have argued that rules should change to allow the predominantly privately owned utilities to buy Canadian firm power contracts as a substitute for capacity investment. The FTA is silent on this issue. Since the present system offers a disincentive to import firm power, one can conclude that its effect has been to emphasize the rights of US consumers to the Canadian resource base more than it has to remove the non-tariff barriers which make it difficult for Canadian utilities to gain secure market access.

Similarly, there is no economic incentive for one utility to transport or "wheel" power from a Canadian exporter to another utility. This in itself has caused the death of one major export deal. Manitoba wanted to sell power to Nebraska. The economic basis of the trade stemmed from the substantially different electrical demand structures between the two markets. But the power had to be wheeled through two connecting states. They refused to allow the transaction, largely because it offered them no economic benefits. After intense regulatory battles the deal fell through. In theory the project represented the mutually advantageous prospects of continental trade. These sorts of problems have led to recommendations to reform regulation policy and to develop the institutions, regional plan-

ning and marketing agencies, that would be the bridge between Canadian exports and the specific needs of the numerous American utilities.

The FTA does deal specifically with one case of the wheeling problem. One of its Annexes to the Treaty provides that the Bonneville Power Authority may not discriminate against BC Hydro by refusing to wheel its power. However, the Treaty essentially gives BC Hydro domestic firm status. It does not provide any undertakings for the United States government to reform the interstate wheeling policy.

#### Binational regulatory consultation

The agreement provides that if the activities of any Canadian or US regulatory authority are regarded to be discriminatory or work against the principles of the Treaty, a mechanism of consultation between affected parties can be invoked. Given the wide scope of the energy agreements and the ambiguity of the word "consultational," it is hard to place meaning to these provisions. At face value it appears to be a healthy mechanism of treaty enforcement. Certainly it will be useful for Canada because of the fragmented and complicated domestic regulation of US utilities. Conversely it will also serve as a check upon the NEB and provincial regulatory decisions.

#### Some opportunities

There is much to be said for continental energy exports. The use by US utilities of coal and petroleum is more environmentally damaging than hydro — theirs or ours. Allowing Canadian utilities to fully utilize the expensive and publicly-paid-for hydro generating capacity by exporting surpluses reduces the cost for all. This is good economic sense. There is a simple rational intelligence to the use of hydro for such purposes. Vulnerability problems on international energy markets have translated into central elements of US foreign policy. The reliable availability of Canada's resources has always underscored and perhaps overshadowed the economic and environmental reasons for a continental energy policy.

There are limits and costs. The Free Trade Treaty represents a new political framework for continental integration. It will invite a new definition of continental relationships. Much of this relationship will be the product of political debate about the costs and advantages of new trade. For example, Robert Bourassa has written extolling the virtues of the Grand Canal, a plan to export water from James Bay to water deficient areas of the continent. The damming of James Bay would allow the water to be used for energy before being diverted and pumped into the Great Lakes. There are other such schemes. "Not a chance!" you say? Premier Bourassa might well reply that his own existing James Bay development had its share of skeptics. But look what happened. Not only did James Bay hydro get built, but its power was soon being exported, contrary to original intentions. And now that earlier James Bay experience will be repeated three or four times.

Simon Reisman, before becoming the Canadian negotiator for the FTA, supported offering water to the Americans. The present Treaty could be a frame work for such trade. By the same token, one could expect Atomic Energy of Canada

## No way to stop the selling

Limited to resurrect its dreams of a successful domestic nuclear technology by pressing for nuclear power to be given the green light.

So the old national framework has gone, and these considerations and interests will all be part of the national debate that will eventually determine the form of the "continental" relationship.

### Opportunities lost

These new horizons have not been gained without some losses, primarily the ability to shape trade and natural resources for national purposes. The intent of the Treaty is to liberalize trade, and as such, reduce the power of government to interfere with the play of the market. The issue then becomes not continental trade, but the role of government in shaping its forms and terms. Canadian hydro policy fostered continental trade, but maintained the sovereign power to define what was surplus to Canadian needs, to see that exports were priced fairly, to encourage a degree of mutually satisfactory economic integration among provinces and to repatriate resources as contractual commitments expired. Dissatisfaction with that policy

was never a domestic cause for seeking freer trade. Now continental US customers have a domestic (i.e., Canadian) status, and the ability of the Canadian government to direct resources for national development is fundamentally circumscribed by the Treaty, one that we do not know well now, but one with a quasi-constitutional status that will grow in meaning as it is implemented, interpreted, enforced and modified over the years.

Canadian economic nationalism has always had its share of opponents, and many for good cause. But the loss of sovereign national and provincial powers takes away one of the formative influences in the terms of continental integration. It adds a certain permanency to this policy shift, one that should make all look beyond immediate gain to reflect upon future consequences. Some may think this loss of sovereignty is a small price to pay for continental market access. But we should remember that healthy export industries do not necessarily mean a healthy economy or that those industries are serving any domestic needs. As the treaty process unfolds we have to be wary that we do not become rich in hydro and poor in energy. □

## PAN PACIFIC KUALA LUMPUR, THE HOTEL THAT OFFERS YOU MORE ...

**FRIENDLINESS.** It is always appreciated when you receive a warm and friendly welcome as you check into a hotel. At the Pan Pacific this not only happens at the front desk, but you'll find wherever you go in the Hotel a friendliness always there. Suddenly you don't feel like a stranger any more. When you are made to feel at home, it gives you a different feeling. Celebrate the difference.

PAN PACIFIC  
KUALA LUMPUR  
HOTEL



• 600 Rooms • Six Restaurants and Bars • Convention Facilities • Business Centre  
• Health/Recreation Centre • Swimming Pool • Shopping Arcade • Limousine Service  
JALAN PUTRA, P.O. BOX 11468, 50746 KUALA LUMPUR.  
TEL: (03) 442-5555. TELEX: MA 33706 PPHTKL, MA 28147 PPKUL. FAX: (03) 441-7236.



PPKUL/PTN(A)/JAMG-MZC/114A

For reservations, call Ms Marlene Marshall, Pan Pacific Hotels, California, USA. Tel: (213) 624-1450. Toll Free No. (800) 538-4040. Tlx: 312699 PPH LAS or contact Utell International Offices.

# UN – back on its feet?

by Peter S. Ross

After a dramatic decline in prestige and influence in the early 1980s, the future of the United Nations now looks brighter. Despite the near-crippling impact of the financial crisis and the bleak outlook for its resolution, things are getting done in the UN's deliberating bodies. Member nations, on the whole, have strengthened their resolve to contribute to this multilateral forum. A number of factors have contributed to this change.

## The INF accord

An agreement between the United States and the Soviet Union banning short- and medium-range nuclear missiles was anticipated throughout the fall 1987 session of the General Assembly. Whenever the superpowers talk the mood at the UN brightens. For the first time in history both sides will be dismantling nuclear weapons. Although the agreement will only cover approximately 3 percent of the world's total nuclear arsenal, it is welcome news to the diplomats at the UN after many years of stalemate. It is, however, difficult to say whether the momentum generated by the arms accord will gather strength.

Major progress has been made at the Conference on Disarmament (CD) in Geneva in the area of chemical and biological weapons. The possibility of a treaty banning these weapons would give a big boost to the CD. It has been meeting without any concrete results since its creation in 1978 by the United Nations Special Session on Disarmament (UNSSOD). It now appears as though a draft treaty could be ready by the fall of 1988. Some difficult obstacles remain to be overcome, but substantial progress in the sensitive area of verification has increased the possibility of an agreement being reached. If an agreement is reached at the independent CD, it would likely be sent to the UN for voting and signature (the UN has 159 member states, the CD only 40).

Designed by Costa Rica's president, Oscar Arias Sanchez, the Central American Peace Plan was met with enthusiasm around the world. The awarding of the Nobel Peace to President Arias attested to the serious optimism which surrounded his plan, and reflects the world community's desire to see peace come to an embattled area. Costa Rica's Ambassador to the United Nations, Carlos José Gutierrez, said "a lot of forces are working against the plan, but it is the best thing that has happened in Central America since the situation began deteriorating in 1979. It's the first real glimmer of hope....The UN has been frustrated for many years by the conflict and strife in Central America. It met the plan with great enthusiasm." As a result, the UN gained prominence and respect in Central America. "In the past," he went on, "people in Central America were divided between the United Nations and the Organization of American States (OAS). The Central American Peace Plan opened up good com-

munication links between the UN and the OAS, and that has strengthened Central America's regional identity at the UN. This has had a stabilizing effect in Central America."

## Disarmament and development

The recent UN-sponsored and -organized international conference on Disarmament and Development culminated in the adoption of a consensus report by the 150 participating nations. Among its conclusions the report defined security in broad terms, noting the security of a nation depended on an array of political, economic, social, environmental and military factors. Agreement by all participants on this definition represents a conceptual breakthrough, and could pave the way for concrete disarmament measures that contribute to security and economic development. The absence of US participation was a major disappointment, but no one can ignore the successful outcome of the conference.

The World Commission on Environment and Development presented a bleak yet constructive and all-encompassing assessment of the planet's trends in environmental degradation and economic development. The Prime Minister of Norway, Mrs. Gro Harlem Brundtland, chaired the 23-person Commission (members included Jim MacNeill and Maurice Strong of Canada). The Commission was set up by the United Nations General Assembly in 1983, and its report Entitled *Our Common Future*, was released in the spring of 1987. In a rare occurrence, the Security Council agreed unanimously to a resolution demanding a ceasefire between Iran and Iraq, and asked the Secretary General to mediate. The agreement among the permanent members of Council – France, Britain, China, the Soviet Union and the United States – coupled with the acceptance by both Iran and Iraq of the UN Secretary General as a mediator – had fuelled speculation that the UN might be able to play a more active and constructive role in the conflict. However, the Secretary General's recent abandonment of his mediation efforts may signal a weakening of this role.

## The new USSR

The Soviet Union announced in September 1987 that it would pay off US\$197 million in debts for peacekeeping which it had previously refused to support. This at-

---

*Peter S. Ross is an Ottawa-based consultant and writer who attended the United Nations as a Special Observer on the Canadian Delegation in the fall of 1987 and as a member of the Department of External Affairs Consultative Group on Arms Control and Disarmament in the fall of 1986.*

tempt to bolster the USSR's previously mediocre reputation at the UN is undoubtedly a reflection of Mikhail Gorbachev's initiatives and his support of multilateralism. By increasing its commitment to the UN, both morally and financially, the Soviet Union is opening up numerous possible roles for the UN in the future. For example, the UN could figure in the removal of Soviet troops from Afghanistan, these troops being a constant source of frustration for Gorbachev. The UN is also an arena in which the Soviet Union can test its arms control policies and proposals prior to bilateral talks with the US. Strong Soviet support of the UN also puts pressure on the United States to reverse its diminishing support for such international bodies.

The UN does not have the prestige it once had, and in recent years it has suffered greatly from external criticism. It is important to look back at the development of the financial crisis, which has been at the heart of much of the pessimism. In late 1985 the United States chose to withhold a large part of its assessed share of the UN regular budget. Assessed at US\$210 million out of a total budget of US\$841 million, the US contended either that other nations should pay a greater share or the UN should adopt a voting system weighted in favor of those who contribute the most. Despite a softening of the Reagan administration's stance and a request by Reagan to Congress to reinstate its full share of the UN budget, the US Congress gave only US\$100 million in 1986, and again in 1987. As one delegate noted, it will be extremely difficult to reinstate support for the UN among members of the US Congress after the Reagan administration spent five years convincing them of its weaknesses. The recent stock market crash and subsequent pressure to slash the US budgetary deficit also suggest that it will be difficult for the administration to get Congress to pass the full US assessment.

#### **A bargain**

*The regular budget amounted to US\$841 million in 1987. That's less than the cost of the New York City's Police Department. The total budget of the UN, including the cost of UNEP, UNESCO, UNDP, FAO, ICAO and WHO, amounted to US\$4.1 billion. That is less than one dollar for every inhabitant of this planet; it is roughly 5 percent of the budget of the Canadian government; it is roughly half the cost of Canada's armed forces. And the UN is supposed to guarantee world peace, feed the starving, protect the environment, and so on. The United Nations is a bargain.*

#### **US estrangement**

US critics of the UN object to the fact that the absolute size of their contribution is larger than that of any other nation. While true, this statement is misleading. The assessment process agreed upon by member states of the UN several years ago reflects the "capacity of a nation to pay." The statistics used to derive a nation's assessment come from its per capita GNP. In this manner, the average salary of individuals in a country is compared to that country's GNP and population size. Using these statistics, the United States is ranked 86th in its assessed contribution to the UN regular budget. Some of the poorest nations on earth are paying proportionately more. Since a minimum assessment of .01 percent of the UN regular budget is required for membership, individuals from Togo or the Central African Republic end up paying a greater proportion of their income than those in the US or Canada.

While the financial crunch felt over the past two years has been extremely serious, it has also inspired a defence of the UN by many nations (Canada's Ambassador to the UN, Stephen Lewis, led a dynamic effort.) Finally, some might say, things are getting done. There now exists a clearer idea of the importance of this multi-lateral body, and a greater sense of its direction and purpose.

Because of its size and complexity and the scale of its tasks, the UN still faces problems: continued financial turmoil, a turn for the worse in the African economic situation, conflict in the Middle East and apartheid in South Africa. However, the UN might now be a little more adept at coping with these problems. While past energies were often directed at diplomatic posturing which resulted in confrontation and lack of action, we might be starting to see the UN act in a slightly more decisive manner. As a beginning, the positive momentum witnessed at the 42nd session of the General Assembly this past fall has given the UN a slight and much needed boost. §



UNIVERSITÉ  
**YORK**  
UNIVERSITY

**CENTRE FOR INTERNATIONAL  
AND STRATEGIC STUDIES**

#### **JOHN GELLNER GRADUATE SCHOLARSHIP IN STRATEGIC STUDIES**

The Centre for International and Strategic Studies is pleased to accept applications for the 1988-89 John Gellner Graduate Scholarship in Strategic Studies for students entering a Master's Programme at York University.

The Centre is pleased to announce that the 1987-88 John Gellner Scholarship has been awarded to David Mutimer.

The value of the scholarship is \$7,500.00, consisting of a \$2,500.00 Scholarship and a \$5,000.00 Graduate Research Assistantship. The award must be accepted in its entirety.

Deadline for receipt of application: March 31, 1988.

Further information and application forms may be obtained from:

The Centre for International and Strategic Studies  
York University  
4700 Keele Street  
North York, Ont. M3J 1P3  
(416) 736-5156

# The events of October and November 1987

# international canada

## Contents

### Bilateral Relations

USA	2
Other countries (alphabetically)	8

### Multilateral Relations

SEAMEO	14
NATO	14
UN	15
Commonwealth	16
GATT	18

### Policy

Aid	19
Defence	20
Environment	21
Human Rights	21
Immigration	21
Refugees	22
Science & Technology	22
Sovereignty	23

<b>For the Record</b>	23
-----------------------	----

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and of political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

### **Free Trade Agreement Signed**

In what has been described as "cliff-hanger" politics, Canadian and American trade negotiators raced to meet the October 3 Congressional deadline after a last hour US proposal on the trade tribunal broke the deadlock (See "International Canada" for August/September). Talks had been broken off in the last week of September when Canada had considered no progress was being made on the dispute settlement mechanism and a difference of opinion had emerged on Canada's subsidies to resource industries and its support for culture, which were beyond the reach of US trade law. In addition, disagreement arose over Canada's resistance to reopening the Auto Pact and its insistence on retaining regional development subsidies (*Globe and Mail*, October 2).

Negotiations resumed on October 2 following a call by US Treasury Secretary James Baker, with a series of new American proposals centering on the nature and rules of the dispute settlement mechanism. External Affairs Minister Joe Clark had said to reporters a few hours before Mr. Baker's proposals: "In our judgment a tribunal without rules would not provide Canada with the kind of guarantees and security that we require" (*Hansard*, October 1). According to a *Globe and Mail* article on October 3, the Baker proposal included the following provisions: 1) that the omnibus trade bill, if passed, would not retroactively undermine any terms of a free trade agreement with Canada; 2) the United States agreed that a new binational tribunal would decide trade disputes between the two countries; 3) the new rules under which the tribunal would operate would be drafted and phased in over five years; and 4) in the interim, the tribunal would base its decisions on the provisions of current trade laws of the country where the complaint was filed. This proposal triggered

a series of political and technical negotiations aimed at resolving the "important differences" which Prime Minister Brian Mulroney told reporters still remained. The Prime Minister also briefed provincial premiers on these new developments and was told by the premiers to proceed "on his own." Prince Edward Island Premier Joe Ghiz commented: "At the point we're at, I think that what we are going to see is that the Prime Minister will be making the decision on his own" (*Globe and Mail*, October 3).

Some of the major differences, according to reports in the *Ottawa Citizen* and the *Globe and Mail* of October 3 were: 1) Investment: the US wanted only the largest take-overs to be reviewed by Investment Canada; 2) Services: although the two sides agreed to a general code for service industries, there was no agreement for road and rail transportation industries because of US unwillingness to meet Canada's demands on water and air transportation issues. In financial services, the US wanted to end restrictions which limited the size and activities of US bank subsidiaries in Canada; 3) Government procurement: a deal could tentatively be reached that would cover only federal government purchasing in the two countries, while leaving out the military and defence sector; 4) Auto trade: the United States would have liked to do away with Canada's duty remission programs and would have liked to alter the existing Auto Pact's Canadian production and parts purchasing safeguards. 5) Agriculture: negotiators had broadly agreed to eliminate all tariffs in this sector with only seasonal tariffs to be negotiated. Agricultural subsidies discussions would wait for the results of the GATT talks; 6) Intellectual property: copyright issues remained to be settled but patents would be given national treatment in each country; 7) Tariffs: tariffs would be phased out over a 10-year period but the two sides had not yet agreed on the mechanics and the scheduling. 8) Customs: the two sides agreed on changes that would simplify customs procedures.

As the midnight deadline approached, International Trade Minister Pat Carney was optimistic that a deal could be reached. US Trade Representative Clayton Yeutter told reporters that there was a lot of ground left to cover even with the concessions made by Mr. Baker, which revitalized the talks. The *Toronto Star* reported that he had indicated that the major American concerns included access to the Canadian cultural sectors; the phase-out of tariffs and the increased protection of US patents and trademarks in Canada; duty-free entry into Canada of foreign carmaker auto parts; free trade in energy; reduced barriers to US sales of telecommunications; lower agricultural subsidies and improved entry into Canada for US beer, wine and liquor. US officials also indicated that on the question of the trade tribunal's authority, it would start after disputes had gone through procedures currently in place, and it would only consider a case if an earlier ruling was inconsistent with the laws of the nation where the action was filed, a provision Canada was opposed to (*Toronto Star*, October 4).

Negotiations continued well into the night to solve these disputes and at five minutes before the Congressional deadline of midnight, President Ronald Reagan telephoned Capitol Hill to report that a deal had been struck. After sixteen months of negotiations, the "historic" draft free trade agreement became fact. "It runs absolutely counter to a pernicious climate of protectionism which debilitates and destroys the economic growth of a country", Prime Minister Brian Mulroney told reporters after briefing his cabinet. "It is very much along the broad sweep of history that will lead Canada to a more prosperous future" (*Ottawa Citizen*, October 5). On October 5, Mr. Mulroney declared in the House of Commons: "This is a good deal, good for Canada and good for all Canadians....This deal is going to give us greater access to the biggest, richest, most dynamic market in the world. The result will be an increase in productivity, research and development, a significant improvement in our competitive position and enhanced product quality. The result will be lasting jobs and sustained prosperity" (*Hansard*, October 5).

On October 4, both sides issued their versions of the agreement, which were noted to contain discrepancies. Following are some of the key elements in the new trade deal, as gleaned from documents and press reports:

- The creation of a continental energy market. Canada received assured market access to the United States in return for giving the US a secure energy supply in periods of shortage. Canada could still proceed toward its objective of 51 percent Canadian ownership of the energy industry. In addition, Canada would be granted access to oil from Alaska's North Slope now designated for US use only.
- The establishment of a new bilateral panel to settle trade disputes. The tribunal would act after trade complaints on subsidies, anti-dumping and import surcharges decided in each country under their domestic trade laws.

- A commitment to write new trade rules over five years with a possible 3-year extension. The trade tribunal would operate under these new rules.
- each government has agreed not to launch countervailing duties or other trade complaints against the other country's exports. However, Canada would still be vulnerable to countervailing actions brought by US industries.
- Canada would benefit from an exemption from the retroactive application of the highly protectionist omnibus trade bill being considered in Congress.
- Canada's regional development subsidies remain protected, but could be affected when the new rules are written.
- Canada would be limited in its ability to screen foreign investment, with the phasing out of scrutiny of indirect takeovers. A higher minimum dollar value for screening direct takeovers would be phased in, with the threshold rising to \$150 million over four years.
- A phased elimination of all tariffs between the two countries. The phase-in would either be immediate or over five years on industries that both sides agreed upon.
- An end to all tariffs on agricultural products and the elimination of grain transportation subsidies between the two countries.
- Greater access to the Canadian market for the US wine industry but no changes to regulations on beer.
- No fundamental changes to the Canada-US Auto Pact. However, Canada's export-oriented, duty-remission incentives to the auto industry would end immediately. A new 50 percent North American rule of origin would be introduced for auto parts and materials to stimulate the Canadian and US industries.
- A new code to govern trade in services, including telecommunications, would be based on the principle of national treatment. Each country's service industries would be treated as if they were domestic firms. Transportation was not included in this agreement.
- Probable changes in the financial services sector would mean changes for Canadian rules that no individual shareholder of a bank with a capital base of more than \$750 million could hold more than 10 percent of common shares, thus limiting the size of wholly owned subsidiaries of US banks operating in Canada.
- A limited agreement on government procurement at the federal level to enable firms in each country to compete for federal government contracts in the other country, excluding defence and military purchases.
- Canada would apparently have agreed to drop a new film distribution policy and there would also be changes in the ability of cable companies to substitute Canadian advertisements for US ads in US programs carried by Canadian cable companies. The agreement did not deal with intellectual property issues.

The next move was for each side to produce almost immediately a legal draft of the agreement which had to be ready for formal signing on January 2, 1988. Both administrations also faced the task of selling the

deal. On the US side, Congress had to approve it within the next ninety days under a fast-track, no amendments approach. The Reagan administration's main task was to convince a protectionist Congress of the economic benefits of such a deal. Although Congress' initial reaction was guarded, Treasury Secretary James Baker said that "I think there are so many economic benefits that this will not present a problem" (*New York Times*, October 5).

On the Canadian side, Prime Minister Mulroney said in a speech to the House of Commons on October 5 that there would be a public discussion and a parliamentary debate on the deal (*Hansard*, October 5). Provincial premiers would be consulted, but there would be little in the deal which would affect provincial jurisdiction, according to comments made to reporters by International Trade Minister Pat Carney, making it unlikely the provinces would be able to veto the deal by threatening to refuse to pass necessary legislation to implement its terms (*Globe and Mail*, October 5).

The free trade deal triggered an historic debate in Canada, unleashing partisan ferocity in the House, a sharp split among the provinces, emotional appeals from nationalists, stolid entreaties from big business and bitter protests from labor. Both sides vowed to wage massive public campaigns. On the pro-free trade side, supporters were to point out the agreement's great economic promise, with such incentives as lower consumer prices, bigger markets, secure exports and more jobs. Free trade opponents invoked the touchstones of economic sovereignty, national identity, fears of unemployment and major loopholes in the accord (*Toronto Star*, October 11). As critics and boosters of free trade stepped up their efforts, high-profile pollster Angus Reid predicted that "in terms of selling this issue to the public, the question of image and leadership are going to be more important than the [facts and numbers]" (*Ottawa Citizen*, October 8).

Opposition party leaders were quick to denounce the free trade deal. NDP leader Ed Broadbent told reporters that he was afraid that Canadian sovereignty was on the line because the deal jeopardized Canada's freedom to subsidize regional development, protect cultural industries, retain the benefits of the Canada-US Auto Pact and direct foreign investment. Liberal leader John Turner showed frustration in the House of Commons at having no specific knowledge of the deal, and said that he was nervous about what benefits Canada could have achieved in the "hot-house" environment of last-minute talks between a weak US administration and a Canadian government politically desperate to reach a deal. NDP leader Ed Broadbent challenged Prime Minister Brian Mulroney in the Commons to call an immediate election on the free trade issue, arguing that the Conservatives never received a mandate from the Canadian people to negotiate such a far-reaching agreement (*Hansard*, October 5). He also warned in a statement to reporters that this agreement would lead to the absorption of Canada into the US within the next twenty-five years (*Globe and Mail*,

October 8). In a strong statement of opposition to the deal, Liberal leader John Turner stated at a Liberal gathering at the end of October that he would abrogate the deal if he became Prime Minister (*Ottawa Citizen*, October 26).

The provinces reacted equally strongly to the proposed agreement. Ontario Premier David Peterson was said to be facing the most important decision of his political life: whether to approve the free trade deal. The most skeptical of the provincial leaders, Peterson's concerns centered around the fact that Ontario did more trade with the United States than any other province and could therefore be the most affected by the deal (*Toronto Star*, October 5). He also said he felt that the US got more out of the deal than Canada and that some of his major concerns were the dispute mechanism, investment, agriculture, energy and the Auto Pact concessions (*Ottawa Citizen*, October 6).

The positions of other premiers also became known, with Quebec's Robert Bourassa, Alberta's Donald Getty, B.C.'s William Vander Zalm, New Brunswick's Richard Hatfield and Saskatchewan's Grant Devine coming out in favor, and Ontario's David Peterson, P.E.I.'s Joe Ghiz and Manitoba's Howard Pawley coming out against the agreement. Newfoundland and Nova Scotia's premiers were as yet uncertain, but would reportedly eventually side with the government (*Globe and Mail*, October 5 and *Toronto Star*, November 27).

One important consideration for the government with regard to provincial approval came with a statement by US Treasury Secretary James Baker and US Trade Representative Clayton Yeutter before a US Senate Finance Committee that if the provinces did not implement the agreement "there would be no agreement" (*Ottawa Citizen*, October 8). With the Ontario government flatly rejecting the agreement, Trade Minister Pat Carney stated to reporters that any premier who refused to sign on for a free trade deal with the US would face charges that he "contributed to national disunity" (*Ottawa Citizen*, October 9). She also insisted, in response to the US ultimatum on provincial approval and to opposition demands in the House, that consent by the provinces was not needed to implement the agreement" (*Hansard*, October 8 and 9).

On October 14, Deputy Prime Minister Don Mazankowski denied in the House a complaint from Joe Ghiz of PEI, that the provinces had not been informed of the energy segment of the talks, an accusation which had been echoed by NDP leader Ed Broadbent (*Hansard*, October 13).

Meanwhile, David Peterson sat poised to launch a multi-pronged attack on the free trade deal. He announced that he would not change Ontario's wine pricing laws to accommodate the proposed deal, to which Prime Minister Mulroney warned in the House of Commons: "Any area that's required for provincial jurisdiction, once the duly elected government of Canada concludes a deal, will be implemented. There's no question about that" (*Hansard*, November 23). "As Prime Minister, my obligations are to provide national leadership

whether it's popular or not," he told a First Ministers' conference. (*Toronto Star*, November 27).

There were mixed reactions from industry on the proposed deal. It was reported that steel, manufacturing and natural resources industries would likely emerge as winners (*Financial Post* and *Globe and Mail*, October 5). Business leaders reacted with exuberance, but also felt that it would take time to assess the deal's real impact in the Canadian economy. The Cattleman's Association and Western grain growers were also pleased with the prospect of increased exports, and poultry growers were relieved that their monopoly and price-setting powers had not been eroded (*Globe and Mail*, October 6 and *Ottawa Citizen*, October 5). Oil and gas companies were provided with an "insurance policy" against government regulation of energy prices and exports, which according to the head of the Canadian Petroleum Association would mean giving the petro-chemical industry a boost (*Globe and Mail*, October 6). Other energy sectors, such as electricity, also felt they had won a chance to gain a foothold in the US market (*Ottawa Citizen*, October 10).

Canadian financial institutions would now be allowed, thanks to the "grandfathering" clause affecting the existing privileges of financial institutions, to continue their securities activities in the US, despite their recently established connections with banks (*Globe and Mail*, October 6). This industry did, however, make clear that it was still uncertain of the implications of the deal, to which Tom Hockin, Minister of State for Finance, replied that banks had won major concessions (*Toronto Star* and *London Free Press*, October 13).

Professional groups also got a boost from the deal. Management consultants, engineers, architects and accountants all predicted a climate of enhanced business opportunity because of the new free flow of services across the border (*Globe and Mail*, October 8). The fishing industry was reportedly expecting benefits for both coasts, because of increases in investment in the industry, while at the same time having retained the requirement that companies catching fish be Canadian-owned (*Globe and Mail*, October 14).

There were, however, some industries which strongly opposed the deal. Jan Westcott, Executive Director of the Canadian Wine Institute, said that the deal would spell the end for the Canadian wine industry because of the reduction in the differential on the markup between Canadian and US wines (*Ottawa Citizen*, October 6). Ontario and British Columbia fruit and vegetable farmers also felt that they would go out of business as a result of the deal (*Globe and Mail*, October 6).

Auto parts makers were equally unhappy, stating that the agreement would cost jobs because of the 50 percent North American content rule for parts and materials to be able to move duty-free across the Canada-US border. Concerns were also voiced by the textile and clothing industry whose fear of job losses within five years stemmed from the expectation that the share of the apparel market held by domestic producers was likely to drop by 20-30 percent. The

Canadian forestry industry also voiced concern because it would still have to bear the sting of a 35 percent US tariff on red cedar shakes and shingles and a tax of 15 percent on softwood lumber exports which the deal did not affect (*Globe and Mail*, October 6).

One group of industries which called for some clarification on the trade deal belonged to the cultural sector. Leading Canadian figures such as writers Margaret Atwood and Pierre Berton voiced the concerns of the cultural community during the free trade hearings held in October and November (*Globe and Mail*, November 5). It appeared that Canadian negotiators had made some concessions over compensation for US signals picked up by Canadian cable firms, the elimination of postal rates which favored Canadian periodicals and the elimination of tariffs on recordings imported from the US. Book publishers were satisfied that the Canadian policy requiring foreign companies to sell control to Canadians within two years had survived and broadcasters were relieved that Bill C-58 on tax incentives to advertise on Canadian TV stations and the right to bump off US signals from cable had been preserved. However, the fate of a controversial film policy that would seek to curb the film distribution powers of major Hollywood studios was as yet unknown (*Globe and Mail*, October 6 and *Ottawa Citizen*, October 10).

The energy sector, although delighted at the prospect of new markets, faced heavy opposition from politicians and economic nationalists who saw the newly created continental energy policy as the abandonment of the policies of Canadianization and security of supply. The agreement also compromised Canadian sovereignty by giving the US free access to Canadian energy, even in periods of shortage (*Ottawa Citizen*, October 10 and *Montreal Gazette*, October 14).

Finally, the Canadian transportation industry was worried that the still-secret provisions in the trade deal would permit US companies to expand their operations in Canada without allowing reciprocal treatment for Canadian airlines, railways, trucks and ships (*Evening Telegram*, St. John's, November 19).

Special interest groups also reacted to the deal. Canadian Labour Congress leader Shirley Carr said that the trade deal came on a "dark day for Canada," and was a "national disgrace." She said she would oppose the deal because it would cost one million Canadian jobs. Her feelings were echoed by the Council of Canadians, which was preparing to draw up a new strategy to oppose the pact (*Toronto Star*, October 5). The Council, according to a *Toronto Star* report on October 8, had asked Statistics Canada to compile information on the relationship between foreign investment and unemployment. The study showed that the welcoming of foreign investors would not help solve the country's unemployment problem.

Canadian auto workers leader Robert White also opposed the pact, saying that "It'll mean we're moving towards a Rambo, dog-eat-dog, survival-of-the-fittest society with no ability to maintain the social programs or ability to structure our own economy" (*Globe and Mail*, October 5). The Pro-Canada Network, a coalition

of public interest groups, organized labor, farmers, aboriginal peoples, some churches and the leading women's and teachers' organizations announced that it would lead the way in criticizing the free trade deal (*Globe and Mail*, October 8).

At the same time, the Chairman of the Royal Commission which had advocated free trade, Mr. Donald MacDonald, said that "Canadian businesses and workers now have an opportunity to crack the huge US market, free of the protectionism other world traders will confront" (*Toronto Star*, October 5). Roger Hamel, President of the Canadian Chamber of Commerce, echoed these sentiments, saying "our pleasure knows no bounds" (*Globe and Mail*, October 5). It also became known that a private-sector alliance had been formed to win over Canadians and to bolster the government's position (*Globe and Mail*, October 9). This position was reinforced when the Economic Council of Canada's annual review "Reaching Outward," concluded that based on simulations done on an economic model, it was found that removing tariff and non-tariff barriers would generate 350,000 new jobs for Canadians by 1995. The simulations also indicated that nationally, a bilateral free trade agreement with the US would boost real wages, increase production, stimulate business, revitalize investment and industry, narrow the Canada-US manufacturing productivity gap, lower prices, reduce total government deficits and strengthen the Canadian dollar. (*Globe and Mail*, October 27).

Reacting to these varied positions from affected industries and groups, Prime Minister Mulroney tried to assuage fears of job losses by pledging in the House of Commons a "massive" national program to help re-train workers who lost their jobs as a result of the deal. Finance Minister Michael Wilson reiterated in the House on October 6 that on the subject of adjustment programs, "the Prime Minister has said that if there is a need for those programs, those programs are in place and those programs will be augmented to the extent that is necessary to deal with the problem" (*Hansard*, October 6).

The government's general line in presenting free trade to Canadians, the *Globe and Mail* reported, would stress confidence, competition and new opportunities (*Globe and Mail*, October 6). External Affairs Minister Joe Clark told the Saint John Board of Trade: "What this debate is about is the quality and confidence people have in this country...I have no doubt about [our] ability to compete in the North American market and no doubt about [our] ability to compete in the world" (*External Affairs Statement*, No. 87/56, October 7). To carry this message, Mr. Mulroney created a special committee of policy advisers (*Ottawa Citizen*, October 22). Cross-Canada hearings by the Commons Committee on External Affairs and International Trade were also proposed pending a complete text of the deal. (*Ottawa Citizen*, October 28).

However, efforts to sway public opinion got into difficulty amid revelations that a controversial drug bill was part of the negotiations. The *Globe and Mail* on October 10 reported that the Canadian government

had pledged in writing to pass the drug patent legislation, known as Bill C-22, as part of the deal, but the commitment was withdrawn from the final version of the agreement.

The report also noted that Minister of International Trade Pat Carney said in a written statement that a commitment on Bill C-22 was agreed to by officials of both countries in the trade talks but rejected at the last minute by senior Canadian negotiators.

The *Ottawa Citizen* reported on October 16 that a document obtained by NDP leader Ed Broadbent, and presumed to be confidential briefing notes prepared for US Treasury Secretary James Baker, showed that a proposed Canadian film distribution policy was also part of the deal.

In a mood of optimism, US Trade Representative Clayton Yeutter said some members of Congress believed the free trade pact with Canada could be the greatest achievement of the Reagan administration (*Ottawa Citizen*, October 6). However, former US Trade Representative Robert Strauss said that ignorance about the free trade initiative among the US public, Reagan's weakened clout with a protectionist-minded Congress and obvious Canadian reservations were working against the acceptance of the agreement. *The Ottawa Citizen* on October 23 also reported that the reaction to the pact on Capitol Hill was cautious, with many key members of the Committees saying that they wanted to see more details before committing themselves.

Meanwhile, President Ronald Reagan pledged a worldwide crusade for free trade, seeing the deal with Canada as the cornerstone of American trade policy around the world. In a speech, he urged the US Congress to ratify the pact "and make that agreement a model for our policy towards all nations" (*Toronto Star*, November 17).

Drafting of the legal text of the agreement met with some difficulties, with each country blaming the other for delaying its progress. The differences, it was reported in the *Globe and Mail* on November 5, might require a high-level political meeting to resolve. By November 17, however, Simon Reisman said that the legal text was "98 percent complete" and should be ready by the end of the month. He also downplayed reports that major disputes were delaying the drafting (*Toronto Star*, November 17). On November 21, Chief Negotiator Reisman announced that all major issues in the final text had been resolved (*Toronto Star*, November 21). The *Globe and Mail* later reported that protracted negotiations on the legal wording were still to continue (*Globe and Mail*, November 24).

Meanwhile, a trade dispute developed between Canada and the US which would put to the test the new pact. The dispute involved US offers of subsidized farm commodity sales to the USSR, China and India. Canada has sold mostly wheat to the USSR and China, and oilseeds and oilseeds products to India. Liberal agriculture critic Maurice Foster said in the Commons on October 21 the American move violated a clause in the agreement which stated that both countries

agreed not to use subsidies to make sales in the traditional markets of the other. External Affairs Minister Joe Clark stated in the House of Commons that "this action by the United States, while it does not breach the treaty, is not consistent with the spirit of the agreement." (*Hansard*, October 21).

### **The Case of Michael Deaver**

The perjury charge against former Reagan aide Michael Deaver triggered a diplomatic protest by Canada in early October, which in the words of the State Department's Legal Advisor, Abraham Sofaer, caused "considerable embarrassment to both the governments of the United States and Canada" (*Ottawa Citizen*, October 14). The incident involved special prosecutor Whitney North Seymour's attempt to obtain testimony from Canadian ambassador to the US, Allan Gottlieb. In a letter to a lawyer for the Canadian embassy, Mr. Seymour warned that the "decision of the Government of Canada not to permit even limited testimony by Ambassador Gottlieb has forced us to place much greater emphasis at trial on the unlawful acts engaged in by Deaver when he was working for the Canadian Government." (*External Affairs Communiqué*, October 13).

The Canadian embassy responded by sending a letter of protest to the State Department on October 9, in which it drew attention to Mr. Seymour's "attempted intimidation of the Government of a sovereign state exercising its sovereign rights under international law," and to the fact that "the perjury charges that have been laid against Mr. Deaver...do not relate to his activities under that contract [with the Government of Canada] and in no way implicate the Government of Canada" (*External Affairs Communiqué*, October 13).

Mr. Seymour had attempted once before to obtain testimony from Ambassador and Mrs. Gottlieb regarding two indictments against Mr. Deaver in connection with his activities on behalf of Canada and the timing of his employment as an acid rain lobbyist. Mr. Deaver had been charged with lying about his participation in White House discussions on the appointment of a special envoy to Canada on the acid rain issue (*Ottawa Citizen*, October 16).

The *Ottawa Citizen* of October 14 noted that under international law, diplomatic immunity must be waived for a diplomat to testify before a foreign court. In this case, however, Assistant Attorney General Richard Willard said that Mr. Seymour had attempted to coerce Canada into waiving diplomatic immunity. "Canada should not now be subject to what reasonably can be perceived as an attempt to coerce the relinquishment of its rights," Mr. Willard said. As a result of Canada's protest, State Department lawyers asked a district court judge to bar any contacts between the special prosecutor and Ambassador Gottlieb unless they were to be conducted through diplomatic channels (*Globe and Mail*, October 16).

### **Great Lakes Agreement**

On October 16, Canadian and American negotiators reached an agreement on a Great Lakes cleanup

strategy (See "International Canada" for August/September) which called for deadlines in the elimination of toxic chemicals and contained a limited agreement on the control of trans-boundary air pollution.

The agreement did not cover acid rain, but was hailed as a major improvement in Canada-United States environmental relations. This new agreement would include such measures as the tracking of all pollution sources, the cleanup of the worst polluted areas, and the identification of new trouble spots in the world's largest reservoir of fresh water. The new agreement reinforced the 1978 Great Lakes Water Quality Agreement which had called for, but not achieved, the elimination of the discharge of toxic substances into the lakes, reported the *Globe and Mail* On October 10.

The new agreement was signed on November 18, following a 2-day conference on the state of the Great Lakes, organized by the International Joint Commission. Major studies had identified the growing threat of Great Lakes pollution (*Globe and Mail*, November 18). The agreement therefore instituted pollution control programs involving sewer pipes, farm and home pesticides, polluted underground water, leaking dumps and storage tanks, contaminated lake and river bottoms, toxic chemical fall-out and polluted run-offs from fields and sewers. The agreement also bound the governments to meet twice a year and to report regularly to the public, thus establishing new accountability measures (*Globe and Mail*, November 19).

### **Water Diversion Projects**

On November 5, Environment Minister Tom McMillan declared in the Commons that large-scale water diversion projects to the United States would not be permitted under any circumstances or at any price (*Hansard*, November 5).

This ban would cover such projects as the \$100 billion "Grand Canal" project which would create an immense canal from James Bay to the Great Lakes to divert water southward. This scheme had been endorsed by prominent free trade supporters, including Quebec Premier Robert Bourassa and Canada's free trade negotiator Simon Reisman (*Toronto Star*, October 21 and 22).

### **US Embargo of Fish from Atlantic Canada**

International Trade Minister Pat Carney and Fisheries and Oceans Minister Tom Siddon announced that Canada had registered a strong diplomatic protest with the United States over import embargo on certain types of fresh whole fish from Atlantic Canada which did not meet minimum US size requirements. "The government is awaiting a response from the US administration and examining options available to Canada under the GATT to ensure that the interests of the Atlantic fishing industry are protected" said Ms. Carney. Mr. Siddon added that the government "is strongly opposed to the new US ban and to its possible extension to fresh fillets. Such restrictions are unwarranted, and could affect the value of a sizeable portion of Canada's fish exports to the US worth approximately

\$25 million" (Government of Canada News Release, November 25).

### **Hydro Exports to the United States**

A national energy conference bringing together public and private energy organizations was told by New Hampshire Governor John Sanunu that the northeastern United States had underestimated its energy needs and would likely have to buy more electricity from Canada. This situation was caused by the slowdown in construction of coal-fired and nuclear power plants due to the unpopularity of nuclear power and acid rain-producing coal-fire stations (*Globe and Mail*, October 8).

Earlier this year, the National Energy Board had halted sales to New England by Hydro-Quebec because the electricity had not first been offered to other provinces. However, the Canadian electricity industry's ability to export would soon be affected by an upcoming government policy to deregulate electricity sales, according to a statement made by Energy Minister Marcel Masse in a speech in Montreal to the Montreal Council of International Relations on October 29. Canada last year sold \$10-billion worth of energy to the United States in oil, gas and electricity (*Globe and Mail*, October 30).

### **Acid Rain**

Acid rain continued to be a difficult issue in Canada-US relations (See "International Canada" for August/September). In early October, EPA Director Lee Thomas testified before a Congressional sub-committee that acid rain was not a major environmental problem and that there was no need for an immediate US government cleanup. The statement supported the Reagan administration's policy which so far had refused stiffer pollution controls while insisting that more research was needed (*Ottawa Citizen*, October 3). Mr. Thomas's report was attacked by Environment Minister Tom McMillan as being incomplete and misleading (*Globe and Mail*, October 21).

John Dingell, Chairman of the House of Representatives committee studying acid rain, attacked Canada's increased lobbying over acid rain, saying that this effort could be inconsistent with US lobbying laws (*Globe and Mail*, October 7).

In Canada, Rick Burnett, a Canadian researcher, told a conference on environmental pollution in Well-sley Island, N.Y., that approximately 4,000 Ontario and Quebec residents die from air pollution and acid rain each year. Mr. Burnett also noted that although Canada had begun to fight acid rain with sulphur dioxide emission controls, the US response had been slower. "A lot of people will be put out of jobs if it's decided that coal from Kentucky will no longer be burned...One of the worst health effects of air pollution may be unemployment," Mr. Burnett said (*Globe and Mail*, October 5). Meanwhile, according to a *Toronto Star* report on November 18, researchers from the University of California found that sulphur pollution, the main component of acid rain, played a major role in the incidence of

breast and colon cancer.

In mid-November, international acid rain talks provided another forum for Canada's concerns. Environment Minister Tom McMillan stated that Canada advocated a two-pronged approach which would include: 1) more research, and 2) freezing pollution at current levels. This proposal received some criticism from environmental lobbyists for being too close to the US position and not being in the lead at acid rain talks (*Toronto Star*, November 18).

Negotiations on an acid rain treaty with the US were announced for the beginning of December. Environmental groups and Canadian officials were pessimistic about the outcome, since the United States had so far been unwilling to spend billions of dollars to assuage Canadian concerns. The United States had only been willing to consider regulatory changes and a more focused use of clean coal technology (*Globe and Mail*, November 26).

### **Potash**

US farmers sided with Canada (See "International Canada" for August/September) on the issue of potash imports after the US Commerce Department imposed a \$35 per ton tariff to make up for what it considered Canadian dumping of the key fertilizer ingredient. The US imports 80 percent of its potash and Canada accounts for 85 percent of that amount (*Ottawa Citizen*, October 13).

## **Central America**

### **Visit by Nicaraguan Vice-President**

Nicaraguan Vice-President Sergio Ramirez scheduled a Canadian visit for October 20-23, 1987, a year later than originally planned, the *Ottawa Citizen* reported on October 6. In an interview shortly before his departure from Nicaragua, Vice-President Ramirez said that Nicaragua was counting on help from Canada in preventing US meddling in the Central American peace process. He said he would ask Canada to play a role in the verification of the Central American peace agreement signed in August, which requires the Sandinistas to arrange a ceasefire, offer amnesty, lift all press restrictions, and guarantee "total political pluralism." In turn, other Central American nations would agree to stop supporting the US-backed Contras. Mr. Ramirez said he would also appeal for increased Canadian economic assistance, which had not been substantial since 1985 (*Toronto Star*, October 19). As the first high-level Nicaraguan official to visit Canada since the 1979 Sandinista revolution, Vice-President Ramirez said: "I don't expect ideological and political support from the Government of Canada. But as far as Canada supporting peace in Central America, as far as Canada keeps saying that no power has the right to intervene in the internal affairs of Central America and that peace must be negotiated, I think Canada is playing a very constructive role" (*Toronto Star*, October 25).

While in Canada, Vice-President Ramirez met with

Secretary of State for External Affairs Joe Clark, Members of Parliament, church leaders and Central American interest groups in Toronto.

On October 23, Vice-President Ramirez left Ottawa with assurances that Canada would help design mechanisms to implement a new Central American peace plan, as long as all five countries requested it (*Ottawa Citizen*, October 23).

### **Clark Visit to Central America**

External Affairs Minister Joe Clark wrote about his upcoming whirlwind Central American tour in the *Ottawa Citizen* on November 17: "I want to let them know that Canada is willing to provide practical help. We can, for example, help with the security mechanisms that will be needed as a ceasefire, an amnesty, and the suspension of outside military assistance are implemented. I have often stated Canada's willingness to help peacekeeping procedures". In an interview with the CBC's *As It Happens* on October 23, Mr. Clark said: "What we're doing already is on a country-to-country basis in the region where we have a variety of development programs in place, and we've made clear our view that the basic problems in Central America are social and economic in origin and that they don't benefit from outside third party interference" (External Affairs interview transcript, October 22).

The *Toronto Star* reported that Mr. Clark's itinerary in Central America would include visits to Nicaragua, Guatemala, El Salvador, Honduras and Costa Rica between November 21 and 29. He was to meet with Central American presidents, prominent opposition groups and politicians, but would not meet with Contra leaders or leaders of El Salvador's left-wing guerrillas. He also did not intend to criticize the Reagan administration but planned to ask the Sandinista government to stop its "extensive restrictions on civil rights." He also planned to condemn human rights abuses in El Salvador and Guatemala (*Toronto Star*, November 17).

Mr. Clark's purpose in this visit, as outlined by senior Ottawa officials in a background briefing before Mr. Clark's departure, was to demonstrate Canada's support for the peace process, to encourage democratization in the region and to convey Canada's concern over human rights violations, as well as to "start a chemistry" that would win Ottawa an invitation from the Central American states to participate in the peace process (*Toronto Star*, November 17 and *London Free Press*, November 18). Mr. Clark also wished to create some sense of urgency among the five countries in looking at the problem of how to keep the peace once it was in place (External Affairs interview transcript, December 1).

The Department of External Affairs announced on November 16 that Canada would restore bilateral aid to Guatemala, amid concerns that human rights violations were still commonplace in that country. This policy was intended as a direct response to the urgent economic and social needs of the poor who make up the majority of Guatemalans. It was also intended as

a reflection of Canada's global commitment to directing Canadian assistance to the most disadvantaged groups (External Affairs *Communiqué*, November 13). In Guatemala, Mr. Clark was told by Nineth de Garcia, a leading human rights activist in that country, that Canada should channel aid through private agencies and not governments (*Toronto Star*, November 29).

In Nicaragua, Mr. Clark announced that Canada might be willing to let Nicaraguan Contra guerrillas enter Canada as refugees if it would help bring peace to the region. Mr. Clark was quoted in the *Globe and Mail* as having said that: "One of the things that might be asked of us is to provide some limited help in dealing with people who had been involved in some of the conflicts somewhere in the region, and who, for one reason or another, can't go home." Mr. Clark stressed that his consideration was purely hypothetical (*Globe and Mail*, November 23).

Mr. Clark also announced a further \$1-million dollars in aid to Nicaragua in the form of a dairy herd management project (External Affairs *Communiqué*, November 23). He was, however, criticized by Canadian aid workers in Nicaragua for not having publicly condemned the US support for Contra insurgents and for saying Canada might accept Contras as refugees (*Toronto Star*, November 24). Mr. Clark stated his position on urging the US to stop helping Contra rebels: "Lecturing the US about its aid to the Contras just makes the Americans more stubborn. It's counter-productive, it's ineffective, it doesn't work, and might in fact have the opposite effect" (*Montreal Gazette*, November 24).

Mr. Clark's comments regarding the Contras came under scrutiny in Canada as a law had already been passed barring entry to anyone the government "had reason to believe" might be a war criminal, which could certainly include Contras (*Globe and Mail*, November 25). Immigration Minister Benoît Bouchard stated that the above-mentioned law did not allow permission or status to be given to somebody who had used violence. (*La Presse*, November 26).

In El Salvador, Mr. Clark brought up the possibility that Canadian soldiers be sent as observers for the implementation of the peace plan which, he stressed, was a personal suggestion that had not yet been discussed in Cabinet. Mr. Clark also stated that he would consider the return of important leftist leaders to El Salvador as an important step towards the renewal of confidence in peace in that country (*Le Devoir*, November 26).

In Honduras, President José Azcona told Mr. Clark that he "intended to honor and encourage the peace plan." The problem of how Honduras was to deal with Contra bases within its borders remained, since to comply with the peace plan would effectively mean doing away with rebel bases. When asked for current information on Honduran compliance with the peace plan, Mr. Clark said that officials with the Department

of External Affairs could be able to shed light on the actual measures taken since some of these may only have been cosmetic. While in Honduras, Mr. Clark announced a \$13.8-million grant to Honduras for electricity projects and the establishment of a Canadian Cooperation Office (External Affairs *Communiqué*, November 26).

Costa Rica was Mr. Clark's last stop on this tour. He met there with Nobel Prize winner President Oscar Arias, who asked Mr. Clark to consider using aid to encourage countries to comply with the peace plan. Mr. Clark responded that Canada did not wish to link aid to overtly political considerations (*Globe and Mail*, November 30). Mr. Clark also met with Contra leader Alfredo Czar in San José, to get, in the words of one of his aides, "the widest possible range of views on the situation in Central America" (*Toronto Star*, November 30). In Costa Rica, Mr. Clark signed a Foreign Investment Insurance Agreement designed to encourage increased trade and investment to the mutual benefit of the two countries. (External Affairs *Communiqué*, November 27). Mr. Clark also signed an agreement which would inject an additional \$13 million into the Costa Rica-Canada Rural Housing Programme (External Affairs *Communiqué*, November 28).

## China

Agriculture Minister John Wise visited China in October and concluded three days of talks with Chinese leaders by agreeing to a program of cooperative exchanges for 1988-89. "Canada values the excellent agricultural relations with China and will work actively to fulfill the commitments agreed upon during the meetings which will further consolidate Canada-Chinese bilateral relations and trade," said Mr. Wise (Agriculture Canada *News Release*, October 15).

## France

There were further developments in the fishing dispute between France and Canada (See "International Canada" for August/September), which was described in one editorial as one of the thorniest diplomatic problems ever (*London Free Press*, October 29). In October, a businessman on the French island of St. Pierre warned that the French government might escalate the fisheries dispute with Canada by increasing the number of trawlers based in St. Pierre-Miquelon. The dispute has involved a French claim to a 320-kilometer zone around the islands, which are off the south coast of Newfoundland, while Canada has only recognized a 20 kilometer limit (*Ottawa Citizen*, October 3).

After having been revived by a visit of French Prime

Minister Jacques Chirac, talks between two new chief negotiators were held in an attempt to reach an agreement on the boundary and fish quota issues. "French over-fishing in the disputed zone is the starting point of the most serious aspect of the current impasse," a senior federal official told reporters (*Globe and Mail*, October 6). Just after the talks had been extended for an extra day, the French announced that their negotiators were being called back. As a result, chief Canadian negotiator Yves Fortier told reporters that Canada had to decide on whether to close its fishing grounds to French and St. Pierre-Miquelon fishermen, and whether to scrap the 1972 fisheries treaty. France had claimed that the two parties were "very far apart" and that French fishermen's interests were "seriously jeopardized" (*Evening Telegram*, St. John's, October 27). Mr. Fortier, according to the *Halifax Chronicle Herald* of October 10, claimed that "Yes, there remained some outstanding differences, but none, from our point of view, which could not be resolved by negotiations."

Newfoundland Premier Brian Peckford voiced his satisfaction at the break in the talks, saying that this would "prevent Canada from bargaining away any more fish" (*Ottawa Citizen*, October 10).

The chief French negotiator also said that Canada was offering low quotas for French fishermen. France had requested 5 percent of the cod stocks plus some species that Canada did not fish. In addition, Paris wanted to force an international arbitration of the 1988 quotas, which Canada would not agree to until the boundary dispute was settled and there was a reduction in the over-fishing being done by the French. Victor Rabinovitch, Assistant Deputy Minister, International Affairs, with the Department of Fisheries and Oceans, said that "Canada will be reasonable but that will be combined with toughness when necessary" (*Evening Telegram*, St. John's, October 27). *The Ottawa Citizen* reported on October 10 that Canada had, in a secret deal, agreed to give some fish quotas to France in return for an agreement to refer the boundary dispute to international arbitration.

In reaction to the break-off of the talks, opposition parties were quick to demand in the House of Commons that the government be tougher with France in the fishing dispute, urging that French vessels caught over-fishing be impounded. Transport Minister John Crosbie said, however, that Canada would not try to arrest fishing vessels that entered disputed waters even if their catches exceeded limits and they were backed by the French navy (*Hansard*, October 29). This last issue had been raised by Premier Chirac when he pledged that French boats would be able to carry on fishing in waters within French sovereignty "under the best possible security conditions" (*Ottawa Citizen*, October 28 and *Globe and Mail*, October 30).

Canada's chief negotiator, according to the *Halifax Chronicle Herald* of October 10, said that although the breaking off of the talks was "deplorable," Canada would be ready to resume negotiations "anywhere, anytime."

In November, the Secretary of State for External Af-

airs, the Minister of Transport, and the Minister of Fisheries and Oceans announced that negotiations with France were to resume on an agreement (termed a "compromise") to send the Canada-France maritime boundary dispute to international adjudication. The negotiations were to take place at the technical level, relating only to the boundary dispute without considering fish quotas (Government of Canada *News Release*, November 19).

## Haiti

### **Man Expelled**

The *Globe and Mail* reported on October 12 that a Canadian had been arrested, detained, and expelled from Haiti because the Haitian government would not tolerate political activism from a foreigner. Canadian ambassador Claude Laverdure stated that the man in question "certainly made major political statements in June and July, and that the government decided they could not tolerate that from a foreigner." He added that Daniel Narcisse had worked with several Haitian political parties and had spoken out against the government decrees banning trade unions and revoking the electoral law (*Globe and Mail*, October 12).

### **Elections**

Canada accepted Haiti's invitation to send a group of observers and to technically assist in the process for presidential elections which had been scheduled for November 29, *Le Devoir* reported on December 1. The Honourable Monique Landry, Minister for External Relations, stated: "The decision to send observers to Haiti under the difficult circumstances presently being experienced by that country coincides with my government's desire to promote a democratic voting procedure that will result in a representative government being elected" (External Affairs *Communiqué*, November 19). This group was to join fifteen to twenty other observer groups, including one from the province of Quebec (*Le Devoir*, November 20).

On election day, violence resulted in the cancellation of Haiti's elections. The Canadian government expressed its shock and deep disappointment, but External Affairs Minister Joe Clark told the House of Commons that "we do not want any actions Canada might take to stop the flow of aid to those most in need" (*Hansard*, November 30). As Haiti's third-largest donor, Canada had already committed \$80-million in mostly humanitarian aid to Haiti over the next five years, which was to be channelled through non-governmental organizations, and would not go directly to the Haitian government, Monique Landry told reporters (*Globe and Mail*, December 1). Mr. Clark stated that Canada might take action against Haiti if it became evident that the country's officials were responsible for the violence, but would not cut off aid (*Toronto Star*, December 1).

## Hungary

Secretary of State for External Affairs Joe Clark announced that Canada and the Hungarian Peoples Republic signed an agreement for cooperation in the peaceful uses of nuclear energy on November 27. This agreement enabled the Canadian nuclear energy industry to pursue business opportunities which in the foreseeable future would focus on operational and safety aspects of nuclear power plants and on the use of nuclear power as a source of district heating. (External Affairs *Communiqué*, November 27).

## India

### **Sikhs Arrested**

A Canadian Sikh accused of smuggling firearms into India was held in a small-town jail for a month without being told he could be represented by a lawyer, said an official from the Canadian High Commission in New Delhi (*Globe and Mail*, October 2). In a second case, another Canadian Sikh was arrested under an anti-terrorist law which could see him held for two years before charges were laid. Liberal MP Aideen Nicholson (Trinity) urged the Canadian government to press India to either free the man or press charges against him (*Globe and Mail*, November 26).

## South Korea

The federal government made a preliminary ruling of dumping against Hyundai Canada, Inc., that would impose a 36 percent duty on cars made by Hyundai in South Korea. This ruling would now have to be upheld by the Canadian Import Tribunal. However, Hyundai said that it was optimistic that the duty would be reduced because of a lack of in-depth understanding of the comparability of prices in Canada and South Korea, and the way in which cars were marketed (*Globe and Mail*, November 25 and *Financial Times* (London), November 27).

## Lebanon

A group of Canadian church leaders urged the Mulroney government in early October to reopen the Canadian embassy in Beirut, Lebanon, as an act of faith in a troubled country. The embassy had been closed in 1985 when officials decided the staff's security was at risk. A spokesman for External Affairs said

the situation in Lebanon was still too dangerous and that there were "no immediate plans to reopen the embassy in Beirut" (*Toronto Star, Globe and Mail*, October 3).

## Pakistan

Secretary of State for External Affairs Joe Clark and Minister of Transport John Crosbie announced that a revised bilateral air agreement had been reached with Pakistan. The new agreement would allow Pakistan International Airlines landing rights at Toronto and would enable the company to operate passenger services to Montreal and Toronto. All Canada would also be allowed to operate passenger combination services from anywhere in Canada to Karachi (Government of Canada *News Release*, November 23).

## Poland

Five Polish ballet dancers defected to Canada in early November while on a North American tour. They told reporters shortly after their defections that they aspired to dancing with a Canadian ballet company and wished to experience artistic freedom and opportunity. A Canadian assisting the group was told by Immigration officials that the dancers would have to apply for visitor or refugee visas and could be ineligible to work for up to six months unless the Immigration Minister intervened. A spokesman for Immigration Minister Benoît Bouchard said the dancers would not receive special treatment (*Ottawa Citizen and Toronto Star*, November 4).

## Saudi Arabia

The October visit of Prince Saud al Faisal al Saud of Saudi Arabia marked the first time such a high-ranking Saudi official had visited Canada. Prince Saud arrived in Ottawa to sign an agreement of cooperation between the two countries. The economic and Technical Cooperation Agreement would give both countries "most favored nation" status. Canadian and Saudi officials welcomed the new accord as well as the revived Joint Economic Commission. "This agreement is really a quantitative leap into a new kind of relationship that will base itself in economic partnership rather than just a straightforward trade relationship," the *Globe and Mail* (October 6) reported Prince Saud had said. In an interview with *Focus* editor Patrick Martin, Prince

Saud said that "we thought that because of the similarity of our experiences, because of the complementarity of our situations, a relationship based on investments and partnerships would be a good thing." When asked why a Saudi Foreign Minister had never visited Canada he replied: "There were some areas of difference between us, but I think now this is not the case despite some difference on the Palestinian issue" (*Globe and Mail*, October 10).

At the same time as the Prince's visit, a delegation of twenty-eight Saudi Arabian businessmen arrived in Calgary looking for joint venture opportunities in Canada. The Saudi Deputy Minister of Commerce, Abdul Rahman Al Zamil, said the collapse of the oil market had not emptied the pockets of the petroleum-rich countries. "We used the oil boom to diversify our economy. Now we are only about 50 percent oil-based, and we have a very strong \$35-\$40-billion for consumer goods and services." The Saudis appeared particularly interested in the food processing industry and were considering importing wood (*Globe and Mail*, October 6).

## Southern Africa

### **ANC Video**

In early October, the African National Congress representative in Canada said that a video on the ANC produced by Canadian journalist Peter Worthington was similar to South African propaganda. Yusuf Saloojee also suspected the South African embassy may have helped pay for the video. This was denied by an embassy spokesman, the *Ottawa Citizen* reported on October 3.

### **Party Consensus**

On the eve of the Commonwealth Conference, Gerald Caplan, former Federal Secretary of the New Democratic Party, said there was an opportunity to forge an all-party consensus on South Africa. He stated that the NDP had developed policies on economic sanctions, aid to the front line states and non-military aid to liberation movements. The Liberals and the Progressive Conservatives had committed themselves to taking effective measures against apartheid. The major differences remaining were party stances on the ANC and its recourse to armed resistance (*Toronto Star*, October 4).

In early November, Secretary of State for External Affairs Joe Clark condemned a raid by South African forces into Angola and repeated Canada's opposition to South Africa's continued occupation of Namibia. NDP spokesman on South Africa, Howard McCurdy (Windsor-Walkerville), called on the government in the Commons to denounce "the involvement of the United States in arming South African-style Contras which are

in alliance with the South African government, and are attempting to undermine the Angolan regime." Mr. Clark replied that more could be done to cooperate with the international community in putting pressure on Pretoria by taking measured steps, not by denouncing US policy (*Hansard*, November 3). Mr. Clark also called on the government of South Africa to release political prisoners in detention for opposing apartheid and he welcomed the release on November 5 of five opponents of apartheid, including former ANC chairman Govan Mbeki (*External Affairs Communiqué*, November 10).

#### **Trade with South Africa**

Trade figures for the first six months of 1987 showed that a 50 percent trade reduction with South Africa could only partially be attributed to economic sanctions. Reduced exports of wheat and sulphur, two items which were not on the sanctions list, accounted for most of the reduction. Increased trade figures in 1987 were due to a single transaction by Wardair which purchased three South African Airways aircraft (*Ottawa Citizen*, October 21).

The Investor Responsibility Research Center in Washington noted in a report that half of the twenty-four Canadian companies that once operated in South Africa had abandoned all commercial ties. Five of the remaining firms had said they were planning to sell off their holdings. The same report, however, showed that the impact of these and other American divestments on the South African economy was minimal (*Ottawa Citizen*, October 23).

## **USSR**

### **Arctic "Zone of Peace"**

Saying that Canada and other NATO countries were contributing to militarization of the Arctic, Soviet leader Mikhail Gorbachev proposed a series of measures on October 1 to turn the Arctic into a "zone of peace." In a speech in the northern port city of Murmansk, Mr. Gorbachev proposed that Warsaw Pact and NATO countries begin consultations on scaling down militarization by restricting naval and air force activity in the Baltic, Greenland, Norwegian and North Seas. The *Globe and Mail* reported on October 2 that he had also called for a ban on naval activity in agreed zones in international straits and intensive shipping lanes. If the political climate improved, Mr. Gorbachev offered to open northern shipping lanes to foreign vessels, with Soviets providing icebreaker services. He also called for the peaceful development of northern resources and the creation of enterprises for extracting oil and gas. Citing Canadian and Soviet scientific ex-

changes, he proposed a conference of sub-Arctic states to coordinate research in the Arctic.

In the *Globe and Mail* report, Mr. Gorbachev cited the preparations for sea- and air-based cruise missiles training and the operation of a new radar in Greenland and Canada's new forces build-up in the Arctic as new threats to the north. "The Soviet Union is for a radical lowering of the level of military confrontation in the region. Let the north of the globe, the Arctic, become a zone of peace," said Mr. Gorbachev. He also repeated a Soviet offer to guarantee a nuclear-weapons-free zone for northern Europe if such an accord could be reached.

Mr. Gorbachev's proposal for a zone of peace in the Arctic was met with skepticism by Canada. Defence Minister Perrin Beatty and External Affairs Minister Joe Clark told reporters that the Soviet Kola Peninsula contained one of the world's heaviest concentrations of arms and armed forces. Mr. Clark said Canada was interested in talking about arms control: "If there is a serious initiative that they want to take, we would be interested in seriously looking at it." Mr. Clark was prepared to extend avenues of communication to discuss proposals, but Mr. Beatty said that the Soviets had not made any direct approaches to Canada on this proposal.

### **Arctic Cooperation Treaty**

The *Globe and Mail* reported on October 6 that the USSR had secretly proposed an Arctic cooperation treaty with Canada last February, but had yet to receive an answer. The story said that Soviet embassy officials believed that political interference from the US held up a response by Canada. The proposal envisioned cooperation in scientific and technical areas such as environmental protection and Arctic navigation, joint research projects, and establishing a joint commission to work out further programs for cooperation. V. Novosolev, the Soviet embassy's specialist on northern issues, noted that Canada and the US cooperated in North American Air Defence, and that "it can be very difficult for a country like Canada to act for itself." (*Globe and Mail*, October 6).

Meanwhile, Canada announced that it had rejected the idea of a formal cooperation treaty with the Soviet Union. "A treaty would take us into something formal and that would take us quite a step further than we want to go right now," said Paul Fraser, an official with the Department of External Affairs (*Toronto Star* October 6).

### **Bombers**

Canada and the US reported a substantial increase in Soviet bombers capable of carrying cruise missiles flying along Canada's coasts, said an article in the *Globe and Mail* on October 2. Almost twice as many aircraft were intercepted this year, Defence Minister Perrin Beatty said in an interview in Toronto. The aircraft, however, had not violated Canada's sovereignty, not having penetrated the 19-kilometer zone. Soviet bombers were said to do this to test the response

time of Canadian forces (*Globe and Mail*, October 2).

Soviet bomber intrusions were again reported at the end of October over the Beaufort Sea where the first five of the eleven North Warning System radars were being tested. "It is prudent to assume the aircraft are seeking information about the North Warning System, but we don't know that," said Major Ralph Priestman, Northern Command's Senior Staff Officer (*Globe and Mail*, October 29).

### **Dissidents**

Soviet authorities granted an exit visa to Ida Nudel, a leading Jewish dissident whose cause had been championed by Joe Clark. Ms. Nudel was known as the "Guardian Angel of the Refuseniks." She was charged with malicious hooliganism, jailed and later sent to Siberia for four years (*Toronto Star*, October 3).

On November 13, the *Toronto Star* reported that Soviet Nobel prize-winning scientist Andrei Sakharov told leaders of the St. Boniface Hospital Research

Foundation that he hoped to travel to Canada to receive the Foundation's award.

### **Space**

The *Ottawa Citizen* reported that the USSR would like to strike a bilateral agreement with Canada to exchange space technology. In addition to the National Research Council's building of a multimillion dollar ultraviolet imager for a Soviet satellite, Canada was invited to fly experiments on the Soviet Union's space station MIR, cooperate on two telescopes and participate in future missions to Mars. Canadian astronauts also received an invitation to train at Soviet facilities. Science Minister Frank Oberle told reporters that "Canada would be interested in the chance to collaborate with the Soviets if an official invitation is made" (*Ottawa Citizen*, November 5).

While a Canadian delegation of space experts was in Moscow, an agreement was signed for Canadian experiments to be flown aboard Soviet spacecraft (*Toronto Star*, October 30).

# Multilateral Relations

## **SEAMEO**

The Secretary of State for External Affairs Joe Clark announced that the government of Canada was seeking Canadian associate membership in SEAMEO, the South Asian Ministers of Education Organization, which serves as a vehicle to promote cooperation in the region through education, science and culture. Canada expects by this move to broaden its economic, social and cultural ties in the Asia Pacific region which had been identified as a target area for the enhancement of its international trade (*External Affairs Communiqué*, October 8).

## **NATO**

### **NDP Position**

"Canadians must believe membership in the Atlantic Alliance is vital or they should 'pack up and go,'" said NATO Secretary-General Lord Carrington. These comments were made at a meeting with Canadian reporters in Belgium and were in response to the NDP's strong showing in recent public opinion polls and that party's stated position on Canada's defence policy, which called for Canadian withdrawal from NATO. Lord Carrington was also commenting on the tendency of

North Americans to question their role in NATO, and noted that the alliance could only survive on the basis of mutual interest. (*Ottawa Citizen*, October 3).

On November 18, the *Globe and Mail* reported that the New Democrats were rethinking their long-standing position of favoring Canadian withdrawal from NATO, in view of the coming election. "We are not a neutral country and that is not our policy," said MP Bill Blaikie (Winnipeg-Birds Hill), the NDP foreign affairs spokesman (*Globe and Mail*, November 18).

### **Canadian as Chief of NATO**

A report in the *Toronto Star* on November 24 indicated that Canada had rejected the idea of a Canadian candidate as a compromise in the bitter dispute between Norway and West Germany over the successor to Lord Carrington as Secretary-General of NATO. External Affairs Minister Joe Clark had already indicated he was not interested (*Toronto Star*, November 24).

### **Canada's Changing Role**

Canadian journalists were presented during background briefings by NATO officials with assessments of Canada's changing role in the alliance. Officials stated that Canada may be asked to consider further alterations in its defence commitment after Canada's decision to abandon its pledge to send troops to Norway in the event of a military crisis. This announcement was made by Defence Minister Perrin Beatty when he

made public findings of a review process on defence policy in the White Paper in June. Canada has instead decided to strengthen its presence in central Europe to compensate for this withdrawal. NATO officials have claimed that troops were not needed in the Central European region and that Canada's Norwegian commitment was ideal because of Canada's Arctic experience, equipment and expertise. (*Ottawa Citizen*, November 24).

## UN

### **The African Crisis**

The Canadian government under Prime Minister Brian Mulroney was praised by UN Secretary-General Javier Pérez de Cuéllar during a speech at the UN General Assembly for having cancelled the debts of seven French-speaking African nations. Mr. Pérez de Cuéllar also told the UN General Assembly that more than 500 million of the world's people remained hungry and poor. Canada had also announced a new debt-forgiveness plan worth \$347 million for six other African states belonging to the Commonwealth. According to Ambassador Stephen Lewis, who is also the Special Adviser to the Secretary-General on the 1986 UN program to help the impoverished region of sub-Saharan Africa, African governments still require much help: "I think the [sub-Saharan] situation has degenerated," said Lewis. "The African governments have been urgently working to reform and they won't make it unless they get the help" (*Toronto Star*, October 18).

### **Support for UN Population Agency**

The *Toronto Star* of November 26 reported that Canada had boosted its support for a UN population agency and had pledged \$13.1 million for 1988 to the United Nations Fund for Population Activities (UNFPA).

### **Environment**

In the first speech by a Canadian Environment Minister in a major UN debate, Tom McMillan asked the United Nations to institute a "law of the air" to stop acid rain and air pollution (*Toronto Star*, October 19). Mr. McMillan also told the UN debate on the environment that Canada joined poorer countries in blaming industrialized states for contributing to the destruction of the Third World's environment. He also identified insufficient development aid and Third World debt as factors that have driven poorer countries to use up their resources. In an interview, the Environment Minister explained that the "law of the air" was actually an idea calling for global cooperation in dealing with many specific threats to the atmosphere and that he did not believe an omnibus law would be politically workable (*Ottawa Citizen*, October 20).

### **FAO and UNESCO Elections**

Canadian diplomats were at the forefront of international maneuvers seeking to replace Dr. Edouard Saouma as leader of the Food and Agriculture Organization with Mr. Moiseh Mensah of Benin. The Canadian government has been calling for a thorough review of the FAO's management practices which it believes can only take place once Dr. Saouma leaves. Canada has been one of the loudest voices in the western countries' call for changes within the organization and has led a coalition known as the Camberley Group, which meets to discuss and review long-term FAO objectives and strategy (*Toronto Star*, October 22).

Among Canada's public criticisms of the FAO are the lack of information on financial and programming decisions given to the members, and the need for better coordination of FAO activities with other UN agencies (*New York Times*, November 1).

The *New York Times* of November 10 reported that Dr. Saouma had won another 6-year term. Canadian delegates reacted by saying that they would continue to press for major revisions and would have to reconsider whether to use the FAO as a vehicle to distribute foreign aid unless Dr. Saouma made major changes (*Toronto Star*, November 10). "The continued leadership of Mr. Saouma will be an important factor in Canada's assessment of how it can best pursue its objectives," said Denis Comeau, a spokesman for the Department of External Affairs (*Toronto Star*, November 10).

Elections were also being held during this period for the head of the United Nations Educational, Scientific and Cultural Organization, where Spanish biochemist Federico Mayor Zaragoza replaced the controversial Senegalese Director-General Amadou Mahtar M'Bow. Communications Minister Flora MacDonald, as head of the Canadian delegation to the UNESCO meetings, told the biennial UNESCO General Conference in Paris that reform and rejuvenation were necessary to repair UNESCO's tarnished image. Canada wanted better financial management and control, and would like to see the UN agency take the lead in the battle against illiteracy and become the champion for cultural identity, the preservation of the environment and the free flow of information (*Ottawa Citizen*, October 24).

### **Controversy over UN Contracts**

The Canadian Under-Secretary-General of the UN Department of Public Information was the target of one of her officials who tried to thwart her efforts to reorganize her department. Documents were leaked to the press regarding consultants' fees, which showed that well over 50 percent of the contracts were awarded to Canadians. Mrs. Thérèse Paquet-Sévigny, the Under-Secretary-General, responded by stating that the necessary expertise was not always available in the department and defended the Canadian contracts by saying that other countries had been approached but

that no response had been received, according to a report by the *Globe and Mail* on November 4. Mrs. Paquet-Sévigny said during a news conference on November 4 that she might have made a mistake in hiring so many Canadians. She added, however, that "I don't think on the total picture after fifteen years from now that it's such a big mistake." Mrs. Paquet-Sévigny was responding to criticism that consultants had been hired at a time when the UN was in a financial crisis (*Toronto Star*, November 5). The *Ottawa Citizen* reported on November 6 that the "Canadian government was spending \$118,000 this year to supplement the US\$90,000-plus salary of Mrs. Paquet-Sévigny." Such payment was reported to be against UN rules, but Canadian ambassador to the UN Stephen Lewis told reporters that "the view of the Minister of External Affairs was we should do what it is necessary to do to allow her to work to maximum efficiency" (*Ottawa Citizen*, November 6).

### **Speech by Ambassador Lewis**

Ambassador Stephen Lewis, in his address to the UN General Assembly in its debate, made a plea against the Soviet Union's continued presence in Afghanistan, despite "glasnost" and Soviet assurances given to the UN regarding the peace process in Afghanistan. "In the name of Canada, I put all this on the record of the General Assembly because Afghanistan is an oft-forgotten war. With the exception of this annual debate, the insensate destruction of that country and its people receives very little international attention. Somehow the Soviet Union must be brought to recognize that the selective application of "glasnost" — an application which figuratively and literally eliminates Afghanistan — is unacceptable to the world community" (Press release No. 51, *Communiqué*, Permanent Mission of Canada to the UN, New York, November 9).

## **Commonwealth**

### **Pre-Conference Reports**

The *Ottawa Citizen* reported on October 5 that Secretary-General Sir Shridath (Sonny) Ramphal told the Commonwealth and the rest of the world in his biennial report that it must increase pressure on South Africa to begin dismantling apartheid by taking economic action against Pretoria and by increasing aid to black neighboring states.

Meanwhile, a military coup in Fiji became a topic for discussion at the Vancouver summit of the Commonwealth heads of government which opened on October 13, in order that leaders could examine possible avenues of assistance to Governor-General Ratu Sir Penaia Ganilau. Coup leader Colonel Sitiveni Rabuka

declared Fiji a republic and was informed by Canadian officials that only "a duly accredited representative of the Governor-General" would be welcome at the summit, since Canada "recognizes the Governor-General of Fiji...to be the sole legitimate source of executive authority in Fiji." (*External Affairs Communiqué*, October 2 and *Globe and Mail*, October 7)

Canadian officials told reporters a few days before the conference that Canada was planning to bring new ideas to the meeting about how to combat apartheid, since on the eve of the Conference it was clear that South Africa would be high on the agenda of the Commonwealth meeting and would prove to be the test of the organization's capacity to influence events (*Financial Times* (London), October 12). Prime Minister Brian Mulroney pledged in an interview, according to the *Globe and Mail* of October 12, to keep Canada on the high ground in the international campaign against apartheid by promoting economic sanctions. He also indicated that Canada would not accept as a substitute the British policy of shifting away from sanctions toward increased aid to South Africa's black neighboring states.

Canada's position on other issues to be discussed at the Conference included the following: Canada would announce a pardon of \$300 million worth in debts; on trade, Mr. Mulroney was expected to push for a strong statement in support of freer trade, primarily through the GATT; on human rights, the Prime Minister was expected to make a plea for democracy and human rights; on Third World education, broadcasting of educational programs from the developed countries was to be the Canadian focus; and finally on the situation in Fiji, the main issue to be discussed would be whether to allow the country to remain in the Commonwealth under its new regime (*Ottawa Citizen*, October 10).

### **The Commonwealth Conference**

In his opening address, Prime Minister Brian Mulroney urged the Commonwealth to maintain pressure on South Africa, saying "It is 'our duty' to mount moral suasion and other sanctions and measures" necessary to end apartheid. "We are all agreed on the problem. Where some of us differ is on the means of achieving a beneficial, durable solution. We must seek the widest common ground on the question of apartheid in South Africa, which challenges the basic principles of our organization" (Prime Minister's Office *Statement*, October 13). The Prime Minister also called on wealthier Commonwealth countries to remain sensitive to the debt problem. "The debt issue threatens the financial stability of the nations of the south and the financial integrity of the nations of the north," he said in his opening statement.

The rift between Canada and Britain on the question of South Africa became apparent early on in the conference, with British officials rejecting a proposal made by Prime Minister Mulroney that the Common-

wealth leaders establish a Foreign Ministers Committee, different from the Group of Eminent Persons created in 1985, to explore new possibilities for dialogue between South Africa and its opponents. For his part, Mr. Mulroney warned that Canada would not provide any military aid to black Africa, which Britain had promoted as an alternative to the Commonwealth's existing punitive sanctions policy. South Africa's largest trading partner, Britain, has so far refused to impose further sanctions (*Globe and Mail*, October 13).

British officials further contributed to the rift by publicly accusing Canada of increasing trade with South Africa while advocating economic sanctions. Canadian officials reacted by stating that the figures quoted by the British pre-dated Canada's implementation of the sanctions agreed to in a special meeting in London last year. In the first six months of 1987, officials stated, as reported in the *Ottawa Citizen* on October 13, trade between the two countries dropped nearly by half as a result of sanctions being applied.

As discussions on South Africa continued, it appeared that leaders of the Commonwealth had lost interest in imposing tough new sanctions. External Affairs Minister Joe Clark commented to reporters that: "I think what is evolving now is a temporary sanctions fatigue." He reiterated that he was convinced sanctions have been effective both economically and psychologically (*Globe and Mail*, October 14). Canadian officials announced that they hoped for action on three main fronts: 1) keeping the sanctions already in place from disintegrating; 2) increasing aid to Zambia and other front line states; and 3) the formation of a new Foreign Ministers Committee to study new ways of pressing South Africa (*Ottawa Citizen*, October 14).

Canada proved successful in creating a 9-member Foreign Ministers Committee, chaired by External Affairs Minister Joe Clark, which was given the task of examining ways of providing more aid to the beleaguered neighbors of South Africa (*Toronto Star*, October 15). In its report to the Commonwealth leaders, this Committee called for a 4-part program to consider: 1) extension of economic sanctions; 2) toughening of existing sanctions; 3) appointment of a group to ferret out instances of sanctions being broken; and 4) increased aid to front line states (*Toronto Star*, October 16). The Committee also stated that it was planning to wage a public relations battle with South Africa over apartheid. Its next meeting was to be held in Lusaka, Zambia, in February, to study ways of policing economic sanctions imposed on South Africa, said External Affairs Minister Joe Clark. Ministers would look for ways of widening and intensifying the sanctions (Secretary of State for External Affairs Statement, No. 87/64, November 18).

In other conference developments, Commonwealth leaders unanimously condemned increasing protectionism and called for measures to liberalize world trade (*Montreal Gazette*, October 16). As well, important new programs of economic aid and cooperation among states were initiated (*Globe and Mail*, October 19).

On the question of Fiji, the resignation of Gover-

nor-General Ganilau signalled the severance of all links with the Commonwealth and the lapsing of Fiji's membership in the organization. To renew its membership would require obtaining unanimous consent on the part of the remaining forty-eight members of the organization (*Ottawa Citizen*, October 17). The *Vancouver Sun* reported on October 19 that the Canadian position on this situation, as stated by Prime Minister Mulroney after the conference, was that Canada would vote against Fiji being re-admitted to the Commonwealth because of the racist implications of the recent military takeover.

At the closing of the Conference, a Commonwealth statement was issued saying: "With the exception of Britain, we believe that economic and other sanctions have a significant effect on South Africa and that their wider, tighter, and more intensified application must remain an essential part of the international community's response to apartheid." All Commonwealth countries, including Britain, agreed to the following: 1) the establishment of an international monitoring body to evaluate the implementation of measures as agreed to by each member while attempting to ensure those measures were not being circumvented; 2) to launch an expert study on South Africa's relationship with the international financial community; 3) to begin a broader program of Commonwealth help for the front line states — including Mozambique — in transportation and communications; 4) to establish a fund on special technical assistance to Mozambique; and 5) to create a small permanent group of Commonwealth Foreign Ministers as a watchdog on anti-apartheid efforts (*Globe and Mail*, October 17).

Britain's response to this statement was that "We regard apartheid as an utterly repulsive and detestable system which must go as soon as possible. But we believe it can only be achieved by peaceful means and that violence and sanctions are likely to harden attitudes, rather than promote progress" (*Toronto Star*, October 17). An article by Jonathan Manthorpe in the *Ottawa Citizen* considered that perhaps the 26th Commonwealth Conference may have been the time when leadership of the organization slipped from British shoulders and was offered to Canada. With this transfer could also come the considerable responsibilities of greater aid involvement and increased funding to the organization when necessary (*Ottawa Citizen*, October 17).

Prime Minister Brian Mulroney signalled Canada's willingness to lead the Commonwealth's anti-apartheid effort and declared the conference a success, closing with a call for intensifying sanctions (*Globe and Mail*, *Ottawa Citizen*, October 19). Mr. Mulroney also announced that Canada was boosting its aid to victims of apartheid in South Africa with more than \$4.4-million in new programs, and that \$20-million had been pledged toward rebuilding the Limpopo rail line connecting Zimbabwe to the Mozambican port of Maputo. (*Globe and Mail*, October 19).

## GATT

### **Uruguay Round**

The multilateral trade negotiations under the General Agreement on Tariffs and Trade, called the Uruguay Round, got under way in October. The Uruguay Round consists of at least four years of negotiations to liberalize trade in fourteen areas, including agricultural and manufactured goods, and was launched in Punta del Este, Uruguay, in 1986. Sylvia Ostry, Canada's ambassador to the multilateral trade negotiations, told participants attending IMF and World Bank meetings, while she delivered the Per Jacobsson lecture, that the Uruguay Round of GATT constituted "the most important negotiations since the formation of GATT." A renewal of what Ms. Ostry called the "new protectionism of quotas, subsidies, voluntary export restraint agreements and other devices depends on the successful outcome of the talks." Ms. Ostry said that "what's emerging is that the world trading system is now seen as part of the continuum dealing with all the issues on the international economic front" (External Affairs Statement, Washington, D.C., September 27).

In late October, the *Western Producer* announced that the Canadian government had tabled its bargaining position during these talks, calling for a comprehensive approach that would eliminate or reduce to the maximum negotiable extent all trade distorting measures by all GATT members for all agricultural commodities (External Affairs Communiqué, No. 201, October 20). International Trade Minister Pat Carney told the Commons that this position would "seek to enlist the support of all GATT countries for a wide-ranging attack on trade barriers and on subsidies which distort production and trade" (*Hansard*, October 26). Under the Canadian proposal, all countries would have to ensure domestic policies and programs that addressed the specific needs of their farm sectors did not distort trade (External Affairs Communiqué, October 20).

The response to this position from farmers was guarded, since there were not many details. As Canada's ambassador to the talks pointed out, "It is taken for granted that you can't have a successful round without an agreement on agriculture" (*Western Producer*, October 29). In Canada, traditional subsidies such as the Crow benefit payment could be under attack during these talks (*Western Producer*, October 29).

As a member of the Cairns Group of thirteen fair-trading nations, Canada is part of one of the key forces in the negotiation over new world trading rules for agriculture. This group is seen as having moderate and realistic proposals which fall midway between the European Community and US proposals (*Western Producer*, October 29). The Cairns Group proposals have called for a moratorium on all export and production subsidies affecting farm trade, an end to other trade barriers and a commitment to disposing of stockpiles. The group has also called for a worldwide cutback in

subsidies and measures to open country markets to farm products. Increased market access and a virtual end to tariffs were also being called for (*The Financial Post*, November 2).

Canadian officials were reported as hoping for an "early harvest" of interim agricultural agreements, which was, however, deemed unrealistic (*Western Producer*, October 29). Canada has also said that a preliminary agreement on major agricultural trade reforms should be possible within a year (*Globe and Mail*, October 28). Canadian trade negotiators had also made it clear that they would not settle for cartelization (*Financial Post*, November 2).

### **GATT Rulings**

GATT panels handed down a number of rulings against Canada in the areas of fishing, provincial liquor regulations, and imports of European beef.

In November, a GATT panel upheld a European Community complaint that Canada's provincial regulations regarding liquor, wine and beer discriminated against European exports. Jacques Roy, Canadian Assistant Deputy Minister for European Affairs, dismissed speculation that a compromise with the EC on the GATT ruling could concede "national treatment" of liquor and wine to European exports while retaining the higher markups and restrictions which protect Canadian beer (*Globe and Mail*, November 18). Trade negotiators had two weeks in which to reach an agreement regarding the proposed European trade sanctions over Canadian liquor rules before the GATT ruling was to be made public on November 25 and before the GATT Council was to have voted on this issue in January 1988. Canada was therefore under great pressure to settle this question in a way that would be acceptable, and which would affect not only European but all other imports as well (*Globe and Mail*, November 12 and 13).

The *Ottawa Citizen* reported on November 12 that Canada might challenge European wine subsidies and attempt a compromise negotiated on an equal footing. On November 13, the *Winnipeg Free Press* reported that Canada would negotiate with the EC to persuade the GATT General Council to delay the vote until later in the year, and on December 1, the *Globe and Mail* reported that trade negotiators had won a 2-month reprieve to try to reach a settlement.

The issue now involved a provincial decision on whether to alter their pricing, listing, and distribution policies for wine, beer and liquor, which fall under provincial jurisdiction (*Globe and Mail*, November 11). As a result, a split emerged between the two main wine-producing provinces, Ontario and British Columbia, with the latter agreeing to comply by the GATT ruling and the former declaring that it might refuse to alter its practices (*Financial Post*, November 16). This raised the question of whether GATT rulings against "sub-national" bodies must be agreed to by members (*Globe and Mail*, November 12).

In a second ruling against Canada, a special panel of GATT rejected a countervailing duty Canada had imposed on imports of heavily subsidized European beef. That duty had come as a response by Revenue Canada to a complaint by the Canadian Cattlemen's Association after fifty million pounds of subsidized European beef had flooded the Canadian market in 1985. This had constituted the first time farmers had been able to get a countervailing duty imposed on a processed product (*Globe and Mail*, October 15). The *Saskatoon Star-Phoenix* reported on October 16 that cattlemen had asked Ottawa to reject the ruling. Agricultural Minister John Wise said that if it could, Canada would reject the GATT ruling which was purely of a technical nature, pointing to the fact that the Cattlemen's Association was the wrong group to have lodged the complaint against European beef and not cattle (*Western Producer*, October 29).

A third blow was dealt to Canadian trade practices

by an international panel which ruled that restrictions on exports of fresh herring and salmon from the west coast violated trade rules. Canadian rules state that salmon and herring cannot be exported unless they are processed at a Canadian plant. This policy had been in existence before Canada joined the GATT and one objective was to conserve quality and size in the fish (*Globe and Mail*, November 17). This US complaint could cost many jobs and threaten control over fishing quotas, the *Ottawa Citizen* reported on November 18.

These rulings came as a dilemma for Canada, which had the power to reject them, but would thus risk tarnishing its image as a supporter of the trade rules (*Western Producer*, October 15). Although the GATT rulings went against Canada, the ambassador to the Uruguay Round of negotiations emphasized that Ottawa remained "a strong supporter of GATT" (*Globe and Mail*, November 18).

# Policy

## Aid

External Relations Minister Monique Landry told the UN General Assembly that Canada would double its food aid to Ethiopia, bringing the total up to \$20 million. The Canadian government would purchase \$6 million worth of maize from Zimbabwe and ship it to Zambia, she also announced. Canada's bilateral aid program with the Ethiopian government would total \$121 million, and would increase its concentration on economic aid to Africa until it reached 45 percent of total country-to-country development assistance. Canada had also taken a leading role in addressing the Third World debt problem by forgiving \$672 million in debts from thirteen African countries (*External Affairs Statement*, Minister for External Relations, New York, October 27).

David MacDonald, Canada's Ambassador to Ethiopia, charged on November 6 that Eritrean forces which destroyed a convoy of food supplies that could have fed 40,000 people for one month, were hurting their own people. He said that as many as seven million Ethiopians would be at risk of starvation in the next few months. Mr. MacDonald was in Canada to take part in CIDA's review of African aid programs and to explain the need for a new relief effort because of new famine conditions. He said it was necessary to respond to the longer-term needs for money, seed, fertil-

izer, pesticides, farm implements, and water development (*Globe and Mail*, November 6). Darlene Nowlan, Director of Africa 2000, warned that new Ethiopian famine was "ready to explode and we're going to need all the money we can muster" (*Mail Star*, November 25). John Best, in an article in the *London Free Press* of November 24, cited Reginald Stackhouse (Scarborough West), Conservative MP and Chairman of the Human Rights Committee, as stating that the Tory government was betraying some basic principles by not leaning on the Addis Ababa government to "clean up its act in the human rights field," which according to the *Economist* survey was a violator in the fields of arbitrary arrest, imprisonment and limitations of freedom of movement.

A group of Canadians representing church groups, private international development agencies and one labor organization planned to seek meetings with External Affairs Minister Joe Clark and other federal officials to press their view that Angola had wrongly been left out of Ottawa's relations with black states in southern Africa (*Globe and Mail*, November 26).

Black African nations bordering South Africa had asked Canada for technical support for their armies, a request which came following Monique Landry's announcement of \$19 million for new development pro-

jects in the region and increased sanctions on South Africa in an attempt to get that country to change its apartheid policy.

## Defence

### **Cruise Tests**

In a statement in the House of Commons on October 1, Liberal leader John Turner called on the government to halt US testing of cruise missiles in Canada, stating that "there is no need to renew the agreement if the two major powers ratify the treaty to limit intermediate missiles" (*Hansard*, October 1). His statements followed claims in the *Globe and Mail* that the government was shifting its policy towards granting approval of cruise testing in the Canadian north. Secretary of State for External Affairs Joe Clark, in the Commons, rejected Mr. Turner's call, saying that such a move violated Canadian obligations to international alliances and would serve to reduce pressure on the Soviet Union to move toward global disarmament (*Hansard*, October 1).

Later in the month, the *Globe and Mail* reported that, after numerous failures, the next series of cruise missile tests would commence on October 27. The air-launched missile would fly from the Beaufort Sea to the Primrose Lake weapons range near CFB Cold Lake, Alberta, attached to a B-52 jet bomber. This "captive-carry" test would be in addition to the maximum number of six free flights a year for cruise missiles (*Globe and Mail* and *Ottawa Citizen*, October 26).

Opposition to the test was voiced by several disarmament groups and an article in the *Globe and Mail*, written by S. Rosenblum of Project Ploughshares, reflected these groups' complaints by stating that the federal government should have demonstrated its support for the Intermediate Nuclear Forces Agreement by ending Canadian testing of cruise missiles, which was seen as a dangerous escalation, an undermining of arms control and an expansion of nuclear arsenals (*Globe and Mail*, October 27). David Kraft of the Toronto Disarmament Network said that "Canada's traditional image as a peacemaker has been completely discarded by the Mulroney government" (*Toronto Star*, October 28).

On October 28 the *Ottawa Citizen* reported that the test had been successful, but that the flight corridor had been changed to avoid populated areas.

### **Chemical Weapons**

A group of foreign diplomats and military experts, including three Canadians, was given a tour of a Soviet armory of chemical weapons, in the hopes of accelerating negotiations toward a weapons ban (*Toronto Star*, October 5). Meanwhile in Ottawa, chemical

weapons experts met to discuss concerns over the escalation in the production and use of chemical weapons. Recent exchanges between the US and the USSR indicated that a chemical weapons ban might be possible, according to a report in the *Ottawa Citizen* on October 7)

### **Nuclear Submarines**

At a cost of \$8-billion, Canada's proposed purchase of twelve nuclear submarines would be its biggest military purchase ever. The *Ottawa Citizen* reported on October 9 that the US was no longer reluctant to see Canada acquire nuclear submarines. The United States had decided not to invoke a 1958 treaty preventing Canada from buying the British Trafalgar-class submarine. It had been speculated that the US would block the sale, either to sell one of its own designs or because of the practical military considerations of having to share information with a Canadian submarine fleet. The *Ottawa Citizen* also reported that there was still no guarantee the technology for the power plant in the British submarines could be used by Canada since the US Congress would have to approve the sale by Britain of the nuclear reactors (*Ottawa Citizen*, November 4).

A comment by a US embassy naval attaché, Captain Bob Hofford, who said that there was a "perception in this country [the US] that the nuclear-powered fleet was conceived as a means to exercise Canadian sovereignty in the Arctic," was seen here in Canada as undiplomatic, but nonetheless representative of the negative US reaction to the proposed purchase, according to an *Ottawa Citizen* report on November 20.

In late October, the HMS Torbay, a Trafalgar-class British submarine, was in Halifax harbor to start its selling campaign. Defence Minister Perrin Beatty refused to say whether the \$450-million submarines were on the inside track over the cheaper Rubis-class French submarines. "Both are capable, both very quiet, both dependable," he said, although he noted that the British had more experience in the Arctic (*Ottawa Citizen*, October 23).

The latest estimates indicated in mid-November that the nuclear submarines would cost \$8-billion, which by some accounts was still an optimistic figure, since the purchase of nuclear fuel and the training of crews also had to be included. Other considerations mentioned in a study by the Canadian Centre for Arms Control and Disarmament indicated the nuclear option might be too expensive and a detailed examination of cheaper options, as well as Canadian labor content and material should be made (*Globe and Mail*, November 16).

That newspaper also reported (November 24) that there was some opposition from Newfoundland to buying the French submarine because of the ongoing fishing dispute, and that there was also some opposition by External Affairs Minister Joe Clark because the submarines were nuclear, and on the part of Finance Minister Michael Wilson because of their cost.

**Defe**  
Th  
the M  
ing it  
poter  
polic  
ping  
flow  
geste  
Pape  
regar  
rin E  
that  
with  
there  
spen  
Citize

**Star**  
Th  
Cana  
Cana  
the F  
ticipa  
Th  
contr  
four  
port  
clude  
Wars  
state  
13, h  
in ar

**Env**

**Wast**  
Fe  
hazar  
Karu  
ing ar  
which  
forme  
becau  
an in  
found  
an u  
theref  
ing p  
tical  
(Glob

**Diox**  
A  
Ameri  
of a t  
in pu  
chlorin

### **Defence Spending**

The Canadian Council on National Issues criticized the Mulroney government in early October for increasing its defence spending by less than 1 percent, thus potentially undermining the viability of its new defence policy by unduly exposing the financing of the re-equipment of the Canadian Forces program to the ebb and flow of the political process. The business council suggested a 4 percent increase to achieve the White Paper's objectives (*Globe and Mail*, October 4). With regard to the modernization plan, Defence Minister Perrin Beatty told a conference of defence contractors that the Department of Defence intended to go ahead with the proposed modernization plan even though there had been a delay in Cabinet approval for defence spending (*Globe and Mail*, November 19 and *Ottawa Citizen*, November 21).

### **Star Wars**

The *Ottawa Citizen* reported that the crown owned Canadian Commercial Corporation (CCC) was helping Canadian companies get SDI contracts even though the Federal government had said that it would not participate in the plan.

The CCC was the prime contractor for a \$306,000 contract for Magnus Aerospace which was to design four different versions of a high-flying platform. The report noted that nothing in government policies precluded crown corporations from taking part in Star Wars. NDP defence critic Derek Blackburn (Brant) stated, according to the *Ottawa Citizen* of November 13, however, that a crown corporation helping with SDI in any way was government involvement.

## **Environment**

### **Waste Incineration**

Federal officials have considered the incineration of hazardous wastes at sea as too dangerous, said John Karau, Head of Environment Canada's Ocean Dumping and Marine Program. Material such as liquid PCBs, which have been stored in oil drums and electric transformers for more than ten years should be destroyed because, over time, the drums deteriorate and pose an increasing risk. Environment Canada, however, has found "no data to indicate that incineration at sea is an unacceptable method of waste disposal and is therefore prepared to consider issuing an ocean dumping permit for incineration at sea if there are no practical alternatives that are environmentally preferable" (*Globe and Mail*, October 2).

### **Dioxin**

A recent US Environmental Protection Agency and American Paper Institute study has shown that traces of a toxic man-made chemical, dioxin, has been found in pulp sludge from pulp and paper mills using a chlorine bleach method, as well as in some paper pro-

ducts. This had raised some concerns of public health risks. In Canada, industry and government officials were waiting to see the results of the US studies before launching their own research. Health and Welfare's Industrial Chemicals and Product Safety Division was in a "data-gathering phase" before deciding whether certain paper products posed a health risk. The Ontario government has reacted by appointing a task force to examine pulp and paper pollution and has recommended in its annual report a province-wide installation of oxygen-bleaching equipment (*Globe and Mail*, October 14).

### **Ozone**

The environmental group Friends of the Earth demanded that Environment Minister Tom McMillan take steps towards the cutting of production of chemicals that destroy the ozone beyond the 50 percent reduction by 1999 negotiated in an international treaty in September. Mr. MacMillan stated in an interview, however, that "we do not have all the jurisdiction that is required to face production cuts beyond what we have committed ourselves to doing" (*Ottawa Citizen*, October 22).

## **Human Rights**

External Affairs Minister Joe Clark and External Relations Minister Monique Landry jointly announced the creation of a new Crown Corporation, to be named the International Centre for Human Rights and Democratic Development. The Centre would help foster human rights and the development of democracy around the world. Joe Clark said that "Canada has an international reputation in the area of human rights and has much to offer the world in expertise." The new Centre would possibly be located in Ottawa and would be affiliated with the University of Ottawa's Human Rights Research and Education Centre. The Agency would compile and disseminate information and develop an expertise that would be used by governments and a great variety of groups, including "cooperatives, trade unions, professional associations and associations of peasants and workers" (*External Affairs/CIDA Communiqué November 13*).

## **Immigration**

Gordon Fairweather, who is to become Chairman of the planned Immigration and Refugee Board, said in an interview that the "neatest, cleanest" way of getting rid of a backlog of 40,000 immigration cases awaiting hearings would be to declare an amnesty and allow all those involved to stay in the country. Mr. Fairweather said the issue of the backlog would be foremost in his responsibilities as IRB Chairman. The

government last implemented an amnesty, known as an administrative review, in May 1986. The new IRB would be the last chance of appeal for immigrants and refugees before the federal court. The Board would come into effect when Bill C-55 was passed into law (*Globe and Mail*, October 29).

Benoît Bouchard, Immigration Minister, told the Commons in response to Mr. Fairweather's suggestion of an amnesty that "there is absolutely no question of declaring an amnesty" to clear up the backlog (*Hansard*, October 29). Outside the Commons, Mr. Bouchard said that a decision will be made about the backlog after two immigration bills have become law (*Globe and Mail*, October 30).

Junior Immigration Minister Gerry Weiner announced in the Commons that Canada would accept from 125,000 to 135,000 immigrants, including refugees, next year. The government's target figures included between 3,000 and 6,000 refugees admitted on humanitarian grounds and 21,000 refugees admitted under international conventions. Target areas would now include Eastern Europe, the Middle East and Latin America. Mr. Weiner also said that the "primary objective of Canada's immigration policy remains family reunification." (*Employment and Immigration Press Release*, no. 87-43 and *Annual Report to Parliament on Future Immigration Levels*, 1987). While both the Liberals and New Democrats welcomed the broadening of criteria for admission of family members, they were critical of the measures that would restrict certain classifications. In the Commons, Liberal Charles Caccia (Davenport), praised the changes but questioned the government's credibility in immigration issues. The NDP's Dan Heap said that the government was admitting the smart and wealthy and draining the brains from developing countries that need them (*Hansard*, October 30).

Critics had hoped that since the government was cracking down on refugees who show up at the border, it should have significantly increased the number in the government-sponsored categories (*Globe and Mail*, October 31).

## Refugees

Brian Mulroney told the Canadian Multilingual Press Association on October 1 that the federal government wanted to attack "those who exploit the misery of the dispossessed," while he was defending Bills C-84 — aimed at penalizing those who help bogus refugees — and C-55, which was meant to establish a new and streamlined refugee-determination system. "With Bills C-55 and C-84, we are trying to put an end to those abuses of our refugee-determination process, while keeping our country as a haven for refugees," Mr. Mulroney stated in his speech. He also said that as Canada looked ahead to the next decade and a

new century, "we will need more immigrants, not fewer, if we are to maintain our necessary levels of economic growth (*Globe and Mail*, October 2). Having passed in the House of Commons, Bill C-55 was now to go to the Liberal-dominated Senate which was threatening to hold up the proposed refugee legislation until the government agreed to submit it to the Supreme Court for a ruling on its constitutionality. As a result of the "emergency" refugee problem of the summer of 1987, the bill had been fiercely opposed. Liberal and NDP members of both chambers argued there had been no emergency and that the bill had objectionable clauses and was deemed by experts to be unconstitutional (*Globe and Mail*, October 16 and 22). The Senate was expected to make major recommendations, particularly relating to the strengthening of provisions directed against ship owners and ship captains carrying illegal migrants into Canada. (*Globe and Mail*, October 29).

Prominent US immigration lawyer Danny Katz said that Canada's new refugee policy would be a death sentence for many Central Americans who had been persecuted in their native countries and who had come to Canada as a last resort (*Globe and Mail*, October 22).

The right to seek asylum was being eroded by Canada and Western European countries, creating a stateless people in a "floating orbit," a law conference in Toronto was told by Susan Davis of the Ottawa-based Refugee Status Advisory Committee. Bill C-84 would allow people to be turned back without a hearing if immigration officers deemed them to be bogus refugees, and it gave the government power to impose heavy fines and penalties on those who help them (*Globe and Mail*, October 26).

## Science and Technology

A year after Canada had refused to participate in a space station project because of its potential military uses, Science Minister Frank Oberle announced at a national aeronautics conference on November 3, that Canada was likely to join. The United States' promise that the station would be used for peaceful purposes made it possible for Canada to contribute a "space garage" worth \$800 million, to service and repair satellites and aid in the construction of the platform (*Ottawa Citizen*, November 4). Canada, Japan and other European countries participating in the program were said to be negotiating a dispute settlement mechanism where questions arose over potential military applications (*Globe and Mail*, November 18).

The *Ottawa Citizen* reported on November 27 that the agreement reached over the space station would have to satisfy Cabinet that participating in the station would not prejudice foreign policy concerning the peaceful uses of outer space.

Opposition MPs said outside the House that Canada should not be a part of the station if the US did not agree that it would not be used for SDI research. American negotiators said that the US would want to "reserve its options," meaning that the US military would have access to the station, which would not rule out Star Wars research (*Ottawa Citizen*, November 27).

## Sovereignty

Canadian sovereignty — and fear that it was being eroded — has been a potent political force, according to an article in the November 10 *Globe and Mail* by Franklin Griffiths, an Arctic expert at the University of Toronto. He raised the issue of the threat to Canadian sovereignty emanating from opposition to Canada's claim of sovereignty over the Northwest Passage and

the waters in and around Canada's Arctic islands. This opposition stemmed from major maritime powers having vital interests in the freedom of navigation. Therefore, Canada should remain in NATO and should aim at achieving a bilateral agreement with the US. Canada could also pursue scientific and technical exchanges with the Soviet Union to encourage cooperation in the Arctic despite military rivalry (*Globe and Mail*, November 10).

Another article by American Charles E. Bennett presented another view of the situation, stressing that the passage is a prime underwater route for US submarines. The US was faced with the tough question of helping to create a fleet that could be used to enforce a claim it did not recognize. Mr. Bennett also pointed out that Canada's signing of the 1982 International Convention on the Law of the Sea, meant that Canadian claims to sovereignty over the Northwest Passage ran counter to guidelines for determining internal waters (*Globe and Mail*, October 29).

# For the Record

(supplied by External Affairs Canada)

## I. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

### 1. Recent Articles (continued from "For the Record," August/September).

Morrison, William R.

"Eagle over the Arctic: Americans in the Canadian North, 1867-1985." *Canadian Review of American Studies* 18 (spring 1987) 61-75.

Murray, Douglas J.

"The United States-Canadian defence relationship in transition: an American perspective." *Atlantic Community Quarterly* 25 (spring 1987) 65-81.

Osbaldeston, Gordon

"The forming of foreign policy." *Policy Options/Options politiques* 8 (August 1987) 14-17.

Payne, Richard J.

"Canada, South Africa and the Commonwealth." *International Perspectives* (July/August 1987) 9-11.

Pharand, Donat

"The cod war" [a dispute with France over fishing rights and maritime boundaries]. *Policy Options/Options politiques* 8 (September 1987) 28-32.

Robertson, Colin and Bill Dymond

"Free trade 1854 and 1911." (2 articles). *Bout de papier* 5 (summer 1987) 14-25.

Rogers, Ben

"Viceregal diplomacy." *Bout de papier* 5 (summer 1987) 27-30.

Sauvé, Pierre

"Le libéré-change et les investissements." *Policy Options/Options politiques* 8 (September 1987) 3-6.

Starnes, John

"A Canadian secret intelligence service?" *International Perspectives* (July/August 1987) 6-9.

Tackaberry, John

"Getting development right." *International Perspectives* (July/August 1987) 12-14.

Warden, Bill

"Sikhs in Canada-India relations." *International Perspectives* (July/August 1987) 15-18.

Weiner, Gerry

"Immigration to the year 2000: a Canadian perspective." *Atlantic Community Quarterly* 25 (spring 1987) 83-89.

Wiedmann, Erich

"Is saving the seals killing the Eskimos?" *World press review* 34 (July 1987) 35-37.

Williams, Robert J.

"Cultural exchanges and Canada." *International Perspectives* (July/August 1987) 19-22.

Wood, Chris et al

"Apartheid and diplomacy." *Maclean's* 100 (August 24, 1987) 22-23.

## 2. Recent Books

Barrett, Jane R. and Jane Beaumont

*A bibliography of works on Canadian foreign relations, 1981-1985.* Toronto: Canadian Institute of International Affairs, 1987.

Belanger, Réal

*Wilfrid Laurier: quand la politique devient passion.* Québec et Montréal: Les Presses de l'Université Laval, Les Entreprises Radio-Canada, 1986.

Bissell, Claude

*The imperial Canadian: Vincent Massey in office.* Toronto: University of Toronto Press, 1986.

Broadhurst, Arlene Idol

Nuclear weapon-free zones: a comparative analysis of theory and practice. *Ottawa: Canadian Centre for Arms Control and Disarmament, 1986. (Aurora Papers, 5)*

*Building a Canadian-American free trade area.* Papers by Donald S. MacDonald et al. Edited by Edward R. Fried, Frank Stone and Philip H. Tresize. Washington: Brookings Institution, 1987.

Canada. Department of External Affairs, Arms Control and Disarmament Division

*Handbook for the investigation of allegations of the use of chemical or biological weapons.* Ottawa: Department, 1987.

Canada. Department of External Affairs, Arms Control and Disarmament Division

*Background study of the handbook of the investigation of allegations of the use of chemical or biological weapons.* Ottawa: Department, 1987

Canada. Department of External Affairs, Arms Control and Disarmament Division

*PAXSAT concept: the application of Space-based remote sensing for Arms Control verification.* Ottawa: Department, 1987.

Canada. Department of External Affairs, Arms Control and Disarmament Division

*Seismic verification.* Ottawa: Department, 1986.

Canada. Department of External Affairs, Arms Control and Disarmament Division

*Verification in all its aspects: a comprehensive study on Arms Control and Disarmament Verification pursuant to UNGA resolution 40/152. (0)* Ottawa: Department, 1986.

Canada. Department of External Affairs, Arms Control and Disarmament Division

*Verification research, Canada's verification research program.* Ottawa: Department, 1987.

Canada. Ministère des Affaires extérieures. Direction du contrôle des armements et du désarmement

*Le concept PAXSAT: techniques de télédétection à partir de l'espace appliqués la vérification du contrôle des armements et du désarmement.* Ottawa: Ministre, 1987.

Canada. Ministère des Affaires extérieures. Direction du contrôle des armements et du désarmement

*Recherche sur la vérification: programme canadien de recherche sur la vérification.* Ottawa: Ministère, 1986.

Canada. Ministère des Affaires extérieures. Division du contrôle des armements et du désarmement

*Vérification sismique.* Ottawa: Ministère, 1986.

Canada. Ministère des Affaires extérieures. Division du contrôle des armements et du désarmement

*La vérification sous tous ses aspects: étude globale de la vérification aux fins du contrôle des armements et du désarmement.* Ottawa: Ministère, 1986.

*Canadian-American Free Trade: historical, political and economic dimensions.* Edited by A.R. Riggs and Tom Velk. Halifax: Institute for Research on Public Policy, 1987.

*Chemical weapons - final records (PV).* Conference on Disarmament, 1986 session. Compiled and edited by Arms Control and Disarmament Division of the Department of External Affairs. Ottawa, 1987.

Cleminson, F.R. and E. Gilman

*A conceptual working paper on arms control verification.* Ottawa: Department of External Affairs, 1986.

Cleminson, F.R. and E. Gilman

*Document de travail théorique sur le concept de vérification de la limitation des armements.* Ottawa: Ministère des Affaires extérieures, 1986.

Dawson, Robert MacGregor

*Dawson's the Government of Canada.* Ed. Norman Ward. 6th ed. Toronto: University of Toronto Press, 1987.

Franks, C.E.S.

*The Parliament of Canada.* Toronto: University of Toronto Press, 1987.

*In the eye of the storm: a history of Canadian peacekeeping.* Toronto: Deneau & Wayne, 1987.

Gizewski, Peter

*Biological weapons control.* Ottawa: Canadian Centre for Arms Control and Disarmament, 1987. (Issue brief no.5)

# Canadian defence spending: lessons from Sweden?

by Michael K. Hawes

In June of 1987 the Mulroney government released its much publicized and long-awaited White Paper on defence. After several false starts, and several Defence Ministers, *Challenge and Commitment, A New Defence Policy For Canada* was finally unleashed on an interested and attentive public. As this is the first full scale review of defence policy in some sixteen years, the White Paper has elicited a wide range of views and has, in the process, raised some fundamental questions about Canadian defence policy and about this government's priorities.

One of the most interesting and contentious issues raised by the White Paper stems from the official recognition that "after decades of neglect, there is a significant commitment-capability gap" with respect to Canadian defence. Not surprisingly, the government's response was to reduce commitments (most notably the Norwegian one) while increasing capabilities through such projects as the new frigate program and the acquisition of nuclear-powered submarines. Estimates put the cost of the new capital projects outlined in the White Paper at somewhere between \$55 and \$60 billion over the next fifteen years. In practical terms, this would mean that even if real growth in the defence budget were to remain steady at 2 percent over the entire period there would still be a shortfall of some \$5 to \$10 billion.

With respect to these ambitious new capital projects, the White Paper must be seen at this point as not much more than a "wish list." In other words, while the Cabinet has approved the document there is no budget as yet. Additional budgetary commitment will depend on such in-ponderables as the longevity of the current government, the changing fiscal environment, the impact of such spending on regional questions, and favorable public opinion. In fact, not only are there no guarantees with respect to funding, the historical evidence suggests that maintaining real increases in defence spending over a long period of time is very difficult.

## Affordable defence

Now that the ink on the White paper is dry the real debate — the one about funding — has begun. The central questions which are likely to emerge from this debate include: What are the implications for the economy? Can we expect net economic benefits from increased defence spending? Can we afford these new projects? And, can defence industrial preparedness be dramatically improved in a country where the industry is small, largely foreign-owned and export-oriented? One way to approach these questions would be to examine the experiences of other advanced industrial economies and ask whether they offer important lessons for Canada.

The following discussion of Swedish defence policy

and defence industrial preparedness attempts to shed some light on the Canadian case. It suggests that the Swedish policy of neutrality, and the high level of defence industrial preparedness, is primarily a reflection of unique historical and geostrategic realities. It argues that defence spending, which takes place within the framework of neutrality, has (however indirectly) helped to sustain a level of industrial development and technological sophistication beyond the reasonable expectations of a small open economy. Further, the examination suggests that the level of integration between business and government is extremely high — to the point where the government's commitment to the principles of open competition do not appear to come in conflict with the (seemingly) contradictory policy of neutrality which requires that Sweden maintain a significant domestic capacity for defence industrial production. Finally, this article sketches out some general conclusions about the relationship between government and industry with respect to defence, the value of military research and development to the economy, and the increasing vulnerability of smaller states in a world characterized by both economic and strategic interdependence.

## The Swedish experience

Sweden is a wealthy Western industrialized nation long known for its high standard of living, its unique brand of social democracy (the so-called middle way), and its commitment to neutrality. Like Canada, it is a northern country with a large land mass, a relatively small population, a broad base of natural resources, and a highly developed export-led industrial economy. For many years, the Swedish economy has been the continuing "economic miracle." However, the "Swedish model" has come under increasing scrutiny in recent years. Mounting public concern and confusion over the frequent intrusions of Soviet submarines off the Swedish coast, dramatic increases in the cost of maintaining an independent defence, the relative weakening of the Swedish economy, strains within the Social Democratic party, and the growth of economic interdependence have all challenged the credibility of the Swedish model in general and Swedish neutrality in particular. Yet, since the return to power of Mr. Olaf Palme's Social Democratic government in 1982, and perhaps even more so under Mr. Carlsson, Sweden has reaffirmed its long standing commitment to disarmament and international negotiation on the one hand and the need for a strong defence on the other.

Contemporary Swedish defence policy, then, has to be

---

*Michael K. Hawes is a Faculty Associate at Queen's University's Centre for International Relations in Kingston, Ontario.*

understood in terms of three critical facts. First, Sweden maintains a policy of non-participation in military alliances. Second, Sweden has developed a complex and extensive defence industrial base. Third, for both practical and moral reasons, Sweden has been a strong proponent of disarmament and active peace. And, while these three factors are clearly interrelated, it is the first two that concern us here. In particular, the purpose here is to ask whether Swedish neutrality and Swedish defence industrial preparedness can provide useful lessons for our economy. In addition, while they are not considered in this piece, there are clearly some interesting lessons for Canada with respect to the security implications of increasing interdependence.

### Neutrality and security policy

Swedish neutrality is a unique phenomenon. It reflects both an historical experience and the reality of a geostrategic position that are peculiar to Sweden. In contrast to Swiss neutrality, Swedish neutrality is not guaranteed internationally. Also, unlike the Swiss who proclaimed their neutrality at the Congress of Vienna in 1815, the Swedes have never formally declared their neutrality. Nor, for that matter, is there any domestic legal basis for neutrality. The Austrians, by contrast, passed a neutrality law in 1955. and, in contradistinction to the Finns, whose neutrality exists within the context of the 1948 Treaty of Friendship, Cooperation and Mutual Assistance with the Soviet Union, the Swedes are not formally tied to either of the superpowers. However, while Sweden is not a member of the North Atlantic Treaty Organization (NATO), it is undeniably a "Western" country. To call Sweden non-aligned inappropriately suggests that it has no sympathies for either the East or the West. Perhaps Sweden's situation can best be described as alliance-free during peacetime and armed neutral in the event of war. Another critical feature of Swedish neutrality is the fact that there is virtual consensus within Sweden with respect to this policy. Both the virtue and the necessity of neutrality are deeply ingrained at all levels of society.

Sweden's experience of remaining neutral through two world wars and its decision not to join NATO in 1949 has had a significant impact on contemporary Swedish security policy. As a consequence, Sweden's security policy has been extremely stable for the past four decades. Specifically, it has attempted to pursue a policy which would promote détente and disarmament while at the same time maintaining a strong commitment to its own territorial integrity.

At the present time, Swedish security policy is facing a number of serious challenges. These challenges include the increasing cost of modern military equipment; the relative decline of superpower influence on all matters except strictly military ones and the increasing likelihood that both East and West Europe will seize the opportunity to "decouple" in various ways; the continuing crisis of the modern welfare state, both from below via popular movements and social disintegration and from above through the rationalization of multinational business interests and the technological revolution; and changes in the relative economic and military status of Nordic countries. On the last point, it is instructive to note that Norway and Fin-

land are growing faster in both military and civilian terms than Sweden and Denmark.

### Swedish defence spending

Between the end of World War II and the mid-1960s Sweden spent roughly 4.5 percent of gross domestic product (GDP) on defence. Since that time, defence budgets have remained static (barely keeping pace with inflation), while the economy has grown steadily. By 1986 defence spending had reached a postwar low of 2.8 percent of GDP. The consequence is that Swedish defence has been systematically eroded for the past twenty years. The defence budget for fiscal year 1987-88, set at 26.4 billion Swedish crowns (roughly US\$4 billion), was the first real increase in twenty years and promises a small but steady real increase over the 1987-92 period. The main focus of these additional revenues is the improvement of the Air Force in general and the new fighter aircraft construction program (JAS 39 Gripen) in particular. It is important to note, however, that the increases themselves are not very substantial — averaging only 1.2 percent in real terms over the next five years. and, while most defence analysts view this as a step in the right direction, these increases seem particularly small in comparison to increases in other Nordic countries which have been running about 3 percent per year. Moreover, this level of spending will not return Sweden to the 3.5 percent level which most analysts believe is the minimum real increase necessary to maintain a strong defence and credible policy of armed neutrality.

The argument here is not that Sweden will deviate from its policy of alliance-free in peace and armed neutral in war. Rather, as Stephen Canby has noted, the real question is "whether Sweden can continue to afford an *extrovert* strategy based on highly competent high-technology air and naval forces or whether she will have to shift to a putatively cheaper *introvert* strategy based on territorial defence. The former gives Sweden a politically visible presence and force projection capability that is a virtual prerequisite for maintaining the equilibrium of the Nordic system. The latter implies that Sweden will, at best, be able to defend her own territory, but not the Baltic and its air space. The first can affect external events and give weight to Swedish counsel; the second cannot. The first makes Sweden a contributor to the larger scheme of Nordic and global stability; the second views Sweden in a strategic vacuum, with implicit drawing rights on the strength of others ("Swedish Defence," *Survival* for May/June 1981). The recent decision to proceed with the development of a new generation of Swedish fighter aircraft, the JAS 39 Gripen, and the decision to purchase 30 of these aircraft (with an option on 110 more by the year 2000) suggests that the Social Democratic government is trying to reaffirm the traditional party commitment to a strong defence and an *extrovert* strategy.

### Swedish defence procurement

The official Swedish government position on procurement is that it must meet the requirements set out in both international and domestic law and that it follow the general guidelines established by the Ministry of Defence. With respect to the MOD requirement, the principal motives for a particular project must be in keeping with

general security norms, overall war requirements, the policy of neutrality, and economic efficiency. General procurement policy is based on the following criteria: open competition, minimum life cycle costs, economic independence and domestic economic benefit (the "Swedish profile"), strategic sources, and the potential for cooperation with other countries. There is no question, given these criteria, that domestic suppliers would have some advantage, though they are definitely *not* directly subsidized through defence contracts. Legally, defence purchases must follow the general rules established by the Procurement Ordinance. Here, the central or guiding principle is one of commerciality. The principle of non-discrimination is also embodied in the General Agreement on Tariffs and Trade (GATT), which Sweden is a signatory to. However, as elsewhere, a general exception is granted for procurement which is indispensable for national security purposes. The question which this begs, of course, is how the Swedish government determines what exactly is indispensable to national security. The implication is that it is possible to place contracts for the most advanced weapons systems and many other defence items with a Swedish producer even if foreign competitors can offer better conditions.

In contrast to this strict commitment to the principle of commerciality (and to the logic of commerciality) is the reality that a credible policy of neutrality necessitates the domestic sourcing of most material or the stockpiling of significant quantities of imported spare parts and other strategic materials. The latter is both costly and logistically problematic — not to mention politically unpopular. This would account for the recent decision to proceed with the next generation of Swedish fighter aircraft as opposed to buying a foreign plane "off the shelf."

In short, while defence procurement follows the government's official commitment to the principle of commerciality, the Swedish armed forces are often ready to pay a surcharge when acquiring new weapon systems in order to promote security and defence policy goals.

### Swedish defence industry

When speaking of "the defence industry" most analysts are discussing the aggregate industrial resources which are employed to develop, manufacture and maintain goods and services which are produced specifically for military applications and which do not have a civilian application. In Sweden, as other developed market economies, official statistics group industries by sector (such as automobiles or aircraft) as opposed to purpose. As a consequence, generalizations about relative levels of technology, export dependence, and research and development are difficult to determine. However, it is both possible and desirable to analyze specific national defence industries by exactly these criteria and to determine what impact they have on their domestic economies.

The Swedish defence industry can be summarized by the following characteristics. First, the industry is highly concentrated with five firms and their subsidiaries accounting for more than 80 percent of all deliveries to the Swedish armed forces. In addition, the majority of the remaining 20 percent is shared by another five firms. Second, with the exception of state-owned FFV, the companies involved are large, highly diversified, private, Swedish-

owned firms with significant civil divisions. Third, their level of dependence on military sales varies, but each makes a significant share of its domestic market profits through military sales. Fourth, the defence industry provides roughly 70-75 percent of all military equipment used by the Swedish armed forces. And, finally, export sales of military equipment represent a very small share of total exports.

Sweden's defence industry is very much directed at and by the needs of the Swedish military. There are a number of explanations for this, two of which are particularly compelling. First, as Sweden is not a member of a collective defence arrangement, sales to developed market economies who are NATO members are restricted. Second, Swedish law prohibits the sale of arms to countries which are involved in an armed conflict, countries which are likely to enter an international conflict, countries experiencing civil war, and countries which would be likely to use those materials for the suppression of human rights. According to Swedish law, the export of war materiel is forbidden unless the approval of the government is obtained. The feeling in official circles in Stockholm is that the government is prepared to ease up on these restrictions. However, the scandal associated with Bofors' record 8.4 billion SEK contract to supply the Indian Army with howitzers may have significant negative impact — especially since Bofors has openly admitted to circumventing Swedish law by "laundering" its export sales through Singapore.

### Defence spending and the economy

Generally speaking, military officials do not view the potential for industrial spin-offs or the possibilities for generating employment when making decisions about weapons acquisition. Their decisions tend to reflect concerns about such matters as effectiveness, compatibility with existing hardware and the adaptability to Swedish needs. They are concerned, however, with the long-term viability of the Swedish arms industry and its relationship to overall defence capabilities. The government (including the MOD) tends to think in broader terms. In addition to the concerns of the military, they must factor in the implications for foreign policy (in particular the policy of neutrality) and implications for the economy.

There are many direct and indirect benefits which result from the purchase of defence materials from domestic suppliers. In general terms, these include: a higher level of research and development than might otherwise be the case; the possibility of civil sector spin-offs; larger and more competitive firms; the opportunity to generate employment; and the possibility to use high technology Swedish defence products (such as the Viggen fighter aircraft) to showcase Swedish technology. There are also some significant costs. These are mostly social costs, or costs which reflect the alternate value of production.

Since most of the potential benefits derive from a single source, public spending on defence research and development (R&D), it is critical at this point to examine whether military spending is more R&D-intensive than civil sector spending, whether military R&D encourages additional civil sector production and whether military R&D offers technological leadership to the rest of the economy.

**Role of research & development**

Conventional wisdom suggests that the defence industry is more R&D-intensive than other industrial activities. For Sweden at least this appears to be the case. Most estimates put defence-related R&D at between 20 and 25 percent of all R&D carried out in Sweden and most suggest that defence-related R&D is significantly higher than comparable civilian R&D. Unfortunately, the bulk of these studies do not distinguish between defence and civilian R&D within defence industry companies and most do not compare these defence industry companies (most of which are very large enterprises) with comparable firms. These difficulties were overcome in a study prepared for Inga Thorsson's report to the Parliamentary Defence Committee in 1984. The study came to some interesting conclusions. First, the military divisions of defence industry companies did spend more money (as a percentage of value added) than all other groups. Second, the R&D intensity for the military divisions of defence industry companies almost doubled during the period. Third, there was a narrowing of the discrepancy between the spending of civil sector companies and the spending of the military divisions of defence industry companies. In fact, the civil sector companies actually increased their spending on R&D by a factor of three. Finally, the discrepancy widened between the civil divisions of defence industry companies and the military divisions of those companies. The implications here are quite clear. The development of defence materials is still considerably more R&D-intensive than comparable civil sector production — though the difference is narrowing — and the defence industry companies are devoting a larger and larger share of their R&D to defence production.

**Defence R&D spill-over**

The question now is whether this level of R&D in-

tensity has, either directly or indirectly, provided significant benefit to the economy. There is ample evidence to support the claim that defence industry companies are more profitable in their military divisions than their civilian divisions and that R&D carried out on the military side "spills over" onto the civilian side. Partly, this is a reflection of the fact that when it comes to basic technology there is no appreciable difference between civil and military technology.

There are, however, costs associated with the level of defence industrial preparedness which Sweden maintains. To begin with there is a loss in GDP growth as a reflection of defence expenditures. There are also considerable costs involved in the extensive training program for conscripts and in the stockpiling required for civil and economic defence. It is difficult to measure the value of these costs since they can only really be understood in relative terms and there is not an appropriate sector to compare defence to. In addition, it has been the practice of social democratic governments to "recover" some of these social costs. In particular, they have used the system of military conscription as an instrument of employment policy.

All in all, assessing the relationship between defence spending and economic well-being is an extremely difficult task. The continuing high level of Swedish economic "activity" is a reflection of many factors, including the unique relationship between capitalist production, social equality and economic well-being which the Swedes call the "middle way"; the opportunity and the willingness to innovate; effective employment policies; and a government committed to public spending on R&D. There is little question that the significant defence industrial capacity and defence-related R&D played a positive role in this equation.

**Conclusions**

This article has suggested that there is an extremely high degree of integration between the state and the defence industry in Sweden. While the state seems committed to the principle of commerciality the reality is that domestic suppliers have much greater access to defence contracts than their foreign counterparts do. The need to maintain industrial capacity seems to go well beyond calculations of national security. Independence, for Sweden, as measured by industrial capacity and advanced technology, is a source of both national pride and economic well-being. With respect to the implications of defence spending on the economy, the greatest value to the Swedish economy seems to be in terms of R&D. There appear to be significant civil sector benefits which accrue from a healthy and technologically sophisticated defence industry.

Moreover, Sweden seems to provide some interesting, if tentative, lessons for Canada. First, neutrality is a policy which logically derives from historical and geostrategic realities which do not fit the Canadian case. Second, small export-led economies with a reasonably well developed industrial base can successfully link defence spending with civil sector technology and growth. Third, not only is there a need for a coherent industrial policy in Canada, and the lesson from the Swedish case seems to be that open markets, a strong defence, and a clearer relationship be-



**NOTTAWASAGA INN**

When great minds meet they choose the  
Nottawasaga Inn Convention Centre  
and Golf Course . . . Naturally  
Box 1110, Alliston, Ont. L0M 1A0  
Book Your Convention Now!  
Call (416) 364-5068

tween industry and the state are not mutually exclusive phenomena.

There is some logic in the claim that increased defence spending must provide substantial economic benefits in addition to the added security benefits. It would follow from this logic that new capital projects could provide

the basis for a much stronger and more independent defence industrial base within Canada and that this development need not compromise either our relationship with the United States or with our NATO allies.

## NEW YORK - LONDON - KUWAIT



*That's what Kuwait Airways offers, and we do it three times a week—direct to Kuwait, in 747's.*

*So your clients have a choice of arriving in Kuwait the next evening, or breaking their trip in London. We also have excellent connections from Kuwait all over the Middle East.*

*And our new Oasis Class makes it even better business to use us. Our 19.5 inch base seats are among the widest available, and the footrests fold up for extra leg room. Your clients enjoy gourmet Middle Eastern and Continental cuisine served hot from a trolley on elegant china. Highly recommendable.*

KU 102		KU 101	
Tues., Thurs., Sat.		Tues., Thurs., Sat.	
2130	dep NYC	arr 1825	
900+1	arr LON	dep 1535	
1030+1	dep LON	arr 1425	
1920+1	arr KWI	dep 1030	



For reservations, call Kuwait Airways:  
 New York (212) 308-5454 or (800) 4-KUWAIT;  
 Chicago (312) 437-5455 or (800) 621-2175;  
 Houston (713) 626-1590 or (800) 231-6240;  
 Los Angeles (213) 627-1485 or (800) 252-2064;  
 Washington, D.C. (202) 296-4644 or (800) 424-1128;  
 Toronto (416) 926-1275. We're on Sabre and Apollo, too.



خطوط الكويت الكويتية  
**KUWAIT AIRWAYS**

Where east meets west

# Turkey's Kurdish problem

by H.J. Skutel

Encouraged by the instability caused by the Iran-Iraq war, Kurdish separatists are once again on the offensive in the Middle East. Strategically situated at the intersections of the Iran, Iraq, Syrian and Turkish borders, the Kurds, a more or less culturally and linguistically homogeneous Aryan people, have, for over a century, been waging intermittent war with various potentates and regimes in pursuit of self-determination.

There are an estimated twenty million Kurds in the Middle East, with another four hundred thousand residing elsewhere, mostly in Western Europe as "guest workers" from Turkey. But because of their geographical isolation, tiny representation abroad, and, so far, repudiation of indiscriminate acts of terrorism, they have never succeeded in generating an awareness of their grievances comparable to that enjoyed in North America by the Palestinians. Even the United Nations, whose Charter and various General Assembly resolutions extol the right to self-determination, has given them scant attention. Western states and Japan have been loath to anger Middle East allies and oil suppliers, and the UN's many Afro-Asian members are understandably fearful of the impact international support for separatist movements will have on their own fragile, multiethnic societies. Moreover, as the Kurds have already discovered to their dismay, the legal structure of the UN provides that only member states can bring a case before the General Assembly or the Security Council.

## Divided Kurds

Plagued by tribal disunity in the past, Kurdish separatists are now further divided into factions which have opportunistically allied themselves with the two Gulf antagonists, hoping thereby to wrest autonomous homelands from the war-enfeebled hands of their respective oppressors on opposite sides of the Iran-Iraq frontier. Not surprisingly, this situation has often resulted in Kurds killing each other.

A more radical goal is being pursued by a third Kurdish organization, the anti-Turkish, Marxist-Leninist Workers Party of Kurdistan (PKK), operating from bases in Iraq and Syria. In contra-distinction to the other groups, which seek autonomy within a national context, the PKK aspires to create a totally independent socialist state carved from Turkey's eastern provinces. Despite its ideological leanings, there is no indication that it is a creature of the Soviet Union. Since the summer of 1984 the PKK has been engaging the Turkish military in a guerrilla war, which, to date, has claimed over

600 lives, and, according to the authoritative *Middle East Times* of Nicosia, is perceived by Ankara as constituting the "most serious threat" to the "nation's unity and territorial integrity" in "the last fifty years."

Arising as it does during the Iran-Iraq war, whose potential for wider geopolitical dislocations grows daily more evident, the insurgency has forced Ankara to re-think, as never before, its attitude towards its Kurdish minority, comprising 20 percent of the country's fifty million people — the largest Kurdish population of any Middle East state. As will be seen, this reassessment has resulted in a more comprehensive application of existing security measures coupled with a far-sighted and beneficent scheme for attacking the socio-economic causes of Kurdish discontent. And because the Kurds are a transnational ethnic group, whose guerrillas and noncombatant sympathizers move surreptitiously across Turkey's rugged southeastern frontiers, and even threaten Turkish-related interests at a distance, decisions made regarding them have affected — and may yet affect in unpredictable ways — Turkey's relations with its neighbors, and even with Europe or other countries.

## Nationalist beginnings

It is generally believed by scholars that the Kurds are descendants of the Medes (the same spoken of in the Old Testament), who migrated into the Iranian plateau from Central Asia several millennia ago. They subsequently established themselves in a broad swath of territory stretching from western Iran to eastern Anatolia which, around the early thirteenth century, came to be called Kurdistan. However, it should be said at the outset that there has never been an independent Kurdish state coextensive with *all* of Kurdistan nor a Kurdish government with the authority to speak on behalf of *all* Kurds.

In the mid-seventh century the Kurds were forced to exchange their Zoroastrian paganism for the monotheistic creed of their Arab conquerors. In fact, from 1169 to 1250 the entire Muslim Middle East was ruled by the Ayyubid Dynasty of Egypt and Syria, founded by the most famous Kurd, Saladin. However, it was not until the rise of the Ottomans in the sixteenth century that the Kurds, left in relative peace and divided into scores of independent and semi-independent principalities and fiefdoms, began to develop a uniquely Kurdish literature and culture. This so-called "golden age of Kurdish feudalism" began to wane in the nineteenth century when the Turkish Sultan began to scour Kurdistan for the military manpower needed to shore up his faltering empire in the Balkans. Then, too, Kurdish hostility to Istanbul (the pre-Republican capital of Turkey) was exacerbated by the

---

H.J. Skutel is a Montreal freelance writer who contributes to the British fortnightly *Middle East International*.

fight  
Turk  
Kuro  
Upr

with  
Emp  
varie  
Kuro  
pres  
Teh  
insta  
their  
Fran  
thes  
initia  
later  
certa  
join  
and



and  
cate  
co-o  
emer  
Kurd  
colle  
Kurd  
and

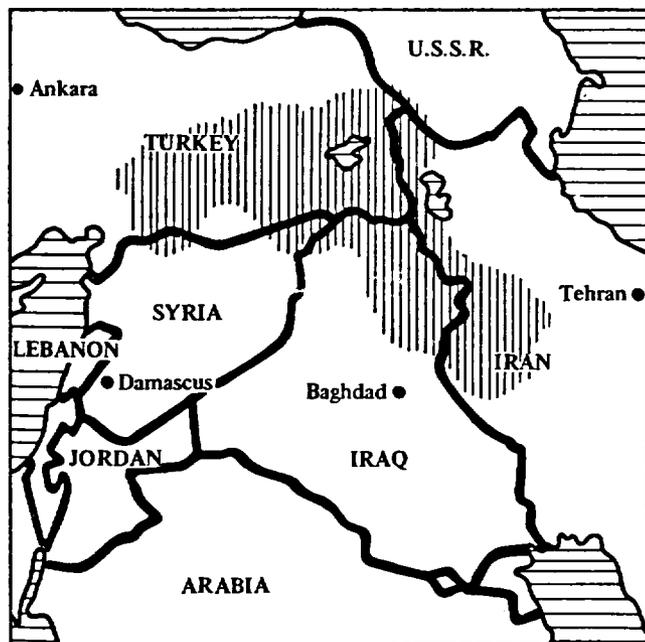
Rep

"Yo  
with  
torial  
Fath

fighting and pillage of the Russo-Turkish (1828-30) and Turko-Persian (1877-78) wars which devastated parts of Kurdistan.

### Uprisings galore

In response, there were over fifty Kurdish insurrections within the Kurdistan region of Persia and the Ottoman Empire during the nineteenth century. These were led by various charismatic feudal and spiritual figures who saw Kurdish independence as a way to protect their own hard-pressed privileges and to counter the incessant demands of Teheran and Istanbul for military conscripts. In nearly every instance, tribal self-interest and political naivete enabled their adversaries (sometimes with the help of England, France or Russia) to subdue them with bribes, deceit, or, when these failed, with military force. Their defeated leaders, initially feted in a sham ceremony of reconciliation, were later assassinated or sent into internal exile. Concurrently, certain Kurdish tribes, particularly keen for imperial largesse, joined Ottoman forces in the suppression of Armenian, Arab and Kurdish nationalists.



Regions inhabited by the Kurdish Nation

In a manner similar to that observed in other nationalist and revolutionary movements, it was from the better educated, aristocratic families of those Kurdish tribal chieftains co-opted by the Sultanate or exiled to Istanbul, that there emerged, at the turn of the century, the ideologues of modern Kurdish nationalism. Influenced by bourgeois liberal and collectivist ideas emanating from Europe, Istanbul's new Kurdish intelligentsia launched a spate of nationalist journals and associations, legal and otherwise.

### Republicanism and repression

The bloodless revolution initiated by the reformist "Young Turks" in 1908, and consolidated fifteen years later with the proclamation of a secular republic under the dictatorial presidency of Mustafa Kemal Atatürk, the so-called Father of Modern Turkey, marked the beginning of a singu-

larly brutal and methodically repressive period for the Kurds.

In part this was a function of a chauvinistic nationalism which envisioned a Pan-Turanic (Greater Turkey) stretching from the Bosphorus to the steppes of Central Asia, and whose enthusiasts (i.e., Minister of War Enver Pasha) advocated the deportation, if not liquidation, of all unassimilable non-Turkish minorities. Consequently, more than 1.5 million Armenians and 600,000 Kurds were exterminated during the years of the First World War by outright massacre and the privations suffered during forced marches to the hinterlands of the empire.

Again, the outrage felt by the postwar division of Turkey's Middle East possessions into spheres of influence for the victorious European Allies, coupled with the need to repel invasions by the French, Greeks, Georgians and Armenians during the "War of Independence" from 1919 to 1923, further heightened official apprehensions concerning any expressions of cultural particularity which might prove an additional threat to the territorial unity of the fledgling republic.

Nevertheless, this did not prevent the Kemalists, in this critical hour, from enlisting Kurdish support in fighting the foreigners, promising in return that Kurdish "national and social rights" would be recognized in the new Turkish state — and then cynically and duplicitously disavowing all such commitments when the danger had passed. "I believe that the Turk must be the only lord, the only master of this country," declared Minister of Justice Mahmut Esat Bozhurt in the Turkish daily *Milliyet* (August 30, 1930). "Those who are not of pure Turkish stock can have only one right in this country, the right to be servants and slaves."

By the end of the 1930s, following the large scale employment of poison gas, artillery and air bombardment, the last stubborn pockets of Kurdish resistance in Turkish Kurdistan were crushed. It is estimated that between 1925 and 1928 as many as 250,000 Kurds may have been killed and another million forcibly displaced during government "pacification" campaigns. Thereafter, the focus of Kurdish national activity switched to Iraqi Kurdistan.

### Some progress

In the aftermath of the Second World War (in which Turkey had remained neutral) there commenced a definite, if uneven, process of democratic reform conducive to the further development of a Kurdish national consciousness. This accelerated liberalization was due, in equal parts, to a popular revulsion for the authoritarian excesses of the past and a pragmatic need by Ankara, beset by serious economic difficulties, to ingratiate itself with the USA and Britain in hopes of obtaining financial and military assistance — the latter ostensibly to deter Soviet encroachment. Accordingly, Turkey sent two combat regiments to Korea (1950), joined NATO (1952), and in 1955 joined Iraq, Iran and Pakistan as a signatory to the anti-communist Baghdad Pact (later CENTO, now defunct).

Throughout the 1950s and '60s the nation's political life was stimulated by the proliferation of political parties and labor unions, not all of which remained legal. Thus exposed, Turkey's Kurds, and especially those who attended university or filled the ranks of the left-influenced urban proletariat, became aware of national liberation struggles elsewhere (i.e.,

Algeria, Angola, Vietnam). In 1965 the separatist Kurdistan Democratic Party was secretly formed.

By the end of the '60s, with Kurdish uprisings in Iraq and Iran threatening to spill over into Turkish Kurdistan, the judicial instruments were in place wherewith almost all expressions of Kurdish identity could be suppressed. Their bases lay in numerous articles of the Constitution which considered as sacrosanct the "indivisibility of the national homeland" and proscribed all parties or associations directed towards promoting any non-Turkish language or culture within Turkey. Hence, while there have been numerous parliamentarians, ministers and military officers of Kurdish origin, all Kurdish cultural organizations, and the use of the Kurdish language in schools, publications and the electronic media have been banned. Even Kurdish language tapes, records and printed matter from abroad are prohibited entry into the country. Recently court action was threatened against a popular Turkish singer for singing a Kurdish song at a concert in Sweden.

### **Pacifying the "Wild East"**

Until recently, Ankara has employed almost exclusively military means to thwart guerrilla infiltration and propagandizing in its eastern provinces. Beginning with special anti-guerrilla commando units in 1966, the country's military presence has grown to some 40,000 troops, deployed mostly along the frontiers with Syria and Iraq.

In 1984 Baghdad and Ankara concluded a "hot pursuit" agreement permitting Turkish air and ground forces to carry out operations against Kurdish rebels up to a distance of twenty kilometers inside Iraq. (One such highly effective air strike in August 1986 provoked Kurdish militants in Europe to try to assassinate the Turkish Consul in Hamburg.) This accord was reached as a result of Baghdad's need to concentrate the bulk of its regular army on the battle front with Iran. The insurgents, Iraqi Kurds (who number around three million), are members, for the most part, of the Kurdish Democratic Party (KDP) led by Masoud Barzani, whose late father, Mulla Mustafa Barzani, fought against the Iraqis for over thirty years.

In 1975, following the collapse of autonomy negotiations with Baghdad and the termination of assistance from the Shah of Iran (and, concomitantly, Israel and the CIA), the Soviet-armed Iraqis drove the KDP into Iran. In return for partial control of the Shatt-al-Arab, the waterway leading from the confluence of the Tigris and Euphrates Rivers to the Gulf, Teheran had pledged (Algiers Agreement) to end its support for the KDP. When the Iran-Iraq war began in the summer of 1980 (the consequence, in part, of Baghdad's attempt to reassert control over the entire waterway), the KDP found an eager new patron in the Ayatollah Khomeini. For its part, Baghdad has been aiding Iranian Kurds fighting for autonomy against Teheran.

### **Border Activity**

In February 1987, Kurdish insurgents disguised as Turkish soldiers crossed into Turkey from Iraq and killed fourteen Kurdish civilians in the village of Tasdelen. The slain, among whom were women and children, were relatives of men serving in a local government-sponsored militia. But whether the attackers were members of the KDP, PKK, or the lesser known socialist Patriotic Union of Kurdistan (PUK), all

of whom share a loose alliance, is still unclear.

Meanwhile, there is increasing speculation that the massing of Turkish forces in the east is in preparation for something more grandiose than guerrilla-chasing. Turkey obtains transit revenues and 45 percent of its oil from pipelines and tanker trucks passing through Kurdistan from the Iraqi oilfields at Kirkuk and Mosul (see map). Seized by Britain in the First World War, the oilfield region was made part of the British mandate over Iraq by the League of Nations in 1926, and today is home to some one million ethnic Turks. The younger Barzani has made no secret of his intention to destroy the one million barrels-per-day pipeline, which, in addition to serving the Turks, provides Iraq with a comparatively secure and economically vital conduit for its oil exports to the West. In recent months, raiding parties of Kurdish rebels and Iranian regulars have come uncomfortably close to Kirkuk and the pipelines. Turkish politicians have been speaking openly of the necessity of seizing the oilfields should the Iranians effect a decisive breakthrough, even if this entails clashing with Teheran, whose Islamic fundamentalism is feared by the secularists in Ankara. "The nation will thus no longer be in need of US and other foreign aid and will be well-off economically," declared Nuri Eren, a former Turkish diplomat. No one can deny that for a country whose economy is bedevilled by 30 percent inflation, 17 percent unemployment, and an annual expenditure of US\$4.7 billion to service its national debt, the attraction of controlling an Iraqi oilfield, once part of Turkey and worth some US\$13 billion a year, must be very great.

### **Syria-Turkey relations**

More difficult have been Ankara's efforts to obtain an anti-guerrilla agreement with Syria, with whom it shares a 1,200 kilometer border, and whose own Kurdish minority of 900,000 seems (like those in the Soviet Union) well-integrated and relatively content. The two countries have been at odds for decades on the question of Cyprus, the PLO leadership, diplomatic recognition of Israel, and a persisting claim by Syria to territory ceded to Turkey by France in 1939 when it was administering Syria under a League of Nations mandate. Most worrisome to Damascus has been Ankara's giant Ataturk Dam, which, by the time it is fully operational in the early 1990s, is expected to divert half of the 26.6 trillion liters of water that the Euphrates carries into Syria every year. All of these issues, it is felt, have fostered in Syria an indifference to, if not active support for, numerous anti-Turkish groups (communists, Armenians, Kurds) which, over the years, have reportedly been organizing and training in Syria or Syrian-controlled Lebanon. According to Turkish intelligence, Abdullah Ocalan, leader of the 3,400 strong PKK, has his headquarters in Damascus.

Finally, on July 17, 1987, following the first visit by a Turkish Prime Minister to Syria, the two governments signed an "economic and security cooperation" agreement. While its details have not been made public, quoted sources in Washington feel confident that a "water-for-security" arrangement was reached, whereby Syria would clamp down on the PKK in exchange for an assured flow of Euphrates water.

### **Sweetening the Kurds**

The water diversion, about which the Syrians have been so distracted, is an integral part of Ankara's Southeast Anato-

lia Project (GAP), a 30-year development plan for Turkey's impoverished Kurdish provinces. Here the unemployment rate is 30 percent and the annual per capita income US\$320.

Officially launched in the spring of 1986, the projected complex of roads, railways, dams and hydroelectric power plants will, upon completion in 2016, bring water and energy to some 74,000 square kilometers. Agronomists believe the resulting irrigation of vast tracts of arid land will transform the region into "the breadbasket of the Middle East." Too, there is potential for mining and industry, as the area contains significant deposits of oil, phosphates and metallic minerals. And while the words "Kurd" and "Kurdistan" were, predictably, omitted from official communiqués concerning GAP, it is understood that Ankara hopes the project will decidedly reverse the economic stagnation which has helped nourish separatist sentiment in the traditionally volatile region. "The ill-fortune of the people of southeastern Anatolia will be broken soon," were the carefully chosen words of Prime Minister Ozal at a June 1986 ceremony at the Ataturk Dam.

### Europe plays tough

Unfortunately, GAP's success and that of other contemplated projects may hinge on Turkey's ability to attract massive infusions of foreign capital. Towards this end, Ankara made formal application for membership in the EEC in April 1987. It was Ankara's way of convincing prospective investors that Turkey — its Muslim heritage notwithstanding, and already a member of NATO — is a stable, Western-oriented state. Nevertheless, Turkey's prospects for acceptance seem dim. The country's reputation is sullied by recollections of past political turmoil (three military coups since 1960) and recurring accusations of electoral and human rights abuses. A more weighty consideration, perhaps, is the anticipated flood of Turkish workers who would come freely to Western Europe, augmenting the 1.8 million already there, many of them unemployed.

Particularly ominous was a June 19 resolution by the 518 member European Parliament, whose assent in this matter the EEC must obtain, which called on Turkey to withdraw its 35,000 troops from Cyprus, accept responsibility for the Armenian genocide, and recognize the existence of a Kurdish "entity" in Turkey. By criticizing the Turks on precisely those positions about which they are most sensitive (and intractable), it seemed in Ankara that the Europeans were setting the price for full economic partnership with them prohibitively high.

"NATO is supposed to defend the territorial integrity of its members. But members of the alliance want now to give parts of Turkey's territory to others," was the angry response of Turkey's pro-Western President Kenan Evren. "Even the Warsaw Pact has no such demands. What kind of alliance is this?"

And, then, as though to confirm Turkish fears that the EP resolution would encourage anti-Turkish terrorists, two days later Kurdish guerrillas killed thirty civilians, including sixteen children, in the village of Pinarcik near the Syrian border. Interestingly, some members of the Kurdish national movement abroad insist that, in this instance at least, the attack was engineered by the Turkish military as a way of discrediting the PKK and providing a pretext for more intensive repression.

### Continuing turmoil

The Iran-Iraq war makes urgent the need for Ankara to explore fresh approaches to its relations with its Kurdish minority. Kurdish nationalists are now hoping for a Turko-Iranian war which would allow all the movements to strike simultaneously at their respective governments. In the event, could Turkey count on the loyalty of its Kurds? On the restraint of Greece in the Mediterranean? But whether or not such a confrontation materializes, the yearning of Turkey's Kurds for some measure, at least, of cultural and linguistic recognition will not subside. In Europe's industrial centers, Kurdish "guest workers," awed by the cultural diversity and material wealth around them, are being recruited into militant nationalist organizations.

Whatever its outcome, Ankara's initiative to eradicate the deprivations afflicting the southeastern Kurds is a practical and humane step in the right direction. But if it is to have any enduring effect it must be accompanied by a forthright and unequivocal acceptance of Kurdish ethnicity in all its particulars. After all, over two decades of health and material improvements on the occupied West Bank of the Jordan River have done little, if anything, to dampen Palestinian nationalist fervor. The racist Pan-Turanic spirit, which continues to confound Turkish policies toward the Kurds, must be decisively exorcised. In the absence of such changes, the PKK or other extremist groups will continue to impose a debilitating drain on Turkish lives and treasure. □



**\$95** CORPORATE RATE  
FOR BUSINESS TRAVELERS

Convenient Booking. We're in your Computer

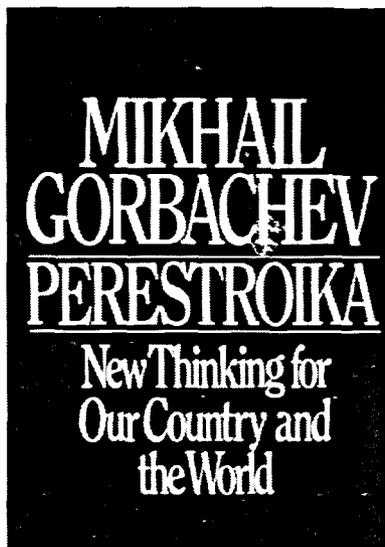
AA-10451 TW-33052 EA-NYC052 DL-08557 UA-06437



Call Sal Puccio, Director of Sales (212) 869-3600.  
Or toll-free 800-522-6449. Outside New York 800-221-2690.  
270 W. 45th St., New York, NY 10036.



# Book Reviews



## Can Gorbachev do what Khrushchev couldn't?

by J.L. Black

**Perestroika. New thinking for Our Country and the World** by Mikhail Gorbachev. Markham, Ontario: Fitzhenry & Whiteside (original publisher Harper & Row of New York), 1987, 255 pages.

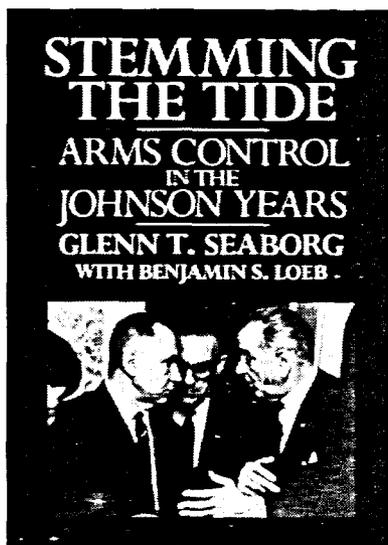
**The Soviet Union in Transition** edited by Kinya Niiseki. Boulder, Colorado: Westview Press, 1987, 243 pages, US\$34.50.

The dramatic process of "reform" in the USSR has been a boon to both the big publishing houses and to the sovietologists whose opinions appear regularly in print, or who provide "color commentary" (sometimes also called "analysis") on television. Keeping up with "transition" in the USSR is a much more demanding task than it used to be, and the announcement of yet another collection of essays filled with learned pronouncements may evoke either ennui or despair. There is a certain irony in reviewing these two books together. One is the proceedings of an October 1985 conference about the Soviet Union in transition. The other, published slightly more than two years later, both states and demonstrates Mikhail Gorbachev's formula for transition in the USSR. Since his single speech in Vladivostok in 1986 resulted in an entire volume of Western analysis, one shudders at the amount of writing Gorbachev's *Perestroika* will stimulate. No matter how unifying their themes may be, collections of essays pose specific problems to reviewers. The

most common of these is an unevenness in quality and focus. Conference proceedings provide further dilemmas, among them the question of timeliness. In both types of publication, however, such drawbacks may be overcome by their variety in insight and approach, and the encompassing nature of their treatment of the subject.

Niiseki's book epitomizes both the advantages and disadvantages of such works. Things have been happening so quickly in the USSR, that much of the "prediction" which social scientists like so much has since been proven to be correct, incorrect or irrelevant. Thus, it seems terribly pass to be reading a new book about Gorbachev's USSR and finding no references in it to "glasnost," "perestroika" or the 27th CPSU Congress. Some of the articles take the form of general introductory talks, others are carefully documented. They range from seven to twenty-six pages in length. There is no index; and, it seems, there has been no revision of the pieces between the conference and the publication. A few of the items were "old hat" (e.g., Meissner, Ito) even at the time of the meeting; and some seem to contradict each other (e.g., Bialer and Meissner on the issue of nationalities).

Nevertheless, the range of subjects is important: the USSR in a "changing world," East-West relations and Europe; "Gorbachevism," leadership issues within the USSR, economic trends, the USSR and Eastern Europe, continuity in Russo-Soviet behavior, the Soviet military, US/USSR rivalry in East Asia, Soviet policy towards Korea, Japan and China. The cross section of contributors and the areas they represent is unique as well: five of the twelve contributors are employed with Japanese institutions, three are located in Western Europe, and four at US universities. There is also an interesting area of agreement, that is, by 1985 almost every writer who dealt with the question of change was



emphasizing the importance of Gorbachev's style, as distinct from his substance.

*Perestroika* is the most recent embodiment of that style. It has been announced with great fanfare, both at home and abroad. It includes an account of "perestroika" as a policy at home, and a description of its multiple components: "glasnost," economic reform, cost accounting (which had to be defined in a footnote so that Soviet readers could learn what it was), democratization – and the effects Gorbachev hopes it will have on trade unions, youth, and women and the family. The ideological foundation of "perestroika" is attributed directly to Lenin, whose "last works," Gorbachev says, show that when "socialism was encountering enormous problems...methods which did not seem to be intrinsic to socialism" must be utilized! This may well be the most important observation in the book. In the second half of his book, Gorbachev discusses the implications of Soviet "perestroika" for the rest of the world. He objects vigorously to the notions of a "Soviet threat" or the "hand of Moscow" which, he says, have warped Western responses to Soviet past initiatives. He insists that Soviet foreign policy is now to be rooted in openness and "dialogue." He decries past Soviet mistakes, e.g., Stalin's "personality cult and its consequences," Soviet relations with Yugoslavia in the Stalin era, and the disruption of friendly relations with China and Albania. But he justifies the "blunders and excesses" of collectivization, and denies implicitly the secret protocols affixed to the Nazi-Soviet Pact of 1939. China is invited to work with the USSR in improving their relations. "Common interests" within the socialist world are stressed. Although historical analogy is all too often a misleading and abused practice, one cannot help but read Khrushchev into much of this book.

In regional conflicts around the world, the USA generally is treated as the aggressor power and the USSR as a moderating influence. In Afghanistan it is "American interference [which] delays the withdrawal of our troops," and the US actions which are "immoral and totally unjustifiable." Special attention is allotted to India, and

the desirability of "separate roads to socialism" are highlighted regularly (still more of Khrushchev!).

Gorbachev summarized many of these matters during his televised interview with Tom Brokaw on December 1. But "glasnost" faltered even then, when Soviet reports omitted his words about discussing matters of state with his wife. Those sections also were deleted from an official transcript of the interview which was released by Soviet embassies around the world. No one should care whether he discusses matters with Tom Brokaw on December 1. But "glasnost" faltered even then, when Soviet reports omitted his words about discussing matters of state with his wife. Those sections also were deleted from an official transcript of the interview which was released by Soviet embassies around the world. No one should care whether he discusses matters with his wife or not. This and other such Hollywoodish trivia should not be featured ad nauseum, as they are, by our media either; they distract from the important matters, including Gorbachev's concluding call upon the world to follow his example. But accuracy in reporting is the only real test for "glasnost."

One of the most intriguing aspects of the entire second part of the book is its "mirror-image" context. Replace a few names here and there, and this section could be Ronald Reagan writing about the USSR! Gorbachev does not consider the USA to be an "evil empire," he says; but he does blame the USA for almost everything. In some cases he is right – in other cases he is wrong – but the problem of mutual perception and misperception is one of the fascinating and worrisome features of the book. It is not the level of correctness in his analysis which would hold the attention of his readers, it is the limitations of his own belief system.

What does this all mean? *Perestroika* is a political speech, and we have learned to be cynical about such expositions from our experience with our own politicians. But this book is very important both because it represents an astonishing platform for the USSR, and because we now have explicit widely-touted promises against which to test Gorbachev's actions. If he can

achieve his expressed ambitions, the world will be a much better place to live in.

*J.L. Black is Director of the Institute of Soviet & East European Studies at Carleton University in Ottawa.*

## Waiting for arms control

by Leonard V. Johnson

**Stemming the Tide: Arms Control in the Johnson Years** by Glenn T. Seaborg with Benjamin S. Loeb. Toronto: D.C. Heath Canada (Original publisher D.C. Heath and Company of Lexington, Massachusetts), 1987, 498 pages, US\$24.95.

Arms control, not to be confused with disarmament, seeks to reduce nuclear competition by bringing about lower and more stable levels of nuclear weaponry, by eliminating the more provocative and dangerous weapons and deployments (such as the SS-20 and Pershing II), by preventing such things as an arms race in space and competition between offense and defence (as between Star Wars and more Soviet offensive weapons), and by attempting to nurture common security in place of deterrence dependent on military threats. Its aim, as Representative Les Aspin has stated it, is "to reduce the chance of nuclear war breaking out."

Nobel Laureate Glenn T. Seaborg, the principal author, was Chairman of the US Atomic Energy Commission from 1961 to 1971. In that position, and as member of an intra-governmental Committee of Principals, he participated in the development of US arms control policy from the Limited Test Ban Treaty (LTBT) of 1963 to the Non-Proliferation Treaty of 1968 and preliminary work on SALT I. His book is an illuminating account of US arms control policy since 1945, including the intra-government, inter-alliance, and international political minefields that had to be negotiated to reach even limited agreements. It will be of value to anyone attempting to gain perspective on the recent US-Soviet

A LIFE  
IN  
PEACE  
AND  
WAR



BRIAN  
URQUHART

agreement to eliminate medium range missiles and the ongoing negotiations on strategic arms reductions.

The Limited Test Ban Treaty was a disappointment to John Kennedy, who, like Eisenhower before him and Macmillan of Britain and Khrushchev of the USSR, wanted an outright end to nuclear testing. To gain the support of the US Joint Chiefs of Staff for the LTBT, Kennedy was forced to commit himself to a vigorous underground test program, active operation of US weapon laboratories, continued readiness to resume atmospheric testing, and improvement of national technical means for detecting Soviet treaty violations. In the judgment of its critics, the treaty has only validated continued testing. Moreover, the critics contend, the absence of mushroom clouds and fallout from atmospheric testing has reduced public concern which might have ended the nuclear arms race.

The Non-Proliferation Treaty (NPT), an accomplishment of the Johnson administration, has been somewhat more effective, even though it has not yet led to the "negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control" called for in Article VI of the Treaty. Contrary to pessimistic predictions that there would be thirty or more nuclear powers by now, there are still only five confirmed members of the club and perhaps several more with secret weapons or near-nuclear capability. Whether this can be attributed to the NPT is not so clear, however, for such suspected or near-nuclear powers as Argentina, Brazil, Israel and the Republic of South Africa have not signed the treaty. It seems likely that the burdens of nuclear weapons — of which the costly and militarily useless British and French independent nuclear forces are prime examples — have been at least as important as the NPT in impeding nuclear proliferation. From the record, it is hard to prove that arms control has made the world any safer. The nuclear arms race has reduced the warning time of an attack as weapons have become swifter; human control has yielded to the com-

puter as warning times have shrunk; each side has grown nervous of the other's first-strike capabilities; the political atmosphere has been poisoned by fear and distrust, thus reinforcing repressive and militaristic tendencies in both societies (what psychoanalyst Joel Kovel aptly calls "The State of Nuclear Terror"); there is increased potential for omnicide, (the death of all living things); trillions of dollars in military outlays are now buying only increased insecurity, and the likelihood of nuclear war has been increasing. And yet we do not know what the world would be like without the treaties, and especially without the Anti-Ballistic Missile Treaty and SALT II. "Bad as things are," Seaborg writes, "I believe that without the effects of those agreements they would be far worse."

A committed advocate of a comprehensive test ban, Seaborg considers it essential to seek reasonable arms control accommodations with the Soviet Union. Arms control depends, he observes, on presidential involvement, for progress has occurred only when the President has taken a personal and affirmative interest. Excessive deference to military and other experts has been an obstacle, as when Kennedy yielded to the Joint Chiefs of Staff on the Limited Test Ban. Arms control is a political matter and, although there are technical considerations to be taken into account, they are not paramount. Another condition of success is the quality and vigor of the debate on arms control, for decisions on transcendent issues must be made ultimately by an informed populace. A public which is uninformed, apathetic or manipulated by propaganda is impaired in its ability to fulfill its democratic responsibilities. There must be an end to posturing to score propaganda points, to the pursuit of the arms race behind a facade of pretending to oppose it, as both superpowers have done. No lesser issue — be it human rights, Afghanistan or whatever — must jeopardize the quest for the arms control on which human survival now depends.

*Leonard V. Johnson is the author of A General for Peace. He lives in Westport, Ontario.*

FOUR DAYS OF  
COURAGE

The Untold Story of the Fall of Marcos



BRYAN JOHNSON

## A noble servant

by Firdaus James Kharas

**A Life in Peace and War** by Brian Urquhart. Markham, Ontario: Fitzhenry & Whiteside (original publisher Harper & Row of New York), 1987, 390 pages, \$36.50.

Any person who could spend his entire professional career at the United Nations must surely be the quintessential chaser of dreams with a vast patience for enduring the most demoralizing frustrations. Sir Brian Urquhart's autobiography, *A Life in Peace and War*, exudes the spirit of service for an improbable ideal, the maintenance of international peace and security.

It is the vogue nowadays all too quickly to dismiss the record of the United Nations in fulfilling its primary function to keep "succeeding generations from the scourge of war," and to focus instead on the extensive programs and activities directed towards economic development and justice. Here is a litany, by chapter and verse, of the efforts undertaken to keep the peace. Here then is the antidote to the cynics, the mitigator of the skeptics.

Urquhart traces his entire life, from birth to almost the present day. The reader has to tolerate ninety pages before his professional career begins. One develops an impatience to reach the substantive part of the book. He recalls his parents, particularly his mother. His reminiscences about his early childhood are tedious, except when he refers to his early education in international affairs and participation in the League of Nations Summer School. He remembers his attendance at those most establishment of British institutions, Westminster School and Oxford University. We are subjected to unnecessarily long tracts of travelogue about the countryside in Dorset and life in the army during World War II.

The fascinating account of the longest serving member of the UN Secretariat then begins. It is a story no one else could tell, since there is

no other who watched the entire evolution of the UN from the inside so close to the core. Urquhart served all the Secretaries General directly and his assessments are uncompromising. Trygve Lie is described as a man out of his depth. U Thant receives surprisingly high praise as a decent, brave and responsible man. Kurt Waldheim is depicted as a living lie, an energetic, ambitious mediocrity. Javier Perez de Cuellar is noted as a quiet, highly intelligent and civilized man. The maximal laudation is reserved for his close friend Dag Hammarskjold, who, it is said, was an exceptional man with a strong and independent sense of mission.

There are other interesting insights into the personalities of so many who shaped world history. There is a portrayal of Henry Kissinger, that consummate adherent of realism, as an advocate of the necessity and importance of the UN.

Above all else, this book is about peacekeeping. Although peacekeeping forces are not mentioned in the Charter, they are a durable innovation that has given an ability to the international community to tangibly contain hostilities. No one did more for the development of UN peacekeeping forces than Brian Urquhart. He outlines in welcome completeness the establishment and operations of all the main peacekeeping forces, particularly the UN Truce Supervisory Organization, UNEF I and II and UNDOF in the Middle East, UNFICYP in Cyprus, and UNIFIL in southern Lebanon. He also describes the Congo operation in somber detail.

The civilian operational commander of most of the UN peacekeeping forces, Urquhart repeatedly lays down the rules of such forces. He states emphatically that peacekeeping forces must have a clear mandate, the support of the international community, and the cooperation of all the parties to the conflict. He argues persuasively that U Thant had no option but to withdraw UNEF I when requested to by Nasser just before the Six-Day War of 1967, although other countries, notably Canada, insisted on its right to stay. He contends that peacekeeping forces must remain neutral and passive, never taking part in any offensive action no matter what the

provocation. The force must never be more than the symbol of the will of the international community.

Towards the end of his book, Urquhart discusses the current deep political and financial tribulations enveloping the United Nations but offers no prognosis. In an epilogue that is both despairing and hopeful, he challenges that the work be continued and intensified.

But how and by whom? Are there still Brian Urquharts left who could write with honesty that to work for peace was a dream fulfilled? Are there persons of such devotion and constancy that they will dedicate their lives to the abstract principle of serving humanity? Are there such admirable people laboring today?

*Firdaus James Kharas of Ottawa is the past Executive Director of the United Nations Association in Canada.*

## The Philippines' "FourDays"

by David Wurfel

**Four Days of Courage: The Untold Story of the Fall of Marcos** by Bryan Johnson. Toronto: McClelland and Stewart, 1987, 280 pages, \$24.95.

Bryan Johnson has written the best book yet to appear on the People Power "Revolution" which brought the fall of Ferdinand Marcos. Based on the author's first-hand observations and extensive interviews with participants afterwards (as a Canadian reporter) this is a gripping, colorfully written account by an unabashed Filipinophile. In fact, though others' accounts of February 1986 have been published more recently, they do not significantly alter the recitation and interpretation of events by Johnson.

Though the title is *Courage*, which he documents on page after page, Johnson weaves the numerous examples of human frailty into a balanced and credible history. The author displays throughout an awareness of and sensitivity to Filipino cultural nuance that is quite unusual in current journalistic coverage of the Philippines. In fact,

for anyone wanting to know the country: "The Philippines seems so Westernized that foreigners are easily fooled into thinking they understand the place."

Johnson admits to being quickly impressed with the overwhelming importance of the role of the Catholic Church, and especially Jaime Cardinal Sin, in determining the outcome. Though the ouster of Marcos was firstly the result of military action, after a long-planned coup plot was discovered, the clumsy military improvisation would not have succeeded without the popular participation triggered by the Church. The author also notes the way in which so many Filipinos viewed the outcome as "a miracle," "an act of divine intervention."

But Johnson does not ignore the human dimension, deftly implying that the supernatural was sometimes a cover for mundane intrigue not easily admitted. The military plot was known to the US Embassy and probably also to Cardinal Sin long before it was discovered by Marcos — in fact, the Reform the Armed Forces Movement (RAM) believed that Americans were the source of the leak. American involvement was considerable, on both sides, but despite indications from more recent research of cautious Defense Intelligence Agency/Manila encouragement to RAM, Johnson documents that Washington authorized no concrete assistance to the rebels until they were practically victorious. Yet, complained Colonel "Gringo" Honasan later, the US "wants to take the credit and create their own version of what happened."

Nor does Johnson allow any credibility to the Reagan statement that "The one thing [Marcos] did not want was bloodshed...so he left rather than permit that." The elaborate charade on live TV, where Marcos appeared to be restraining the bloodthirsty General Ver, concealed the fact that the president had already ordered his troops to fire on civilians; it was only the moral scruples and practical difficulties of his field commanders that prevented thousands of casualties.

The courage of unarmed civilians confronting the tanks with "echoes of Gandhi" is the theme of the book, but Johnson apparently did not know that some of those civilians, especially members of religious orders, had

been explicitly trained in non-violent action by American and European Gandhians brought in with the assistance of Cardinal Sin. (A military coup has been one of the possibilities for which they prepared in 1985.) There was much in those fateful days that was entirely spontaneous, but not all that appeared so actually was.

In any case, this is an admirably insightful account of a turning point in Philippine history — of events unique in the Third World. It may be years before research can unravel the still remaining puzzles of those amazing Four Days.

---

*David Wurfel is Professor of Political Science at the University of Windsor in Ontario.*

## Predicting the consequences of crisis

by Ernie Keenes

*Crisis and Change In World Politics by Michael Brecher and Patrick James. Boulder, Colorado: Westview Press, 1986, 160 pages, US\$23.50.*

This book is about an interesting and important subject: change in the nature of the international system brought on by crises. The book is timely because there is a cumulating sense among academics, journalists, political leaders, and not least of all among the people, that some kind of significant change is imminent. The authors, both of whom teach at McGill University, make the earthquake the metaphor. The question is, given the world as a fault line, will the technoplates grind on with minor jolts, or will we test the upper limits of the Richter scale, and with what consequences?

The main hypothesis which the research is meant to test is a simple one.

It is that "the higher the severity of an international crisis . . . the greater will be the importance of a crisis, that is, the greater will be the extent of system change." A data set has been created of 278 cases of crisis over the half-century 1929-1979, from which indicators of crisis severity are derived. Severity is greater if a crisis, for example, involves more states, more superpower or great power states, has geostrategic significance, involves states of great military, economic, political, and cultural heterogeneity, is about military issues or a complex mix of issues, and, finally, involves more rather than less violence. A crisis is important — that is, it will entail change in the nature of the system — if in the outcome there is a change in the distribution of power, if there are changes in the nature of the regimes of states involved, if some states appear or disappear as a consequence of the crisis, if the norms, principles, and rules of law or custom internationally are altered by the crisis, and, finally, if alliances are altered by the crisis.

It is not surprising that the authors report results which support the hypothesis, given the tautological relationship between the dependent and independent variables. They find that 80.2 percent of high severity crises scored high in importance, and 78.5 percent of low severity crises scored low in importance. The analysis of the data turns up a number of interesting insights, apparent anomalies, and affirmations of previous research. For example, they observe that crises in Africa scored relatively low in importance, and that the failure of the Berlin crisis of 1957 (very severe) had little importance. On the question of rationality and war initiation they find that "when crises are severe states are more inclined to fight in a situation of uncertainty about the power balance, indicating a possibility of winning a war." It is noted that crises tend to persist when issues in conflict remain unresolved, but that "violence was the pervasive crisis management technique." Specialists will find a number of such observations to support or undermine existing hypotheses.

The real question to be asked about this book, however, is its usefulness or relevance. Along with description and analysis, it is the purpose of the

authors to facilitate predictions about the long-term consequences of systemic crises, to anticipate the likely consequences of future crises and to act in accord with the interests of world order. It has been the conclusion of previous researchers working with major data analysis exercises in the behavioral fashion that such prediction as may be attempted is of interest only to technocrats in the vast war bureaucracies of the superpowers and their allies, and is of little use to policy makers. Few who are concerned about world order will be convinced by the analysis which conceptualizes order in the international system as (in)stability of the volume of interactions within or without "normal fluctuation range," and (dis)equilibrium as the quality or significance of changes in numbers of essential actors or the distribution of power beyond reversible parameters.

The stakes involved in the issues with which this book deals — crisis, war, change, and world order — overwhelm the contributions which this book makes to the literature.

*Ernie Keenes is in the Department of Political Science at the University of Victoria in British Columbia.*

## Pages of lists

by Donald Barry

*A Bibliography of Works on Canadian Foreign Relations, 1981-1985 compiled by Jane R. Barrett, with Jane Beaumont and Lee-Anne Broadhead. Toronto: Canadian Institute of International Affairs, 1987, 157 pages, \$20.00.*

This is the fourth in a continuing series of bibliographies on Canada's postwar external relations, published by the Canadian Institute of International Affairs. The three earlier volumes included works which appeared during 1945-70, 1971-75 and 1976-80. Like its predecessors, the current bibliography is certain to become an indispensable research tool for students of Canadian foreign policy.

The editors have done an impressive job. The selection is comprehensive; the entries are arranged under easily accessible subject and author

headings. There are a few curious omissions. "International Canada," the bimonthly summary of developments in Canadian foreign policy, which appears as a regular supplement to *International Perspectives*, is not mentioned. In addition, authors and titles of chapters in edited books on Canadian external relations are only intermittently identified. Nevertheless, this is a volume that can be profitably consulted by anyone who has a serious interest in Canada's foreign policy.

*Donald Barry is Associate Professor of Political Science at the University of Calgary.*

## A war biography

by Courtney Gilliat

*Air Force spoken here: Ira C. Eaker & the Command of the Air by James Parton. Bethesda, Maryland: Adler & Adler, 1986, 557 pages, US\$24.95.*

Any airman, scholar or layman with an interest in the growth and development of air power will find this an absorbing book. It is more than a biography of General Ira C. Eaker, it is a history of the development of military aviation and of air power in the United States from the end of World War I to the end of World War II.

Eaker enlisted as an infantryman directly from college on the day in 1917 that the US declared war on Germany and later became a pilot in the US Air Corps and a Regular Army officer. His first post was to Rockwell in California where he met "Hap" Arnold, the Base Commander and Tooey Spaatz, his executive officer. Both men were to have a major impact on Eaker's career and they became lifelong friends and role models for Eaker.

Eaker was fortunate in his assignments. He saw at first hand, especially from 1935-1939, the struggle between the advocates of air power and the General Staff. The Army and Navy jealously guarded their resources for their own priorities. As a result, the Air Corps was starved for funds. In 1939 there were only 19 B-17s available; the funds for an order of 108

aircraft had been cancelled earlier.

At the time of Pearl Harbor, Eaker was in California with a fighter group and was immediately placed in charge of fighter defences for the whole Pacific Coast. In January 1942 General Arnold summoned him to Washington where he was given the task of creating the VIII Bomber Command in the United Kingdom. Eaker had a tremendous task requiring great diplomatic and negotiating skills, as well as those qualities required of an operational commander. He faced two difficult problems. First to convince the British of the validity of the concept of precision daylight bombing versus the night area bombing of the RAF, and second, to ensure a buildup of his strategic force to an effective strength. It was not until the Casablanca conference in January 1943 that he obtained the complete backing of both the RAF senior staff and of Churchill for the American strategic bombing plans.

Aircraft losses were high but not prohibitive in deep attacks against German targets. On the two Schweinfurt raids the losses were 15 percent and 19 percent with just over 300 aircraft per raid. Once the P51 Mustang was in service it was possible to escort bombers all the way to Berlin and back which greatly reduced aircraft losses. In early 1944 Eaker became Commander in Chief of the Mediterranean Allied air forces. There he organized the shuttle raids to Russia, bombing German, Romanian and Hungarian targets en route.

Eaker had great qualities as an operational commander and leader of men. He was also a skilled diplomat, as was shown in his ability to quickly gain the trust and confidence of the RAF senior staff and of the British government leaders. He had great inherent executive talent in creating a viable strategic air force in a very short period of time. One does not read or hear much about General Eaker, perhaps because he was not a Montgomery or a Patton, but his contribution to the cause of air power and to the winning of World War II was second to none.

*Courtney Gilliat is a retired Canadian military officer living in Ottawa.*

# Letters to the Editor

Sir,

The questioning title of J.A. Bayer's article in your September/October 1987 issue, "Is there life after NATO?" is a question that can be asked to help stimulate a healthy debate about our country's defence and foreign policies. The article itself was disappointing, many of the arguments being incomplete, one-sided or misleading. I take issue with only four of them.

Professor Bayer states "the united front posed by NATO likely has had the opposite effect of making the Soviets less willing to conclude agreements, reinforcing the traditional Russian paranoia regarding the hostile intentions of the world beyond its borders." The recent significant agreement signed by Reagan and Gorbachev, and related developments, tend to disprove Professor Bayer's assessment. Notwithstanding that, he did not present the other side of that point, indicating that NATO disunity could tempt the Soviets, or any totalitarian government for that matter, to make more aggressive moves — political, military, or economic — outside its own borders or areas of influence. Furthermore, in the case of the Soviet Union, we would be naive to discount the views of East and Central European immigrants who have had direct dealings with the Soviets and who indicate that what the Soviets understand well and respect is strength.

Professor Bayer contends that prior to the creation of NATO, "Canada avoided joining with family members in binding collective security arrangements and military alliances, precisely because Ottawa feared the consequences of such commitments." His reasoning is spurious at best and reveals a lack of understanding and knowledge of some major events and developments in our country's history! Prior to 1949, Canada was part of the British Empire, membership in which involved us in conflicts, and automatically so

prior to 1931! Our involvement in these conflicts was undertaken with dutiful commitment, in the major instances, against totalitarian and militaristic regimes. The Empire was a form of collective security. "Avoiding" alliances was not even an issue!

The wording and choice of comparisons that Professor Bayer chooses when discussing the neutrality of Finland and Austria, and suggesting a similar possibility for Canada, is very curious. "What the Soviets have allowed Finland and Austria to do..." is a simplistic interpretation of historical reality and is misleading by the use of the verb "allowed." Circumstances were much more complex than Professor Bayer acknowledges. The issue is the present neutrality of two countries that were enemies of the USSR in WWII. Finnish neutrality was essentially imposed after invasion by the Soviets in late 1939 and early 1940 when the Finns signed the Moscow Treaty. The Soviet position was only "softened" by the intervention of the Western Allies. Although Austria adopted neutrality voluntarily, and officially in October 1955, it was a way of unblocking Soviet intransigence over resolving the status of Austria and the withdrawal of occupation forces from Austrian soil. Neutrality was suggested before that, however, by Soviet Foreign Minister Molotov in the context of a trade-off for, among other issues, the removal of occupation forces from Austria. Circumstances leading to Finnish and Austrian neutrality are quite different from the circumstances surrounding the Canada-US relationship. To make a comparison of these situations with our own current one, or to attempt to establish a precedent for Canadian neutrality based on the Finnish or Austrian situations, is absurd!

The last point Professor Bayer makes in his article is also misleading, if not false, and reveals a limited and short view of history: "Those factors which led to Canadian membership [in NATO] in 1949 have long since faded into history." It is rather brash for anyone to suggest, only forty-two years after an historical upheaval such as the Second World War and

when much of that generation is still living, that the "factors" leading to a decision that is a mere thirty-eight years old have faded into history! History has a much longer view than Professor Bayer! We are still living in a world shaped by the results of that war.

Before 1949, we were living in an ideologically divided world — pluralist democracies facing monolithic and totalitarian nazism in Germany, fascism in Italy, militarism in Japan and communism in the USSR. After the war we are living in a similarly divided world — pluralist democracies still facing monolithic and totalitarian communism in the USSR and variants of communism elsewhere in the world, as well as currently less threatening totalitarian governments scattered throughout the developing world. Although Gorbachev's USSR is very different from Stalin's, as long as the communist party rules there can not be "openness" as we in the West understand that word, and the world will remain ideologically divided. The smaller despotic regimes already pose a threat to our pluralist societies via their terrorism.

One must make a definitive choice between pluralist and totalitarian. Most of us would choose the pluralist one. We must also be prepared to defend it, and all the values it encompasses, against any possible threats by monolithically structured or ideologically based societies. In this context, the question is not so much "Is there life after NATO?," implying Canada's abandonment of this organization, but rather, to what extent would the pluralist democracies, many of which are in NATO, expand the mandate of NATO to deal with the eventuality of having to deal with threats outside its current, regionally limited mandate.

William Galbraith  
Ottawa

(J.A. Bayer will reply in the next issue of *International Perspectives*. Ed.)

DEPT. OF EXTERNAL AFFAIRS  
125 SUSSEX DRIVE

March/April 1988

Vol. XVII, No. 2 \$4.50

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

**Politics of US security**

---

**orienting the Orient**

---

**Canada at the UN**

---

**Polisario**

---

**German reunification**

---

DEPT. OF EXTERNAL AFFAIRS  
125 SUSSEX DRIVE  
OTTAWA, ON  
K1A 0G2

# DHL TO THE U.S.



DHL has often been called the Supercourier. In fact, last year, 97% of Fortune magazine's top 500 companies called DHL to deliver the goods. And now you can call upon DHL's expertise for your vital overnight deliveries to the U.S. DHL's rates are always competitive. When it comes to shipments that exceed 1/2 kg., DHL offers rates the leading couriers can't match. And, the more shipments you send, the better DHL's rates become.

And with DHL you won't need special envelopes or packages. You can wrap your shipment as you like. But if you prefer to use DHL "Flyer" bags, they'll provide them for you.

When you have a delivery that must be in the U.S. overnight, on time and on the money, that's a job for DHL. The Supercourier.

**OVERNIGHT. ON TIME. AND ON THE MONEY.**

**DHL**  
WORLDWIDE EXPRESS®

**US security policy and politics**  
*by John Halstead* 3

---

**Jobs for Canada's next UN Ambassador**  
*by Firdaus James Kharas* 6

---

**Reorienting the Orient**  
*by Robert E. Bedeski* 8

---

**Who wants German reunification?**  
*by David Mueller* 11

---

**Polisario and Western Sahara**  
*by Brigitte Robineault* 14

---

**Guest Editorial**  
**Canada and Palestinian self-determination**  
*by Peyton V. Lyon* 17

---

**Review Article**  
**Fallen among Pharisees**  
*by Bert Hart* 18

---

**Book Reviews** 20

**Letters to the Editor** 27

**International Canada**  
*A supplement of reference material on Canada's foreign relations  
presented by the Department of External Affairs.*

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by Baxter Publishing.

President:  
W. H. Baxter

Vice President:  
Wolfgang Schmidt

Consultant:  
Alex Inglis

Editor:  
Gordon Cullingham

Editorial Associates  
Bhupinder Singh Liddar  
Stuart Vallance

Executive Director:  
Stuart Northrup

Publisher:  
David McClung

Advertising Production:  
Wendy McClung

Circulation:  
Guy Bolduc  
Irene Clark

Subscriptions:  
In Canada:  
One year (six issues): \$25  
Three years (eighteen issues): \$60

Other Countries:  
Same as above, in US funds.  
Additional charge for airmail  
delivery upon request.

Editorial and subscriptions:  
National Press Building  
150 Wellington Street, #302  
Ottawa, ON, Canada  
K1P 5A4  
Tel: (613) 238-2628  
Fax: (613) 234-2452

Advertising address:  
Baxter Publishing  
310 Dupont Street  
Toronto, ON, Canada  
M5R 1V9  
Tel: (416) 968-7252  
Telex: 065-28085  
Fax: (416) 968-2377

ISSN 0381-4874  
Copyright ©1988  
Second Class Mail  
Registration Number 4949

A Baxter Publication

## Editor's Note:

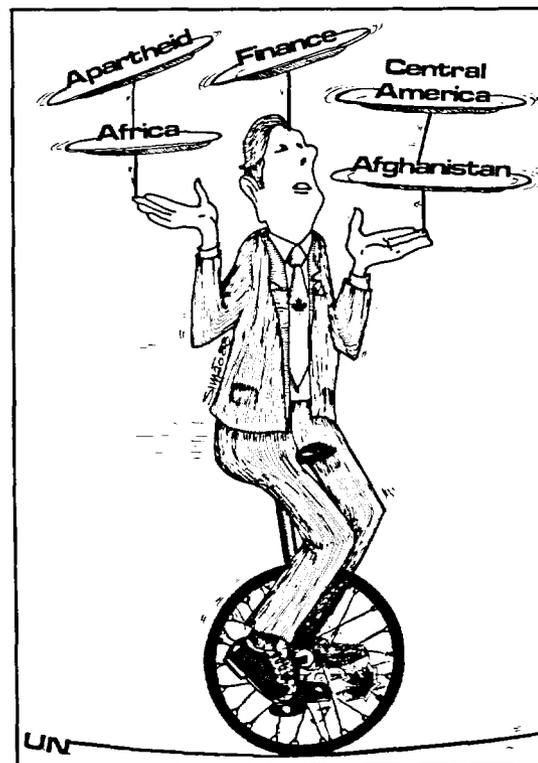
*For the second consecutive issue we have an opening article examining the leadership role and record of the United States. In this one, John Halstead, who spends much of his time in the US giving courses on security, finds that security policy can be a reflection of domestic interests. This only makes more difficult the adjustment to diminished relative strength by a superpower coming more and more to need allies.*

*Other articles in this edition range the world, attending to geography more and issues less than is usual. There is that little-known, little-reported little war going on in the part of the western Sahara known as Western Sahara. It's the home of the Polisario, a fierce and determined nationalist movement trying to wrest its chunk of the desert from an annexation-bent Morocco. Brigitte Robineault helps us to understand that conflict. Beyond the eastern end of that desert another movement of self-determination does get a lot of our attention. The Palestinians who still remain within their old lands under Israeli occupation are demanding satisfaction, and their cry is heard and supported by Peyton Lyon in a new kind of article for *International Perspectives*, a Guest Editorial.*

*Another departure for this journal is the Review Article, a personal essay based on a recent book. Retired foreign service officer Bert Hart offers some thoughts about a volume of writings by and about one tragic hero of Canadian diplomacy, John Watkins.*

*Northeast Asia is an area of explosive growth—by both the big old and the small new countries. There is a lot to be watched in the political reforms and shifting balance of power here, and Robert Bedeski gives us a road map for the future.*

*In other articles we find out from Firdaus Kharas about the hole to be filled following the departure soon from the United Nations of Canada's Ambassador Stephen Lewis; and David Mueller explores why the Germans talk but don't seek reunification.*



*This illustration by Simon Alves depicts the balancing act facing Canada's next Ambassador to the United Nations. Story on page 6.*

# US security policy and politics

by John Halstead

*This article is based on an address given by the author to a conference in Paris in January 1988 organized by the Association Française des Analystes de Risques-pays on the subject of "The US as a risk."*

The "Pax Americana" in which we have been living for the last forty years has been undergoing significant changes not only because of the external factors at work in the world but also because of the internal factors at work in the United States. It is important that we who are allies of the United States understand these factors, for they affect us as well.

Let us look first at the US body politic, which Canadians, in spite of their proximity, may not understand as well as they think they do. That it is remarkably diverse and open is well known. As in Canada, this diversity makes it difficult to construct a consensus at the best of times. Even more so than in Canada, the government operates in a goldfish bowl, constantly open to public scrutiny, and it is almost impossible to practise quiet diplomacy. More and more, the pressure for foreign policy decisions comes not only from external events but also from the need for the government to have answers for the media.

What Canadians understand less well is the American system of government. An adversarial relationship is built into the system, especially between the executive and the legislative branches. Add to this the growing proliferation of agencies on the executive side and the dissolution of party discipline on the legislative side, and you have a formula for paralysis. At the same time the need for rapid decisions has concentrated policy making more and more in the White House.

In support of this trend is the enormous power and prestige of the presidency in the American system. The President is in effect the elected king of the Americans. He is their head of government and their commander-in-chief; he also embodies their national identity and their aspirations. When *he looks good, they feel good*. The result is to engender exaggerated expectations when a new President takes office, and to place too much emphasis on how policies may affect the President's image rather than on how they may affect the international situation.

## Role of history

Americans are still very much a product of their early history, marked by revolution rather than evolution and by a belief that all problems can be "solved" by using enough force or enough money. They believe that their own experience of nation building has prepared them for understanding the world in the twentieth century, and that they have a manifest destiny "to redeem a fallen world," as Henry Kissinger put it recently. They also believe that the United States is "number one," in a class by it-

self. Though no longer isolationist, they are still remarkably insular. The irony is that, while the American people have been getting accustomed to their nation's leadership role, the power on which it is based has been declining in relative terms. As other nations have restored their economic fortunes, Americans have seen their share of world production shrink. And costly military entanglements have sapped American power. In the space of a few years the United States has swung from being the largest creditor nation to being the world's largest debtor.

## Growing discord

At the same time there has been a breakdown in the American national consensus on security questions. The bipartisan leaders of the United States in the postwar era had an agreed concept of security based on their common experience of the '30s and '40s, but the Vietnam War dealt it a blow from which it has still not recovered. Two decades of domestic discord have since then eroded American self-confidence, and events have changed the circumstances in which it was once exercised. Where once the United States had a nuclear monopoly, today it must face nuclear parity with the Soviet Union. Where once the United States produced more than half the world's gross national product, today it generates barely a quarter.

Consequently, the United States can no longer do everything everywhere, but must set priorities. But the American domestic drama for two decades has been precisely the inability to reconcile earlier expectations with later realities. If there is bipartisan agreement on anything today, it seems to be on the need to promote the spread of democracy globally. Yet that is precisely where the United States is on the shakiest ground, because the US democratic experiment is not transferable to other parts of the globe, and the United States has neither a mandate nor the means to teach domestic politics to others.

## Going it lonely

All this has seriously undermined the capacity of the United States to maintain the hegemony it established in the postwar period. There is probably no immediate danger of a return to US isolationism but there are two other dangers which could have repercussions for all of us. One is the danger of over-commitment — too great expectations both of the United States' own capacity to influence events abroad and of the support from friends and allies. Because Americans have been prepared to

---

*John Halstead is a former Deputy Under-Secretary of State for External Affairs and Ambassador to the Federal Republic of Germany and NATO. He retired in 1982 and is now a consultant and educator, teaching part time at the School of Foreign Service, Georgetown University, Washington, D.C.*

## Getting relatively weaker and poorer

shoulder the burdens of global responsibilities, they expect others to share them and are disappointed when they do not. The temptation then is to say, "To hell with them" and to try to go it alone.

That is the second danger, the danger of unilateralism. Unilateralism feeds on the arrogance of ignorance, and ignorance breeds bad policy. Less heed is paid to the views and interests of allies, and multilateral forums of consultation and cooperation are bypassed. In the process diplomatic methods are subordinated to military measures, and political and economic leadership is made hostage to the vain quest for military superiority. Too easily a vicious circle can be created, in which freedom of action is bought at the expense of international cooperation.

### Contain or perish

Let us now trace briefly the interplay of internal and external factors in the evolution of US security policy over the last forty years. In 1947 the United States took two major steps which marked a decisive departure from its prewar isolationism. The first, which became known as the Truman Doctrine, was to grant aid to Greece and Turkey against internal subversion and outside pressure. The second was to adopt the Marshall Plan to help the Western European economies to recover. Thus was born the policy of containment, which led a couple of years later to the founding of NATO and in due course to the creation of a network of other alliances and the stationing of one million American troops in thirty countries.

The containment policy was based on three premises: first, that Soviet expansionism was the product of a combination of communist ideology and Russian national interests; second, that it would be deterred only by the prospect of facing superior force; and third, that the United States had the strength, self-confidence and dynamism necessary to contain the Soviet Union successfully. Each of these premises was valid, within limits, but each held a defect which, if not recognized, could lead to fatally flawed policies.

Take the analysis of Soviet foreign policy. It was undoubtedly correct to assume that the United States must regard the Soviet Union as a rival, not a partner, and that there could be no appeal to common purposes. But this led all too easily to the conclusion that the Americans could do no serious business with the Soviets as long as that was so. Moreover, it was too tempting to indulge in the illusion that the United States could influence internal developments in the Soviet Union.

### Reliance on military power

Again, it was undoubtedly correct to assume that Soviet expansionism could be deterred only by superior force, but it was too easy to slip from that to the view that military measures should constitute the main, if not the only, ingredient of the US strategy to deal with the Soviet Union. That was playing to the Soviets' strong suit and it led in practice to three serious mistakes on the part of the United States: it chose partners on the basis of anti-communism alone; it failed to distinguish between vital and less important interests; and it became over-extended.

Finally, the assumption that the United States had the strength, self-confidence and dynamism necessary to contain the Soviet Union successfully, while certainly true in the short term, was fraught with hard questions over the long haul. Dynamism could be misdirected if it were applied exclusively to holding the

line against Soviet expansionism. Self-confidence could become over-confidence if it were based on wishful thinking rather than on an objective calculation of the strengths and weaknesses of both sides. And strength could too easily be dissipated in an effort to confront the Soviets with counterforce at points of their choosing, particularly if it involved defending weak border states.

The containment policy was most successful in Europe, where the United States worked effectively with its allies to put together both an economic recovery plan and a collective defence alliance to ensure the recovery of the Western European democracies. It was least successful in Southeast Asia, where the United States suffered a humiliating defeat in a war fought on the opponent's ground, without well-defined political objectives and without effective allies.

The trauma which the Vietnam War produced in the American people has taken a long time to work itself out. The process can be seen in the Nixon Doctrine, which was aimed at bringing US commitments into line with reduced capabilities, in Ford's short-lived efforts to promote détente with the Soviet Union, in Carter's fumbling reactions to the Soviet invasion of Afghanistan and the taking of American hostages in Teheran, and finally in the enthusiastic response of the American people to Reagan's promise to restore US power and prestige.

The American people probably got more than they bargained for. Certainly Reagan had a way of making them feel good about themselves. He radiated an air of confidence, could speak to their natural optimism and knew how to pluck their patriotic heart strings. He promised to stare down the Russians and to get tough with America's false friends. He also knew how to appeal to the American people's traditional values, their inherent distrust of big government and their instinctive attachment to free enterprise. He promised them more economic growth and lower taxes.

### Naked emperor

In retrospect the American people's infatuation with Reagan lasted an amazingly long time, for in fact his administration carried with it from the beginning the seeds of its own undoing — the supremacy of ideology over objective analysis, the tendency to oversimplify issues in black and white terms, and the belief that the ends justify the means. Eventually, however, it became apparent that this emperor had no clothes. His supply-side economics was seen to be based on little more than wishful thinking and the faulty calculation that the threat of a deliberately provoked deficit would compel Congress to dismantle domestic spending programs. His insistence on ever larger defence budgets was seen to be inconsistent with his promise to reduce government spending, as was his stubborn refusal to raise taxes. His anti-Communist rhetoric was seen to be in conflict with his professed interest in arms control and disarmament. And his tolerance, if not encouragement, of a parallel government of zealots in the White House and elsewhere in the administration was seen to be incompatible with the supremacy of the law which is enshrined in the Constitution.

The Iran-Contra affair brought matters to a head. As the congressional investigating committee found in its report last November, President Reagan violated his constitutional duty to "take care that the laws be faithfully executed." This was not a crisis of the magnitude of Watergate, but like Watergate it dealt

a serious blow to the effectiveness of US foreign policy. By the end of 1986, the buoyancy of Reagan's earlier years was no longer there and his presidency was mortally wounded.

### **Demolition by Wall Street**

The coup de grace came with the stock market crash in October, which signalled the final bankruptcy of Reaganomics and the end of the President's ability to overcome the public's doubts about his management of national affairs. Just at a time when American leadership is essential to achieve policy changes needed to prevent a slump, the authority of the President is at its most frail and the administration is engaged in a struggle on two fronts: internally, it is trying to limit the damage done by Congress to the capacity of the executive to make foreign and defence policy; and externally, it is trying to regain the initiative with some foreign policy successes.

On the internal front the administration has enjoyed little success so far. The pitched battle with Congress continues — over Central America, over the Persian Gulf, over the ABM Treaty and over defence appropriations. The administration was particularly humiliated when the Speaker of the House of Representatives received the President of Nicaragua in the face of an administration boycott. And its authority was further undermined by Congress' defeat of the administration's budget bill and of Judge Bork's nomination to the Supreme Court.

In line with these declining fortunes, the administration seems to have accepted tacitly the inevitability of a congressional cap on defence spending. As far back as the summer of 1986 the handwriting was on the wall. By that time there was a majority of Republicans and some Democrats in Congress who were against both increasing the budget deficit and transferring resources further from the civilian to the defence sector. With an election in the offing, they were also against raising taxes.

Their approach was therefore to limit the defence budget to zero real growth and to exert pressure on the administration to improve management and efficiency. A side effect was to sharpen the struggle for resources within the defence sector, particularly between strategic and conventional forces, and to reopen the question of US military commitments abroad.

### **Battleground Star Wars**

In this struggle the Star Wars project (officially known as the Strategic Defense Initiative, or SDI) was bound to become a pawn. There were those who wanted to rush into development and deployment in order to turn the project into an accomplished fact, regardless of the effect on the ABM Treaty, while going for a system which would be far less expensive and sophisticated than the President's "astrodome." On the other hand, there were those who wanted to spend the least possible to keep SDI in being as a research project, simply because the President's prestige was involved and it was prudent to keep up with the Russians. While the outcome may not have been finally decided as yet, it appears that to date the first school has failed to carry the day and that circumstances are combining increasingly to favor the second.

On the external front the administration has had one outstanding success at least, thanks in large part to Gorbachev, and that is the signature of the INF Treaty in December. To get there Reagan had to travel a long way from his denunciation of the Soviet Union in his first press conference in 1981 and his "evil empire" speech in 1983. What explains this transition? The President's supporters would say that it is because, having kept

his campaign promise to increase defence spending and having used SDI to bring the Soviets back to the bargaining table, he is now in a position to deal with them from strength. His critics, on the other hand, would say that he is really a "reluctant dove" — that he cannot admit what he has done in improving relations with the Soviet Union, any more than he was prepared to admit what he had done in the Iran-Contra affair, but that there is a direct link between the latter and the former.

### **Next President's assignment**

So what does the future hold? There is no doubt that Reagan's successor will face some daunting security policy problems. He will have to help the United States come to terms with its diminishing preeminence in the world, both as a political and as an economic power. He will have to acknowledge the security dilemma which has arisen from the disparity between American aims and resources. And he will have to rebuild mutual trust between the President and Congress, since without that no national consensus is possible, and without a national consensus there is no way to maximize use of the country's diminished power.

In addition, the next President will doubtless have to review the thorny problems of allocating US military resources abroad and burden sharing with the allies. There is a widespread (if mistaken) feeling in the United States that the Europeans, among others, have not increased their share of the collective defence burden in accordance with their growing economic strength and that they have at the same time taken advantage of that strength to run large balance of payments surpluses with the United States. The resulting sense of alienation threatens to erode popular support in the United States for meeting US defence commitments in Europe. Moreover, there is some sentiment in the United States that military resources should be reallocated from NATO to the Middle East and other parts of the Third World, where American commitments exceed capabilities. In these circumstances it will be important to be able to convince Congress that the NATO allies are assuming their share of the responsibility for strengthening conventional forces in the post-INF environment.

West-West relations are in this way likely to become more important in the future. In a situation of declining living standards at home and declining influence abroad, Americans will be all the more tempted to blame foreigners for conspiring to exploit their good nature. Such sentiment only distracts attention from the real causes and does more harm to the United States than to those accused of the misdeeds. Moreover, the United States will in the future have more need of allies, not less. It will have to forge closer bonds of cooperation with them than it has been inclined to do in the past, and that cooperation will have to be on a basis of greater equality and greater reciprocity.

This is likely to be one of the most difficult challenges facing the United States. Unless the next President can meet it successfully, the United States may get the worst of both worlds — still claiming the right and shouldering the blame of leadership, while losing the capacity to shape events. But it is not only a challenge for Americans; it is also a challenge for the rest of us. If we expect the United States to take greater heed of our views, we in turn must be prepared to share the responsibility when our views are heeded. The way we all meet that challenge will determine to a large extent the sort of world we shall be living in in the next decade. □

# Jobs for Canada's next UN Ambassador

by Firdaus James Kharas

Whoever inherits the prolix title of "Ambassador Extraordinary and Plenipotentiary and Permanent Representative of Canada to the United Nations" will assume this position this summer at a pivotal moment. Unparalleled opportunities created by the current transitional phase of multilateralism and by an enhanced role for Canada will be available to the new Ambassador.

The next Ambassador should be able to build on the superb reputation of Canada at the United Nations. Although it developed in spasms over the last forty-two years, our reputation has been greatly increased over the last three-and-a-half-years by retiring Ambassador Stephen Lewis. Canada has always sent very competent people to the United Nations, but we are emerging from a period of outstanding representation to the UN system, with dedicated internationalists Stephen Lewis and Douglas Roche in New York and J. Alan Beesley in Geneva.

This assumes that the government does not make a discreditable announcement of its intention to withdraw from the Food and Agriculture Organization, as a result of its review of that agency currently underway. It is difficult to take such a possibility seriously, given Canada's traditional foreign policy and given our stance towards that other much-aligned agency, UNESCO, under its previous director, Amadou M'Bow.

## Choosing the next Ambassador

The challenges for Brian Mulroney and Joe Clark in selecting their next representative to the UN are twofold: first, to recognize the unique juncture in history the next Ambassador will be serving in; and second, to stop underestimating our influence within multilateral forums and to appoint a person capable of energetically propelling Canadian foreign policy to new heights. This is not the time to appoint another Jean Drapeau to the UN system.

Canada's next Ambassador will have to be capable of walking a tightrope as the second North American representative on the Security Council. If all goes well, Canada should be able to beat the Greeks or the Finns for a "Western European & Other Group" slot on the Security Council for the 1989-90 period. Then, the balancing act in this age of increased coziness between Washington and Ottawa will begin.

The level of difficulty in the job will depend primarily on three factors: who the next President of the United States is, what the attitude of the cost-cutting US Congress is, and how much independence the Canadian government will allow its UN Ambassador to exercise. The prognosis of the first is difficult. Only George Bush, a former US Permanent Representative to the UN,

is seen as a possible backer, although even he has had to cater to the right in the campaign and shift his stance. There is simply no domestic constituency for the UN in the US strong enough to counter the many who find multilateral institutions easy targets.

## Ungracious host

American politics have already had a debilitating effect on the UN. If the US elects a President who favors a continuation of the early Reagan-style unilateralist foreign policy, the spillover is bound to be felt in Canada. The Canadian Ambassador on the Security Council may find being supportive of what could become two distinct facets of Canadian foreign policy — bilateral with the US and multilateral in the UN — incompatible.

Much will depend also on the mood of the Democratically-controlled Congress. A powerful group of members in both chambers seems resolved to chart a course that will result in the US abandoning its traditional position of leadership at the UN. The US already owes the UN over a hundred million dollars in arrears from the last two years because of the uncompromising position of the Congress. The rest of the world believes the US made an unofficial compact to pay its full dues if the UN undertook certain reforms, particularly in the budget process. The reforms were agreed to by the General Assembly in 1986, yet the Congress refuses to fulfill its obligations and the US debt continues to mount.

A showdown on this issue seems inevitable. At some point the members of the UN will be forced to make an historic decision. They will either have to accept that the US is not going to pay its assessed financial contribution, or reduce the US share. If the latter occurs, countries such as Canada, which are in the middle of the range of contributions, may be called upon to pay more while the UN may have to continue to undergo painful restriction. The probability is high for a deepening of the severe financial crisis the UN already finds itself in, and the potential dilemma for Canada is considerable. It could mean having to make a choice between supporting the UN or supporting the US.

## Moscow to the rescue?

Complicating any Canadian position is the emergence of support for the UN from the Gorbachev administration in Moscow. The next Canadian Ambassador to the UN may find Canada in the unwanted position of allying more with the USSR than the US, at least on the issue of multilateralism itself.

If the USSR allows the painstaking UN-mediated talks on Afghanistan to be culminated in a complete troop withdrawal, if the superpowers go on to negotiate and ratify a treaty calling for immediate radical reductions in nuclear weapons, if the USSR participates in UN peacekeeping and plays a constructive role in the Security Council, particularly on the Middle East, then the traditional roles played at the UN by the superpowers may be

*Firdaus James Kharas is former Executive Director in the Ottawa headquarters of the United Nations Association in Canada.*

reversed. The Reagan administration continues to demonstrate that it can be obstructionist, as evidenced by its recent performance in the Preparatory Committee meetings for the Third Special Session on Disarmament. However, the Reagan administration, especially Ambassador Vernon Walters, has been more supportive of the UN in its second term.

During the Forty-Second Session of the General Assembly held in the fall of last year, both the US and the USSR suffered defeats. Even after paying more than two hundred million dollars in arrears to the UN, the USSR was soundly criticized for its adventurism in Afghanistan and Kampuchea. The United States lost on budgetary issues and decided to abstain on the adoption of the UN's two billion dollar budget for the next two years.

### **UN struggling back**

Overall, there is a surge of realism at the UN. Gone are any remnants of the notion that a multilateral institution can somehow solve all international problems overnight. The fury of unqualified critics who blamed an international institution for the collective and individual failures of its members has been dampened. The United Nations is slowly regaining credence in the world's capitals and among popular opinion. More and more international issues are being effectively dealt with by the UN system and sovereign states have come to a mature realization of the important role of multilateral organizations. Canada and Canadians remained firm adherents, and there is little evidence to suggest our faith in multilateralism has diminished.

Examples of the resurgence of the UN abound. In the maintenance of peace and security, the Security Council in particular is regaining at least in part the role it played during the first twenty-five years of the UN's existence. The five permanent members of the Security Council are once again at least occasionally using that forum to express their collective will and interests. This they have not done for at least sixteen years.

The major potential for immediate success is Afghanistan. Now that a tentative timetable for withdrawal of Soviet troops is being discussed, the momentum is building towards a UN-mediated solution. A question that remains is whether the Secretary-General and his representative will get the credit they so deserve and need. In the Iran-Iraq conflict, the Security Council is increasingly acting in cohesion and may yet have some influence in ending that bloody conflict.

In the Middle East, recent violence in the Gaza and the West Bank have forced the parties to seriously reconsider a long-proposed international conference under UN auspices. The Security Council acted in concert on the question of Israeli deportations of Palestinians. In southern Lebanon, the kidnapping of a US colonel has focused attention on the UN observers in the area. The UN peacekeeping force in southern Lebanon, UNIFIL, is now widely recognized as having been a stabilizing influence that has kept order in a very volatile region.

In southern Africa, the UN has been able to build pressure on South Africa, although without much success. More hopeful are indications that a UN plan to bring independence to Namibia that has long been ready will finally be implemented. The plan involves a peacekeeping force or observer groups, something that has not been used in Africa for a long time.

### **Achievements continue**

In Western Sahara, the Secretary-General has been holding

talks with the Moroccans and the Polisario Front, promoting a plan for a referendum on the future of the territory. Efforts continue in Cyprus where the election of a new President may present new opportunities. The UN has also been a useful mediator in other areas of conflict or points of pressure. The list is long, ranging from the Central American peace process to talks between various parties in Kampuchea, to almost unnoticed discussions on the problem of East Timor.

On the economic and social front, the recent achievements have been substantial. In the past year, the UN has directed the world's attention to protecting the environment, drug trafficking and the relationship between disarmament and development. A new round of the GATT is underway and the recent session of UNCTAD achieved unexpected success. The international financial institutions are moving on the enormous external debt of Third World countries and the World Bank is getting a significant increase in its capital. The international community is able to respond more quickly and effectively to another African food crisis, in part because of the UN.

One expects that the momentum will be carried on. But a great danger facing the UN is that that momentum may end. Setbacks now could result in the UN plunging to new depths, greater than that of the 1980s. And the next time the political crisis will be conjoined with financial and staff morale crises.

### **Leadership needed**

The next Canadian Ambassador to the UN will find severe personnel problems. The reforms agreed to by the General Assembly called for overall staff cutbacks of 15 percent to be achieved mainly by attrition. A freeze on hiring has been in place for some time and the vacancy rate at the UN is presently at about 15 percent. The remaining staff are feeling the extra load.

At the highest level, the Secretary-General has provided very low-keyed leadership, but the expectations of him are mounting as he heads into the last half of his second term. He has the chance to produce a string of achievements and many are hoping he can deliver. It is widely assumed that Pérez de Cuellar will not run for a third term at the conclusion of 1991 and that the next Secretary-General will be an African, the only major grouping not to have held the top post. The style and ability of the Secretary-General shape to some extent the effectiveness and public image of the entire UN system, although he probably finds his individual capacity to act limited. There is an enormous need for the Secretary-General to be allowed to be more powerful and bolder, even audacious. The next election of the Secretary-General is far enough away to permit the new spirit of cooperation to take hold in the Security Council and a more unfettered Secretary-General may emerge.

The various factors combined seem to point to the imperative of having as the next Canadian Ambassador to the United Nations a person with broad experience in multilateral institutions. Unfortunately, the remarkable abilities of Stephen Lewis to grasp quickly the labyrinthine complexities of the UN and to articulate so well a vigorous foreign policy are not likely to be found in another debutant. The next three or four years may or may not equal the drama of the founding of the UN or of the Congo or Korean conflicts, but will set the stage for the UN's next forty years. It is an era of choices, opportunities and pitfalls. The next Ambassador and Permanent Representative of Canada to the United Nations will be in the middle of it. □

# Reorienting the Orient

by Robert E. Bedeski

The past year witnessed an acceleration of political reform, leadership transition, and reduction of tensions in East Asia. In China, the thirteenth Congress of the Communist Party of China elected Zhao Ziyang to be General Secretary, and consolidated the reform movement, after signs earlier in the year of wavering and conservative counterattack. Li Peng, regarded as more conservative, was named Premier, and has indicated his support for the reforms. Relations with Taiwan have also rapidly improved, with exiled mainlanders allowed to visit families. Under the late President Jiang Jingguo (Chiang Chingguo), the Guomindang ended martial law and has allowed the formation of opposition political parties. On the Korean peninsula, the election of Roh Tae Woo to the South Korean presidency may produce a breakthrough in Beijing-Seoul relations. In the USSR, Gorbachev's perestroika takes a few pages from the Chinese experience in economic reform. Major changes are taking place in East Asia, and China is playing a pivotal role.

## Three trends

Three major trends can be identified in the 1980s regarding the Asia-Pacific region which may continue through the end of the century. These trends have affected China, and in turn will be affected by Chinese modernization. In particular, these trends are likely to produce modifications in the balance of power in the region. First, socialism as a developmental strategy has lost its attractiveness. China's rising prosperity and more rational political order has been increasing in proportion to its abandonment of Maoist and Stalinist ideology and institutions. State and party control has led to economic stagnation in the communist world, and today the USSR, Hungary, Vietnam, and even North Korea are introducing measures which were denounced as capitalist a few years ago.

In China, this ideological and economic pragmatism was further consolidated at the thirteenth Party Congress, while the leaders maintained the line that the country was at a primary stage of socialism. General Secretary Zhao Ziyang declared that China would continue its modernization program, its open door policy, emphasis on the "commodity economy" with public ownership playing the dominant role, and "democracy on the basis of stability and unity." There is little reason to believe that the Chinese commitment to the "new and improved" socialism is anything less than sincere. But it would be a mistake to conclude that political, economic, and social stability are assured for the next decade.

The "conservatives," those leaders who want to maintain the central party dictatorship, have either retired or are over-

---

*Robert E. Bedeski is Professor of Political Science at Carleton University in Ottawa.*

shadowed by the reformers. Domestic peace has been achieved for the present, and few want to return to the turmoil of the Cultural Revolution. Indeed, the relative ease of reform in China may be due to the destruction of the Maoist days — Mao, the "gang of four," and the Red Guards probably inflicted a sufficient shock on the party, government and society such that a return to the old ways would be a worse evil than the sweeping experiments and reforms currently underway. This contrasts with the USSR, for example, where no such shock has been encountered in recent years, and a stagnant status quo may be preferable to an unknown restructuring.

## US decline

The second major trend has been the decline of the "American Empire." The US pullout from Vietnam in 1975, and the subsequent hostage incident in Teheran were turning points in Asian perceptions of the US as a superpower. The OPEC oil embargoes earlier also contributed to the view of the US as a giant with feet of clay. President Reagan's military buildup — at the cost of severely weakening the US economy — may have slightly increased confidence in US resolve to maintain international commitments, but this has not disguised the slowdown in economic growth as Japanese banks and investors attempt to prop up the eroding dollar.

The US has reached a plateau in projecting national power, and it is unlikely that any Korean- or Vietnam-type interventions in East Asia will be tolerated for decades ahead. For countries of the region, this plateau represents a decrease in US power. This decline coincided with the end of the Cultural Revolution in China, and marked the end of superpower balance, with the result that the Chinese expected greater Soviet pressure unless they abandoned their relative isolation and aligned with the "declining superpower." The Chinese have tended to see the Reagan era as one of relative stalemate, with some progress in arms control. Despite public denunciation of SDI, Beijing strategists probably had mixed reactions. A new leap in nuclear technology through SDI research, whether offensive or defensive, would leave the Chinese more vulnerable to threat than before, and would require a major investment to stay in the same place vis-à-vis nuclear technology. On the other hand, US commitment to SDI has undoubtedly played a role in bringing Gorbachev to the bargaining table, and perhaps slowing the arms race.

The PRC and other countries in the region are considering the effects of gradual erosion of US influence in the Western Pacific. To take the place of the American imperium, the Sino-Soviet rivalry will no doubt continue to simmer in places such as Vietnam, Afghanistan, Mongolia, and North Korea. The Chinese insistence on their exclusive right to Tibet is also linked to fears

that the Himalayan region will remain one of significant rivalry involving itself, India and the USSR.

Japan's role in the region and the world will also accelerate with the decline of US credibility. Thus far, the US defence umbrella has allowed Tokyo to maintain a minimum defence force. This convenience has been maintained under the US-Japan Security Treaty, and has enabled the Japanese to live up to the requirements of the 1947 constitution. Even the Japan Socialist Party has learned to live with the US forces and the Self Defence Forces of Japan. Slowly, the Japanese have started to play a greater role in their own defence. In December, a Soviet fighter overflew Okinawa, and shots were fired. Japan was rudely reminded that it remains in the frontline of any possible East Asian conflict.

### **Dynamic threesome**

The third major trend in the region will be the continued dynamism of Japan, South Korea and Taiwan. Japan has become one of the economic superpowers of the world, and shows no signs of decline. The "endaka," or rising yen, has had relatively little effect on its trade balance, to the exasperation of its trading partners. Japanese companies have been cutting costs and restructuring to maintain their competitiveness, while US companies may not have responded adequately to trade opportunities. The economic summit in Toronto in June will seek solutions to these questions, and the diplomatic mettle of Takeshita will be compared to that of his predecessor, Nakasone.

Korea has been a historic buffer between Japan and the Asian continent. Events there are closely watched in Tokyo. The South Korean elections of December 16 were a mandate for continuity and stability. The unified candidacy of either Kim Dae Jung or Kim Young Sam would have posed a formidable electoral threat to the government party of Chun Doo Hwan and Roh Tae Woo. Opposition inability to cooperate clearly cost them the election, and cries of "foul!" were greatly exaggerated. In retrospect, the supporters of the two Kims may have been excessively loyal and largely local, so that an agreement between the two candidates would not have consolidated the two regional and personal bases into a single bloc of support.

The election represented a step towards democracy, in that an open contest under liberalized laws produced a president who will not likely be toppled by the military. Equally important, the recent season of strikes and violent demonstrations appears to be over, and the stability required for continued economic growth seems back on track. Roh Tae Woo's legitimacy was tarnished somewhat by the split vote, and will come under fire from hard-line dissidents, but external rather than internal threats will take priority.

South Korea's flaws diminish considerably when comparisons are made with North Korea. There, Kim Il Song continues to exercise a Stalinist-type totalitarian dictatorship, while grooming his son, Kim Jong Il, for the succession. Economic stagnation has not dimmed Pyongyang's hopes to subvert South Korea. Kim Jong Il seems to have been the likely origin of sabotage in the crash of a Korean civilian flight over the Andaman Sea in December, as confirmed in the confession by the surviving suspect. Apprehension over the North's intentions makes the US military presence more palatable in South Korea and reinforces acceptance of the military role in society.

### **Progress in Taiwan**

Taiwan has also been moving towards democracy. Martial law has been lifted, and the formation of opposition parties has been legalized. As with South Korea, Taiwan still takes a fundamentally anti-communist stance. Nevertheless, Taipei is allowing citizens to visit the mainland if they have relatives there. Trade between the PRC and Taiwan continues to grow, and some degree of reconciliation appears likely if Beijing continues on its moderate course. The death of Jiang Jinguo in January reopens the question of Taiwan's future. The native Taiwanese proportion in the ruling Guomindang, and the more Taiwan-oriented new opposition party, the Democratic Progressive Party, reduces the likelihood of early negotiation of reunification between the old mainlander elite and their counterparts on the mainland.

In addition, the liberalization of martial law, family visits by Chinese of Taiwan, political parties, and other forthcoming reforms, will also make reunification more difficult because it again widens the gap between the PRC (People's Republic of China) and ROC (Republic of China). Taiwan residents will be even less willing to give up their economic and political rights under the more liberal regime (relatively speaking) on Taiwan. Much also depends on the process of reunification between Hong Kong and the PRC during the next nine years. Taiwan sees the fate of Hong Kong as a portent of its own future if reunification is ever agreed upon. Each restriction on the colony's freedom will only harden Taipei's resistance to rejoining the mainland.

What will happen if the US reduces its presence and commitments to the Northeast Asian region? When US forces withdrew from Taiwan, the defence system there adapted and a strong military force remained in place. Japan and South Korea continue to host US military bases, and have been modernizing and expanding their own defence establishments.

For Japan, the Korean peninsula has been both a buffer and a bridge facing the Asian continent. If war breaks out again, and if the US is unable or unwilling to save the South, Japan would face the agonizing dilemma of its longstanding minimal defence posture.

The three non-communist countries of Northeast Asia are bound together by more than past US military presence and treaties with the US. They represent dynamic adaptation of capitalist industrialization, and a rough synthesis of liberal democracy and Confucian cultural values. Taiwan and Korea also shared the common experiences of Japanese colonialism until 1945.

### **"Pull" of mainland China**

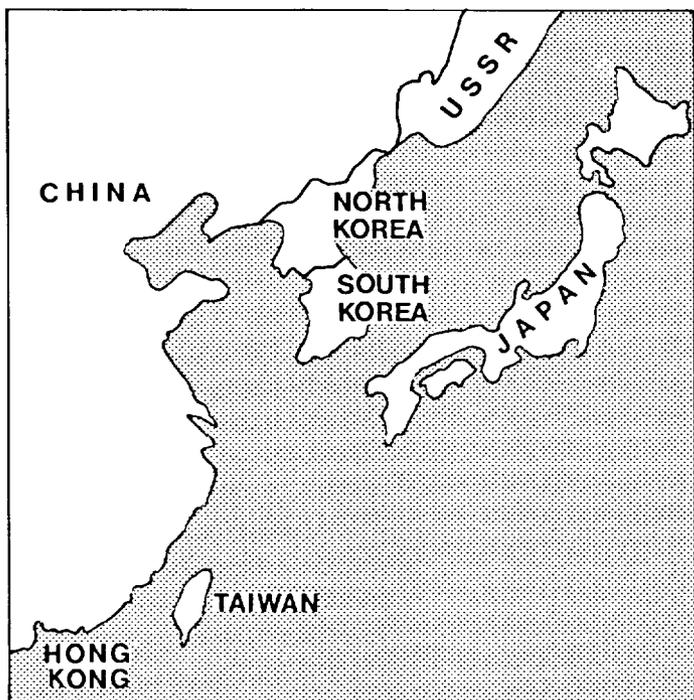
Taiwan and South Korea represent two flourishing societies being pulled by two "gravitational fields" which are bound to become stronger in the years ahead. The increasing moderation and declining ideology of the PRC represents the first "field." Trade between Beijing and Seoul/Taipei has been increasing. Moving from "hijack diplomacy" to "sports diplomacy," South Korea has rapidly increased contacts with the mainland, despite the protests of North Korea. Pyongyang has lost credibility and perhaps support from its allies. The government of Kim Il Song was unable to prevent its allies from participating in the 1988 summer Olympics — a major blow to its prestige.

Taiwan has modified its earlier uncompromising stand on relations with the mainland. Trade between Taiwan and the mainland is public knowledge. On the death of Jiang, the Beijing government sent condolences and praised him as a patriot. With

## World's most dynamic area

the accession of a native Taiwanese to the presidency, the PRC worries that Taiwanese independence tendencies may become stronger. Taiwanese have long dominated the economic life of the island, since they are the overwhelming majority of the population. They are also a growing presence in the ruling Guomindang and in the upper echelons of the military. The mainlanders, or *waishengren*, still exercise effective domination, but time and mortality are not in their favor. With the passing of the generations which left the mainland in the 1945-49 period, the last major sentimental link with China will disappear.

Past Beijing references to the Tibetan model of autonomy for Taiwan gave no comfort to those on the island. Repression and "Han chauvinism" were a future they would desperately resist. Now, Taiwanese watch developments in Hong Kong for clues of



PRC intentions. The exodus of capital and people has not been promising as an indicator of popular faith in the colony after it joins China in 1997.

It is apparent that China's pragmatic modernization is strongly affecting not only its own territory, but international society as a whole, and more specifically, the East Asian region. South Korea and Taiwan, once firmly committed to the Japan-US partnership, are now considering the PRC option. It is an option which has proven highly profitable for a number of industrialized powers, and one from which Seoul and Taipei had been largely excluded.

### Japan as "gravitational field"

Japan has extensive trade interests in both South Korea and Taiwan, and is not likely to lose much business to mainland China's exports for the near future. However, Beijing could find South Korea and Taiwan as important trade partners — a development which could replace some of the Japanese opportunities and growth — especially in the face of growing protectionist reaction from industrial trading partners, as well as from developing countries. Without the US defence and

economic umbrellas, the Japanese may find the East Asian political climate chillier.

Decline in US ability to project its economic and military power into the East Asian region will also stimulate Japan to further expand diplomatic and military initiatives. Japan has recently exceeded the self-imposed defence spending limit of 1 percent of GNP. Memories of Japanese aggression into mainland and Southeast Asia are etched deeply in the collective and individual consciousness. Last year was the fiftieth anniversary of the Marco Polo Bridge Incident, and further anniversaries of affairs such as the Rape of Nanking are forthcoming which will remind Asians of the dark pages of Japanese history.

The other side is the dynamic role Japan has played in Asian modernization — a relatively small and resource-poor nation beating the industrial West at its own game. Its technology, culture, and business techniques are first-rate and Japan has become the envy of the world. But economic power is not enough to maintain leadership in the region. The Japanese are disbursing economic aid and transferring technology, but this is often seen as self-serving.

### New look in East Asia

Taiwan and South Korea see the opportunity to be partners with the China mainland, but with Japan, they will remain followers. Unification between Taiwan and the mainland will represent almost pure gain for Beijing. But in Beijing's diplomacy with South Korea, each significant improvement in relations has a cost in its links with North Korea. China cannot afford to create another Vietnam-type situation on its border — especially its northeast border which was the corridor of invasion in times past. With close links to the USSR, North Korea will move in a Vietnamese-type relation if China begins the process of normalization with Seoul.

Both Taiwan and South Korea share the political dilemma of being parts of larger cultural entities which became fragments in the aftermath of World War Two. Today, Taiwan contains a mere 2 percent of China's total population, while South Korea has more than double that of the North.

Unification of Korea might produce a Korean nation which could resist the Chinese or Japanese "gravitational fields," but this is unlikely at the present time. The Korean people have fiercely maintained their cultural independence through history, but have also lived through extended periods of political fragmentation. This character of independent spirit, political fractionalization, and cultural creativity make them one of the most dynamic societies in the Asian region — especially in the South, where these qualities have been allowed to flourish. But the quarrels among themselves and with the North relegate the Korean peninsula to a potential trouble spot rather than a source of stability in the region.

Thus, the trends of the 1980s can lead to greater rivalry between China and Japan as well as a subtle shift in the balance of power. Taiwan and Korea are to be the most likely affected by this shift. As the region continues to be the most dynamic economic part of the world, our political equations must also be revised. □

# Who wants German reunification?

By David Mueller

Canadians live in a state composed of two nations while Germans live in a nation composed of two states. Both countries have been described as having difficulties with their "national identity," although the roots of such difficulties are very different in each case. In the German case there is an acute uneasiness with national history arising out of the catastrophic war unleashed by the Nazis and their atrocities against the Jews in Europe. But a second aspect of national identity has also had distinct effects on the foreign policies of both German states since their creation in 1949, especially with regard to their relations with one another.

The dominant theme of inter-German relations has been the "unity of the nation" concept. Whereas the Federal Republic of Germany (FRG), or West Germany, maintains that the German nation is still intact, the German Democratic Republic (GDR), or East Germany, feels that a 40-year division has created two: a "capitalist" nation in the west and a "socialist" one in the east. The policy consequences are that the GDR would like to maximize official contacts to boost its legal status as a separate state, while the FRG would like to minimize such contacts and concentrate relations at the inter-personal and societal levels. There are extreme factions on both sides but they have thus far not endangered a relatively fruitful relationship. Reunification remains a latent but small aspect of inter-German relations.

## East, meet West

The major turning point in those relations came in October 1969, when the newly elected West German Chancellor, Willy Brandt, declared before the Bundestag that: "A de jure recognition of the GDR by the West German federal government cannot be considered. If there are two states in Germany, they are not foreign to each other; their relations can only be of a special nature." This statement laid the basis for a policy followed by successive West German governments. It was formalized on December 21, 1972, when both countries signed the "Treaty Regarding the Principles of Relations between the Federal Republic of Germany and the German Democratic Republic," a title that is usually reduced to the "Basic Treaty." It granted de facto recognition to the GDR as an independent state and codified certain aspects of the "unity of the nation" concept, although that phrase never appeared in the treaty.

The most important of these qualifications was that de jure recognition was never mentioned. The treaty stated only that both sides "respect the independence of both states in their internal and external affairs." They also agreed to disagree on "basic questions, among them the national question." Another qualification involved the exchange of diplomatic representations. They were described as "permanent repre-

sentations" not "embassies." Although they are practically the same, there remain numerous procedural and protocol qualities which distinguish them from embassies. These qualities support the FRG's position that the two states are not "foreign" to each other and that relations are of a special nature.

## Citizenship question

Finally, in a supplementary proviso to the treaty, the FRG declared that "Citizenship questions are not settled by the treaty." The GDR did not dispute this, stating only that it assumed "the treaty will facilitate settlement of citizenship questions." FRG could thereby maintain that there was only one "German" citizenship and that any East German who settled in the FRG was automatically granted the rights of a West German. For the FRG, the single German citizenship is the legal corollary of one German nation.

The unity of the nation concept became the shield which protected the Basic Treaty from attacks by the opposition Christian Democratic Union (CDU) and Christian Socialist Union (CSU). During the Bundestag debate which preceded ratification, those parties proclaimed that the treaty was at least unconstitutional, if not actually an act of national treason. Immediately after ratification, the Bavarian CSU government petitioned the Supreme Court for a ruling on the constitutionality of the treaty. The FRG constitution obligates the government to strive for German reunification in "peace and freedom." On July 31, 1973, the court ruled that the Basic Treaty was in accordance with the West German constitution. In its view legal recognition of the GDR had not been granted and substantial aspects of the treaty supported the unity of the nation thesis. In addition, a West German note on reunification appended to the treaty was tolerated by the GDR as part of its structure.

## One Germany in law

However, the court also ruled that in a strict legal sense, the borders of 1937 had not lost legal force, and would not do so until a peace treaty was signed between "Germany" and the Allied Powers. This addendum has often been used by right wing politicians in the FRG as support for a hard line position. The major motivation on their part has been to appeal to groups within their constituencies whose prewar homes had been in the territories east of the current eastern border of the GDR. These territories are now in Poland and the Soviet Union and many of the Germans who were expelled from them after the war formed refugee clubs after settling in West Germany. The first Chancellor of the

---

*David Mueller is a student of German affairs living in Ottawa.*

## Only Germans want reunification

FRG, Konrad Adenauer, was able to capitalize on the refugees as a voting bloc, and many in the CDU and CSU find it attractive to pay lip service to the sentiments of the older refugees who still foster memories of their native homes.

The GDR however, has its own hard line position which it periodically asserts. It contends that two distinct nations have evolved in Germany, and in 1974 the constitution was consequently amended. Where it once read "The GDR is a socialist state of German nationality," it now read, "The GDR is a socialist state of workers and farmers." The extremists within the Socialist Unity Party (SED), the ruling communist party in the GDR, feel that the increased societal contacts entailed by inter-German relations are a West German ploy to destabilize the country by increasing the desire within the population for liberalizing reforms. In response, they developed a policy of "abgrenzung" (demarcation), which can best be described as an attempt to cut the GDR off from the West, especially from the FRG, as much as possible. A major factor of inter-German relations since the Basic Treaty has been the gradual realization by the SED leadership that East Germany, located geopolitically where it is, cannot isolate itself from the West without damaging its own interests. It has also realized that it loses internal legitimacy by forcing a 2-nation thesis on a population of which large segments still harbor strong national feelings.

### "Solidarity" divides

Unrest in Poland in 1980 led to the sharpest deterioration in inter-German relations since the signing of the Basic Treaty. On August 22, Chancellor Helmut Schmidt cancelled his planned visit to the GDR for fear of being there when the crisis came to a head. On October 9, in order to discourage contact between Germans, the GDR doubled to DM25 (Cdn\$19), the amount of money which visitors from the West were forced to exchange daily while in the GDR. The leadership felt that its population could be susceptible to the "Polish virus," through too high a level of contact with West Germans. Four days later, the General Secretary of the SED, Erich Honecker, opened a party meeting in the city of Gera with a set of "prerequisites" for continued pro-

gress in inter-German relations, which subsequently became known as the "Gera demands." They were the recognition of East German citizenship, the conversion of the permanent representations into embassies, settlement of the border dispute along the Elbe River, and the dismantling of a center in Salzgitter for monitoring GDR human rights abuses. The first two were untenable for the FRG since they violated its constitution.

### Pragmatism prevails

For the most part however, the hard line positions have stayed in the background of a relationship based on pragmatic foundations which have proven to be very resilient in the face of strong counter pressures. Honecker has come to differentiate between the first and the last two Gera demands, moderating his position on those with a "constitutional" character. Many were expecting inter-German relations to enter a new "ice age" when the CDU/CSU and the Free Democratic Party (FDP) formed a new government in October 1982, with Helmut Kohl as Chancellor. Instead, continuity was the general rule and a broad consensus on inter-German relations developed among the major parties in West Germany. They all agree that the unity of the nation must be maintained with as many human contacts with the GDR as possible. They also agree that reunification is not a contemporary issue and that current policy should concentrate on trying to overcome the consequences of the division rather than the division itself. As an editorial in *The Economist* succinctly put it: "Even Mr. Kohl's Christian Democrats have had to admit that hob-nobbing with the once-despised Honecker regime does more to keep the two Germanies in touch than did the pretense that the East does not exist."

### Party splits

Although they do not yet threaten the consensus, there are forces on the extreme left of the SPD and the extreme right of the CDU/CSU which could do so in the future. The SPD premier of Saarland, Oskar Lafontaine, who is also among the three most powerful men on the national executive of the party, is thought to be in favor of de jure recognition of the GDR. Before a visit



Photo: IN-Press Bundesbildstelle

West German Chancellor Helmut Kohl in meeting with East German Head of State Erich Honecker.

there in November 1985, he also stated that the FRG should recognize a GDR citizenship. He is the highest level politician to hold this view, a fact made more significant because he is being widely considered as the SPD candidate for Chancellor in the next federal election. His views on inter-German relations have however, been received coolly, if not rejected outright, by his party colleagues. In addition, a joint paper of principles signed by the SPD and the SED last August has been quite divisive within the SPD. It includes the statement "Neither side is permitted to deny the other its right to exist," and many in the SPD think this comes too close to de jure recognition. The mainstream SPD view is well represented by Juergen Schmude, an SPD Bundestag member, who feels that although one must be realistic about reunification, when it comes to the issues of citizenship and de jure recognition, "There can be no concessions."

On the governing CDU side, one Bundestag member, Bernhard Friedmann, stated in September that reunification should be put back on the global agenda of the US and the USSR by having it linked to arms control. Friedmann's statement was so extreme that it was rejected by the CDU caucus chairman, Alfred Dregger, himself considered to be on the right wing of the party, while Kohl labelled it as "just nonsense." Besides raising eyebrows in both East and West, statements such as Friedmann's are also likely to evoke renewed emphasis of the Gera demands from the East German side, something which would not facilitate inter-German relations. The extreme left would have to bear some responsibility since it is often their statements which elicited a right wing response in the first place.

Unfortunately, fringe conservative views are not monopolized by right wing politicians in the FRG. Wolfgang Venohr, an academic who, up until now, could not be simply written off as a radical conservative, feels that a reunified Germany should take its rightful place among the great powers of the world. Presumably, this would include the acquisition of nuclear weapons.

### Handling Honecker

The intense uneasiness felt by many conservative West German politicians on the occasion of Honecker's visit to the FRG last September, the first by an East German head of state, was also difficult to overlook. Honecker was accorded the full complement of diplomatic niceties, something which would have been denied him during his cancelled 1984 trip. This included displaying both flags, as well as singing both national anthems, though the East German one was referred to only as a "hymn." According to the US news magazine, *Time*, after the singing of both anthems, Kohl confided to a friend that, "It was a dreadful thing to go through." Those on the right felt that the visit accorded the GDR another increase in status, as well as being a blow to the unity of the nation. What they tended to overlook however, was that along with symbolizing the separateness of the two German states, the visit also symbolized aspects of togetherness. Honecker felt as uneasy about this as conservative West Germans felt about the protocol concessions given Honecker during the visit. He felt compelled to emphasize that "The development of our relations is characterized by the realities of our world. Socialism and capitalism are like fire and water."

The continuing political debate should not, however, be confused with the empirical question of the unity of the German nation. If the FRG granted the GDR de jure recognition tomorrow,

it would not change the reality of whether Germany is one nation or two. In addition many ordinary West Germans are also wondering whether the unity of the nation is not an illusion, which has majority political support only because of constitutional obligations.

### Vacationland East

An interesting facet of this problem lies in the numbers of West Germans who visit the East. After the forced exchange of DMs was raised by the GDR in 1980, the number of visitors from the FRG and West Berlin dropped by 1.7 million to about 5 million, a figure lower than that in 1972. But it became apparent as well that many West Germans were losing their desire to visit the GDR regardless of this new financial disincentive. Looked at realistically, East Germany is not one of the world's most cherished vacation destinations. For the West Germans, the weather is just as bad as back home while the lineups are worse. They seem to say, "I'm fed up with this. Next time I'm going to Majorca." This feeling is a major development for West German policymakers trying to preserve whatever national unity might be left after forty years of division.

The prospect of increased human contacts was the overwhelming motivation on the West German side for negotiating the Basic Treaty, and it remains the operative tool by which successive governments try to maintain a "feeling of togetherness" between both Germanies. This is not to say that those in the FRG no longer foster any feelings of kinship to Germans in the east; the feelings are mixed. They are described well by Angelika Volle, a researcher at the German Society for Foreign Affairs in Bonn: "People [in East Germany] are strangers to me but you can't help feeling they are the poor cousins." Ironically, it has been from the East German side that a major positive impulse in human contacts has come. Since 1985, the GDR has allowed the annual number of visits to the West — usually by retired people — to more than triple. On October 15, Kohl announced in the Bundestag that his government expected five million visitors in 1987, one million of those below the retirement age.

### No supporters of unification outside Germany

The issue of reunification can shed light on the limits of national feelings in the FRG. Any suggestion of the Soviet Union's offering reunification for neutrality—and the dynamism of the new Soviet leader has created such speculation — misses the point. Even if the international climate — including the Western powers — were favorable, the two German states are so different that the chances of reunification would be remote. The economic factors alone would act against it. Reunification would entail a massive redistribution of wealth from west to east. Under such conditions, it is unlikely that the majority of West Germans would want reunification at all.

Paradoxically, those in the FRG who most support reunification also complain that the GDR is profiting disproportionately from the current relationship. Seldom do they acknowledge that reunification would entail an even more lopsided flow. It will take a lengthy and continuing relationship of human, cultural and economic exchange before even the internal obstacles to reunification are reduced. It should be noted that there has been significant variance between the official policies of both states and the feelings of their populations. National feelings have been overemphasized by the government of East Germany and underemphasized by that of West Germany. □

# Polisario and Western Sahara

By Brigitte Robineault

For the past thirteen years, North Africa has known a protracted guerrilla war between the Kingdom of Morocco and the Polisario Front, a national liberation movement representing the people of Western Sahara (the Sahraouis). This war — the product of conflicting nationalist claims, colonial influence and rich mineral reserves — has played a pivotal role in the sensitive North African political arena and has had some wide-reaching repercussions. Our main concern here will be to examine the context in which Sahraoui nationalism arose as well as the origins, nature and *raison d'être* of the nationalist movement.

## Road to nationalism

The Western Sahara is an arid tract of desert covering 266,000 square kilometers of Northwest Africa. It shares boundaries with Morocco to the north, Mauritania to the south and east and Algeria to the east, and has a western coastline stretching 1,062 kilometers. The area is divided into two regions: the Saguia el-Hamra in the north and the Rio de Oro in the south. According to a Spanish census taken in 1974, the Sahraoui population numbered 73,497 and consisted mainly of Moorish nomads with a distinct language and culture, who prized mobility and autonomy, and had a thorough disregard for artificial or imposed boundaries, and who generally remained free of any subservience. Their loyalties were to their tribe, faction and family and they have never experienced political unity as the West understands it.

Over the last thirty years drought, colonization, population movements, the discovery of high-grade phosphate deposits (estimated at 1.7 billion metric tons in 1976) and modernization forced the Sahraouis to abandon their nomadic life and migrate towards the cities.

## Spanish colonialism

Colonization was the most important agent of change in Sahraoui society. Although the Spanish had established themselves on Western Saharan soil as early as 1405, not until 1884 was the territory actively colonized, and only in 1958 was full military and administrative control gained. The discovery of large phosphate deposits in 1962 led to large-scale Spanish investment in economic and social development programs for the region. The "Spanish" Sahara became a province of Spain and in 1967 the *Yema'a'* (or tribal assembly) was created to grant Sahraouis representation in the Spanish Cortes, in a bid to assimilate the population.

---

*Brigitte Robineault is a Canadian student of North African affairs living in Ottawa.*

Education, urbanization and the discovery of phosphate wealth all led to social, political and economic changes in the region in a short 20-year span. The Sahraouis who moved to the cities were given menial jobs within the phosphate industry and were the victims of segregation and repression, which contributed to a nascent community feeling based on their unequal status and homogenization. Becoming aware of the economic viability of an independent Sahraoui state, by the early seventies the Sahraouis began to challenge the unrepresentativeness of the Spanish laws and political institutions. Sahraoui society responded to these changes and challenges in two ways: by adaptation, and by fleeing the region to settle in scattered refugee camps. Although the first stirrings of nationalist feeling would take place in Western Sahara itself, it was among the refugee population that the expression of national identity would become strongest.

The first resolution on Western Sahara adopted by the UN General Assembly in 1964 called for self-determination and heralded the start of a 10-year decolonization process. By 1966 Spain was showing signs of wanting to withdraw from the territory, as Spain was by then one of the last colonial powers still remaining in Africa. It was not until 1974 that Spain finally agreed to hold a referendum for the territory as a result of pressure exerted by an anti-colonial Moroccan/Algerian/Mauritanian front. Spain's hand was forced by two major events in 1975: Franco's death and the "Green March," that extraordinary show of Moroccan nationalist fervor in which 350,000 men, women and children marched into the desert. It was an attempt to assert sovereignty over Western Sahara by a bizarre, "Islamic" (hence "Green") mobilization of Moroccan civilians. Final Spanish withdrawal came with the signature of the Madrid Accords later in 1975, which granted Morocco and Mauritania administrative control over the now partitioned territory.

Western Sahara had known until then a number of nationalist movements, all short-lived and ineffective save for the "Frente Popular para la liberación del Saguia el Hamra y Río de Oro," or Polisario Front, as it is commonly known. This movement led the struggle — with Algeria's backing since 1973 — first underground against the Spanish, then against the Morocco/Mauritanian coalition and now against the Moroccan Forces Armées Royales.

## Claims over the territory

The conflicting claims over the territory are perhaps the thorniest issue in this situation. Morocco has contended that the Polisario constitutes a secessionist movement and that it is not the sole representative of the Sahraoui people. Morocco has pounded the argument of a "Greater Morocco" based on geo-

geographical and ethnic claims and on the historical argument that Sahraouis recognized the authority of the Moroccan sultan, thus making the territory Moroccan by virtue of allegiances recognized under Islamic law. To counter the increasing international pressure for a referendum in the territory, Morocco submitted its case to the International Court of Justice, which ruled in 1975 that the territory was not *terra nullius* at the time of colonization, and that, although there were some ties of allegiance, these were insufficient to establish Moroccan sovereignty. These findings were supported by the conclusions of a UN Mission of Inquiry sent to the region in May 1975, which clearly established that Sahraouis desired independence. This Mission proved to be a catalyst for Sahraoui aspirations, giving direction to the new unifying force among the disparate tribes.

### Morocco takes over

After the Madrid Accords, Morocco and Mauritania took possession of the territory, forcing an exodus of refugees (to Algeria) from the region. Morocco quickly proceeded to implement an extensive development plan in the lucrative and important Saguia el-Hamra, thus hoping to build support within the area and undermine the Polisario. The territory became administratively and politically integrated with Morocco and a number of nationalist countermovements were created to weaken Polisario credibility. Coercive repression and assimilation of Sahraouis in the region became the hallmarks of Moroccan policy. Diplomatically, Morocco deplored the fact that Western Sahara was still being handled as a decolonization case by the UN. Still, on numerous occasions Morocco agreed to a "confirmatory" referendum (independence not being an option), but never acted on its promise. Added to this was an unwillingness to negotiate directly with the Polisario because of the intimate connection between the Moroccan throne and the recovery of the "Moroccan" Sahara, the real political considerations of the possible encircling effect by Algeria, the need to occupy a potentially rebellious Moroccan military and the need to distract an unhappy Moroccan population.

Militarily, Morocco proceeded to consolidate its holdings first by creating several large mobile armed task forces to limit Polisario mobility and communications. This tactic failed, and Morocco then proceeded to build a defensive security perimeter, first around the most populated and economically important regions, and later around the quasi-totality of the territory (see map). This defensive wall consisted of bulldozed sand and rock lined with mines and barbed wire, backed with artillery and rapid intervention brigades and manned by one-half of the Moroccan armed forces. This strategy greatly increased the cost of the war for Morocco, with figures running as high as \$1 billion a year, but permitted the resumption of phosphate production and the establishment of an air of "normalcy" within the region.

### Mauritania's role

Mauritania had also advanced claims to the territory based on geographical, ethnic and historical considerations. Between 1969 and 1974, Mauritania had supported self-determination in Western Sahara, first because of Morocco's early refusal to recognize Mauritania independence and later to establish a buffer zone to halt Morocco's move southward. When Mauritania received the Rio de Oro region in 1975 as a result of the partition agreement, it proceeded in a weak attempt to assimilate the new territory. However, it proved unable to defend its territory during

Polisario incursions. This eventually led to the toppling of the regime of Mokhtar Ould Daddah in 1978. Mauritania signed a peace agreement with the Polisario and handed over its share of the Western Sahara to that movement. Morocco ignored the agreement and annexed the whole territory in 1978. Mauritania recognized the Sahraoui Republic in 1984 but has remained neutral in the conflict. It has, however, been in constant danger of reentering the conflict because of Moroccan threats of "hot pursuit" against Polisario units launching attacks through Mauritanian territory as a result of the strategic location of the defensive wall.

### Algeria's role

Algeria, unlike Morocco and Mauritania, never laid claim to the territory, but has been the principal diplomatic and military supporter of the Polisario as part of its overall foreign policy. Algerian motivations might also have included its position as a leading standard bearer in the struggle against Western imperialism as well as certain economic gains, such as access to the Atlantic. The power rivalry between Algeria and Morocco was also a foremost concern.

Since 1975, Algeria has supported the Polisario militarily with money, weapons, equipment, training and sanctuary, as well as food, fuel and water. Diplomatically, it has championed the Sahraoui Republic with a well coordinated public relations effort, which met with great success in the OAU (Organization of African Unity) and the Non-Aligned Movement (NAM).

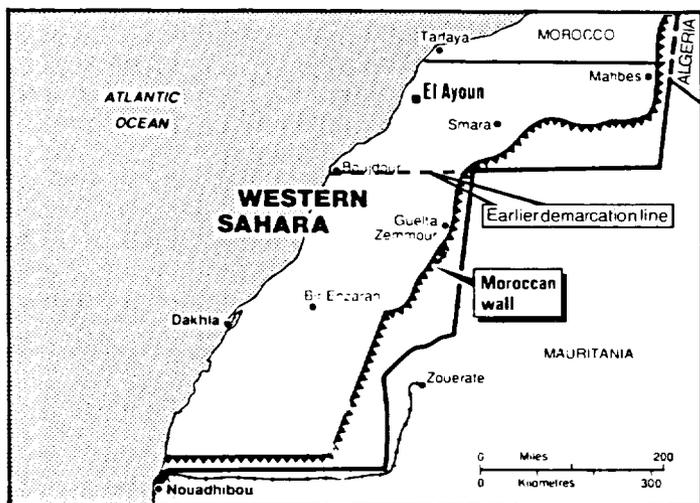
In sum, the case of Western Sahara is a prime example of how a nationalist movement has been able to affect regional politics, highlighting the profound ideological and political differences among North African countries, and in turn been molded by these conflicts and contradictions. The situation is also noteworthy for the relative lack of superpower involvement, although each superpower has provided financial and military assistance, directly and by proxy. Spain and France, which had previously known direct involvement in the conflict, have remained neutral. Outside involvement has therefore had only marginal influence on the struggle, even though it is evident that without French, American and Soviet weaponry each side would be weaker.

### Polisario Front

The Polisario Front has been the central agent of Sahraoui aspirations ever since its creation in May 1973. As a national liberation movement, its overriding goal has been an internationally recognized independent Saharan state and people. At its second Congress in 1974, while it was still underground, the Polisario proclaimed its intention to "struggle until wresting independence, their wealth and sovereignty over their land." The plan of action called for educating and mobilizing the masses, reinforcing external links, eradicating all forms of exploitation, for the fair distribution of resources, the maintenance of the religious heritage, the realization of national unity, the installation of a republican regime and the creation of a national economy through nationalization, industrialization and agricultural development. The Polisario considered themselves as having an Arab, African and Islamic identity, as participants in the Third World family and as a people opposed to imperialism, colonialism and exploitation.

When the Sahraoui Arab Democratic Republic (SADR) was proclaimed in 1976, it was to be a non-aligned, democratic and progressive (socialist) state, its claim to socialism inspired by

## Self-determination struggle



Islamic rather than marxist precepts. In general, however, ideological commitments were set aside and considered premature by the Polisario while the struggle for independence continued.

### Polisario policies

The Polisario succeeded in transmitting its initial nationalist message to the population within the territory, through its radio program "Voice of the Free Sahara," broadcast on Algerian and Libyan radio to what was mostly an illiterate population, and through personal contacts by Polisario committees combing the territory. In 1975, Polisario undertook an active politicization campaign, primarily among the refugees in Algeria's Tindouf region where the camps had been set up. Educational and political organization, demonstrations and cultural events were linked to traditional themes in Saharan tribal culture. The concept of martyrdom and the Sahraoui flag, as well as the exploitation of the refugee situation, further consolidated the process of identification among the population of the camps. The principal obstacles of traditional loyalties were also gradually being overcome.

### Polisario leadership

The key element in this successful exercise in nation-building was the Polisario leadership. Diverse in its origins and representing the geographical range of the Sahraoui population and its tribal diversity, the leadership remained homogeneous and unified. Most of its founding members are still in leadership roles today. During the genesis of the movement there was, however, a distinct lack of political or military experience among the students who formed the nucleus of the movement, which led many observers to speculate that the Polisario was an Algerian fabrication. The indications are, however, that Polisario was mostly self-reliant in its early underground work, indicating a genuine corps of Sahraoui nationalists who through their policies and actions succeeded in attracting Sahraouis from all segments of society to join the ranks of Polisario. However, since 1975 Polisario dependence on Algeria has been total.

A mix of local traditions and customs and the experiment in popular democracy seem to have given a truly "popular" nature to the movement. Traditional loyalties have been incorporated into a broader, more forward looking attitude which has enabled the Polisario to wage a 13-year war. The Polisario has thus won

both internal legitimacy among the Sahraoui population and external legitimacy, with seventy countries recognizing the SADR as of July 1987. Polisario's claim to the right to self-determination was further legitimized when the OAU recognized the SADR as its fifty-first member state in 1982, a controversial decision which almost brought the OAU to a standstill and led Morocco to withdraw in 1984.

### Road to legitimacy

Although unable to fulfill the empirical or juridical criteria for statehood, the SADR/Polisario have shown themselves to be the representatives of a genuine nationalist movement with a defined territory (the former Spanish colony), a distinctive population (Hassaniya-speaking [a dialect of Arabic] Sahraouis), common cultural elements (the nomadic way of life), the desire for its own government (the SADR) and a newly found loyalty to the nation and a belief in its future, evident in the supra-tribal identification and the dedication of Sahraouis to a protracted and difficult armed struggle. As such the movement has legitimate claims which have twice been denied, first under the Spanish and now by Morocco. The Sahraouis now see violence as the only recourse for defending their right to self-determination.

Polisario's military wing, the Sahraoui People's Liberation Army, has since the early 1970s waged a guerrilla war based on the tactics of surprise and mobility. Numbering approximately 25,000 men (not all of whom are Sahraouis), the SPLA has launched attacks with small land rover convoys and light weaponry, which proved lethal for Moroccan and Mauritanian forces until Morocco built its defensive wall. The Polisario no longer held the advantage of the territory or the element of surprise. From Polisario's perspective, a war that began in the hope of extracting a political decision from Morocco had become a protracted struggle which it now hopes will overburden the Moroccan economy.

### Resolving the conflict

Conflict resolution by mediation attempts and other peaceful means on the part of the UN, the OAU, the NAM and individual states, the most recent of which was a joint UN/OAU 1987 peace initiative, have so far failed because of a lack of cooperation among the belligerents. Failing a diplomatic solution, the only outcome of the conflict seems to reside in either a decisive military victory, which the Moroccans could only achieve if the Algerians withdrew their support from the Polisario, or the Polisario gradually running out of steam because of limited human resources. With the current stalemate on the military front — although the Polisario has continued to attack and penetrate the Moroccan defensive perimeter — the battle has continued on the diplomatic front, where Morocco is at a disadvantage. How long both Morocco and Algeria will be able to sustain the cost of such a war will likely determine its outcome, as could the current movements towards détente evident among North African states as they continue to strive for a unified Maghreb.

In 1988 the struggle for Western Sahara continues. The Sahraouis appear united under the banners of Islam, national liberation and self-determination, and are struggling to overcome the centuries old regionalism and tribalism to fight for the one cause of Sahraoui independence. □

# Canada and Palestinian self-determination

By Peyton Lyon

Canada has become a bold champion of human rights, most notably in the Soviet bloc and South Africa. It is also a leading promoter of Francophone unity. Hence the widespread amazement and dismay when Canada emerged at the Quebec Francophone Summit as the only one of the forty participants to withhold support from a resolution in favor of Palestinian self-determination. Compounding the puzzle is the fact that Canada had been inching towards balance in its Middle East diplomacy. In UN voting, for example, it now supports the resolution calling for an international peace conference, and it is less often isolated in an uncomfortable minority of three, along with Israel and the United States. Mr. Clark's 1986 visit to the area, especially his firm speech in Tel Aviv, went down well in the Arab world. This trend has not only augmented our ability to promote specific Canadian interests, such as trade, but also our potential as a peacemaker in the Middle East, once the setting for our most creative diplomacy.

Why then the embarrassment of our apparent rejection of self-determination? Canada's negative stand at Quebec was not new. Rather it dates back to Trudeau who, despite great sympathy for the Palestinian cause, appeared to believe that support for self-determination in Palestine, or Biafra, might encourage self-determination in Quebec. This concern, if ever valid, is so no longer.

UN and Commonwealth procedures had till now enabled Canada, without drawing great attention, to withhold support from Palestinian self-determination. The rules for the Francophone Summit are different, however, and caused our solitary stand to become the focus of widespread criticism.

## Citizens and diplomats agree

Many Canadian observers, and most Canadian diplomats who bear responsibility for our relations with the Middle East, have long been critical of our apparent inability to recognize that equity in the Middle East, and enduring peace, demand that the Palestinians be accorded rights comparable to those enjoyed by all other nations in the area, including Israel. "Self-determination" is the most basic and obvious of human rights. How can one fail to support this right for a nation and then claim to be its friend? And the friend of its friends? Would Canadians tolerate any questioning of their own right to self-determination? That of any of their friends and allies? Or, indeed, of any nation apart from the Palestinians? Why do we single them out for this negative discrimination?

Our spokesmen stress that we are not like the Israelis and Americans who unambiguously reject self-determination for the Palestinians under any circumstances. Rather, the official Canadian position adds up to "not necessarily self-determination, but self-determination only should it happen to emerge from

peace negotiations." Joe Clark contends, incorrectly, that "self-determination" has a unique meaning in the Middle East, i.e., "independent statehood." To say now that we favor self-determination, he reasons, would "prejudge" the outcome of the negotiations: we would be telling the Palestinians they must be independent whether they want to be or not! Mr. Clark claims that eight or nine other countries also take this strained position in the UN, but he cannot name a single one. We are in fact just as isolated in the UN as we are in la Francophonie.

Why should "self-determination" necessarily mean "independent statehood" in the Middle East or anywhere else? Surely "self-determination" simply means deciding one's form of government and affiliation. That *could* be sovereign statehood; just as logically it could mean merger with another state or states in a political or economic union. In joining Canada, for example, the Newfoundlanders exercised self-determination.

## Palestinians objectives

The Palestinians can expect the return of only a skimpy fraction of their former lands. If only for economic reasons, therefore, they might well exercise their self-determination to form an economic union or confederation with one or more of their neighbors, perhaps Jordan or even Israel. But if they insist upon sovereign statehood, what right have *we*, or anyone else, to oppose? If denied self-determination, moreover, the Palestinians are bound to continue to be a source of disturbance in this precarious area.

Israel is now the predominant military power in the Middle East, and it is backed by the United States, the most potent nation in all history; nevertheless Israel demands absolute guarantees for its security. Although granting these might well detract from Palestinian sovereignty, the PLO leaders have indicated that they are willing to pay this price in order to terminate Israeli occupation. The case of Austria is often cited: to regain independence, it met heavy Soviet security demands that included an Austrian pledge to become neutral. (It should be recalled, however, that Palestinian security has suffered more than Israel's, and also that, while Austria was a willing accomplice in a criminal war, the Palestinians are the innocent victims of the return *en masse* of an alien people.) The point that matters is that the Palestinians are prepared to accept limits on their freedom in order to contribute to regional peace and to gain the substance of independence.

Although protesting that we must not "prejudge" the outcome of Middle East negotiations, Canada's curious stand accomplishes just that. If it becomes general, statehood would be ex-

---

*Peyton Lyon is Professor of Political Science at Carleton University in Ottawa.*

cluded. Israel, of course, must be a key negotiator. With American encouragement, it has already ruled out the option of Palestinian statehood. And, if the negotiations are confined to the nations in the immediate region, Israel has ample power to impose this condition.

#### Reasons for action and inaction

Therefore, unless there is strong pressure from the rest of the international community, the option of Palestinian statehood is clearly a non-starter. It thus matters very much to the Palestinians and other Arabs that countries such as Canada should support the demand for self-determination. Our protestation that we want to leave this elementary human right to negotiations is rightly seen as hypocritical and evasive. The Arabs suspect, moreover, that the real explanation of Canada's stand is pressure emanating from Washington and from our own pro-Israel lobby.

Canada's credibility and influence would increase if we joined the vast majority of nations that now support Palestinian self-determination. It would also help if Canada permitted higher level contacts with the PLO which, according to all public opinion poll in the West Bank and Gaza, speaks for over 90 percent of the Palestinian people. Even more important, we should join the large majority in the UN that insists that only the PLO can speak for the Palestinians in any negotiations for a Middle East settlement. The search for alternative spokesmen is disrespectful to the Palestinian nation. It is also futile. A treaty not negotiated and signed by the PLO would be a certain recipe for continued unrest. Only if permitted self-determination, including the right to designate their own negotiators, can we expect the Palestinians to become good neighbors and constructive members of the international community. □

#### Review Article

John Watkins: diplomat & writer

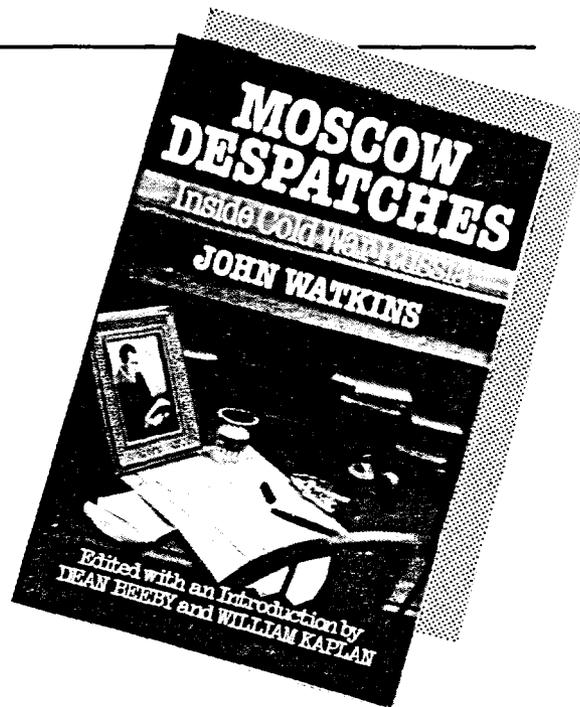
## Fallen among Pharisees

by Bert Hart

*Moscow Despatches: Inside Cold War Russia: John Watkins* edited by Dean Beeby and William Kaplan. Toronto: James Lorimer & Company, 1987, 150 pages, \$22.95.

This slight book is about the entrapment of John Watkins, a senior Canadian diplomat, by the Soviet KGB (Committee, or more accurately, Ministry of State Security). John Watkins served in Moscow as chargé d'affaires at the Canadian Embassy from September 1948 to March 1951. He returned to Moscow as Canadian Ambassador in March 1954 for a second tour of duty which lasted until April 1956.

The editors of the book, Dean Beeby and William Kaplan, follow the novel procedure of presenting their theme through a carefully selected and fragmented collection of the dispatches and letters which Watkins sent to Ottawa from Moscow. To assist the reader in finding the right path through what might otherwise seem like a puzzling maze, the editors provide some guidance in an introduction of twenty pages or so. They include biographical details of Watkins's life and career and, in line with their primary concern with his entrapment, they refer to the KGB connections of his Soviet contacts. There is some necessary background information on Soviet history, on Soviet-Canadian relations and on East-West relations. Throughout the collection other brief observations are inserted to place the documents in the context of events and to indicate their relevance to the main theme.



During his first period in Moscow the Stalinist ice age still prevailed and, as he acknowledges in one of his reports, Watkins's social and professional contacts were very limited. The editors include only several letters from this period in the collection. In contrast, the coverage of the second period brings together a number of quite interesting communications on Soviet affairs and on Watkins's conversations with his Soviet contacts and with people he met on his trips to various parts of the Soviet Union. Even so, one feels disappointed that many more items from both periods were not included in the book.

The editors make it quite clear that they wish Watkins's account of his trip to Central Asia in the autumn of 1954 to be considered as the heart of the collection of documents. It was, they say, during this tour that Watkins let down his guard and, if we read carefully with their guidance, we will be able to detect in the dispatches and letters from that point forward the emergence of a secret police operation of Byzantine proportions against a foreign diplomat. This suggests an appropriate blurb for the book: If you are becoming bored with the current hothouse crop of pseudo-documentaries on espionage try this one for size. It is

different and it contains some admirable writing; it is full of "literary gems that one read (sic) as much for pleasure as for information."

But, surely this kind of approach simply trivializes the implications of what was undoubtedly an offensive secret police operation and, as such, not simply an isolated case? Indeed, for its longer term significance, especially for our own security policy and the resources and personnel talents we are prepared to commit to that policy, it needs to be viewed in the broader perspective of the relation of such KGB operations and of the functions in general of the KGB and its predecessor organizations, to the tremendous social changes which have taken place since the October Revolution and are still occurring in Soviet society.

The editors, on the basis of the information available to them from various sources, are quite categorical in their treatment and judgments on the unidimensional nature and aims of the KGB in its contacts with Watkins. They are curiously oblique when it comes to pronouncing on his loyalty although his RCMP interrogators did not, as the editors themselves indicate, have difficulty in reaching firm conclusions. They do not suggest that their collection of documents provides any evidence of disloyalty on the part of Watkins. Indeed they acknowledge that there is some evidence pointing in the opposite direction. However, from their ultimate source for this view, the RCMP interrogators, they give only a pale reflection of the positive assessment drawn from the favorable evidence.

Of course one can appeal to scholarly proprieties and at the same time to a certain public cynicism with respect to the motivations underlying government secrecy on security matters. Thus "until key government documents are released, including the full interrogation reports, questions about Watkins' loyalty will continue to be raised." This seems to be the considered opinion of the editors and it is nothing less than an open invitation to further debate and speculation. On their terms and criteria there could, however, never be any definitive resolution of doubt. Never mind that this is a matter of the destruction of the reputation of a man who served his country well. One can imagine that the KGB would find in this outcome some consolation for its failure to suborn John Watkins to its service.

### KGB more than spies

As my earlier comment will have indicated, if the diplomatic experience of John Watkins in the Soviet Union is to be put in a proper perspective, a clearer understanding of the role of the KGB will be needed than is offered by the editors in their commentary. I can only briefly suggest here a clue to the character of such a clarification. It would have to start with the recognition, at least as far as the evolution of Soviet society is concerned, that Max Weber was a better prophet than Karl Marx. Weber, in the light of his own studies of bureaucracy and his interpretation of the centralizing doctrines of Marx and Lenin, predicted that socialism would mean the ultimate triumph of bureaucracy: it would not be the dictatorship of the proletariat, it would be the dictatorship of officials.

Within the vast Soviet bureaucracy the secret police have always occupied a very crucial and privileged position. Following the terrorist devastation of Stalin's purges the Khrushchevian succession moved to reform and bring the state security organization back under Party control. Among other measures Party generalists were gradually placed in senior positions and at the

head of the KGB. Paradoxically this trend led to a more effective organization with broader responsibilities and increased political clout as evidenced in the elevation of the head of the KGB to membership in the Politburo and even, as in the case of Andropov, to the leadership of the Party. The KGB was then, more than ever before, able to attract the brightest people to its ranks, giving them the prospect of very varied careers at home and abroad under floating professional identities. The changing conditions of employment now called for a greater use of initiative and for the more intellectually demanding pursuits of the formulation and implementation of policies and activities going well beyond the traditional functions of intelligence and security.

### Complicated game

The beginnings of this trend can be discerned in the apparently ambidextrous role that Watkins's Soviet contacts played in their relations with him during the period of the post-Stalin thaw. In order to concentrate on the consolidation of their own position and on reforms at home the new Soviet leaders were anxious to avoid trouble abroad. This meant that the message of this intent had to be conveyed abroad as discreetly, skillfully and ambiguously as possible. One such channel of communication was obviously available through Western ambassadors in Moscow, and the senior officers of the KGB in one of their many personae were, for the Soviet leaders, the most reliable and qualified functionaries to exploit this channel. From his dispatches there is no question that the discussions Watkins had with his Soviet contacts during this period revolved around serious political and policy concerns of the Soviet Party leadership and government and that they were seriously pursued, as in the efforts of the KGB to expedite arrangements on the Soviet side for the visit of Lester Pearson, the Secretary of State for External Affairs, in the autumn of 1955. From the perspective of Ottawa, Watkins's reports and assessments at this time were particularly valuable.

Alas, in what makes the KGB more of a threat in its reconstructed, more sophisticated guise, it did not in the case of John Watkins and does not now, renounce its traditional tactic of attempting the entrapment of foreign diplomats and foreign visitors in the Soviet Union. There can certainly be friendship between the Canadian people and the peoples of the Soviet Union. But how far can we trust a government that continues to perpetrate such a loathsome practice on its foreign guests?

In spite of the peculiar surgery the editors have performed on the reports of John Watkins, readers of their book will find in it pearls of wisdom and insight to move and instruct them about a talented and dynamic group of Soviet nationalities and about the pioneering efforts of an unusual Canadian to bring our relations with their rulers within the realm of civilized discourse. A full evaluation of John Watkins's contribution must, however, await the presentation of the complete range of his reporting activity along with the serious scholarly study that such a distinguished collection would deserve. In the meantime, as Dean Beeby and William Kaplan have observed, his colleagues will remember him with undiminished fondness and respect. They will also deeply regret that it was his unlucky fate to be a gentle spirit fallen among the Pharisees. □

*Bert Hart is a retired Canadian diplomat living in Ottawa.*

# Book Reviews

## Immigration: the end of innocence

by Maxwell Brem

*Haven's Gate: Canada's Immigration Fiasco* by Victor Malarek. Toronto: MacMillan of Canada, 1987, 262 pages, \$24.95.  
*Double Standard: The Secret History of Canadian Immigration* by Reg Whitaker. Toronto: Lester & Orpen Dennys, 1987, 348 pages, \$24.95.

Coming out at roughly the same time, during a period of intense reassessment of immigration policy, these two books add a stick or two more fuel to what is already a contentious debate. What kind of immigration and refugee policies should Canada have? Is the immigration system in need of reform? Who really controls immigration decisions? Is Canada responding properly to the challenges of much increased international migration?

Victor Malarek's answer to the last question is a resounding "No!" He declares a lack of confidence in the present immigration system. As the *Globe and Mail's* immigration reporter since 1984, he finds the immigration department "ruled by a cold, unfeeling hand and riddled with confusion, incompetence and sometimes outright stupidity." This comes through, he maintains, in its dealings with refugees, other migrants and the public.

Malarek's is principally a view from the bottom of the system, from the standpoint of the system's users or clients. What he sees from this angle is a "fiasco." The fault, he asserts, lies mostly with the senior bureaucrats and politicians in charge. More than twenty-five immigration ministers since 1945 (eight since 1980) "have failed repeatedly to put some order into the de-

partment," he contends. In his swipes at External Affairs, he singles out visa officers abroad for much "delay and bungling."

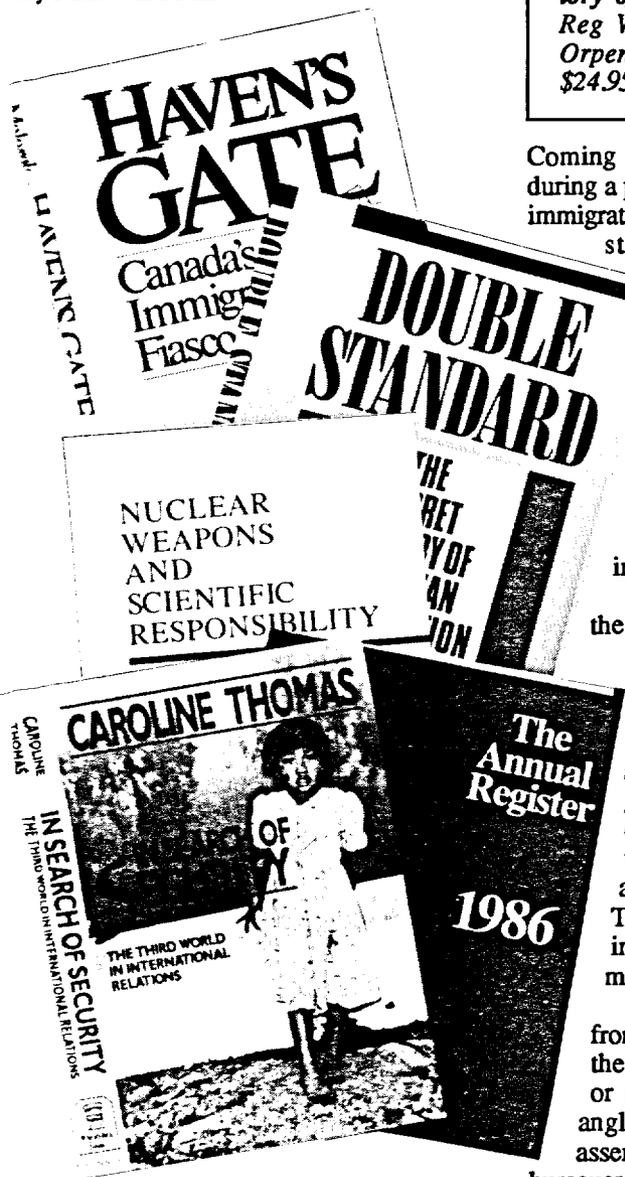
Although sharply critical, Malarek's book is not a diatribe. He documents his charges by calling on facts from official reports and his own newsgathering. Here is the familiar cast of immigration characters — from illegal aliens, desperate refugees, and anxious sponsors to immigration lawyers, slippery "consultants" and, of course, hard-hearted officials. Although recognizable from his *Globe* stories, some of the episodes he relates gain coherence — and potency — in book form.

He has also made good use of leaked memos and confidential documents, including several still-secret 1987 Cabinet papers on the refugee mess. Incidentally, anyone still sold on the official version of the current refugee controversy should read Malarek's chapters on the subject. Malarek concludes, after reviewing the evidence, that "the debate over the so-called refugee invasion has been deliberately distorted by government exaggeration." He follows this some pages later with a truly shocking account of Canada's disdain for the victims of the Afghanistan conflict, only 781 of whom, he says, were among the 130,000 refugees sponsored by Canada from 1980 to 1986.

Despite his popular writing style, Malarek is serious about issues and wants to stimulate debate on such concerns as immigration expansion (which he favors), our response to refugees, racism in Canada, the population debate, and the political and economic effects of immigration. All these topics are covered in varying degrees. But Malarek does not provide policy answers beyond those suggested by humane common sense. His value is in posing questions, and making us see how tangled a milieu immigration is.

### Second book.

Reg Whitaker, a York University political scientist, has a different purpose. To the question "Who really decides who gets



into Canada?" he would probably answer: "immigration security." His book is a brimming, scholarly effort to elaborate this point.

As a dutiful member of the Western alliance, Canada established a system of security screening in the late 1940s to hinder the entry of Communists and other ideologically undesirable migrants. Over the next decade, this hardened into a systematic check on the political allegiances of would-be immigrants and persons applying for citizenship. This clandestine security operation — which, Whitaker says, "turns out to have been far more important, more far-reaching and significant, than had previously been suspected" — extended at times to non-immigrants as well, such as the black singer Paul Robeson and leftist unionists and academics, who were stopped from making even short visits.

Whitaker is at pains to document the evolution and growing influence of the security system in the 1950s and '60s especially. He does this by patient, innovative culling of the archives and use of the Access to Information Act. The result is a work that, even more than Malarek's, contains hard-edged insights into modern immigration.

Whitaker contends that the screening system established by Canada in the early years of the Cold War was a vast overreaction to the Communist threat. Its purpose, he maintains, was to exclude from Canada certain ideas and beliefs, just as one would recoil from "certain germs and contagious diseases."

While anti-Communists (mostly white) were welcomed to Canada, suspicion descended on applicants from France, Italy and Greece because, within those countries from which many people wished to emigrate, Communist and Socialist parties attracted many adherents. The processing pace was glacial at times; Whitaker notes that in Rome in 1957, there were 52,000 backlogged cases. British nationals, however, did not have to undergo security screening. The reason for the different procedure was that Communist influence in Britain was deemed to be small, but behind that probably lay pro-British sentiments.

The hunt for leftists led to some absurd results. As revealed by the Deschênes Commission, Nazi war criminals, with impeccable anti-Communist credentials, were among those allowed to re-establish in Canada. Whitaker describes how Liberal

governments in the 1950s gradually softened their resistance to admitting former wartime enemies and collaborators. Another ironic twist was the denial of entry to Eastern bloc migrants on the grounds that, having lived under the new Soviet-style regimes, they had been tainted by Communism. This strange reasoning was challenged after the Hungarian revolt in 1956, when many Canadians insisted on welcoming the obviously anti-Communist refugees. On other occasions, however, Immigration and External Affairs had to live with security decisions not of their making. Of the various ministers responsible for immigration, only one, Jack Pickersgill (1954-57), earns Whitaker's praise for trying to challenge security edicts.

No one can know how many potential immigrants were knocked out by the security screen. Whitaker calculates that, from 1945 to the early 1980s, four out of five *refugees* accepted by Canada were from Communist states. That proportion has slid a bit in recent years as refugee movements from other regimes have proliferated. Unfortunately, in view of his stress on the anti-Communist bias, Whitaker is unable to answer Malarek's point about why Canada has treated Afghan refugees so poorly. They can hardly be Soviet-loving — but they are not mentioned in Whitaker's book.

A major concern of his is the secrecy that has surrounded immigration security, to such an extent that, until recently at least, many people were unaware of its existence. Whitaker asserts that its history "has been carefully concealed...as a deliberate policy." Certainly, few of the thousands denied entry to Canada on security grounds were ever told the real reason for their being refused.

As both books under review remind us, Canada has a long tradition of exclusionary immigration controls, rooted in either the blatant ethnic or racial prejudices of earlier decades or in anti-Communism. But surely, some check on newcomers is going to be necessary, if only to pinpoint criminals and those disposed to political violence. Whitaker, almost reluctantly, seems to agree. But he does not pursue the point, or give sufficient weight to the disorderly times we live in. This, one can almost hear him saying, is not his role; but the question is left dangling at the end of his analysis.

If any further justification is needed for the role of security services in immigra-

tion, then "terrorism" or the fear of imported violence provides it. Whitaker and Malarek would probably disagree on the seriousness of the terrorist threat. However, no government can be complacent. The Conservative government's recent moves to tighten control over asylum seekers and other "irregular" arrivals is fully comprehensible from this security perspective — although many people think the authorities are using this as a cover and, again, have overreacted. Where immigration is concerned, these books tell us, governmental abuse is always possible.

*Maxwell Brem is Director of the Communications Program and Senior Editor-Writer at the North-South Institute in Ottawa.*

## How guilty?

by Stuart L. Smith

*Nuclear Weapons and Scientific Responsibility* by C.G. Weeramantry. Wolfeboro, New Hampshire: Longwood Publishing Group, 1987, 227 pages, US\$25.00.

Can scientists be prevented from working on nuclear weapons? C.G. Weeramantry, a teacher of international law, tangles with this question over the course of 200 pages and, while the result remains unclear, the engagement is thought-provoking.

Weeramantry is obviously not a man to curse the darkness when he can light even a flickering, somewhat defective, candle instead. Whether or not scientists can be called to the Bar of International Justice to account for their actions in support of nuclear weaponry, the author feels they should act *as though* they could be and should voluntarily cease such activities. Therein, unfortunately, lies the weakness of the book. If arguments about the immorality of nuclear weapons have failed to deter scientists from such work, a further claim that such activities might also be illegal in the eyes of international law is hardly likely to cut additional ice, in the absence of any sanctions or even specific personal condemnations.

Weeramantry makes much of the Nuremberg trials and of the inability of in-

dividuals to take refuge in the concept of having been serving a higher authority. Few would disagree with him in this regard: the employee is as guilty as the employer. By what standard of law, however, could the employee be found *more* guilty than the employer, particularly where the employee did not go beyond the duties and responsibilities of his employment? Given that international law has not condemned or brought sanctions upon the nuclear superpowers, how could it be expected to come down hard upon the employees of those superpowers? At some level of consciousness, the author is aware of this contradiction but he does not really make it explicit. Perhaps that is the reason why he ultimately concludes that any change in the behavior of scientists would have to be brought about by exhortation and by voluntary collective action within scientific organizations. He suggests a UN resolution as one way of nudging the process along.

In focusing on both the moral and the international legal responsibilities of scientists engaged in nuclear weapons production, Weeramantry touches on two extremely broad topics, both of which he is eminently qualified to discuss. Unfortunately neither of these topics is examined in great depth and the book may leave the reader hungry for more substantial material.

The two broad topics are: (1) the method by which international law can be made more effective in dealing with superpowers, and (2) the means by which humanity can decide upon limits to the activities of scientists. These questions may turn out to be pivotal ones which determine both the definition and the survival of humanity. That neither is truly grasped is disappointing.

Leaving aside what the book did not contain, what does it in fact cover? There are four chapters reviewing the history of nuclear weapons, their enormous destructive power and the statistics regarding the "overkill" capacity of the superpowers. We are then offered the three most interesting chapters of the book, wherein the author demonstrates convincingly why nuclear weapons ought to be considered as contrary to international law. These by themselves make the book worth reading.

The remaining three chapters are devoted to the thesis that individual scientists cannot duck responsibility in these matters and that some form of pressure should be applied to those who work on nu-

clear weapons. The author specifically avoids the thorny but fascinating situation where the advance of *knowledge itself* can reasonably be foreseen to imply an increase in the destructive power of humanity. Instead, he limits his focus to those persons actually engaged in weapons manufacture, a term he never really defines. Since he also tacitly admits the impotence of the majority of nations to take effective legal action against the superpowers, we are left, sadly, with much to consider but with little more than moral suasion with which to act.

---

*Stuart L. Smith, M.D., is past Chairman of the Science Council of Canada and an Ottawa consultant.*

## That other longest border

by Ronald C. Keith

*Sino-Soviet Relations: Re-examining the Prospects for Normalization*  
by Thomas G. Hart. Brookfield, Vermont: Gower Publishing Company, 1987, 125 pages, US\$38.95.

This kind of topical survey is sorely needed. Professor Hart of the Swedish Institute of International Affairs indicates that there is a "superabundance of published materials" on Sino-Soviet relations, but that there is also a "conceptual fog" as to the determination and negotiability of the issues which have over time been the material of Sino-Soviet relations. The author conducted interviews in Beijing, but he primarily relies on existing primary and secondary sources to establish a historiographical chronology of the issues. The assessment of the contemporary prospects for full normalized relations focuses on the identification of issues as "defunct," "residual" and "current."

The book is topical, given recent confusion over the Chinese conception of "hegemonism," Gorbachev's overtures to the Chinese leadership, the encouraging status of Sino-Soviet border talks and the late January negotiations concerning the withdrawal of Vietnam from Kampuchea in Paris. Hart's inventory of "issues" features the reduction of issues relating to Socialist "bloc relations," Sino-American confrontation, Sino-Soviet ideological tension and

the apparently pedestrian ascendancy of the three geopolitical concerns, "the three obstacles" to Sino-Soviet normalization, namely, Soviet troop levels on the border, the Vietnamese military presence in Kampuchea and the Soviet presence in Afghanistan.

Hart relates an improvement in the general atmospherics of mutual relations to the passing of ideological disagreements and the expansion of trading and economic agreements. Both regimes are contemporaneously focused on a trouble-free environment conducive to domestic economic growth. However, Hart cautions that the Chinese are totally disinterested in any "special relationship" which might imply broadly conceived Sino-Soviet political coordination.

The analysis presumes significant discontinuity in the changing development of issues, and there is far less attention as to whether there are any continuous factors in the determination of "issues" within the policy-making process. The reader is not explicitly told how issues become "issues." Ideological and geopolitical considerations are placed in opposition. "Hegemonism," which in the Chinese scheme of things is formally derivative of an ideological emphasis on "imperialism" as it relates to the "balance of forces," is discussed in terms of a new conception of security. Perhaps, there is an "issue" in whether or not ideology has been either eliminated or changed in relation to the conceptualization of geopolitical considerations. "United front" against "imperialism" is said to be "defunct," and indeed there is diminished media reference to Mao's "Three Worlds Theory" and a growing focus on "independent foreign policy," but this does not lead automatically to the conclusion that the Chinese leadership is disinterested in "dual tactics" vis-à-vis the two superpowers.

The border issue is highlighted as "the overarching issue of the Brezhnev period," and here there is insufficient reference to American scholarly argument which projected the border issue as a subsidiary reflection of the overall Sino-Soviet relationship. The author concludes that full reconciliation is "unattemptsable" without agreement on the border issue. He expects the Soviets to insist upon Chinese renunciation of their "unequal treaty thesis." He views the Chinese as the "prisoners of decades of nationalistic rhetoric," but he concedes their willingness to move from

symbolic to substantive matters of national interest.

The central thematic focus is of considerable interest to current discussion of Sino-Soviet relations, and the author is entitled to his "mild skepticism" as to assumptions regarding the intractable nature of Sino-Soviet differences. The survey is self-described as "more narrowly focused," and yet the subject matter is very broad. The "superabundance" of materials is selectively skimmed, and such an ambitious project might well have profited from a more exhaustive exploitation of Chinese and Soviet primary sources as they relate to the evolving Soviet and Chinese frameworks of conceptual analysis. The general prognosis of improved relations is really not that controversial, but the "conceptual fog" has yet to be lifted.

Ronald C. Keith is Professor of Political Science at the University of Calgary.

## Poor, South, Third, young

by Clyde Sanger

*In Search of Security: The Third World in International Relations* by Caroline Thomas. Boulder, Colorado: Lynne Rienner Publishers (original publisher Wheatsheaf Books of Brighton, England), 1987, 228 pages, US\$30.00 cloth, US\$14.95 paper.

*Adjustment with a Human Face: Protecting the Vulnerable and Promoting Growth* edited by Giovanni Andrea Cornea, Richard Jolly and Frances Stewart. New York: Oxford University Press, 1987, 319 pages, US\$55.00.

*Children on the Front Line, a Report for UNICEF* by Reginald Green et al. New York: UNICEF, 1987, 67 pages, US\$5.00.

*The Politics of Hunger: The Global Food System* by John W. Warnock. Toronto: Methuen, 1987, 334 pages, \$16.95.

The Brundtland Report (of the World Commission on Environment and Development) gave us two important messages in 1987. The first was that the en-

vironmental crisis was not separate from an energy crisis or a development crisis, "they are all one." And the second was that poverty was at the root of most ills. They went on to promote their creed of "sustainable development," which means meeting the essential needs of the poor while staying within ecological limits.

Assuming that everyone has read — or, at least, dipped through — *Our Common Future*, these four books make an excellent and varied sequel. They are all wide-ranging and hard-hitting; and, although they survey the modern world at one of its most dismal times, none of the authors collapses in lament. Each book has its "alternative approach" to offer.

Caroline Thomas who teaches politics at the University of Southampton in England, provides a useful starting point. She sets out to write a basic textbook for undergraduates on South-North relations, and does a good surrogate job of presenting a Third World viewpoint. In her analysis, security is not primarily a military matter. It is a matter of nation-building after independence, and she examines the experience of Tanzania. It is also a matter of monetary security (and arguments with the International Monetary Fund), of a fairer trading system, and of trying to ensure a decent level of nutrition and health care. The single military section concerns the Nuclear Non-Proliferation Treaty, which the South sees as a promise of arms reduction by the nuclear powers — adding one more point of South-North contention.

Thomas enlivens dry material about GATT and the Lomé Convention with surprising facts such as the point that, despite Lomé, the ACP (African, Caribbean and Pacific states) share of the European import market has actually fallen. She is in turn surprised that Canada has not taken the Third World side on the issue of asserting control of domestic natural resources and foreign investment. She ends with an even-handed case study of Jamaica and its "search for security" since Michael Manley came to power in 1972.

### Not forgetting the children

Jamaica is also one of ten country studies in the section on "Recession, Adjustment and Child Welfare in the 1980s" which opens *Adjustment with a Human Face*, and the Seaga government's performance is rated poor, despite its repairing relations with the IMF. Unemployment among young women stands at 66 percent,

while its Food Aid Program is inadequate and — as the authors politely put it — "subject to administrative problems." On the other hand, they suggest South Korea has handled well the social impact of recession, using measures such as giving cash for fuel and waiving tuition fees for the poorest families, as well as the old standby of public works. Zimbabwe equally is given credit for weathering both drought and recession while actually improving social services.

The book by a UNICEF team headed by the British economist Richard Jolly has deservedly found a central place in the current debate about international development. Why UNICEF? Because, as its Executive Director James Grant writes, "children are suffering through an acute silent emergency — the effects of recession and financial drought on already low levels of household consumption, nutrition and basic welfare" in about eighty countries. The eight contributors (who include Professor Gerald Helleiner of Toronto) talk of adjustment rather than development, because adjustment is "the dominant economic preoccupation" in today's world, and the same realism led them in 1984 to start a dialogue with economists and policy makers in the IMF and World Bank. Their view is that conventional approaches to adjustment as preached by the IMF (including cuts in government expenditures and promoting exports) have hurt the poor in many countries while not achieving economic growth. There are exceptions, such as Botswana where diamonds are the government's best friend, but they are outweighed by sad tales from Brazil and too many other places.

It is not easy reading, unless you delight in "macro balances" and "meso policies." But the detailed prescription for "alternative adjustment packages" in the second part should have a profound effect on social policy making.

*Children on the Front Line* has a lengthy subtitle: "The impact of apartheid, destabilisation and warfare on children in southern and South Africa." Another British economist, Reginald Green, with three UNICEF staff compiled the horrifying statistics about Angola and Mozambique, where in six years the total of war-related "excess" deaths of infants and children under five was more than 500,000. That cold word "excess" signifies that infant mortality rates in these two countries are twice as high as in Tanzania. No less appal-

## Book Reviews

ling are infant mortality figures from rural parts of South Africa itself. The housing shortage for Africans, contrasted with the surplus for whites, is an eloquent indictment of apartheid. Well researched with Carnegie funds (one author is Dr. Mamphele Ramphele, the striking personality in the Biko film *Cry Freedom*), the booklet is attractively produced with tables, maps and neat quotations. It also highlights the outstanding needs of the front-line states; from its list, Canada has a useful part to play in focusing on transport and power supplies.

### A better way

John Warnock, who has taught political economy at universities in British Columbia, dedicates his book *The Politics of Hunger* to his great-great-grandfather who fled County Donegal at the height of the Irish famine in 1846. Effectively he draws a parallel between the fate of Ireland where two million starved to death and the food issues of today. But perhaps more useful is the fact that he goes beyond most studies, which concentrate on questions of food production and distribution, and brings in ecological concerns. He is more ideological than the Brundtland Commission, which avoids talking about the world food system as capitalistic, but he is asking the same question: can a sustainable system be developed? Warnock argues for a diminution (he can hardly expect elimination) of corporate farming and agribusiness. For ecological reasons, he calls for a reintroduction of polyculture and a mix of crops and animals (which is what a great British Columbian, John Bene, spent some of his last years promoting through the International Council for Research in Agro-Forestry). In social terms, Warnock has no nostalgia for the small family farm, no admiration for the state farms which consume energy and capital; his hopes lie in a new form of collective farming with fine community facilities. It sounds a little bit like Julius Nyerere's first vision of *ujamaa* villages, which has lost its splendor. But his arguments are well supported, and who would assert — as the dispute over agricultural subsidies is raised in the Uruguay round of GATT negotiations, and millions face famine in Africa — that the present system is the best that can be devised?

Clyde Sanger is an Ottawa writer and author of the recent book *Ordering the Oceans: Making the Law of the Sea*.

## Strategic mineral blues

by David G. Haglund

*OPEC, Its Member States and the World Energy Market* by John Evans. Detroit: Gale Research Co. (original publisher Longman of Harlow, England), 1986, 679 pages, US\$90.00.

*Strategic Minerals and International Security* edited by Uri Ra'an and Charles M. Derry, Toronto: Pergamon of Canada, 1985, 90 pages, US\$9.95.

It is not often one encounters two books, on more or less the same theme, that display such a sharp contrast as those under review here. The compilation on OPEC is long, exhaustive, authoritative, balanced and expensive. Its partner in review, on the other hand, is short, limited in scope, of uncertain credibility, feverish and inexpensive; in reading it, I at last have come to understand what Alfred E. Newman meant when he used to remind readers of his magazine, *Mad*, that it was "cheap at half the price."

What John Evans does is to provide a singular service to those analysts and policy makers who want and need comprehensive data and reliable analysis concerning the most important strategic mineral in international trade during the last fifty years, oil. The book is one of a series of Keesing's Reference Publications, and it lives up to the high standards set by the producers of *Keesing's Contemporary Archives* (or, as it is now being titled, *Keesing's Record of World Events*), with whom Evans was an associate editor. This book is so magisterial in substance and tone that it is no more possible to review it adequately in such a brief space than it would be to do justice to the *Encyclopedia Britannica*, or the *OED*; nor shall I try. What can be said is that the book will prove an indispensable reference tool, that it is intelligently written, and that it displays a highly organized, not to say taxonomical, approach to the major topics it covers: an overview of the world oil and gas industry; an analysis of the structure and workings of OPEC; a survey of each of the organization's member countries; and a chronological account of the changing balance of power in the global oil regime and of OPEC's role therein.

Whereas the Evans book represents the successful attempt of one man to cultivate a vast terrain, the Ra'an and Perry book constitutes the fruit of a minor multitude, who have labored in a fairly small, and often rocky, vineyard. It is composed of papers delivered at a conference that the Fletcher School of Law and Diplomacy and the Institute for Foreign Policy Analysis co-sponsored in September 1984. A good deal has happened in world mineral markets since then, and it would be tempting, though incorrect, to ascribe this book's defects to its being outdated. Unfortunately, it is not the passage of time, but rather something more disturbing, that mars this work.

It has two fundamental flaws. The first concerns a crucial matter of analytical imprecision; the second relates to the tendency of many (but, thankfully, not all) of the chapter writers to be guided more by ideological conviction than by logic and evidence. I shall deal with these in turn.

It has become common for reflective students of raw material dependence to insist that an analytical distinction be drawn between two categories of import reliance: dependence and vulnerability. The former condition is less serious in policy terms than the latter; indeed, dependence upon foreign sources of supply may (and often does) reflect nothing more than convenience, not necessity. Before one can conclude that import reliance *per se* (i.e., dependence) constitutes a potentially troublesome dilemma, one would have to inquire about certain other conditions, particularly: the political reliability of major exporters; the diversification (including domestic production) options of importers; the opportunities for substitution and conservation available to consumers; the essentiality of the mineral in question; and whether there exist stockpiles of the mineral.

The book's tendency to slide over such concerns is reflected in, and magnified by, its second major deficiency. Too many of the contributors subscribe to the superficially plausible, but not very credible, idea that the Soviet Union has embarked upon a "resource war" with the West—a war that it hopes to win without the same risks that it would run in pursuing armed confrontation with the West. There is something touching about neo-conservatives (as are many of the contributors) subscribing to one of the tenets of Leninism, namely that conflict among states occurs primarily over economic interests, one of the most impor-

tant of which is securing access to necessary raw materials. Unfortunately for these Leninists of the Right, the economic interpretation of conflict continues to lack sufficient persuasive power, as there exists a plethora of evidence pointing to the presence of non-economic causes of war.

While this book has its drawbacks, there are some useful sections. Despite what I have said about alarmist notions of resource war, it still remains the case that a connection can be drawn between a state's industrial capacity and its military potential. Unless we are entering a new era of history, it does appear that we can expect to observe that the international system's most powerful members will continue to possess a strong industrial base. Mineral supply is, of course, only one constituent of a country's "defence industrial base," but one can say that, at least for the United States, the complications associated with interdependence first began to appear in this sector, and have since been showing up in sectors that are further "downstream" in the production process. As more than one of the contributors points out, whatever the economic logic of interdependence, it can and does present security dilemmas for a country like the United States. The pity is that this book, in attempting to sound the clarion against a bogus challenge, does not provide sufficient insight into the real problem, for as one of the authors, Paul Maxwell, observes, "Failure to remain competitive in a harsh international economic environment leaves us vulnerable to our allies, as well as our foes."

*David Haglund is Director of the Centre for International Relations at Queen's University in Kingston, Ontario.*

## Remember 1986?

by John R. Walker

*The Annual Register, A Record of World Events 1986 edited by H.V. Hodson. Detroit: Gale Research Co. (original publisher Longman Group of London), 1987, 578 pages, US\$100.00.*

The Annual Register is — for those unaware of its existence — a venerable ency-

clopedia of history-in-the-making. After all, Edmund Burke was its first editor in 1758, and now its 228th volume has appeared for 1986 under the guidance of the former editor of the London *Sunday Times*, H.V. Hodson.

The record of world events consists of essays outlining the principal events of the year in each country, grouped under regional chapters. There are also reviews of the activities of international organizations such as the United Nations, the Commonwealth, the European Community, and other associations from Comecon to the Non-Aligned Movement. Chapters dealing with specific subjects such as defence and arms control, the sciences, the law, the arts, sport, religion and economic and social affairs fill out this comprehensive yet succinct record of the past year.

There is also a handy chronicle of events, brief obituaries of the famous and the notable, and a reference section that includes, for instance, the entire report of the Commonwealth Eminent Persons' Group on South Africa and the communiqué of the Tokyo summit, as well as statistical data.

The articles are generally well written, short but not scanty of important information, and often providing reports on significant news of a country that the world's press neglected to cover. They are written by nearly 100 different experts in their fields, some well known, others not. The majority appear to be academics, and as a British project a great many of them are from British universities. This British tone does not seem to skew the assessments in most of the summaries. But it does result in thirty-nine pages being devoted to the United Kingdom, and only seventeen pages to the United States in the year of Irangate, the Iceland summit and the raid on Libya. And the USSR, in the year of glasnost and Chernobyl, is covered in eight pages.

Canada is summed up in five pages by Carleton University historian David Far, who leads off with the falling fortunes of Prime Minister Mulroney, whose credibility in 1986 "was damaged by an irresolute manner, a tendency to exaggeration, and a fierce partisanship."

But as the preface to this *Annual Register* says: "Politically, 1986 was a year of disappointments. The greatest of these was the Reykjavik summit, which had started with sudden high hopes and ended with fundamental disagreement on the link between nuclear disarmament and the SDI,

amid nervous anxiety in Western Europe about the impact of superpower policies."

This annual record is obviously for the reference library as a useful starter for researchers, or as a helpful addition to a personal library, since its 578 pages are encompassed in a book no larger than a good novel.

*John R. Walker is a freelance foreign affairs columnist for Southam News based in Ottawa.*

## Workers and their friends

by John Harker

*International Labour and the Third World: The Making of a New Working Class edited by Rosalind E. Boyd, Robin Cohen and Peter C. W. Gutkind. Brookfield, Vermont: Gower Publishing Company, 1987, 282 pages, US\$56.95.*

The collection of papers which constitutes this volume is the fruit of the labors of three editors, seventeen contributors, and, indirectly, thirty researchers from fourteen countries. It grew out of the presentations given during a "fervent year of Seminar activities."

The publishers emphasize that the contributors to this collection are at the center of a developing debate concerning the international role of the working class and other dominated classes such as the peasantry and the working poor. The nature of the debate comes out as clearly as anything else in the 274 pages, and at their end this reviewer was convinced that the "debaters" are those whose academic work is presented and analyzed in this book, and the intended audience is their peers and not the community outside.

The book is a construct of four parts, dealing with theoretical perspectives, Class Formation and Labour Movement, the International Division of Labour, and a Bibliography which "grapples with the various tendencies within the new wave of labour scholarship and praxis." The very first chapter, on "theorising international labour," sets out various models of analysis, most of which are characterized as being restricted, in the sense of not being helpful, to the attempts by "academics, intellectuals, and labour activists" to define a

new "modus vivendi." It is irresistible to observe that labor activists, certainly those across the globe with whom I was honored to work both as a trade union official and more recently as a member of the International Labour Office, rarely use the term "modus vivendi," but it is more useful to observe that it is between and among those engaged in the researching and theorizing which underpins this book that a modus vivendi is clearly valued.

This is not a book for union consumption, and at US\$57 it is likely beyond the reach, if not the grasp, of the interested reader on international affairs. On the other hand, the international affairs community is so very badly informed about labor issues and developments, that this book, if the reader can cut through the profligate use of sociological jargon, is valuable. It serves as an exposure (being too assertive for an insight) of the thinking of a group of academics who, collectively, have put their talents to thorough use.

It would be more useful as a companion piece to some really good material by and about the "labor activists" who are not primarily rooted in the university community but have spent their years building the institutions for which the old working class can be proud. It is the interaction of these institutions with the emergence of the newly industrializing economies which is providing the change and decay, stability and dynamism which will help shape the world. Unfortunately the contributors, and their editors, have not, in *International Labour and the Third World*, done much more than to chide the international trade union movement and impress on it the "need to reassert worker interests globally rather than being content with realising more immediate organisational goals." Furthermore, this international trade union movement, which has a long history built on sacrifice, is labelled as merely having acted in the name of workers in the past, a category in which it is joined by revolutionary parties and socialist states, and it is not even included among the "allies of the workers" in their struggle.

Such a dismissive approach to the movement built by workers to represent their interests reflects more critically on those who evince it than on those at whom it is directed, and thus I, for one, would approach this book with caution.

*John Harker is Director of the Canadian Branch Office (Ottawa) of the International Labour Office.*

## New ways to lose it all

by Paul George

*The Altered Strategic Environment: Toward the Year 2000 by Peter deLeon. Toronto: D.C. Heath (original publisher D.C. Heath, Lexington, Mass.), 1987, 113 pages.*

"The Altered Strategic Environment," in the author's own words, deals "in the realms of the distant and uncertain, perhaps beyond the providence of responsible probabilities." This is an honest statement but, nevertheless, Peter deLeon presents a stimulating and original approach to the conceptual issues facing nuclear strategists in these rapidly changing times.

The author, a faculty member of the University of Colorado at Boulder, identifies four emerging conditions which will directly affect the development of US strategic doctrine in the coming decade. The concept of a Nuclear Winter, the development and potential deployment of the Strategic Defense Initiative (SDI), the enhanced performance of conventional weapons in non-nuclear roles, and the potential force of public opinion on the nuclear debate, form the basis of deLeon's argument that there is a requirement for "increased contextuality" in strategic analysis.

As significant a development as each of these components is in its own right, it is the fact that they promise to come of age together which leads the author to conclude that, when considered in unison, they have the potential to be "as influential in strategic thinking as the introduction of operational nuclear arsenals was in the 1950s or as MIRVs were in the 1970s." This is an elaborate statement but it serves to highlight the very real changes currently underway in the nuclear environment.

For example, even five years ago, most people predisposed to think about the consequences of nuclear war would have empathized with the elemental question of William Faulkner's 1950 Nobel Laureate address, "When will I be blown up?" Today, in the post-Nuclear Winter era, the more perturbing question of "When will I slowly freeze or starve to death?" has changed the vehemence of the debate.

The chapters on Nuclear Winter, SDI, and Conventional/Nuclear Trade-Offs are

well documented and informative. Unfortunately, the chapter on Public Opinion is less useful. The problem lies, of course, with the ephemeral nature of public perceptions, attitudes and priorities. Nevertheless, the central theme of the book, that "none of the discussed conditions can be insularly discussed... if we are to gain an accurate view of the altered strategic environment" comes through in the end.

Unfortunately, the author made no provision for the successful outcome of the INF talks, which might well prove to have the most significant bearing on future nuclear strategies. However, this is a minor criticism of an otherwise absorbing work.

*Paul George holds the Chair in Military and Strategic Studies at Acadia University in Wolfville, Nova Scotia.*

## Petroleum development

by José Havet

*Social and Economic Effects of Petroleum Development in Non-OPEC Developing Countries by Jon McLin. Geneva: International Labour Office, 1986, 104 pages, Swiss francs 20.00.*

This short book presents the results of an ambitious ILO research project funded by the Government of Norway. The basic assumption is that the boom experienced by many oil-producing developing countries has not always been effectively converted into lasting economic development. The problem is exacerbated in non-OPEC developing countries (NODCs) because their share of world oil production (about one-seventh) is higher than their share of proven reserves, and because their exploration activity has not declined as early or sharply in the 1980s as in some other developing countries.

The book reviews the main features of petroleum development of ten modest producers (Brazil, China, Ecuador, Egypt, India, Ivory Coast, Malaysia, Pakistan, Peru, Thailand) and of three major exporters (Mexico, Nigeria, Trinidad and Tobago). The three last chapters of the volume examine macro-economic issues, employment, manpower, industrial spin-offs, local, regional and infrastructural impacts; and social aspects.

After reading this little but excellent

book, one might conclude that there indeed exists an increasing reluctance to present results of economic researches without paying some lipservice to broader social considerations, i.e., the "Social and Economic Effects" of the volume's title are definitely not reflected in the strictly economic book's content. Of the ninety-eight pages of text, only the final eight preceding the concluding "Summary" deal with social issues. These social considerations-as-afterthought tackle crucial problems, but are sketchy: the impact of expanded commercial energy consumption on life styles; the growing safety and environmental concerns; the dramatic influxes of migrant labor in some areas; and the widening income distribution not only between national elites and masses, but also between urban and rural populations as well as between petroleum workers and other workers.

Needless to say, after reading this short chapter, one begs for more, much more, especially given the detailed, exhaustive and up-to-date ninety first economic pages of the volume. Actually, the explanation for the superficial treatment of social issues comes neither from research moods nor from lack of concern. Paradoxically, it is quite the opposite: in a few far reaching — and one may add devastating — lines at the end of the volume it is stated that the governments of the NODCs studied in the book grasped clearly the significance of the social issues related to petroleum production, so much so that when they judged that investigating them could prejudice future investments in exploration, the ILO was discouraged from proceeding with those aspects of research.

The book contains a wealth of figures, tables, maps and hard data. As a source of information for anyone wishing to acquire

a comprehensive view of petroleum development in NODCs, should be compulsory reading.

*José Havet is Associate Professor in the Institute for International Development and Co-operation at the University of Ottawa.*

## Better mousetraps, better mice

by Stanley C. Ing

*Tactics and Technology edited by Brian MacDonald. Toronto: The Canadian Institute of Strategic Studies, 1986, 160 pages.*

Much of the literature on military technology has focused on the impact that strategic nuclear weapons may have on the concept of warfighting. By comparison, little has been written on the relationship between technology and conventional weapons. *Tactics and Technology*, a collection of papers from a November 1986 CISS conference, attempts to fill this gap.

The individual papers are detailed in examining tactics and technologies that could have an immense impact on NATO's ability to contain a Warsaw Pact invasion of Western Europe. General Gutknecht's paper is concerned with the very viability of the Follow On Forces Attack (FOFA) concept. His conclusion is that without the development of certain critical technologies, such as real time collating and assessment of intelligence information, FOFA could be constrained.

General Kitchen draws attention to the development of new tank technology, which is being improved in almost every aspect. In terms of firepower the standard will soon be a 120mm smoothbore gun as opposed to the old 105mm. But as General Kitchen notes, firepower is not enough and new technology in tank mobility and crew protection are also being added. However, while each of the ten articles provides the same thorough analysis of a given subject, the book itself does not live up to its title.

The problem is that tactics and technology are examined individually, and the discussion often becomes so detailed that only a professional soldier could understand or appreciate it. Although there is merit in such discussions, we still do not know how tactics change because of new technology, or what motivates countries to devise new tactics regardless of the technological constraints. A paper examining the linkage between tactics and technology would have provided a useful context to better analyze each individual paper.

Despite this shortcoming, the papers do make a number of insightful observations. One is that technology does not necessarily mean anything new. Often the required technology is already at hand and the failure to use it is a result of bureaucratic mismanagement or institutional preferences. Furthermore, the introduction of new technology must be weighed against the cost, both in economic and operational terms. A final observation — one that should be borne in mind at all times — is that technology is fallible and dependence on it should not be total.

*Stanley C. Ing is Director of Strategic Analysis in the Department of National Defence in Ottawa.*

## Letters to the Editor

Sir,

The article by Michael Wallack ("Terrorism and 'compellence'") in your November/December issue is a one-sided examination of the term "compellence," introduced by Thomas Schelling, and its effect on state-sponsored terrorism by Third World countries against the United States and its NATO allies.

Professor Wallack completely ignores the fact that state-sponsored terrorism has for years now also been used against Third

World countries in Africa, Asia, or Central America. As examples, one might mention the support — financial and military — by South Africa to the UNITA guerrillas in Angola and the support by Israel of the Lebanese mercenaries in the south of Lebanon.

Moreover, the present US administration supports — financially, militarily and with military advisers — the Contra guerrillas in Nicaragua and the Afghan guerrillas in Afghanistan. President Reagan's cur-

rent plan for \$36 million for the continued support of the Nicaraguan "Freedom Fighters" was discussed by the US House of Representatives and rejected on February 3. Before this plan, the Iran-Contra affair indicated how the "Freedom Fighters" in Nicaragua were financed.

Besides "state-sponsored terrorism," which is terrorism by proxy, there is also "state terrorism," when terrorist acts are perpetrated through the agents of one state against another state. Both forms of ter-

## Letters to the Editor

rorism are in direct contravention of international law and of the duty of states to respect the sovereignty and independence of other states, and not to intervene in the affairs of another state.

A balanced and just international order could only be achieved if we denounce inconsistencies and double standards not only in the policies of the East European and Third World states, but also in our Western democracies. Expediency should not be permitted to override the rule of law.

N.M. Poulantzas  
Director, Canadian Institute for  
International Order, Ottawa.

Sir,

I am disappointed in William Galbraith's letter. [See *International Perspectives* January/February 1988, Ed.] I had anticipated that NATO supporters would challenge the basic assumption of my paper, namely that the benefits of membership in the Atlantic Alliance no longer outweighed the costs, and that Canadian interests might now be better served through a policy of non-alignment. In particular, I expected those who supported NATO to as-

sail me with substantive evidence to show how membership in that organization bought Canada real influence at the council tables of Europe and North America, how NATO membership buttressed our sovereignty, and how it has made an irreplaceable contribution to Canadian and Western European security.

Mr. Galbraith did not do this. For the most part he quibbled over non-essential detail, employing as he progressed one-sided, misleading or inaccurate arguments. For example, his assertion that Canada was automatically involved in imperial conflicts prior to 1931 and that avoiding alliances was not even an issue is nothing short of astounding, given Prime Minister Mackenzie King's well-known reaction to the 1922 Chanak crisis and Canada's near fanatical adherence to the policy of "no commitments" between the wars. Similarly, his claim that Western intervention in the Russo-Finnish Winter War "softened" Soviet terms at the Treaty of Moscow is simply wrong. The terms extracted by the Russians through the Treaty of Moscow in March 1940 were more severe than the terms offered the Finns in February 1940 — that is before the Allied offer of direct military assistance to Finland, and these in

turn were more severe than those demands made by Moscow in October 1939, which eventually led to the outbreak of the Winter War. These are only a few of the questionable assertions contained in the letter, but the overall impression is that Mr. Galbraith harbors a very selective view of history.

Mr. Galbraith is closer to the truth when he observes that forty-two years is not a long time historically speaking, and that many of the political consequences of the war remain with us today. This, however, is not the same as saying that political conditions created by the Second World War are the same today as they were thirty-eight years ago. Clearly they are not. The Europe of 1988 is a far cry from the Europe of 1949. Europe no longer needs Canada and Canada no longer contributes significantly to the security of Western Europe. Thus Canadian interests would be better served by a policy of non-alignment than through continued membership in an outdated European military alliance.

J.A. Bayer  
Royal Roads Military College  
Victoria, B.C.

### International Perspectives

#302-NATIONAL PRESS BUILDING  
150 WELLINGTON STREET  
OTTAWA, ONT. CANADA K1P 5A4

Please enter my order for *International Perspectives* as follows:

**In Canada:**

- Three Years (18 issues) for \$60  
 One year (6 issues) for \$25

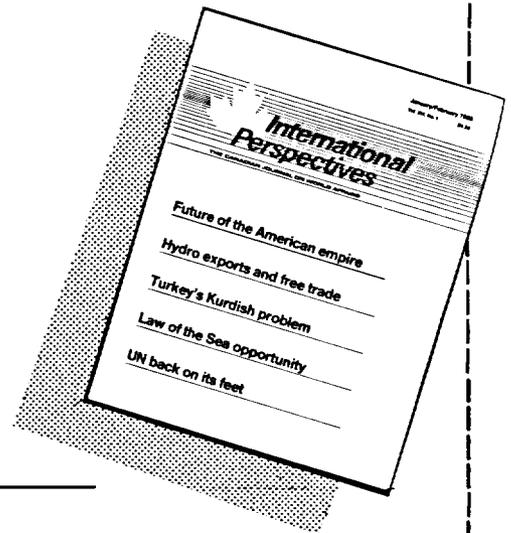
**Other Countries:**

- Three years (18 issues) for US \$60  
 One year (6 issues) for US \$25

Name \_\_\_\_\_

Address \_\_\_\_\_

- My cheque/money order is enclosed  
 Please bill me



# The events of December 1987 and January 1988

# international canada

## CONTENTS

### Bilateral Relations

USA	B
Other countries (alphabetically)	G

### Multilateral Relations

Central America	M
Commonwealth	N
EEC	N
GATT	N
NATO	N
SADCC	N
UN	N
Exchange Rate	O

### Policy

Aid	O
Business and Finance	O
Security	P
Defence	P
Disarmament	Q
Human Rights	Q
Immigration	R
Refugees	R
War Crimes	R

For the Record	S
----------------	---

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

Free trade and Arctic cooperation dominated Canada US relations during the period December and January. President Reagan and Prime Minister Mulroney signed the 2,500-page Canada-US Free Trade Agreement on January 2. A preliminary agreement had been initialled by the ambassadors of the two countries on October 4, 1987, and the final text tabled in the House of Commons on December 11 by Mr. Mulroney.

US Secretary of State George Shultz and his Canadian counterpart, Joe Clark, during their regular quarterly meeting, signed three bilateral agreements on January 11 in Ottawa. One was an Arctic Cooperation agreement; another a treaty which will dramatically reduce the number of offenders who are able to escape arrest by fleeing across the Canada-US border by making any crime that carries a sentence of at least one year's imprisonment an extraditable offence. The third agreement dealt with terrorism and established a bilateral group of government departments, police and agencies involved in counter-terrorism to exchange intelligence on terrorist actions, review border controls and to assist each other at the time of a terrorist act or during a subsequent investigation. The bilateral group will hold its first meeting in Washington in April and meet at least once a year after that.

### **Free Trade Agreement**

Following a telephone conversation with Mr. Reagan on January 2, Mr. Mulroney signed English and French versions of the agreement in his Parliament Hill office before a room full of photographers. Mr. Reagan signed it privately on the same day on vacation in California. The signing followed by nearly two years the beginning of the free trade discussions. Prime Minister Mulroney and President Reagan, at their first bilateral summit in Quebec City, March 17-18, 1985, had agreed that they "would give the highest priority to finding mutually acceptable means to reduce and eliminate existing barriers to trade in order to secure and facilitate trade and investment flows" (*Free Trade Agreement - Synopsis*, Department of External Affairs, December 10, 1987, p.4). Soon trade negotiators Simon Reisman of Canada and Peter Murphy of the US were shuttling be-

tween Ottawa and Washington. (See "International Canada" for October and November on Free Trade Agreement)

The introduction of implementing legislation in Canada and the United States is scheduled for spring 1988. Under the Agreement the first phasing out of tariffs would take place on January 1, 1989, covering about 15 percent of all goods traded. The elimination of all tariffs between the two countries would be completed in ten years.

In Canada the Agreement itself does not require parliamentary approval, but many parts require the passage of enabling legislation. These areas include the elimination of tariffs, amending the Bank Act and changing foreign investment and energy rules. Under the fast-track in the US Congress, both the Senate and the House of Representatives must vote either to accept it without amendment or reject it within ninety sitting days (*Globe & Mail*, January 4).

### **Party Reaction**

The Liberal Party in the Commons has been opposed to the Free Trade Agreement and the *Ottawa Citizen* on January 4, reported that Liberal Opposition Leader John Turner, in responding to the official signing before it took place, declared in Toronto: "We intend to fight it every inch of the way." NDP leader Ed Broadbent was quoted by the same source as having told reporters that his party would be "doing everything it can within the rules of Parliament to stop and hold up" the enabling legislation.

The House of Commons debated the deal following introduction of a motion in support of the free trade agreement on December 15. The Minister of International Trade, Pat Carney, in her remarks, termed it the largest trade agreement ever negotiated between two countries and under the GATT (General Agreement on Tariffs and Trade). She stated that the agreement would provide more secure access to the US for agriculture and food products as well as enhance the service industry's role. "We have kept in place the fundamental elements of the Auto Pact and have added provisions which will create new opportunities" (*Hansard*, December 15).

Prime Minister Mulroney told the Commons on December 18, "We have secured an agreement which is good for Canada, very much in the national interest, which protects

our national and cultural sovereignty, our social programs, our unique linguistic character, and our regional development initiatives."

Liberal Leader John Turner expressed concern about the threat to Canadian sovereignty, the "loss of control over our own energy resources" and the threat to "our social programs and our regional equality development programs. Granted, some customs tariffs have been reduced," Mr. Turner continued, "but they will be reduced in any case in the next round of GATT and other international talks" (*Hansard*, December 18).

New Democratic Party leader Ed Broadbent told the House on December 18 that "instead of maximizing opportunities to shape our own destiny as a free people, the Government has done just the opposite." In a question to the Prime Minister earlier in the week in the Commons, Mr. Broadbent expressed concern about security of energy supply and the adverse effect on health services. The Prime Minister assured the House that "the important question of regional development was very carefully considered by the negotiators and the government throughout. It has been totally protected as an instrument of economic growth in Canada" (*Hansard*, December 14).

### **Provincial Reaction**

A threat, mainly from Ontario, to challenge the trade deal in the courts fizzled out after a final meeting between Prime Minister and the ten provincial premiers on December 17. This was the twelfth in a series of meetings the Prime Minister had held to keep premiers informed of the progress of the trade negotiations. New Brunswick's newly elected Liberal premier, Frank McKenna, dubbing himself a realist, came out in support of the Agreement, leaving David Peterson of Ontario, Howard Pawley of Manitoba and Joe Ghiz of Prince Edward Island still opposing the deal (*The Gazette*, December 18).

The Ontario Legislature, with its Liberal majority, passed a resolution on January 6 denouncing the free trade agreement between Canada and the US. The resolution, which passed 79 to 26 against the combined opposition of New Democrats and Conservatives, said the agreement failed to meet Canada's "needs and goals" while making "significant concessions which could prove costly to Canadians" (*The Gazette*, January 7).

### **Other Reactions**

Former Alberta premier Peter Lougheed and one-time Liberal cabinet minister Donald Macdonald teamed up as co-chairmen of the Canadian Alliance for Trade and Job Opportunities to oppose the deal's critics. Mr. Macdonald criticized Ontario Attorney General Ian Scott, who had said the agreement was an invasion of provincial rights and could be challenged on constitutional grounds. "I think he's absolutely, totally wrong," Mr. Macdonald told a news conference in Toronto (*Globe & Mail*, December 17). Earlier the Motor Vehicle Manufacturers Association held its own briefing to endorse the deal. George Peapples, Chairman of the Association said the deal preserves rather than erodes the Auto Pact, a view challenged by such free trade opponents as the Canadian Auto Workers union (*Globe & Mail*, December 17).

The *Edmonton Journal* of December 16 sampled the US business community's reaction and found that "most US State Chambers of Commerce are either undecided, uninformed or uninterested in the Canada-US trade agreement." The *Journal* surveyed fifteen such chambers and found that eight wanted more information about the deal before making up their minds. Five said that there had been so little business interest in the past that they did not plan to discuss it. Only two states surveyed — California and Minnesota — said they favored the deal. The farther South the state, the less interested were its business leaders. The *Windsor Star* editorial on December 15 reflected "There will be many legislative, and perhaps even legal, obstacles to overcome before implementation of the agreement one year later but political reality suggests that liberalized trade between our countries is inevitable."

The *Moncton Times-Transcript* editorial of December 17 cautioned that "in the United States legislative mill, working its way to Congress is an omnibus trade bill which would limit American imports and permit the US to penalize countries running massive trade surpluses in their dealings with the US. It is exactly this type of protectionism that Canada hopes to avoid and that converted Prime Minister Brian Mulroney from being opposed to freer trade to being a chief advocate. However, any freer trade deal with the US would be pointless, unless Canada is exempted," it concluded. Total exports for Canada in 1986 were \$120 billion, \$93 billion of it to the United States. US exports to Canada were \$77 billion, leaving a surplus for Canada of \$16 billion (*Globe & Mail*, December 17).

A *Winnipeg Free Press* editorial of December 17 concluded that "William Winegard, the Conservative External Affairs and International Trade Committee chairman, offered the most balanced view. The deal, he said, is neither the panacea to all the country's ills nor the instrument of Canada's demise. It is something in between and something that is good for Canada." The *Free Press* added, "most Canadians who approached the agreement with an open mind might come to very much the same conclusion."

In assessing the Free Trade Agreement, Donald Macdonald, a former Liberal finance minister and Chairman of the Royal Commission on the Economy wrote in a column in the *Ottawa Citizen* on December 19 that there were two perspectives from which the Agreement might be seen: the longer run importance it will have on the Canadian economy, and its short term effect on Canada-US trade relations. Considering the longer run perspective first, Mr. Macdonald noted that Canada had become increasingly an exporter of manufactured goods and services and less and less dependent upon exports of unprocessed or semi-processed raw materials. The downward trend of resource exports would continue. Therefore, by eliminating US tariffs and controlling other kinds of barriers to Canadian trade, we might achieve better access to the American market and the opportunity to maintain a good rate of growth in the manufacturing sector would be enhanced. In the short run by creating a special regime between Canada and the United States to govern trade policy, Mr. Macdonald argued, Canada was in a better position to avoid some of the barriers which might be erected against other

trading partners of the United States.

In an opposing column appearing in the same paper, Mel Hurtig, Honorary Chairman of the Council of Canadians, stated that "this agreement represents an unprecedented abandonment of national powers and massive transfers of authority and decision making from Canada to the US. We have agreed to share our energy with the US even when Canadians run short and allowed Americans to buy up the ownership and control of even more of our resources." After predicting a "vastly increased unemployment and a lower standard of living for Canadians," Mr. Hurtig forecast that by signing the Agreement, "we will be signing away our greatest asset, our ability to determine our future" (*Ottawa Citizen*, December 19).

### **Omnibus Bill**

Fears over the effects of the Omnibus bill expressed by provincial premiers were exaggerated, according to Congressman Sam Gibbons, Chairman of the trade subcommittee in the House of Representatives. Mr. Gibbons said the bill makes specific provision to exempt Israel, which has had a free trade agreement with the US since 1984, and a similar clause could be added to the bill for Canada (*The Gazette*, December 19).

The External Affairs and International Trade Committee of the House of Commons undertook a study of the FTA and reported to the House on December 15. Concern about US protectionist legislation was echoed in the Committee's unanimous recommendation that Canada withdraw from a tentative free trade deal with the US if Congress passes the protectionist legislation without an exemption for Canada. The Committee's other conclusions paralleled political party stands on the issue. In a speech to an Edmonton Chamber of Commerce luncheon, Fred Jones Hall, US Deputy Assistant Secretary of State for Canadian Affairs, said, "anybody that has a \$10 billion trade surplus with the United States as does Canada will be severely affected by tariffs," unless, of course, the Canada-US Free Trade Agreement is in place. Mr. Hall warned that the United States would not tolerate its \$200 billion trade deficit much longer (*Edmonton Journal*, December 18).

Another protectionist trade bill introduced in the US Senate alarmed officials in the Canadian defence industry and government. Businesses and government officials intended to fight the legislation which they said could result in the loss of contracts and high-technology spin-offs at a time when the two countries were moving toward free trade. The bill, introduced by Illinois Democrat Alan Dixon, is designed to strengthen the US defence industrial base and reduce dependence on foreign suppliers for vital military parts. The bill does not single out Canada, but its supporters accused Canada of unfair trade practices. Senior government officials said the Americans were playing word games when they designated Canadian programs as subsidies and ignored the Pentagon's multi-million dollar assistance to US firms (*Toronto Star*, January 11).

### **Agriculture**

Ontario's fruit, vegetable and wheat farmers will lose more than \$870 million annually as a result of the Canada-US Free Trade Agreement. So Ontario's Agriculture Min-

ister Jack Riddell told more than 300 southwestern Ontario farmers attending the official opening on January 4 of the fiftieth annual Farmers' Week. Riddell also said that Ottawa did not seem to be concerned about the potential impact of the free trade deal on the giant food processing industry in southwestern Ontario (*Toronto Star*, January 5). Eleven days after the FTA had been signed, Federal Agriculture Minister John Wise said he expected to protect Canadian milk processors from imports of US-made ice cream, yogurt and a wide range of other dairy products. However, he announced no plans to limit imports of food that contain chicken and eggs, despite claims from industry groups that they would not be able to survive the flood of low-cost imports that is expected when the free trade pact comes into effect (*Globe & Mail*, January 14).

### **Steel**

Major steelmakers were united in their support of the free trade deal. Algoma Steel of Sault Ste. Marie and Hamilton-based Dofasco and Stelco dominate the primary iron and steel industry and directly employ about 60,000 Canadians. They sell steel worth \$7 billion a year. Steel industry executives were strongly supportive of the free trade agreement, according to the *Toronto Star*, of December 22. Canadian shipments of steel to the US for the first nine months of 1987 were 20 percent higher than in 1986, according to US Commerce Department data. Those figures show that to the end of October 1987, 2.7 million tons of Canadian steel were shipped south compared with 2.3 million in 1986. That gives the Canadians 4 percent of the US market, above the 1986 record high of 3.7 percent.

### **Energy**

The *London Free Press* in an editorial on December 19 titled "Energy deal satisfactory" welcomed the prospect which will allow Ontario Hydro and Hydro Quebec to sell electricity in the US at the same price they charge at home, rather than be hamstrung by American regulations. Canada would have access to Alaskan energy supplies and the deal allows Canada to reduce exports to the US in times of shortage, with cutbacks based on the ratio of domestic to export sales. But the *Winnipeg Free Press* on December 19 reported that Manitoba Hydro exports will be subject to a greater number of trade actions under a controversial clause in the Canada-US free trade agreement. The paper was quoting spokesmen for a number of American senators and a Washington lobby group. As well, the *Free Press* reported, Premier Howard Pawley said the accord's final text could prevent the crown-owned utility from receiving federal funding for certain projects, such as the construction of power transmission lines. The federal cabinet member from Manitoba, Health Minister Jake Epp, said that the province's claim that hydro exports to the United States would be threatened was political propaganda and mere speculation (*Winnipeg Free Press*, December 30).

An *Edmonton Journal* editorial on December 19 concluded, "more than any other part of Canada, we stand to gain the most from free trade in energy.... Secure access to our largest market, the United States, would permit acceleration of mega projects, giving us the capacity to exploit our reserves."

### Wine

A report in the *Vancouver Sun* on December 17 stated that External Affairs Minister Joe Clark, in speaking to reporters after a speech to the Canadian Club in Kelowna, said that Agriculture Minister John Wise, BC provincial officials and representatives of the wine industry met on December 3 to discuss easing the impact of the free trade agreement on BC grape growers and wine producers. Canadian wines are currently protected by preferential pricing by the provinces (*Vancouver Sun*, December 17). Meanwhile the thorny, decades-old question of increased access to the Canadian market for European wine, beer and spirits was the subject of talks in Brussels between Canadian and European community negotiators.

### Lumber

The Minister of International Trade, Pat Carney, revealed some good news for the lumber industry. She told the Commons on December 16 that Canada had successfully renegotiated the memorandum of understanding on softwood lumber which was concluded a year ago with the United States. As a result, all softwood lumber products milled in the five provinces of British Columbia, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland, and representing close to 75 percent of Canada's softwood lumber exports to the US, would be exempt from the 15 percent export charge. Dale Sproule, President of the Nova Scotia Forest Products association, was quoted by the *Halifax Chronicle-Herald* on December 17 as saying lumbermen are "ecstatic that the Maritimes have been excluded from a 15 percent tax on softwood shipments to the US." The Maritime Coalition Against Unfair Lumber Taxes also hailed the decision exempting all Atlantic Canadian companies from an export tax on softwood lumber shipments to the United States.

A request by Congress to delay until June the introduction of a bill that would implement the free trade agreement with Canada was turned down by the US administration in a letter from Treasury Secretary James Baker and Trade Representative Clayton Yeutter to congressional leaders. A delay would have jeopardized the deal according to them. In their letter, the two US cabinet officials had not proposed their own date for introducing the bill in Congress, but asked for a meeting with the heads of two key congressional committees to discuss an earlier timetable acceptable to both sides. Canadian officials had said implementing legislation for the free trade pact could be ready for introduction in the House of Commons as early as February (*Toronto Star*, January 13).

The Senate Foreign Affairs Committee continued its hearing on the Free Trade Agreement while the House of Commons awaited the introduction of implementing legislation.

### Deaver Affair

Former White House aide Michael Deaver was found guilty in Washington, DC, on December 17 on three counts of lying under oath in connection with his lobbying activities. But a United States District Court jury also found the 49-year-old confidant of President Reagan not guilty on two other counts, one of which involved Canada. It was

questions about Mr. Deaver's connection with the government of Canada on the issue of Acid Rain that prompted the investigation of his lobbying activities almost two years ago (*Globe and Mail*, December 17).

### Arctic

Arctic sovereignty emerged again in January as a major item of foreign policy activity and debate. It began as a result of the signing in Ottawa on January 11 of the Canada-United States agreement on Arctic cooperation. The document was tabled in the House of Commons on January 19 by Secretary of State for External Affairs Joe Clark. Under the Agreement US icebreakers will seek Canadian permission prior to entering waters claimed by Canada, but Washington has not recognized Canadian claims to sovereignty in the waters of the Northwest Passage. In a statement issued by the White House on January 11, President Reagan said "this is a pragmatic solution based on our special relationship, our common interest in cooperating on Arctic matters, and the nature of the area. It is without prejudice to our respective legal positions and it sets no precedents for other areas."

At a press conference in Ottawa on January 11, Mr. Clark minimized the future roadblocks to Canada's sovereignty claim. "It's not in limbo for all time," he said. "The United States has its view, we have a different view. They have not accepted ours, we have not accepted theirs" (*Toronto Star*, January 12).

Leader of the Opposition John Turner (Liberal) charged in the Commons that "the Secretary of State for External Affairs negotiated and signed an agreement with the United States which fails to recognize Canadian sovereignty over the Arctic."

Mr. Clark responded that as a result of this agreement "the United States now acknowledges and has a legal obligation to seek Canada's permission before there is a transit through our Northwest Passage of government-owned or -operated icebreakers. That is a small but significant step forward in emphasizing Canada's control over our North" (*Hansard*, January 18).

The *Montreal Gazette* in an editorial on January 12 observed that "the deal should prevent a repetition of the embarrassing 1985 Northwest Passage crossing by the US icebreaker *Polar Sea*. Washington had not asked permission for the trip because it said the passage was an international waterway. Canada considers the passage internal Canadian waters....Unfortunately, this deal does not mean that Canada will be safe from any further embarrassments by US vessels in the Arctic. Neither submarines nor commercial non-icebreaker ships are covered."

The *Winnipeg Free Press* in a January 13 editorial asserted that "the best way to establish sovereignty over a piece of the globe is to exercise it. Countries which demonstrate that they exercise control over a piece of land or water often end up persuading the rest of the world to recognize that reality." The *Edmonton Journal* took up the cause on January 13: "Recently, there have been encouraging signs Ottawa is serious about pressing its rightful claim to the Arctic. The government's White Paper on defence envisions a nuclear-powered submarine patrolling northern waters with the assistance of under-ice surveil-

lance systems. It calls for the Canadian Rangers, which patrols the North, to be expanded and its equipment upgraded. It proposes that a northern military training centre be established in the 1990s. Last spring Ottawa announced a \$200 million Canada-US project to establish five forward operating locations for CF-18 fighter aircraft in the North. The US-Canada treaty furthers Canada's claim. But that's no reason for complacency. Ottawa must ensure that Canada's hold on the Arctic is strong."

Reservations were expressed by John Merritt, Executive Director of the Canadian Arctic Resources Committee, who pointed out that the Canadian government failed to push the Americans to include the words "prior consent" in the agreement with reference to future voyages of ice-breakers. The agreement does nothing to further advance the cause of Arctic sovereignty, according to Mr. Merritt (*Edmonton Journal*, January 13).

Defence and foreign affairs columnist John Best, writing in the *Regina Leader-Post* on January 12, summed up the reaction to the agreement. "It is not quite what the government and Canadians would have wanted. Nevertheless, the Canada-US agreement on Arctic cooperation represents a considerable achievement. It is another building block, if you like, in the gradually expanding structure of Canadian sovereignty in the North."

### **Soviet Arctic Cooperation**

The idea of Arctic cooperation with the Soviet Union also received some attention. John Merritt, writing in the *Toronto Star* of January 22, cited a "significant" development in Arctic cooperation in February 1987 when a delegation from the Soviet embassy in Ottawa met with a group of Canadian government officials and presented a draft text of a proposed treaty for Canadian-Soviet Arctic Cooperation. Dave Nickerson (P.C., Western Arctic) also raised the issue in the Commons on January 28, when he referred to Soviet Leader Mikhail Gorbachev's speech in Murmansk on October 1, 1987. Mr. Nickerson concerned himself with "four proposals in the non-military field," and invited a response from the government. Jean-Guy Hudon, Parliamentary Secretary to the Secretary of State for External Affairs, responded that Canada was "pleased to learn that the Soviet Union is interested in the establishment of an Arctic Scientific Council, a project in which Canada, Norway and other countries are involved." The Parliamentary Secretary added that "Canada has asked for more detailed information about what the Soviet's interest means for all practical purposes" (*Hansard*, January 28).

Mr. Nickerson stated that it was evident that a great deal of thought and preparation had gone into Mr. Gorbachev's presentation for there were a number of new policy initiatives contained therein.

Mr. Gorbachev was trying to take a "polar view of the world," according to Mr. Nickerson, in making his six major points. The first two dealt with defence issues and contained "a lot of rhetoric which one expects," Mr. Nickerson observed. Mr. Gorbachev had made reference to a "northern nuclear-free zone" and while he realized that it could not happen overnight, he suggested methods by which this might be achieved over a number of years or how discus-

sions could be started toward that end.

Mr. Nickerson pointed out that Mr. Gorbachev had also made proposals to restrict naval activity in certain northern waters through mechanisms such as agreements on notification of naval maneuvers and the possibility of having observers in the area when those maneuvers take place.

"What I really want to talk about is the other four proposals in the non-military field," said Mr. Nickerson. "There was a proposal concerning cooperation in developing the natural resources of the north — oil, gas, and minerals in particular. There were offers made of possible joint business projects which might take place in the northern part of the Soviet Union. There was a proposal for a joint Arctic Scientific Council made up of the Soviet Union, Canada, the United States, Finland, Sweden and Norway as well as Greenland and Denmark," Mr. Nickerson noted. Another point was cooperation on environmental protection and the possible opening up of northern sea routes with lots of ice-breaker protection. (See "International Canada," October and November 1987.)

### **Acid Rain**

The long standing contentious issue of Acid Rain in Canada-US relations, according to the *Toronto Star* of January 12, "got only a cursory mention" from Secretaries Shultz and Clark during their 1-day meeting in Ottawa on January 11 although, according to the *Ottawa Citizen* of the same date, "acid rain was near the top of Clark's list when he met with Shultz." In lamenting the lack of action on the part of the United States, the *Regina Leader-Post* of January 16 marvelled "at the US ability to delude itself, to ignore the symptoms of profound damage to its own water and lands," and encouraged Canada "to continue to badger the Americans at every opportunity." The editorial concluded, "We are being a better friend in so doing than if we blithely let our neighbor continue on a suicidal course." The *Ottawa Citizen*, quoting a *CP Wire* story, reported on January 27 that US officials had refused to consider cutting acid rain in half by 1994 and reported discouraging remarks by the Federal Minister of Environment who was reported to have said that Canada would not likely get the accord it needed. "The yellow brick road to a Canada-US accord on acid rain has been littered with false hopes and broken promises," observed the *Toronto Star* editorial on January 14, following the Clark-Shultz meeting in Ottawa. It concluded with the following dismal account: "A decade ago the two governments considered a treaty on trans-boundary air pollution. But that went up in smoke when Ronald Reagan was elected President. It took five years for Reagan to even agree that acid rain is a problem. Then the slow dancing began. Reagan and Prime Minister Brian Mulroney made a show of being big pals. Personal diplomacy would be the answer, and both men agreed in 1985 to appoint acid rain envoys, who eventually called for a US\$5 billion program to improve technology to control acid rain. Yet nothing has happened since. All that Shultz would say this week is that the USA does not think the problem is as severe as Canada says. Meanwhile, 14,000 lakes in Ontario, Quebec and the Maritimes have died from acid rain."

CIA-  
Th  
at the  
tion a  
CIA fo  
plan  
A  
Halifa  
paym  
costs  
sona  
June

**Bri**

A  
past  
spira  
Can  
last J  
ited  
Star

M  
ques  
polic  
wear  
north  
peat  
by p  
cour  
the  
16).

**Fiji**

Min  
S  
pres  
foll  
gove  
pos  
curr  
citiz

**Vis**

F  
Car  
nou  
inst  
in C  
ing

**Fr**

Fis  
(  
bou

### **CIA-Funded Psychiatric Experiments**

The work of psychiatrist Dr. Ewen Cameron in the 1950s at the Allan Memorial Institute in Montreal attracted attention again when a US court ruled that victims could sue the CIA for brainwashing experiments. Nine elderly Canadians plan to seek \$1 million each in damages.

A report for the Canadian government in May 1986 by Halifax lawyer George Cooper had suggested a \$100,000 payment to each victim to help cover expenses and legal costs. Justice Minister Ray Hnatyshyn promised a "reasonable amount." The trial date in the US has been set for June 7 (*Vancouver Sun*, January 20).

## **Britain**

A Toronto school caretaker, who had spent most of the past year in jail, went on trial in Liverpool, England on conspiracy charges involving a plot to smuggle arms from Canada to Northern Ireland. Albert Watt, 42, was arrested last January 15 by the Royal Ulster Constabulary as he visited his ailing mother in Belfast, according to the *Sunday Star* on December 6.

Mr. Watt accused police of intimidation during their questioning of him after his arrest. He denied admitting to police that he had taken part in a scheme to smuggle the weapons to pro-British paramilitary forces in Belfast via this northwestern English port. Mr. Watt claimed he was repeatedly prodded in the chest during lengthy questioning by police in Northern Ireland after his arrest. He told the court the officer insinuated he would end up insane from the questioning and prodding (*Toronto Star*, December 16).

## **Fiji**

### **Ministerial Statement**

Secretary of State for External Affairs Joe Clark expressed satisfaction that Fiji had returned to civilian rule following recent coups. Mr. Clark called on the interim government to arrange for elections to be held as soon as possible, and to ensure that the new constitution which is currently being drafted enshrines basic rights for all Fijian citizens (*External Affairs Communiqué*, December 8).

### **Visas**

Fijians were required to have visitors' visas to enter Canada, Immigration Minister Benoît Bouchard announced on December 3 (*Toronto Star*, December 4). He instituted the measure because 2,500 Fijians had arrived in Canada in the past three months, many of them intending to stay.

## **France**

### **Fishing Dispute**

Canada's negotiator in talks with France regarding boundaries and fishing around St. Pierre-Miquelon said

there had been good progress toward resolving the dispute. Yves Fortier was commenting after he and other federal officials briefed representatives of the Atlantic Fishing Industry and Provincial Fisheries departments on the progress of the talks (*Ottawa Citizen*, December 22).

### **Governor General's Visit**

Under the headline "Royal reception awaits Sauv e on French visit," the *Globe and Mail* on January 7 reported that "the French government will roll out the red carpet for Jeanne Sauv e when she pays an official visit to France," from January 25 to 29 accompanied by two cabinet ministers — Deputy Prime Minister Donald Mazankowski and Treasury Board President Robert de Cotret — and four businessmen. *Le Droit* (January 25) reported that Canadian flags flew along the Champs Elys es for the first time in honor of the official visit of Governor General Sauv e. The fishing dispute between France and Canada marred the visit when French fisheries minister Ambroise Guellec boycotted the state dinner given by President Mitterrand and Premier Jacques Chirac, who is also the Mayor of Paris, did not hold the welcoming reception at city hall usually given visiting heads of state.

## **Haiti**

### **Elections**

Canada's relations with Haiti were reexamined as a result of the November 29 massacre on what was supposed to be the day of free elections. Suggestions were made for Canada to follow the US example and suspend all aid to Haiti. Parliamentary Secretary to Secretary of State for External Affairs, Jean-Guy Hudon, pointed out that the US aid had been in the form of military assistance, whereas Canadian aid was "strategic assistance designed to help the Haitian people restore the kind of unblemished democracy they deserve," (*Hansard*, December 1). The *Ottawa Citizen* in its editorial on December 22 agreed. It said "withholding aid from one of the hemisphere's poorest countries will hurt the poor probably more than it will discipline the junta." External Relations Minister Monique Landry outlined three principles underlying Canada's presence in Haiti: (1) non-interference in the country's domestic affairs; (2) the basic right of every individual to human dignity; and (3) the desire of Canada, a developed nation, to continue to provide less fortunate peoples with the basic tools they need for a decent existence. Canada's bilateral program in Haiti consists of: (1) support for the independent development of specific disadvantaged urban and rural groups; (2) support for institutional reform; and (3) energy resource development.

Prime Minister Mulroney told the Commons that the Canadian Ambassador to Haiti had been recalled to provide more detailed reporting on the events in Haiti. Mr. Mulroney promised that, after the meeting with the Ambassador, the Canadian government would signal what its intentions were with respect to bilateral relations and Canada's presence in Haiti (*Hansard*, December 8).

The presence in significant numbers of Canadians of Haitian origin in Montreal prompted P.C. Member for Rose-

mont, Suzanne Blais-Grenier, to present a petition on their behalf requesting Canada to denounce General Namphy's regime in Haiti (*Hansard*, December 16).

Mr. Clark responded favorably to a suggestion by Bill Blaikie, (NDP, Winnipeg—Birds Hill) that an all-party delegation be established to visit Haiti. The foreign minister outlined two objectives which the Canadian government wanted to achieve with regard to the Haitian people. The first was to encourage democracy in Haiti and the second to continue to help the most deprived people in our hemisphere (*Hansard*, January 26).

Political unrest in Haiti prompted the External Affairs Department in Canada to advise travellers to avoid visiting Haiti "unless there are compelling reasons to do so" (*The Mail Star*, January 5), but Canada categorically renounced any participation in any military intervention in Haiti regardless of the turnout in Sunday's (January 17) elections. Marc Lortie, the Prime Minister's Press Secretary, said that Mr. Mulroney only wanted "to send a signal that if things repeat themselves, Canada will not remain indifferent" (*Toronto Star*, January 14).

In the prevailing atmosphere of tense relations with Haiti, Secretary of State Joe Clark was quoted in a *CP Wire* story of January 18 that Canada would not accept the January 17 election results in Haiti and would review its relations with the troubled Caribbean nation. Mr. Clark, according to the press story, added that the Haitian people had made their own very clear statement about the election process with a very low turnout at the polls and that the aspirations of the Haitians had been frustrated. More than 90 percent of eligible voters snubbed the elections organized by the military junta and opposition candidates refused to participate. (See Human Rights and Aid, Policy section, in this issue).

## India

### Detention of Canadian

A Canadian was arrested and charged with collecting about \$300,000 from Punjabi businessmen and distributing it to Sikh separatists in India.

While in the custody of Indian police, he suffered "excruciating pain" under torture, his lawyer charged in New Delhi, according to a *Globe & Mail* report on December 2. "Police simply bashed the daylight out of Balkar Singh for five days after his arrest in November," a senior lawyer at the New Delhi firm of Sodhi & Co. was reported claiming in the newspaper account. "With the kind of torture he suffered, you could make any man admit to anything," the lawyer was reported having told the *Globe & Mail* correspondent. Canada lodged a formal protest with India alleging mistreatment and possible torture of the 40-year-old Canadian Sikh from Toronto. India's foreign affairs spokesman said that he was "not familiar with the case," and promised an official reaction later in the week. In continuing its

New Delhi-based correspondent's report, Balkar Singh, who had been in police custody since November 1, told a 3-man team of Canadian High Commission officials that he was tortured. A Canadian doctor at the meeting was not permitted to examine him, but apparently saw enough to be convinced. "From what he could see, it would support the claim," a High Commission spokesman said. "Just from observation, there were signs that he was physically mistreated." The official Canadian protest included a request that Balkar Singh be given an immediate medical examination and appropriate treatment. The detainee's lawyer said Balkar Singh was arrested "because he is Canadian and they were looking for a foreign link. They use these arrests to get your government to crack down on the Sikh community in Canada. They have dreamed up this whole drama for that purpose" (*Globe & Mail*, December 2).

In a most graphic manner, Progressive Conservative MP Paul McCrossan (York—Scarborough) described to the House of Commons the treatment of Balkar Singh since his arrest in India. Mr. McCrossan reported that the prisoner was "first hamstrung from the ceiling, then someone sat between his legs and started jumping, using him as a swing. Following this, electric shocks were applied to his sexual organ, armpits and head. His legs were then forced to virtually 180 degrees. He was then beaten on the stomach and on the soles of his feet and to this day he cannot walk." Secretary of State Joe Clark undertook to secure consular access to Balkar Singh (*Hansard*, January 22).

Earlier, India and Canada provided entirely different descriptions of the condition of Balkar Singh, held under India's Anti-Terrorist laws. Shashi Tripathi, spokesperson for the Indian High Commission in Ottawa, in speaking with the *Globe & Mail* as reported on January 20, said that reports of torture were unfounded. Mrs. Tripathi also said Indian officials had no record of Canada's having made a formal protest over allegations of torture. A Canadian official brought allegations of mistreatment to the attention of the authorities but did not lodge a protest, she said. Earlier in the week, a spokesman for the Department of External Affairs said Canada had lodged a protest after Canadian consular officials in India were allowed to visit Balkar Singh in prison. The Canadian spokesman reiterated, according to the *Globe & Mail* on December 2, that Canada did lodge a protest with the Indian government on November 27 and was still waiting for India to respond to its request for an immediate medical examination.

Canada lodged a second, more forceful diplomatic protest, and External Affairs Minister Joe Clark told the Commons that he had summoned the Indian High Commissioner that morning to redouble the protest. Mr. Clark also indicated that the Canadian government was not impressed with the effect of the extradition treaty it signed earlier this year with India, in which both governments agreed to respect each other's laws on the treatment of prisoners (*Toronto Star*, December 4).

While Canadian parliamentarians were calling for access to Canadians in Indian jails, the Indian government requested access to Indian nationals in Canadian jails. However, sixteen of the seventeen Indian citizens in Canadian jails did not want to see Indian government officials, the *Globe & Mail* reported on January 20.

### **Republic Day**

In recognition of the thirty-eighth anniversary of India's Republic Day, Bob Pennock (P.C., Etobicoke North) extended good wishes to India and paid tribute to the many Canadians of Indian origin for their "tremendous contribution to Canada" (*Hansard*, January 26). (Also see CSIS, Air India, in Policy section in this issue.)

## **Indonesia**

Canadian International Development Agency (CIDA) signed a \$19.25 million agreement with Vancouver-based Simon Fraser University to undertake a university development project in the Eastern Islands of Indonesia. The 5-year project will provide fellowships for study in Canada, short courses, technical assistance, provision of agreement and teaching and research materials and project management support.

Simon Fraser will concentrate its efforts on three universities in the northern portion of the Eastern Islands, with assistance to five others. The project will also promote links between Canadian and Indonesian universities which will continue after the CIDA assistance is finished (*CIDA Communiqué*, December 23).

## **Iraq**

A senior vice-president of Canadair Ltd. was indicted in the United States over an alleged plot to sell combat helicopters and anti-tank weapons to Iraq. US Customs agent Jim Kilfoil said Montreal resident and former Hughes Helicopter executive Carl Perry, the vice-president for marketing of Canadair's Challenger executive jet, along with two Lebanese arms dealers and another former Hughes executive, were indicted in Miami. The indictment charges the four with violations of the US Arms Export Control Act (*Globe & Mail*, December 4).

## **Israel**

### **Extradition**

Ontario and federal officials began work on extradition proceedings against Avi Dobzinsky, who faced a \$3 million fraud charge in relation to a grant from IDEA Corporation. Ontario Attorney General Ian Scott confirmed that officials hoped Dobzinsky could be brought back from Israel to face charges in Ontario. Dobzinsky, whose company, WYDA Systems Ltd., received the IDEA grant, was charged November 16 with one count of fraud over \$1,000 and one count of uttering a forged document (*Toronto Star*, January 8).

### **Visit by Canadian Farmers**

A group of five farmers from the Mirabel area and members of the Union des Producteurs Agricoles took a month-long trip to Israel, as a result of which they gained valuable insight into the sale of Holsteins to the African nation

of Cameroon. The story reported in the *Globe & Mail* on January 28 prompted a question in the Commons on the same day from Don Boudria (Liberal, Glengarry—Prescott—Russell) who wanted to know about the validity of federal funds belonging to Canada Lands Ltd. being used to take a trip to Israel. The Public Works Minister was reported as having told the reporter that such trips have regularly been taken and have resulted in promotion of the agricultural, industrial and commercial renewal of the Mirabel area.

### **West Bank and Gaza**

The disturbances in the Israeli-occupied territories of West Bank and Gaza dominated the political discussion on securing a solution to the Palestinian question. Secretary of State for External Affairs Joe Clark, in reply to a question from Bob Corbett (P.C., Fundy-Royal) on the violence in the occupied territories, said "we have expressed our concern to the Government of Israel and will continue to do that" (*Hansard*, December 15).

The *Globe & Mail* of December 24 carried a story which quoted from what the paper referred to as a letter dated December 21 to the Saudi Arabian ambassador from Marc Brault, Assistant Deputy Minister of the Africa and Middle East Branch of the Department of External Affairs. According to the story, the letter informed the ambassador that Mr. Brault "personally conveyed Canada's 'profound concern' to the government of Israel 'at a very senior level.'" The letter mentioned "We have repeatedly reminded Israeli authorities of their responsibility to conform to internationally established standards of conduct. We have especially underlined the requirement to limit the use of force to a level proportionate to what is needed in the circumstances, and we have strongly urged restraint."

In the excerpts aired on December 23 in advance of his year-end television interview with CBC, Prime Minister Mulroney was asked, "Do you feel that the Israelis are violating human rights by the way they are handling this situation in the occupied territories?" The Prime Minister responded, "No. I think the Israelis are in an extremely difficult situation, a historically difficult situation, and are showing restraint." On pursuing the question, the correspondent asked how did the situation in the occupied territories "differ from the kind of situation we have seen in South Africa, because a number of the Palestinian leaders say that they are no better off than the blacks are in South Africa?" The Prime Minister replied, "Well that, of course, is absolutely false. Anyone who knows anything about the situation in the Middle East recognizes that, while there is a tragedy on one hand and extreme difficulties on the other, any comparison of what the government of Israel has done, with the Government of South Africa, is false and odious and should never be mentioned in the same breath. Israel is a democracy and one under constant siege in the Middle East. There is no comparison in my mind. Others may make the comparison, but, I assure you, I do not" (CBC Television Transcript, December 21).

A Progressive Conservative MP, Dr. Alex Kindy (Calgary East), dissociated himself from the Prime Minister's remarks, as did PC Senator Heath Macquarrie in a letter to the Prime Minister (*Ottawa Citizen*, January 12).

Ottawa-based Arab ambassadors, led by their Dean, Ziad Shawwaf of Saudi Arabia, met with senior External Affairs officials to seek clarification of the Prime Minister's statement and its discrepancy with the Brault letter. The *Globe & Mail* reported on December 24 that they were told at the meeting on December 24 at the Department of External Affairs by Joseph Stanford, Associate Undersecretary of State for External Affairs, that "The most recent statements of Government policy are those of the Prime Minister and the Secretary of State for External Affairs."

The discussion shifted to the Commons where Howard McCurdy (Windsor—Walkerville), NDP critic on Human Rights (External), noted that "when thousands of people are imprisoned in camps; when even children protesting their oppression as they must, fall before lethal ammunition, and when the nations of the world condemn these excesses of the occupying army of Israel, our Prime Minister commends the restraint of the oppressive conqueror (*Hansard*, January 19).

As the electronic and print media continued to bring images of disturbances in occupied territories into Canadian homes, calls for the convening of an international peace conference to resolve the Palestinian issue increased. NDP external affairs critic Bill Blaikie (Winnipeg—Birds Hill) cautioned that neither terrorism nor military force was the answer to problems which required structural and political solutions. He called the use of live ammunition on crowds, and the increasingly routine resort to violence as "disturbing and unacceptable" (*Hansard*, December 17).

New Democratic Party Leader Ed Broadbent expressed concern about the alleged refusal by the Government of Israel to allow the delivery of food to Palestinian refugees and called on Canada to publicly endorse proposals for an international peace conference. Secretary of State for External Affairs Joe Clark concurred that "food should not be used as a weapon," and that Canada was encouraging all parties to accept the approach to peace through a conference (*Hansard*, January 20). Canada strongly endorsed the United Nations appeal to Israel to exercise restraint in putting down riots in the occupied West Bank and Gaza Strip. Canada's Ambassador to the UN, Stephen Lewis, in a statement issued on December 25, echoed the criticism: "Long years of occupation have led to more acute frustrations on both sides, resulting in the increased violence the world has recently witnessed" (*Montreal Gazette*, December 28).

Following his remarks of late December about Israeli restraint, Prime Minister Brian Mulroney was quoted as saying in Napanee, Ontario, that recent events had altered his earlier view that Israel had shown "restraint" in dealing with the Palestinian uprising in the West Bank and Gaza. Mr. Mulroney was reported by the *Toronto Star* on January 23 as saying that he supported External Affairs Minister Joe Clark's view that Israel had violated human rights by using food as a weapon in trying to put down Arab rioting in the occupied territories.

About 1,000 people protested in Toronto on January 23 against Israeli actions and demanded more Canadian efforts to help Palestinians (CTV News). Another angry gathering, which included many children, marched through

downtown Toronto calling for an end to the continuing killing of Palestinians in the Gaza Strip. The 250 marchers hoped to persuade the Canadian government to take a more active role in pressuring Israel to stop the carnage, a spokesman for the group, Naji Farah, said (*Toronto Star*, January 18).

Emerging from a Liberal caucus meeting on January 20 and in a meeting with reporters quoted in the *Ottawa Citizen* on January 21, John Tumer called on Israel to recognize the human rights of Palestinians while maintaining law and order in the occupied territories. In the same news story he was also reported to have reiterated the Liberals' support for Israel's right to exist behind secure and recognized borders, and for the legitimate right of Palestinians to establish a homeland in the West Bank and Gaza Strip. He urged the government to pursue such a policy on the Middle East.

## Japan

### Prime Minister's Visit

Attention centered on Canada-Japan trade, investment and culture during Japanese Prime Minister Noboru Takeshita's visit to Canada in mid-January. The Japanese Prime Minister was on his way back to Japan after meeting with President Reagan in Washington. Japan is Canada's second-largest trading partner. So far, Japanese companies have made about \$2 billion in direct investments in Canada, while Canadian companies have about \$160 million invested in Japan. After running annual surpluses with Japan from 1973 to 1981, Canada's trade balance slipped into an \$80 million deficit in 1982 that grew to \$1.7 billion by 1986. In 1987, however, the deficit began to decrease. After ten months of 1987, it stood at \$532 million compared with \$1.3 billion for the corresponding period a year earlier. The turnabout was accounted for by higher exports of lumber, pulp and fish. There had been no change in the composition of trade between the two nations, and coal remained Canada's largest export (*Globe & Mail*, January 13).

During the official visit to Canada, the Japanese Prime Minister offered a tempered response to the Canada-US free trade agreement in a statement released jointly with Prime Minister Brian Mulroney. A report in the *Globe & Mail* on January 16 stated that Japan was concerned a free trade deal would produce a "fortress North America" which would be detrimental to Japanese trading interests.

### Cultural Exchange

While at a banquet hosted by Prime Minister Mulroney, Japanese Prime Minister Noboru Takeshita announced a donation of 100 million Japanese yen (approximately Cdn\$1 million) to the Canada Council to establish a Japan-Canada Culture and Arts Exchange Program. It would provide grants for exchanges between young Japanese and Canadian artists, and grants for Japanese artists touring Canada. The Council would also establish an award for outstanding Canadian publications dealing with Japan, and for English and French translations of Japanese literature (*The Gazette*, January 16).

### **Japanese Autos**

Asian carmakers should be given a tax break to compensate for their lack of protection under free trade, according to a Japanese auto official. "My manufacturers should have been able to participate in the Auto Pact. They are also building cars in Canada. They can meet Auto Pact requirements and they are also building cars in the US," Bob Salvian, President of the Japanese Auto Dealers' Association, was reported saying in the *Toronto Sun* on December 16. He added, "I think it's unfair. The Government held the carrot out and we built a plant [in Alliston]...and now we are not able to participate in the Auto Pact. Under the free trade deal, Canada will eliminate duty-relief schemes which it has used to entice Asian carmakers to invest in Canada. Canada's tariff on overseas auto parts is 9.2 percent. The comparable US tariff is 2.2 percent." According to the *Toronto Sun*, Salivan, who owns a Honda dealership, wanted 7 percent duty-reduction compensation because, he said, it costs 7 percent more to build cars in Canada because Asian carmakers were excluded from the benefits of the Auto Pact.

### **Jordan**

#### **Detention of Canadian**

A Toronto man wanted in Abu Dhabi in the United Arab Emirates on theft charges was arrested while trying to enter Jordan in October and was still not free to leave the country, even though a court had ruled against extraditing him to Abu Dhabi. A court in Amman, the Jordanian capital, refused on Christmas eve to extradite Jalal Jabouri, 56, a Canadian citizen and native of Iraq. The court ruled that the conditions for his extradition did not exist. The Canadian embassy in Amman was trying to determine the conditions of the court ruling to see whether he had to remain in Jordan (*Toronto Star*, December 30).

#### **Oil**

The resource-scarce Hashemite Kingdom of Jordan welcomed a Canadian oil team which was to start collecting seismic data for Jordan in January in a joint search for oil near the Iraqi border. Kamal Jureisat, Director of Jordan's Natural Resources Authority, said a crew provided by Petro-Canada International was to operate in the Rishah area of north eastern Jordan. The Corporation is a subsidiary of federally-owned Petro-Canada. Mr. Jureisat hoped the project would prompt Canadian oil companies to enter production-sharing deals like those Jordan had signed with such companies as Amoco of Chicago and Petrofina SA of Belgium (*Globe & Mail*, December 14).

### **Korea**

#### **Auto Trade**

The Director of Investigations was reported challenging, under the Federal Competition Act, the federal government's decision of last November to impose an average 35 percent preliminary anti-dumping duty on all Hyundai

Motor Company cars shipped to Canada from South Korea. The *Globe & Mail* reported on January 14 that, in the Director's view, Hyundai exerted a positive influence in maintaining competition in the Canadian automobile industry and it was important to ensure that such competitive influence was not nullified by the unnecessary or inappropriate application of trade restrictions. The submission was made to the Canadian Import Tribunal, a branch of the federal Department of Consumer and Corporate Affairs.

### **Lebanon**

#### **Palestinian Camps**

The tragedy of Palestinian camps was brought closer to home with a story about a Canadian surgeon, Chris Giannou, 38, who had performed more than 500 operations in besieged Palestinian camps. Dr. Giannou had spent the last twenty-seven months operating the hospital at the Chatilla Refugee camp and was given a tearful farewell by the 3,500 Palestinian refugees in the camps. He told them, "we experienced the siege together, we died a bit together, now it is time to go on" (*The Gazette*, January 28).

### **Libya**

A Canadian woman, Viola Sayegh, was still awaiting word on when she would be released from Libya where her passport had been seized more than two months ago. She said she had been given no reason for the delay. Security officers had confiscated her passport on November 7 and have refused to return it or to provide an exit visa. Canada had sent one of its diplomats from Rome to Libya in December to assist the woman (*Toronto Star*, January 11).

Canadian diplomats in Rome were reported in *Globe & Mail* on December 26 as saying that the Libyan authorities had given no reason for keeping Mrs. Sayegh in Tripoli.

Her husband is a co-director at Canint Co. Ltd., a construction firm that is involved in a dispute with the Libyan Army over a \$8.5 million contract to build a signals base.

### **Morocco**

Sydney Steel Corporation of Nova Scotia was awarded a contract by the government of Morocco for the manufacture of 10,999 metric tons of steel rails. Sydney Steel has been active in Africa for close to thirty years and is working in more than eight African countries. (Canadian International Development Agency *Communiqué*, January 7).

### **Nicaragua**

When Bill Blaikie (NDP, Winnipeg—Birds Hill) encouraged the Secretary of State for External Affairs "for once to get up and say Canada is opposed to continued aid to the Contras," Joe Clark responded that "that kind of

preoccupation was not only fruitless but was counterproductive" (*Hansard*, January 20). (See Multilateral, Central America, in this issue.)

## Norway

External Affairs Minister Joe Clark participated in a Norway-Canada conference on Circumpolar Issues in Tromsø, Norway, from December 6 to 9, in conjunction with an official visit to Norway from December 7 to 9.

The conference discussed problems Canada and Norway share owing to their strategic and geographical locations, history and the environment. During the official visit, Mr. Clark had discussions with Prime Minister Gro Harlem Brundtland, Foreign Minister Thorvald Stoltenberg, as well as the Standing Committee on Foreign Affairs of the Norwegian parliament (*External Affairs Communiqué*, December 3).

## Philippines

Filipino communities across Canada were uniting in an effort to raise money for families of the victims of the December 20 disaster in the Philippines. The United Council of Filipino Associations of Canadians asked the International Red Cross to distribute money it hoped to raise for the families of victims. Filipino Canadians hoped to collect \$10,000 to 15,000 for the relief fund (*Globe & Mail*, December 23).

## South Africa

There was another step towards Canadian withdrawal of investments from South Africa. The University of Toronto's governing council voted 30:12 in favor of immediately selling \$1.26 million in shares in companies doing business in South Africa (*Toronto Sun*, January 22).

## Turks and Caicos

Canada should exercise great caution in considering any suggestion for closer political or economic ties with the Caribbean's Turks and Caicos islands, the Senate Foreign Affairs Committee reported. "The earliest appropriate time for Canada to consider this subject would be after the 1988 elections on the Islands and then only if and when the new Turks and Caicos government raised the subject with Canada," it said in reaching the same conclusion as a committee of Conservative MPs in September (*The Gazette*, December 3).

## USSR

### Human Rights

Montreal human rights lawyer Irwin Cotler found himself in the middle of a demonstration in Moscow on behalf of Jewish refuseniks on January 28. Mr. Cotler was the only

Canadian in a delegation of nineteen from the International Helsinki Federation for Human Rights who were spending a week in Moscow talking to Soviet officials and giving informal seminars to refuseniks interested in legal aspects of their problem (*The Gazette*, January 29). According to the *Toronto Star* of January 28, Mr. Cotler planned to ask lawyers across Canada to sponsor the efforts of individuals and families who have been prevented from emigrating from the Soviet Union.

### Immigration

The Emigration Department in Lithuania accused Canadian authorities of denying a visa to a Soviet citizen on the grounds that he was a cripple. A Tass News Agency report from Vilnius said that the Soviets had given permission to the family of Viktor Rudkevich to immigrate to Canada but Canadian immigration officials told them that one member had to stay behind because of his physical impairment. A Canadian embassy official said that while everything about the case could not be discussed, the problem was that the handicapped person did not have the Canadian sponsorship required for immigration (*Globe & Mail*, December 5).

### Polar Expedition

Canada and Soviet organizers of a joint ski expedition across the Arctic in March were looking for another Canadian team member for their 100-day, 1,730-kilometer journey. Out of 300 Canadian applicants, six were selected for training in June. But four of the six dropped out after two weeks of training around Frobisher Bay on Baffin Island. "When they met those particular conditions they decided they haven't got enough motivation to go through with it," Soviet mathematician Dmitry Shparo said. He hoped the trip would help the two countries to learn more about each other and provide research on the Arctic Ocean and the effects of the harsh climate on the team members (*The Gazette*, December 22). (See also Disarmament under Policy in this issue).

## Zimbabwe

Concern was expressed by Dave Nickerson (P.C., Western Arctic) about Zimbabwe's lengthy detention of Dick Laban, a Canadian citizen, without filing a formal charge against him. The Minister for External Relations assured the House that an officer from the Canadian High Commission had maintained regular contact with Mr. Laban who has been accused of having provided information to South Africa's intelligence service in 1984. A hearing had been scheduled in Harare for December 8 (*Hansard*, December 16).

# Multilateral Relations

## Central America

The period showed a marked increase in interest in Central America. First there was the visit to the region by the External Affairs Minister, Joe Clark, the establishment of a parliamentary committee on the peace plan, followed upon by the visit to Canada by the Vice-President of Nicaragua. Mr. Clark also announced the appointment on December 15 of Richard Gorham, a former Canadian Ambassador to China and former assistant deputy minister in charge of Latin America, as roving ambassador, to help broaden Canada's relations with the troubled region (*External Affairs Communiqué*, December 15). Mr. Clark told the *Vancouver Sun* on December 18 that Ambassador Gorham would also head a new study group, similar to one the External Affairs department established on South Africa, which would document compliance with last August's Central American peace plan and increase Canadians' awareness about the area's political and economic troubles.

On his return from the trip to Nicaragua, Guatemala, El Salvador, Honduras and Costa Rica, Mr. Clark made a statement in the Commons on December 2. Referring to the Central American peace plan as "unanimous and indigenous," the foreign minister observed that all parties "intend to keep the word they gave when they signed the agreement."

Though Canada's interest and involvement in Central America is relatively recent, Mr. Clark noted that "we have tripled our bilateral aid to over \$105 million." He had also offered Canadian assistance in any peacekeeping operations and announced the resumption of bilateral aid to Guatemala. In view of the improvement in Guatemala's record on human rights this would, it was hoped, encourage further progress in this field in Guatemala. Mr. Clark emphasized Canada's opposition to third party intervention in Central America, whatever the source, and stated that he had made that position clear to both superpowers. Discussions had begun on the establishment of an appropriate all-party parliamentary committee to monitor and encourage the peace process in Central America (*Hansard*, December 2).

In response, Liberal Party external affairs critic Lloyd Axworthy expressed disappointment that the Minister had gone to Central America without a policy and had come back without one. Mr. Axworthy called for consideration of more aid to Nicaragua.

Bill Blaikie (Winnipeg—Birds Hill), NDP external affairs critic, supported the establishment of the special committee but expressed concern about Mr. Clark's lack of "protest against the attacks on Canadians and Canadian sponsored projects," and the absence of an announcement of "some support for human rights institutions, commissions and the like in Central America" (*Hansard*, December 2).

On his visit to the region Mr. Clark was accompanied by two Canadian officers who have commanded international peacekeeping operations elsewhere in the world. A discussion document relating to the Central America peacekeeping observer organization was tabled in the Commons by Mr. Clark on December 2.

While the Department of External Affairs claimed it received no formal invitation, the *Toronto Star* reported on January 28 that President Daniel Ortega of Nicaragua said in Madrid that Canada had reacted positively to Nicaragua's request that it join a commission to monitor the Sandinista regime's compliance with the Central American Peace Plan; but an External Affairs spokesman was reported saying there was a difference between designing a verification and control program and actually participating in a peacekeeping operation. A Canadian embassy spokesman in Madrid was reported saying in the *Ottawa Citizen* on January 27 that Canada had offered to help monitor the Agreement if requested to do so by all countries which had signed it.

The Minister sent a message on January 25 to the Foreign Ministers of the five Central American republics expressing the "pleasure of all Canadians at the successful outcome of the latest summit of Central American presidents in Costa Rica" (*External Affairs Communiqué*, January 25). (See "International Canada", this issue, under Bilateral, Nicaragua.)

### **Special Parliamentary Committee**

A special 5-member, all-party committee of the House of Commons was appointed to examine and report on the Central American Peace process with particular instructions to: (1) note and analyze the compliance or non-compliance of the five countries with the specific provisions of the *Esquipulas II Agreement*; (2) take into account the particular geopolitical and other factors which bear upon each country's compliance with the provisions of *Esquipulas II*; (3) examine the process and prospects for settlement of military insurgencies which lie outside the specific scope of the *Esquipulas II* terms; (4) against the background of the above, examine and make proposals with respect to the means by which Canada could play a constructive role in the peace process through assistance in the design and possibly implementation of verification and control mechanisms or through other confidence-building measures which could help to sustain the momentum of the peace process over a longer period; (5) draw opinions from witnesses representing the Canadian community including academics, non-governmental organizations, government departments including National Defence, External Affairs and CIDA, from abroad and from the resident diplomatic community, and, where desirable, from Canadian missions in the area. No date was established for the submission of the committee's report (*Hansard*, January 29).

## Commonwealth

### **Mr. Clark's Visit to Southern Africa**

External Affairs Minister Joe Clark left on a week long Commonwealth trip on January 27 to visit Kenya, Tanzania, Zambia, and Zimbabwe. The highlight of the trip was his chairing the first meeting of a Committee of Commonwealth Foreign Ministers on Apartheid in Lusaka. The Committee of eight member countries had been formed at the Commonwealth Conference in Vancouver last year to guide further Commonwealth moves aimed at ending Apartheid in South Africa (*Ottawa Citizen*, January 22). (See "International Canada" for October and November 1987).

## EEC

Canada was given until the end of January to settle with the Europeans the controversial issue of provincial liquor board practices. The deadline was extended from January 20 to January 31 after International Trade Minister Pat Carney met with European Economic Commissioner Willy de Clero in Indonesia where they were attending a trade conference (*Ottawa Citizen*, January 9).

## GATT

Minister of International Trade Pat Carney, in a speech to the 23rd annual session of the GATT Contracting Parties in Geneva on December 1, reaffirmed Canada's commitment to the multilateral trading system and to its further liberalization and strengthening through the Uruguay Round of Multilateral Trade Negotiations (MTN). The Minister also reconfirmed Canada's offer to host a midterm review of developments in the MTN possibly towards the end of 1988.

Ms. Carney outlined Canada's five priorities in the Uruguay Round: (1) strengthening the GATT system; (2) developing new rules and better access for agricultural trade; (3) improving and securing market access; (4) dealing with the new issues of trade in service and the trade-related aspects of intellectual property and investment measures; and (5) the greater participation and integration of developing countries into the GATT (*International Trade Communiqué*, December 1).

Pat Carney, Minister of International Trade, and Tom Siddon, Minister of Fisheries and Oceans, announced that the government was working closely with industry in developing Canada's response to the recent GATT panel ruling on West Coast salmon and herring.

Ms. Carney noted that the panel report would be discussed in the GATT Council in early February, at which time Canada would raise its concern about the broader implications of its findings. She indicated that among the policy options to be explored, would be a bilateral solution with the US or the application by Canada of alternative regulatory measures which would ensure the integrity of

Canada's west coast fisheries conservation and management regime (*International Trade Communiqué*, December 18).

## NATO

Prime Minister Brian Mulroney announced that he planned to attend a strategy summit of Western European leaders at NATO Headquarters in Brussels, probably in March. The meeting of the heads of the sixteen NATO countries, the first in more than a decade, was planned as a "reaffirmation of faith in the alliance," according to diplomatic sources in London (*Ottawa Citizen*, January 13).

## SADCC

On his way to Lusaka, Mr. Clark stopped in Arusha, Tanzania, to address the Southern African Development Coordination Conference (SADCC) on January 28. He announced an increase of Canadian aid to Southern Africa for 1988 by \$8 million to \$40 million. "SADCC is an example of efficiency," Mr. Clark said in a keynote address to the group and added that "it is one of the most effective responses to South Africa's policies to systematically disrupt trade and economic growth in SADCC countries." SADCC is an organization of nine southern African states Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Tanzania, Zambia and Zimbabwe, founded in 1980 to reduce economic dependence on South Africa. SADCC members asked donors to focus this year on rehabilitating the regional railway to break dependence on South African trade routes. Canada offered \$20 million for a study on the line to start March 1 (*Ottawa Citizen*, January 29).

Canada will establish a bilateral aid program for Mozambique and increase annual funding to SADCC from \$30 million to nearly \$40 million per year by the early 1990s. (*External Affairs Communiqué*, January 28).

## United Nations

### **PLO**

Canada spearheaded a drive to oppose US plans to remove Palestine Liberation Organization observers at the United Nations from the United States. Shutting down the PLO office in New York would "set a dangerous precedent," Canadian diplomat Phillippe Kirsch told the United Nations. Canada was one of 100 countries which voted to affirm the PLO's right to maintain its 13-year-old observer mission to the UN. According to a report in the *Toronto Star*, only Israel voted against the resolution and the United States did not take part. While Ottawa does not view the PLO as the only voice of the Palestinian people, "it does represent a significant element of Palestinian opinion," and should be heeded in any effort to resolve the Arab-Israeli conflict, Kirsch told the UN Committee on international legal matters. "Palestinians must play a full part in nego-

tiations to determine their future, and contacts — which are made possible through the PLO observer mission — are important for this purpose" (*Toronto Star*, December 15).

### **Torture**

Canada was elected to the newly constituted United Nations Committee against torture. This committee functions under the provisions of the International Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment which came into force in June 1987. Canada ratified the convention on June 24, 1987 and

elections to the committee were held in Geneva on November 26. The first meeting will be held in Geneva in April, 1988 (*External Affairs Communiqué*, December 9).

### **Exchange Rate**

December began with the Canadian dollar worth US\$.7316 while January ended with the Canadian dollar worth US\$.7844.

# **POLICY**

## **AID**

### **Africa**

The poorest countries in Africa were to benefit from a loan of several hundred million dollars from a special international fund. Canada would contribute \$300-\$400 million in loans to a US\$8 billion fund. The new fund, to be known as the Enhanced Structural Adjustment Facility, will lend money to the poorest countries in sub-Saharan Africa in order to prop up the economies of these countries by encouraging local food production and reducing government deficits. This new African aid initiative was endorsed by Prime Minister Brian Mulroney and other leaders last summer at the Venice Summit of the seven leading industrial nations (*Globe & Mail*, January 6).

### **Haiti**

Allegations of misuse of Canadian aid money to Haiti were levelled by Pierre Goldberg, an observer of Haiti's aborted elections in November 1987. His team of eight from Quebec said External Relations Minister Monique Landry denied the findings when the group met her on their return. Church groups had found that salaries for agriculture, health and other projects administered by the University of Laval and the University of Ottawa had been transferred to the Haitian army. Canada according to the *Globe & Mail* on December 24 was spending about \$15 million on aid to Haiti in the current fiscal year, up slightly from \$14.6 million in 1986-87. The Minister added, "I would like to assure all Canadians that, according to the sources of information at my disposal, no funds allocated to the programs in question have been used for anything other than their original purpose... At no time whatsoever are the funds allocated to projects in the field handled by the Haitian authorities" (CIDA Communiqué, January 8).

### **Zaire**

The operation of a \$35-million sawmill in Zaire financed by the Canadian International Development Agency (CIDA) was investigated by the RCMP's Commercial

Crime Section after allegations of fraud were made by people familiar with the project. CIDA took over the project in 1980 when the sawmill went bankrupt, agreeing to spend \$35 million to turn it into a viable operation. CIDA's financial manager, Richard Herring, according to a report in the *Toronto Star* on December 20, saw no need for an RCMP investigation since CIDA had done its own investigations which uncovered a series of management problems on which action had been taken. The RCMP had not found evidence to prove fraud, but was hampered in its investigation because of poor accounting and the lack of invoices to trace purchases.

"Make sure aid helps" was the title of an editorial plea in *The Gazette* on January 5. It made a strong case for Ottawa to "boost its support for development projects run by credible organizations instead of giving government-to-government aid, which can be used wrongly." Citing the case of Haiti on the misuse of aid money, the newspaper advised Ottawa to "redouble its efforts to help private aid groups carry out grassroots projects to help the poor themselves."

## **Business and Finance**

### **Foreign Ownership**

Foreigners, mostly Americans, were losing some of their grip on Canadian industry, but big business was increasing its share of the corporate pie. A Statistics Canada report revealed that foreign control of Canadian corporations declined by 0.8 percent in 1985 to 23.4 percent, extending a steady decline in the level of foreign control from the peak of 37 percent in 1971. However, foreign-controlled firms on average were more profitable and accounted for 41 percent of all profits in Canada as well as 44 percent of all taxable income (*The Gazette*, January 14).

### **Banking Centers**

A bill designating Montreal and Vancouver as International Banking Centres was given parliamentary ap-

proval on December 17. Banks in the two cities would be allowed to accept deposits from and make loans to foreigners without paying tax on the profits from those transactions (*Globe & Mail*, December 18).

## Canadian Security Intelligence Service

The Canadian Security Intelligence Service (CSIS) came under further scrutiny when it was revealed that a convicted Polish airline hijacker had successfully hidden his identity from CSIS while working for the organization for more than a year. It was only after he left CSIS, in the spring of 1986, that a friendly foreign intelligence agency identified him as Ryszard Paszkowski, a fugitive from a Bavarian jail. Until then CSIS apparently believed him to be Robert Fisher, a Polish truck driver, who had supposedly fled to the West and entered Canada through the immigration program designed to help refugees from communism (*Ottawa Citizen*, January 26).

In an earlier report in the *Ottawa Citizen* on January 23, the Polish airline hijacker said that a senior diplomat at the Polish embassy in Ottawa was a high-ranking member of Poland's foreign service managing a spy network of about 100. The Polish embassy in Ottawa denied any knowledge of Mr. Paszkowski. Solicitor General James Kelleher, the Minister responsible for CSIS, would not comment on the claims, while Secretary of State for External Affairs Joe Clark said that Canada had no reason to believe those reports were accurate (*Ottawa Citizen*, January 26).

### Air India

Revelations that tapes containing wiretap information relating to the Air India crash of June 1985 were erased by CSIS resulted in calls in the House for an inquiry into the affair. Liberal John Nunziata (York — Weston) asked that a Royal Commission of Inquiry be instituted, since CSIS had failed to solve the tragedy and had bungled a court case by producing a false affidavit. Solicitor General Kelleher stated that shortly after the incident there were more than 200 officers assigned fulltime to the case. At all times since then there had never been fewer than fifty officers working on it (*Hansard*, December 15).

## Defence

Canada's plan to buy nuclear-powered submarines was outlined in the White Paper on National Defence tabled in the Commons on June 5. (See "International Canada", June and July, 1987). The plan to buy from February run into difficulty, according to the *Financial Post* of May 8, because in 1958 Britain bought a Westinghouse reactor to expedite the development of its first nuclear vessel. The result was a bilateral treaty that prohibited Britain from selling the technology to a third party without US approval.

Canada cannot buy directly from the US because of a Canada-US treaty signed in 1959, when Canada acquired US ground-to-air launchers and other equipment designed to use nuclear weapons. This pact must be amended by Congress before the US can sell Canada any "military nuclear reactors and /or parts." The US supplies some of the fuel to run the British Trafalgar-class submarine. The *Financial Post* column further speculated that what Canada wants is to have the freedom of choice to either import freely from Britain and the US, or manufacture its own. The other alternative being considered is to buy French Rubis-class submarines. Over the next few months, Department of National Defence experts will prepare a detailed assessment of the relative merits of the two countries' submarine systems. The Standing Committee on National Defence of the Commons is also to hold hearings on the subject starting February 1988.

Charles Bennet, Chairman of the US House of Representatives sea power committee, was reported by the *Ottawa Citizen* on December 1 as saying that if Canada wanted a British-designed nuclear submarine fleet it must keep the Northwest Passage open to US vessels.

### Cruise Missile

The United States resumed cruise missile testing over northwestern Canada in January. The test on January 19 was the tenth over Canadian territory since 1983. A US Air Force B-52 bomber conducted the nearly 4-hour flight carrying an unarmed cruise missile starting from the Beaufort Sea and ending near Canadian Forces Base Cold Lake in Alberta. Toronto Disarmament Network Spokesman David Kraft stated that "the Canadian government is seriously out of step with Canadian public opinion in permitting these tests to continue" (*Toronto Star*, January 18). A *Toronto Star* editorial on January 19 noted that "when the Liberal government of Pierre Trudeau agreed reluctantly in 1983 to allow cruise tests in Canadian air space, it stipulated that testing would end if the superpowers came to an agreement on intermediate nuclear weapons. That condition has now been met." It added "Clearly, Ottawa does not want to upset Washington, even though pollsters keep unearthing a deep desire among Canadians for a more independent foreign policy."

In the House of Commons, Warren Allmand, (Liberal, Notre-Dame-de-Grâce — Lachine East) called on Canada to "immediately halt all cruise missile testing to advance the disarmament discussions and to rid the world of nuclear weapons, one of the greatest threats to human existence."

At a joint news conference on Parliament Hill, representatives of Greenpeace and the Canadian Peace Pledge Campaign joined by New Democrat Bill Blaikie (Winnipeg — Birds Hill) and Liberal Doug Frith (Sudbury), along with leftist leader George Erasmus, argued against the tests (*Toronto Star*, January 20).

Secretary of State for External Affairs Joe Clark told the House that although the question of cruise missiles was included in the START negotiations between the United States and the Soviet Union, Canada did not want to weaken the solidarity of the Western alliance. Mr. Clark added, "The House should bear in mind why it is we got an

INF agreement....We were part of the two-track decision of NATO. The two-track decision of NATO was a position of solidarity within the alliance. The Soviets knew they were not able as a consequence to split the West and achieve their goals so they had to agree to negotiation. What worked on the INF can work on strategic systems, and this Government intends to continue as we have in the past to recognise that solidarity in the West leads to progress in arms control" (*Hansard*, January 19).

## Disarmament

### **Gorbachev-Reagan Summit**

At their December summit in Washington, Mikhail Gorbachev and Ronald Reagan signed the Intermediate Nuclear Arms Reduction Treaty (INF) on December 8. Defence Minister Perrin Beatty expressed caution by saying that the Soviet Union and its allies were still committed to communist domination despite the treaty. He added that Canada would continue to build up its conventional forces because the way to preserve peace was to "place no temptation for quick gain in the paths of the adventurous" (*Ottawa Citizen*, December 11).

Prime Minister Mulroney, in a statement released at the end of the 3-day summit, sounded a similar warning to Beatty's saying that, despite the success of the Washington Summit, the Soviet Union continues to pose a major threat to the Western world. "The Agreement to eliminate medium- and shorter-range missiles will have no impact on the weapons that threaten Canada — the long-range missiles and nuclear-armed submarines and bombers," read the December 11 statement from the Prime Minister's office. "Great pleasure," was expressed by Secretary of State for External Affairs Joe Clark "at the signing of the historic agreement between the USA and the USSR to eliminate all ground-based Soviet and American intermediate-range nuclear missiles globally." Mr. Clark added, "The INF accord will result in the complete elimination of an entire category of nuclear missiles and is therefore the first nuclear disarmament in modern history" (*External Affairs Communiqué*, December 8).

Prime Minister Mulroney praised President Reagan for "staying the course" with a tough approach to an arms control agreement with the USSR. Mr. Mulroney said, "The West negotiated from a position of strength and the results have been good for all mankind" (*Ottawa Citizen*, December 8). Mr. Gorbachev sent a special emissary to brief Prime Minister Mulroney and other Canadian officials on the Soviet view of the superpower summit (*Ottawa Citizen*, December 18).

In the House of Commons on the day the agreement was signed (December 8) there were interventions. Gordon Taylor (P.C., Bow River) called on all to "keep our powder dry," for "the fundamental principles of the communists is the domination of the world," while Liberal Marcel Prud'homme (Saint-Denis) "rejoiced at the first step toward the real summit of total disarmament, the real summit toward better comprehension and a better world." NDP

external affairs critic, Bill Blaikie (Winnipeg—Birds Hill), reminded "those who want to keep the powder dry, that there are still enough nuclear weapons to kill us all ten times over," and called the agreement "a building block upon which future agreements to rid the world eventually of nuclear weapons are built" (*Hansard*, December 8).

### **Nuclear Free Zone**

A motion by Neil Young (NDP, Beaches) to declare Canada a nuclear arms-free zone was defeated in the House of Commons by a vote of 93 to 34 (*Hansard*, December 14).

## Human Rights

### **Committee Hearings**

Human rights behind the Iron Curtain and age discrimination in Canada were matters of study by the standing Committee of the Commons on Human Rights during the December/January period. The Committee travelled across Canada holding hearings, as well as sitting in Ottawa to hear from officials from the embassies of Czechoslovakia, the USSR and the Ukrainian Orthodox Church.

### **Iran**

Bill Atwell (P.C., Don Valley East) spoke about the religious persecution and imprisonment of Baha'is in Iran (*Hansard*, December 1). According to him, apart from the danger to personal life, "all of their holy places and religious sites have allegedly been confiscated and many, including the holiest Baha'i shrine have been fully destroyed." Parliamentary Secretary to the Secretary of State for External Affairs, Jean-Guy Hudon, verified the charges of arrests without cause, of torture and arbitrary executions and also of discrimination against the Baha'is in Iran. Mr. Hudon informed the House that Canada would be sponsoring a resolution before the United Nations on human rights in Iran and had appealed to Iranian authorities to show compassion for the members of the Baha'i faith held in prison (*Hansard*, December 1).

### **Haiti**

The Chairman of the Human Rights committee, Reginald Stackhouse, (P.C., Scarborough West), made a speech decrying the November 29 massacre on polling day in Haiti. Jean-Guy Hudon, Parliamentary Secretary to the Secretary of State for External Affairs, stated that Canada's Minister for External Relations had asked Canada's Ambassador to Haiti to convey to President Namphy Canada's "deep deception [sic] as a result of the cancellation of the election, as well as indignation with respect to the circumstances which brought about this decision" (*Hansard*, December 1). (See Haiti under Bilateral and in this section under Aid.)

## Immigration

### **Mohammad Case**

The bizarre story of Mahmoud Muhammad Issa Mohammad, 46, a Palestinian sentenced to seventeen years by an Athens court for his role in a 1968 attack on an Israeli airliner in Athens that left one man dead, unfolded with increasing drama. Mr. Mohammad applied for and was granted landed immigrant status by the Canadian embassy in Madrid. He told CBC's *The Journal* in an interview shown on January 26, that he was neither asked for nor volunteered information on his conviction in 1968 and subsequent release in 1970 from the Greek jail.

Mohammad has been living with his wife and children in Brantford, Ontario, since last year. He told *The Journal* that he regretted the death of one man in the attack and wanted to live in peace in Canada. But the Minister of State for Immigration, Gerry Weiner, told the Commons on January 20 that deportation hearings had been ordered against Mr. Mohammad. He was released on three conditions: that he report daily to the District Immigration office in Hamilton; that he report to Immigration authorities when requested to do so by senior department officials; and that he report for the resumption of the hearing (*Ottawa Citizen*, January 26). It was reported by *CBC News* (January 23), that an unknown group in Lebanon had threatened to take Canadians hostages if Mohammad was deported from Canada.

### **Defections**

Cubans and Poles led a record number of people who defected at Gander International Airport in 1987. Immigration statistics showed that 180 walked off flights and asked for refugee status in Canada, up from 110 in 1986. The largest number of defectors, forty-nine, came from Cuba followed by thirty-three from Poland. (*Globe & Mail*, January 6). A translator from the Soviet Union working for the International Civil Aviation Organization in Montreal asked to stay in Canada as a refugee. Andrei Alexandrovitch Rekemchuk, 32, his wife and 5-year-old son Pavel were granted a ministerial permit to stay pending application for refugee status (*The Gazette*, January 15).

## Refugees

### **Minister's Statement**

Immigration officials were ordered to monitor cases of landed immigrants and refugee claimants convicted of serious crimes, so that they may be deported once their sentences have been served. Immigration Minister Benoît Bouchard said he wanted to send out a "very strong and very clear message," and that he would not tolerate criminals who use the refugee process to enter Canada to deal in drugs or carry out other serious crimes. Mr. Bouchard stressed that Canada would continue to welcome genuine refugees (*The Gazette*, January 14).

Minister of State for Immigration Gerry Wiener asked the Senate committee studying Bill C-55 not to delay passage of the Bill, which he said was needed to stem the tide of bogus refugees trying to get into Canada. Bill C-55 was passed by the Commons last fall and is now before the Senate. Mr. Wiener also revealed that Department of External Affairs officials had begun discussions with several countries to see whether they would be willing to qualify as "safe third countries" for people turned back at the Canadian border under the proposed law. Mr. Wiener declined to name the countries involved (*Globe & Mail*, January 29).

### **Agreement with US**

Immigration officials had signed an agreement in July to send personal information about individuals to the US, but had never bothered to tell anyone, a government official confirmed. Employment and Immigration spokesman Gerald Maffre was quoted in *The Gazette* on December 16, "As far as I know they didn't make any publicity of the event. It's not as if we signed it some dark and stormy night. It was signed in Washington. It was another operational agreement." But Winnipeg lawyer Kenneth Zaifman said the deal could infringe on privacy rights. "People should be advised the information they supply could be released," he said. He became aware of the agreement when a client had difficulty visiting the United States because of incorrect information supplied by Canadian Immigration authorities.

## War Crimes

Ever since the passage of legislation in June, 1987, Canadian investigators have been gathering information to prosecute individuals in Canada against whom evidence could be produced of having committed war crimes or crimes against humanity. To do this, Canadian investigators must videotape courtroom evidence in secret in European countries before proceeding with the trial of a Toronto man charged with war crimes and crimes against humanity, according to a federal lawyer. Bill Hobson of the Justice Department said he was gathering information in Hungary shortly before Imre Finta, 76, was arrested in Hamilton. A preliminary hearing is scheduled for September for Finta. Under the criminal code, Canadians can only be tried for foreign offences after sworn evidence is collected in the country or countries where the crime was supposedly committed. Justice Minister Ray Hnatyshyn was negotiating for permission to seek the information with governments in the Soviet Union, Hungary, Czechoslovakia, Romania, Poland, West Germany, Israel and the Netherlands (*The Gazette*, December 14).

In this regard, Canada and the Soviet Union were close to ratifying an agreement.

# For the Record

(supplied by External Affairs Canada)

## 1. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

### 1. Recent Books (continued from "For the Record," October/November).

- Gaffen, Fred  
In the eye of the storm: a history of Canadian peacekeeping. Toronto: Deneau & Wayne, 1987.
- Globerman, Steven and Aidan Vining  
Foreign ownership and Canada's feature film distribution sector: an economic analysis. Vancouver: Fraser Institute, 1987.
- Griffiths, Franklyn ed.  
Politics of the Northwest Passage. Kingston and Montreal: McGill-Queen's University Press, 1987.
- Hasek, John  
The disarming of Canada. Toronto: Key Porter, 1987.
- Hawes, Michael K.  
Principal power, middle power or satellite? Toronto: York University Research Programme in Strategic Studies, 1984.
- Hay, Keith A.J. ed.  
Canadian perspectives on economic relations with Japan. Montreal: Institute for Research on Public Policy, 1981.
- Heaps, Leo  
Hugh Hambleton, spy: thirty years with the KGB. Toronto: Methuen, 1983.
- Heather, Randall  
Terrorism, "active measures" and SDI. Toronto: The MacKenzie Institute for the Study of Terrorism, Revolution and Propaganda, 1987.
- Jockel, Joseph T.  
No boundaries upstairs: Canada, the United States and the origins of North American Air Defence, 1945-1958. Vancouver: University of British Columbia, 1987.
- Lipsey, Richard G. and Murray G. Smith  
Global imbalances and U.S. policy responses: a Canadian perspective. Toronto: C.D. Howe Institute, 1987.
- Macintosh, James  
Confidence (and security) building measures in the Arms control process: a Canadian perspective. Ottawa: Dept. of External Affairs, 1985.
- Macintosh, James  
Le renforcement de la confiance (et de la sécurité) dans le contrôle des armements: une optique canadienne. Ottawa: Ministère des Affaires extérieures, 1985.
- McDowall, Duncan  
Updating foreign investors' perceptions of Canada in a changing world: as the world sees us. Ottawa: Conference Board of Canada, 1987.
- Malarek, Victor  
Haven's gate: Canada's immigration fiasco. Toronto: Macmillan, 1987.
- Mandell, Brian S.  
L'expérience du Sinai: quelques leçons en matière de méthodes pluralistes de vérification du contrôle des armements et de gestion des risques. Ottawa: Ministère des Affaires extérieures, 1987.
- Mandell, Brian S.  
The Sinai experience: lessons in multimethod arms control, verification and risk management. Ottawa: Dept. of External Affairs, 1987.
- Matas, David with Susan Charendoff  
Justice delayed: Nazi war criminals in Canada. Toronto: Summerhill Press, 1987.
- Namiesniowski, C.A.  
L'Entente de Stockholm ou l'art d'instaurer la confiance. Ottawa: Institut canadien pour la paix et la sécurité internationales, 197. (Exposé numéro 14)
- Namiesniowski, C.A.  
The Stockholm agreement: an exercise in confidence building. Ottawa: Canadian Institute for International Peace and Security, 1987. (Background paper number 14)
- Price, Victoria Curzon  
Free trade areas, the European experience: what lessons for Canadian-U.S. trade liberalization? Toronto: C.D. Howe Institute, 1987.
- Proceedings of Agtranspo 86: the distribution of agricultural products to Pacific Rim countries / Compte rendu d'Agtranspo 86: la distribution des produits agricoles aux pays du Bassin du Pacifique. Ottawa: Agriculture Canada, 1986.
- Purver, Ronald G.  
Arms control options in the Arctic. Ottawa: Canadian Centre for Arms Control and Disarmament, 1987. (Issue Brief no. 7)

Rahman, Syed Sajjadur and David Balcome

The Asian experience: Canadian business linkages with the developing countries, volume 1. Ottawa: Conference Board of Canada, 1987.

Rahman, Syed Sajjadur and Michael W. Grant

Building partnerships for tomorrow: Canadian business linkages with the developing countries, Compendium report/Tisser aujourd'hui les liens commerciaux de demain: les échanges du Canada avec les pays en développement, Compendium. Ottawa: Conference Board of Canada, 1987.

Rutkowski, Chris

Le rôle des instruments astronomiques dans la vérification aux fins du contrôle des armements. Ottawa: Ministère des Affaires extérieures, 1986.

Rutkowski, Chris

The role of astronomical instruments in arms control verification. Ottawa: Dept. of External Affairs, 1986.

Se connaître: politics and culture in Canada. Edited by John Lennox. The inaugural lectures of The Roberts Centre for Canadian Studies, May 1984. North York: York University, Dept. of Communications, 1985.

Searwar, Lloyd

Paix, développement et sécurité dans le Bassin des Caraïbes: perspectives d'évolution d'ici l'an 2000. Compte rendu de conférence. Ottawa: Institut canadien pour la Paix et la Sécurité internationales, 1987.

Searwar, Lloyd

Peace, development and security in the Caribbean Basin: perspectives to the year 2000. A conference report. Ottawa: Canadian Institute for International Peace and Security, 1987.

Shaw, Timothy M.

Southern Africa in crisis: an analysis and bibliography. Halifax: Centre for Foreign Policy Studies, Dalhousie University, 1986.

Statistique Canada/U.S. Bureau of the Census

Rapprochement du commerce de marchandises entre le Canada et les États-Unis 1986 - Perspectives canadiennes. Ottawa: Ministère des Approvisionnements et Services, 1987.

Statistics Canada/U.S. Bureau of the Census

Reconciliation of Canada-United States merchandise trade 1986 - Canadian Perspective. Ottawa: Ministry of Supply and Services, 1987.

Stern, Robert M., Philip H. Tresize and John Whalley, editors. Perspectives on a U.S.-Canadian free trade agreement. Washington: Brookings Institution, 1987.

Watkins, John

Moscow dispatches: inside cold war Russia. Edited and with an introduction by Dean Beeby and William Kaplan. Toronto: James Lorimer, 1987.

Wiseman, Henry

Le maintien de la paix et la gestion des conflits internationaux. Ottawa: Institut canadien pour la paix et la sécurité internationales, 1987. (Exposé numéro 15)

Wiseman, Henry

Peacekeeping and the management of international conflict. Ottawa: Canadian Institute for International Peace and Security, 1987. (Background Paper number 15)

Wonnacott, Ronald J. with Roderick Hill

Canadian and U.S. adjustment policies in a bilateral trade agreement. Toronto: C.D. Howe Institute, 1987.

Wonnacott, Paul

U.S. and Canadian auto policies in a changing world environment. Toronto: C.D. Howe Institute, 1987.

## 2. Recent Articles

Bayer, J.A.

"Is there life after NATO?" (Canadian defence policy) *International Perspectives* (Sept./Oct. 1987) 13-16.

Boreham, Gordon F.

"Canadian and U.S. banking systems: some comparisons - pt. 3."

*Canadian banker* 94 (Sept./Oct. 1987) 6-15.

Bourque, Jean-Louis

"Versailles, Québec, Dakar: la francophonie en marche." *L'Action nationale* (novembre 1987) 199-202.

CFP 12/87

Brimelow, Peter

"A cautionary case of bilingualism." (An American perspective on Canada) *Commentary* 84 (November 1987) 63-65.

Byers, R.B.

"The 1987 Defence White Paper: an analysis." *Canadian defence quarterly* 17 (Autumn 1987) 11-22.

Carrier, Jean-Paul

"Québec abroad: structures for federal-provincial co-operation in foreign policy are inadequate and should be rebuilt." *Policy options* 8 (November 1987) 16-18.

Coalition québécoise d'opposition au libre-échange  
"Non au libre-échange."

*L'Action nationale* 37 (octobre 1987) 140-7.

Cohen, Raymond

"International communication: an intercultural approach." *Cooperation and conflict* XXII (June 1987) 63-80.

Cox, David

"Living along the flight path: Canada's defence debate." *The Washington quarterly* 14 (Autumn 1987) 99-112.

Cox, David

"Sovereignty and security" Canada's new defence policy." *Canadian business review* 14 (August 1987) 8-15.

May/June 1988

Vol. XVII, No. 3 \$4.50

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

**Development and the environment**

**Debating Free Trade**

***Perestroika* in the armed forces**

**Withered recovery in Africa**

**Reforming the pacts**

0001266 88/5  
DEPARTMENT OF EXTERNAL AFFAIRS  
LIBRARY - BFL  
125 SUSSEX DRIVE  
OTTAWA ON  
K1A 0G2

# Mileage or Service?

Once you've experienced VARIG's service to Brazil or Japan, you won't even think about frequent flyer mileage points.

**Why?** No company sends just anybody on a long, important business trip. So you must be pretty important.

Mileage points on trips like these are as necessary as another free toaster from your local bank. On trips like these—join the new breed of frequent flyers who jog, take vitamins, eat right and who know that they are



definitely important enough to choose the comfort of a VARIG flight.

Fly with us from Toronto, Montreal, New York, Miami, or Los Angeles. Savor our beautifully served, award-winning international cuisine and relax with flight crews who truly know the meaning of Brazilian hospitality.

**VARIG's service is the bonus our frequent flyers prefer.**

VARIG SERVES BRAZIL AND JAPAN WITH 27 FLIGHTS A WEEK FROM NORTH AMERICA.



**VARIG**

The World Class Airline of Brazil.  
Since 1927.

Environment and development  
*by Jim MacNeill* 3

---

Earth's short future  
*by Tom McMillan* 8

---

Gorbachev, the military and perestroika  
*by David R. Jones* 10

---

RETURN TO DEPARTMENTAL LIBRARY  
RETOURNER A LA BIBLIOTHEQUE DU MINISTRE

Reforming the pacts  
*by Simon Rosenblum* 13

---

Withered recovery in Africa  
*by Daryl S. Copeland* 17

---

Third World studies in Canada  
*by José Havet* 20

---

Review Article  
Trying to debate Free Trade  
*by Mitchell Sharp* 25

---

Book Reviews 20

**International Canada**

*A supplement of reference material on Canada's foreign relations  
presented by the Department of External Affairs.*

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by Baxter Publishing.

President:  
W. H. Baxter

Vice President:  
Wolfgang Schmidt

Consultant:  
Alex Inglis

Editor:  
Gordon Cullingham

Editorial Associates  
Bhupinder Singh Liddar  
Stuart Vallance

Executive Director:  
Stuart Northrup

Publisher:  
David McClung

Advertising Production:  
Wendy McClung

Circulation:  
Guy Bolduc  
Irene Clark

Subscriptions:  
In Canada:  
One year (six issues): \$25  
Three years (eighteen issues): \$60

Other Countries:  
Same as above, in US funds.  
Additional charge for airmail  
delivery upon request.

Editorial and subscriptions:  
National Press Building  
150 Wellington Street, #302  
Ottawa, ON, Canada  
K1P 5A4  
Tel: (613) 238-2628  
Fax: (613) 234-2452

Advertising address:  
Baxter Publishing  
310 Dupont Street  
Toronto, ON, Canada  
M5R 1V9  
Tel: (416) 968-7252  
Telex: 065-28085  
Fax: (416) 968-2377

ISSN 0381-4874  
Copyright ©1988  
Second Class Mail  
Registration Number 4949

*International Perspectives* is indexed in  
the Canadian Periodical Index, Current  
Content and PAIS Bulletin.

A Baxter Publication

## Editor's Note:

*Saving the environment without sacrificing economic development; reforming military institutions while keeping defensive credibility intact: those are two themes present in this issue of International Perspectives. The attempt to stop the race to ecological destruction has become a crusade with our Minister of the Environment, Tom McMillan, and we have one of his eloquent statements on our global peril. In a related article Jim MacNeill ponders some of the issues that arose during his 3-year tenure as Secretary General of the World Commission on Development and Environment. One achievement of the Brundtland Commission was to discover that not only were environmental protection and economic development not incompatible, they were actually symbiotic (at least in one direction).*

*The armed forces of the Soviet Union are not being spared in Gorbachev's pursuit of reform, as the military establishment is put through the agonies of reexamining its job and how it organizes itself to do it. David Jones of Dalhousie University gives us a glimpse of what that means. On the Western side, it is the alliance itself that attracts the reforming zeal of Operation Ploughshares' Simon Rosenblum, who sees a way to improve world security by making defence defensive rather than offensive. His observations apply equally to both pacts, East and West.*

*An accumulation of books about the Free Trade agreement with the United States has been examined by Mitchell Sharp — no newcomer to free trade musings — who finds some weaknesses in the way Canadians are carrying on their debate about trade policy and its relation to national independence and identity.*

*The Third World is now sufficiently established as a field of study to have spawned many schools and institutes in Canada, attracted scholars and students, and now, the attention of the "studier" of "studies." In an essay on the "state of the art" José Havet of the University of Ottawa presents his findings.*

*Africa is daily reconfirming its status as the Third World area in most need of successful development, as scheme after scheme goes awry. There must and may be new ways to hope — even to do something — according to Daryl Copeland, a Canadian diplomat in Ethiopia.*

## International Perspectives

#302-NATIONAL PRESS BUILDING  
150 WELLINGTON STREET  
OTTAWA, ONT. CANADA K1P 5A4

Please enter my order for *International Perspectives* as follows:

**In Canada:**

- Three Years (18 issues) for \$60  
 One year (6 issues) for \$25

**Other Countries:**

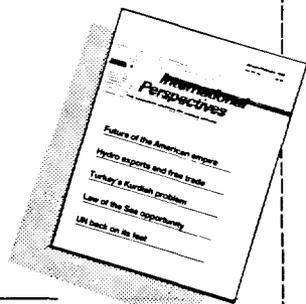
- Three years (18 issues) for US \$60  
 One year (6 issues) for US \$25

Name \_\_\_\_\_

Address \_\_\_\_\_

My cheque/money order is enclosed

Please bill me



# Environment and development

by Jim MacNeill

*From 1984 to 1987 Jim MacNeill was Secretary General of the World Commission on Environment and Development. That body has now completed its Report and its post-Report information program, and in this article Mr. MacNeill reflects on those three years. Jim MacNeill is now Director of the Environment and Sustainable Development Program at The Institute for Research on Public Policy in Ottawa.*

Is there any way to meet the needs and aspirations of the five billion people now living on planet Earth without compromising the ability of tomorrow's eight to fourteen billion to do the same? Keeping in mind that tomorrow's eight to fourteen billion could arrive within thirty to sixty years, and that 90 percent of them will be born into poor, often desperately poor, families in the Third World?

That, I believe, was the essential question in the collective mind of the United Nations General Assembly when, in 1983, it called for the establishment of a special Commission on Environment and Development. We presented our report to the UN on October 19, 1987, in a special plenary debate. When the debate was scheduled, we did not know that October 19 was to become better known as "Black Monday", the day the New York Stock Exchange dropped by 502 points. That knocked us off the front pages, but it also underscored dramatically our answer to the Assembly's initial question, which was "yes . . . but . . ." the "but" conveying a large number of proposals for fundamental changes in the way we manage the planet.

The General Assembly asked the Commission to take a fresh look at the critical issues of environment and development facing the world through the next century and to bring in some practical recommendations for changes in the way we do business, changes in policies, in institutions and in traditional forms of international cooperation. Recognizing that bureaucracies are not renowned for self-reform, it was agreed that the Commission should be an independent body outside the UN system, but linked to it.

## Getting started

Secretary General Pérez de Cuellar invited Mrs. Gro Harlem Brundtland, then Leader of the Opposition and now Prime Minister of Norway, to be Chairman of the Commission, and Dr. Mansour Khalid, one time foreign minister of the Sudan, to be Vice Chairman. Mrs. Brundtland called me in Paris, where I was Director of Environment for OECD, and asked me to become Secretary General. In consultation with me, she and the Vice Chairman appointed the other members of the Commission. We

were twenty-three in all, from twenty-two different countries, regionally balanced, including all of the major power groups, and with a strong majority from developing countries.

The resolution calling for a special Commission was adopted by consensus, but leaders in many governments had serious reservations and expressed them. Some felt that to support the Commission was to admit that present approaches to managing the environment were flawed. They were right on. Some feared that the Commission would come out with yet another study predicting inevitable doom and bemoaning growth. They were dead wrong. Others feared that an independent Commission would make recommendations they would not want to support but could not oppose without political cost. They are now undecided. Some told me that the mandate was an impossible one and predicted certain failure.

I agreed that the mandate was difficult, but my knowledge of both the crisis unfolding and the opportunities being lost persuaded me that an inquiry was essential. It was also a unique opportunity: the General Assembly was not likely to establish another global inquiry on environment and development before the end of the century. Against all odds, I felt it must succeed.

Before agreeing to accept the Chairman's invitation to become Secretary General, however, I had to persuade myself that there was a fighting chance to achieve a positive result. Following a mission to London in March 1984, I retreated to a quiet hotel for five days to think it through. I had already consulted with colleagues in OECD and with top officials in environment, foreign affairs and many other sectors in more than two dozen countries. To clear my mind, I drafted a report on the key issues confronting the Commission, as I saw them, and on the substance and strategy of the inquiry it should pursue. In the process, I became convinced that, with a bit of luck, a lot of hard work, and about eight million dollars in voluntary contributions, the impossible was doable. After confirming that the concepts in my report would enjoy the Chairman's broad support, I agreed to become Secretary General.

## "Mandate for Change"

I put the report before the Commission at its first full meeting in Geneva in October 1984. Concerning the work program, the essential choice was clear. We could take the easy route and adopt a "standard agenda," basically the traditional list of environmental problems, or we could pioneer an "alternative agenda" integrating development and environment.

Concerning the method of inquiry, the choices were also clear. We should do all of the normal things one would expect of a body — commission expert papers, establish high-level

## The Brundtland Commission

panels, invite distinguished people to meet with us. And I also proposed two things that had not been done before: first, that we hold open public hearings on every continent; and second, that after completing the report, we extend the life of the Commission by nine months to ensure that the recommendations were presented to governments, industry, NGOs and the media in a series of meetings around the world.

The proposal for public hearings arose out of my experience with OECD, where I introduced them in the 1979 review of New Zealand's environment policy, and where they are now a standard feature of such reviews. In fact, it went back to my experience with water resources development in Saskatchewan in the '50s and '60s.

Some were quick to point out that, under the UN resolution, we had no authority to conduct public hearings, and that they could be seen as an infringement on national sovereignty. I suggested that we make our acceptance of any invitation to hold our meetings in any country conditional on agreement by the host government to allow us to organize such hearings. The Commission agreed. The hearings went on to become our hallmark and, in my view, the primary source of the eventual consensus.

The proposal for an "advocacy phase" arose from what I had learned about the fate of the recommendations of earlier Commissions, such as Brandt and Palme, which had simply published their reports. Although the proposal remained in the work program, it was subject to constant questioning on the grounds that we had no authority to extend our life, that the Commission's obligations ended with the publication of the report, and that government and other supporters could not be expected to provide funds for it. In the event, it was fully embraced by all concerned and during the past year it proved its worth.

When the Commission finally decided not only to adopt the alternative agenda, but also to include public hearings in its strategy of inquiry, I knew we had a chance to take a fresh look at the issues and to come up with some meaningful recommendations for change. With a budget of around eight million dollars, which it also adopted, we had a licence to find the resources needed. My London draft was published, with few modifications, under the title *Mandate for Change*. We were on our way.

### Getting to "Yes"

Some 900 days later, at the end of February 1987, the Commission concluded its deliberations on *Our Common Future* at its final meeting in Tokyo. A full consensus had been reached on a diagnosis of the issues confronting the world community and on an agenda for change to manage the growing risks and immense potential challenging the world community. A political document, *Our Common Future* was to be hailed by major economic journals and by leaders in the government, corporate, scientific and non-governmental world as the most hopeful and useful report on environment and development to appear in two decades.

But we had gone down to the wire on a number of issues. Energy, with its many unresolved dilemmas and with the emotions surrounding nuclear reinforced by the Chernobyl effect, had resisted several attempts at consensus. In Tokyo it kept some of us going several nights and provided the stuff of drama. Population, security, Antarctica, international economic relations and, of course, institutional reform had proved almost equally difficult.

Between its second meeting in Jakarta and the final moments in Tokyo, the Commission had got to "yes" from almost total

confusion and fundamental disagreement on most issues. Composed of political leaders — present and former ministers of foreign affairs, finance, energy, population, environment and many other portfolios — industrialists, scientists and senior administrators, the Commissioners represented almost every shade of ideology, academic background and personal experience. They served in a personal capacity, but national, cultural and group loyalties were strong and manifested themselves in many ways. Tackling some of the most complex issues facing humankind, issues loaded with questions of power, equity and justice, the group had a built-in potential to blow itself apart. But it did not. Why?

### Good will and cooperation

Almost one year later, the question remains. But a few things stand out. The agreement reached at its first meeting on an alternative agenda and a strategy for the inquiry was fundamental. The capacity of Commissioners to rise above their differences and to search for and ultimately find common ground was evident from the beginning. It was aided by a compelling sense of the urgency of the issues of global change, a growing conviction that the approaches to management now in place were deeply flawed and that change was essential. The brilliant reports of our expert panels and the work of a dedicated secretariat and excellent consultants and advisers provided basic support. All of these were essential to the consensus, but they were not sufficient.

We skirmished with each other for months before we finally broke through the diverse cultural and ideological skins that we all brought to the table. And, in my view, we broke through finally only because of the public hearings and site visits that we organized in every part of the globe, including a breakthrough 10-day visit to Canada.

The hearings enabled us to hear the testimony of nearly a thousand experts and concerned citizens on five continents. They gave us direct exposure to the issues on the ground and direct contact with the people living the issues. They provided us, almost complete strangers at the beginning, with a common base of information and a common set of experiences.

Two, sometimes three, days sitting, listening to testimony delivered with conviction and often with great emotion, dialoguing with ministers, experts and ordinary people on the front line of the interface between environment and development, helped to tear down the normal barriers of communication in the formal meetings of the Commission.

### Going to the people

I recall many incidents in Brazil, Indonesia, Norway, USSR, Zimbabwe and Canada. We not only invited groups and individuals to come to our hearings, where necessary we took our hearings to them. When the BC government found it inconvenient to invite the Haida Council to meet with the Commission in Vancouver, we found Miles Richardson, and with him as our guide, some of us flew to Port Moresby to meet the Council in a day filled with drama. We went to East Kalimantan to see 1000-year-old tropical forests being mined for timber and to talk to local groups struggling with problems that Canadians cannot even imagine. We flew to the highlands of Zimbabwe where the land has been sheared of trees, compromising prospects for development. In São Paulo, the leaders of several Indian nations were present, their homelands threatened by massive deforestation. Electricity seemed to jump from the eyes of the first when he declaimed: "I am the son of a small nation . . . . dying . . . ."

and as we die insisting that there is only one place for us to live." Two days later, when the Chairman tried to close the hearing long after the scheduled hour, they crowded the railing shouting "You must not stop. We have so much more to say, and you will not be back!"

The public hearings and site visits revealed the heavy contradictions between the reality of environment and development totally interlocked in the daily lives of people, industries and communities and the unreality of the distinctions between them made in our academic, economic and political institutions. They brought a new dimension to the information and analysis provided by our consultants and expert panels. They also provided a context within which to understand the series of disasters that grabbed the world's headlines during the 900 days of the Commission's work: the drought-triggered human and ecological catastrophe in Ethiopia, the Sahel and elsewhere in Africa; the great fire of East Kalimantan; the chemical disasters in Bhopal, Mexico city and the Rhine; the growing rate of forest death in Europe; the fresh warnings on climate change; the ozone hole and Chernobyl.

"Environmental crisis" was seen to be a euphemism for what in reality is a failure of economic and other development policies, and the institutions behind those policies. Following each hearing, I observed Commissioners with an environmental background and those with a development background move closer to an ever-widening consensus based on a shared understanding of actual situations and the issues arising from them. While most of today's leaders will not have the opportunity to experience this process, as they rush from summit to summit, it is essential that they find other effective ways to gain an appreciation of real situations, of how narrowly-conceived policies and institutions cause or aggravate them, and of how they might be changed.

### Global emergency

We are winning some significant battles in this era of global emergency — the Montreal Protocol on Ozone is perhaps the latest example — but we are losing the wars. Some of us enjoy cleaner air, cleaner water, more parks and more livable cities. Industry has developed cleaner and more efficient technologies. Many international accords such as the Great Lakes Agreement and the Law of the Sea have been signed.

But these achievements have been limited to a few of the richer, industrialized nations such as Canada. During the past two decades, the poorer countries of the Third World have witnessed a massive degradation of their environment and depletion of their renewable resources, which are their bases for development.

Forty years ago, Ethiopia, for example, had a 30 percent forest cover; twelve years ago, it was down to 4 percent; today, it may be 1 percent. Seventy-five years ago, India's forests covered over half the country. Today, they are down to 14 percent — and going fast. In the tropics today, ten trees are being cut for every one planted — in Africa, the ratio is 29 to 1. Forest areas equal to the size of the United Kingdom are disappearing every year. Water use is doubling in a decade. A mass extinction of species is underway — one square kilometer of one rain forest in one small country, Panama, contains more species than all of Britain.

An area larger than the African continent, and inhabited by more than one billion people, is now at risk from desertification and every year this area grows by six million hectares. The consequences include not only increased hunger and death but also

social instability and conflict as dryland degradation drives environmental refugees in their millions across national borders.

Many countries in Africa, Asia and Latin America are today in deeper ecological debt than financial debt. Even the richer industrialized countries can no longer keep up with the pace of change. A mounting tide of toxic substances enters the atmosphere, the waters, the soil and the food chain every year. Between 1000 and 2000 new chemicals will enter the market place in 1988 alone, most of them without adequate prior testing. Acidification is accumulating, threatening the death of soils in much of Europe. The ozone layer is at risk and man-made climate change is a looming prospect. In face of this, governments are reducing, not increasing, relevant budgets. We are losing ground on just about every front.

The world's basic capital of environment and renewable resources is being used faster than it can restore or replace itself. Its potential for development is being dangerously reduced. Perhaps most alarming, it is being reduced at levels of population and human activity that are much lower than the earth will have to support within the next half-century. This downward spiral has to be interrupted and reversed.

The overriding concern of developing countries today is to speed up their economic growth as rapidly as possible. In spite of increasing affluence and well-being in many of these countries, more of their people live in absolute destitution than ever before. Pervasive poverty, at a time when the means and experience to eliminate it clearly exist, is the greatest failure of any society. The Commission found that it is also the greatest threat to the ecological basis of their future development — and that of the planet as a whole. Growth is an essential precondition for overcoming poverty, but equally important is a much more equitable distribution of the proceeds of growth.

Growth on the scale required to meet present and future needs will entail a further rapid expansion of the world economy — by as much as five to ten times over the next half century. Energy use alone would have to increase by a factor of eight, just to bring developing countries, with their present populations, up to the level now prevailing in the industrial world. Similar factors could be cited for food, water, shelter and the other essentials of life.

### "Sustainable development"

A five- to ten-fold increase in economic activity — in fifty years — on the present base! Imagine what that means in terms of planetary investment in housing, transport, agriculture, industry, energy. Almost a new skin for planet Earth! Certainly a new face!

Is a new era of growth on this scale sustainable? Ecologically and hence economically? Not if it rests on a continuing draw-down of the earth's basic environmental capital. Not if energy use, for example, rests on continuing environmental subsidies in the form of forest depletion or damage from acid rain and climate change. Not if increasing food production rests on growing environmental subsidies in the form of soil erosion and degradation and depletion of the wood and water base for agriculture.

During periods of intense stress, the Commission went back to the *Mandate for Change* that they had approved at their first meeting. It contained the notion of "Sustainable Development" which emerged as the overriding political concept of *Our Common Future*. We define it simply as new paths of progress "which meet the needs and aspirations of the present generation without compromising the ability of future generations to meet their own

## The Brundtland Commission

needs.”

Sustainable development is a new concept for economic growth. In economic terms, it means living off the earth's interest, without encroaching on its capital. It also means investing to sustain and even enhance the earth's present capital stocks of environmental resources, so that future dividends can be ensured and enlarged.

Sustainable development requires strong measures to change both the content and the quality of growth and equally strong measures to ensure a more equitable distribution of the proceeds of growth, nationally and internationally. The Report has a number of recommendations in this regard, in the fields of international economic relations, energy, industry, agriculture, the management of the global commons, and even new concepts of security which go beyond our present obsession with military security.

The Commission's concept of sustainable development goes far beyond sustainability in the environmental sense. It is a broad concept for social and economic progress that we believe has the potential to provide new insights for institutional reform and inspiration for international cooperation.

### New debate

Oxford University Press promised to produce *Our Common Future* in record time. Seven weeks after Tokyo, on April 27, 1987, the Chairman, in the presence of the Commission, presented it to the world at a major event in London. As I write this, it is in its 6th edition in English, having sold over 60,000 copies. It has appeared commercially in eight languages and will soon be available in sixteen. The first Hungarian edition of 5,000 sold out within a week. The French edition is being released by Quebec's Editions de l'Alternative.

When it first appeared, many environmentalists were surprised to discover that the Commission had called for a new era of economic growth. In doing so, we have changed fundamentally the debate about environment and its relationship to development. Up to now, the focus of this debate has been on the adverse impacts of economic growth on the environment. Since the Club of Rome study, *Limits to Growth*, a part of the environment community has feared that further growth would lead necessarily to an ecological collapse of one kind or another. A part of the environmental community still does.

Until recently, government and industry saw environmental protection as an economic burden, an overblown obstacle to development. When the notion of reconciling environment and development was first put forward at the Stockholm Conference in 1972, it was considered revolutionary. Indeed, the Conference was barely able to contain the fears and suspicions of most developing countries that a worldwide concern for the environment threatened their development prospects. Their watchword, taken from the experience of the rich countries in the '50s and '60s, was "development first and environment later, when we think we can afford it."

The Commission has turned these dogmas on their head. *Our Common Future* demonstrates that a degraded environment and depleted resource base is today a major threat and, in a growing number of countries, the major threat, to development itself. There are natural thresholds to development that must be respected, and many of these thresholds are now violated. But the Commission believes that a new era of growth is possible, so long as it is based on processes that enhance the resource base,

encourage processes that are less material and energy intensive — the potential for which is dramatic — and maintain the stock of ecological capital without treating the environment as a fixed asset.

Many of our problems stem from the way we have traditionally organized our institutions. The world's economy is totally interlocked with the earth's ecology, but our institutions are not. Environmental agencies must be given more capacity and more power to cope with the effects of unsustainable development policies. The most urgent task, however, is to make our central economic, trade, and sectoral agencies directly responsible and accountable for ensuring that their policies — and the budgets they command — encourage development that is sustainable. Only in this way will the ecological dimensions of policy be considered at the same time as the economic, trade, energy, agricultural and other dimensions — on the same agendas and in the same national and international institutions.

### Time for change

The transition to sustainable development will not be easy, but in its meetings around the world, the Commission detected many hopeful signs that significant changes are already underway. After the London launch, Commissioners discussed our recommendations with most of the governments of the world, often directly with the First Ministers. We presented it to inter-governmental organizations, including the OECD, UNCTAD and the OAU summit. We discussed it with the World Bank and the African Development Bank. We held seminars, formal and informal, with industrial and non-governmental leaders on every continent.

The United Nations commenced consideration of the report in a plenary debate on October 19, 1987. The Chairman, Prime Minister Gro Harlem Brundtland, presented our recommendations in the presence of the Secretary General, Prime Ministers Gandhi, Mugabe and many other top political leaders, including Tom McMillan of Canada, who had come to support the report.

The dramatic highlight was provided by the President of the small island nation of the Maldives. He galvanized the Assembly with a plea for action to prevent the physical disappearance of his nation. The highest point in the Maldives is less than two meters above sea level. Most of the nation of 1190 islands is below one meter. I recently attended an international meeting on climate change in Italy. A sea level rise of up to one-and-one-half meters within the next thirty to forty years is highly probable, according to the scientists closest to this issue. To endangered species, we have added a new category of global risks, endangered nations. If preventive measures are not taken soon, the Maldives, and the richest parts of many other nations, will be on a fast countdown to extinction.

The resolution adopted endorses the principal directions for change recommended by the Commission. The heads of virtually all UN agencies, including the Secretary General Javier Pérez de Cuellar, will meet in Oslo in July for two days to consider how to incorporate the Report's recommendations into their activities. And the Report will be back at the next session of the General Assembly.

The World Bank, some regional banks and several development assistance agencies, including CIDA, have indicated a willingness to begin to look at investment proposals in a new light, and a number of governments are undertaking a systematic assessment of our proposals for change. Norway has estab-

lished an inter-ministerial cabinet group to review their policies in the light of our recommendations.

### Canada on board

Canada was the first to pick up the ball. Last year, a National Task Force on Environment and the Economy, made up not only of ministers from seven governments and representatives of NGOs, but also the CEOs of seven of our top corporations, took *Our Common Future* and adapted it to the Canadian scene in a far-reaching, landmark report.

Their recommendations will require major changes in the way Canadians approach the management of both the environment and the economy. The ministers responsible for the major productive sectors of the economy — finance, energy, industry, agriculture — would be held accountable for the impact of their budgets on the environment. Government-industry NGO "round tables" would be established by First Ministers to advise on policies for sustainable development. These and other recommendations were recently endorsed in principle by the First Ministers.

The Task Force has become a model for other countries. Zimbabwe, Finland, the German Democratic Republic and Denmark are among those considering similar action.

A number of national and international policy institutes are launching major programs on sustainable development. So are a number of non-governmental organizations. Universities are framing graduate courses around it. The International Associa-

tion of Students in Economics and Management, represented on 500 campuses in sixty-seven countries, is running an 18-month series of seminars around the world on the report as a prelude to their world conference in 1990. Some schools are trying to find ways to build it into their curricula. Churches are using it in their study groups.

With the presentation of its Report to the General Assembly, the Commission completed its formal mandate and wound up its affairs. The responsibility for ensuring that its recommendations are dealt with in an effective way will now fall to governments acting both within their own jurisdictions and internationally. Diplomatic resources are scarce and it is hoped that countries from all regions will agree to share and support the initiatives called for by the Report in the governing bodies of different agencies. Commissioners will continue to be associated with this in their official and private capacities. The Commission Secretariat, along with some others, has been working to establish a small "Center for Our Common Future" to act as a focal point for these efforts over the coming years. It was established in Geneva on April 1, 1988.

The Commission's report is — above all — a strong call for renewed international cooperation. Following a decade-and-a-half of standstill and even decline in our ability to address jointly the real and crucial issues facing our generation, the time has come to act together to reform the institutions we have created, to restore their credibility, authority and effectiveness. □

## Those who demand first class fly BWIA.

Dignitaries. Celebrities, CEOs. Truly demanding Caribbean travelers consistently choose BWIA.

For so many reasons. On time performance. Extraordinary cuisine. Fine wines carefully selected by BWIA's sommelier. Soothing sleeperette seats with foot rests on all L1011-500 services, and adept baggage handling.

*But most importantly, BWIA builds first class passenger loyalty because of our service.* Our staff anticipates passengers' needs by giving unparalleled attention to detail.

Special attention that truly satisfies our passengers.

For reservations call your travel agent or BWIA International toll-free in Canada (except Toronto) 1-800-327-7401. Toronto (416) 283-2942.

**BWIA**  
TRINIDAD & TOBAGO AIRWAYS CORPORATION

Trinidad & Tobago · Antigua · Barbados · St. Lucia  
St. Kitts · Georgetown · Kingston · San Juan  
Caracas · Curacao · St. Maarten · Grenada



# Earth's short future

by Tom McMillan

We Canadians can only marvel at the single-mindedness with which Americans mobilize their energies and resources against perceived threats — whether to democracy or to the free enterprise economy. Even America's most impressive technological achievement, putting a man on the moon, was spurred by the desire to beat the Soviet system. Americans have demonstrated repeatedly both their capacity and their eagerness to respond to major challenges. Now, the biggest challenge ever faces them. Indeed, it faces us all. That challenge is the survival of the planet.

The truth is, we are destroying the very systems in nature that support life itself — the air we breathe, the water we drink, and the soil that produces our food. The rate of destruction is now so rapid that we risk a total breakdown of the planet's support systems in the lifetime of our own grandchildren. For example tropical rainforests, which contain more than half the known species of animals and plants on Earth, are a major regulator of oxygen balance in the atmosphere and exert an important control on global precipitation and moisture exchange. At the turn of the century, almost all of the tropical rainforests that existed at the time of Jesus Christ — six percent of the earth's total land surface — still flourished intact. In this century, we have destroyed half of those forests, and the pace of destruction is accelerating. As it is, more than twenty-seven million acres of tropical forest throughout the world are destroyed each year.

The irony is that lush tropical rainforests grow on very infertile soils. Once destroyed, the forests cannot regenerate. The disaster created by desert conditions in areas such as Ethiopia where forests once thrived should sound the alarm about the fate of Earth if we persist on our course.

## Getting worse faster

Habitat destruction, hunting and felling worldwide are occurring at such a rapid rate they are fundamentally altering the ecological balance on the planet. Two trends should give us particular cause to worry.

First, both on land and in the oceans, the largest and most complex species of plants and animals — the highest products of evolution — are facing extinction. Among them are the giant redwoods and sequoia trees of America; the grizzly bear of Canada; the condor of the Andes; the giant beech tree of Patagonia; the

elephant, the mountain gorilla and the rhino of Africa; the blue whale of the southern oceans; the giant octopus, last seen in the Caribbean; and the giant panda of China.

The second trend to worry about is this: rapidly changing ecological conditions are accelerating the evolution of pests, parasites and viruses. The phenomenon is advancing to the point where opportunistic lower forms of life are becoming so dominant they are reducing the ability of higher forms of plants and animals to maintain productive habitat and, therefore, to survive.

Humanity's modern ways will eradicate one million species of plants and animals in the next twelve years. In the same period, we will destroy all remaining wilderness in every temperate region of the globe, except that set aside in special reserves — the ecological equivalent of museums. Bad enough that we are "skinning the planet alive," to use Richard St. Barbe Baker's eerie phrase. We are also choking it and drowning it.

## Changing climate

Our appetite for energy and for chemically forcing more from the land than it can naturally give is changing the global climate. Carbon dioxide from fossil fuels and methane from modern agricultural practices are accumulating in the atmosphere and trapping solar energy reflected from Earth. The result is an increase in surface temperature — the "greenhouse effect."

Scientists predict an average global warming of nearly two degrees Celsius within the next forty-five years. A global change of two degrees within such a short time will alter precipitation patterns and vegetation zones throughout the world, with potentially disastrous consequences in some regions. Global warming will cause world sea levels to rise as the heated ocean expands and glaciers and ice caps melt. The rise in the next forty-five years is expected to be about five feet. It will, for example, place permanently under water lands currently home to 25-40 million people — greater than the total population of Canada.

Particularly alarming is the growing threat to the stratospheric ozone, that thin blanket of gases around the earth that protects all life forms from the most lethal of the sun's rays. Man-made chemicals, used in refrigeration, spray cans, fire extinguishers and industrial processes, are being released into the atmosphere in such heavy volumes they are trashing that protective shield.

## Erosion problems

Another frightening and insidious thing we are doing to our planet is washing fertile soil into the sea. Intensive cropping, wetland drainage, slash-and-burn farming and over-grazing have dramatically increased soil erosion in our time. World erosion in the past five decades has been more than 100 times that of the

---

*Tom McMillan is the Minister of the Environment in Ottawa. This article is based on address given by him at Yale University in Connecticut earlier this year.*



SIMON ALVES

previous five centuries. Such erosion is happening around the world. In Africa, for example, Acacia trees commonly stand nearly two meters on their roots because soil has vanished from under them.

A macabre demonstration of Canadian and American environmental mismanagement are the beluga whales that wash up on the shores of the St. Lawrence estuary — their carcasses so loaded with chemicals they are government-certified as hazardous waste. The Great Lakes/St. Lawrence River system that provides the drinking water for millions of Americans and Canadians alike are the very waters in which those whales lived and perished.

What does that say about our own fate? It would be the height of arrogance for us to assume that we, the human species, are less vulnerable to environmental degradation than any other. We are inextricably linked to our environment. After all, we are what we eat, but also what we drink and breathe.

And yet most of us think we can plunder the planet with impunity. When will we realize there is nothing intrinsically hospitable about the planet Earth? Our planet does not support a rich and complex web of life because it is ideally suited to that purpose. It is ideally suited to that purpose *because* of the rich and complex web of life. Without the moderating effects of vegetation, of gas exchanges and of the recycling of materials conducted by billions of invertebrates, the planet Earth would be as unlikely a site for the Garden of Eden as the planet Mars.

### Globe husbandry

If the earth is to continue to support life, including ourselves, we, the human species, must begin to live off the planet's interest — not its capital. What is more, we must make the kind of investments in the planet that will ensure sustained dividends.

Because the threats to planetary survival are global, the response must be global as well. And yet a successful response will depend on the leadership of only a few countries — the wealthy industrialized ones. The role of the United States, in particular,

will be crucial. If the US assumes the leadership of which it is uniquely capable, by virtue of its wealth and technological advancement, the future will not necessarily be secure. But the odds in the risky game the world is playing with its own future will vastly improve.

That is true for three reasons. First, the United States has an impact on the global environment well beyond either its population or its size. For instance, the US, with only 5 percent of the world's total population, devours a quarter of the world's fossil fuels. So, conservation measures in the US would disproportionately benefit the world as a whole. Second, American political and economic clout are stronger than that of any other nation. Critical international issues such as Third World debt and starvation — the other side of environmental degradation in many countries — cry out for the kind of leadership only a country such as the United States can provide.

The third reason concerns the very qualities in the American character mentioned earlier: a penchant for tackling big challenges head on. In the face of real or perceived threats from foreign powers and ideologies, for example, the US has marshalled enormous human and financial resources for national defence. This year, total military spending throughout the world in the name of national security is expected to reach one trillion dollars, and the United States accounts for a third of it. And yet Americans, like other nations, should ask themselves this basic question: as plants and animals disappear from the planet, as the ozone layer thins, as the oceans rise to flood fertile deltas and vital ports, as top soil vanishes, and as humanity itself chokes on its own pollution, is a nuclear arsenal a guarantee of future security?

### Surviving ourselves

The challenge for the US and all nations is to enlarge the concept of security. Specifically, we must understand that the greatest threat to survival is not military aggression but environmental degradation. As two of the biggest and wealthiest countries in the world, the United States and Canada can do much to help set the world on a genuinely secure course. If charity begins at home, environmental responsibility should begin there, too. For Americans and Canadians, home is our shared continent. Just as our mountain ranges and waterways and air currents inextricably mesh, so also must we act together to protect our common natural heritage and to secure our common future.

We have a tremendous opportunity to act jointly. Our two countries are already working together on a wide range of trans-boundary environmental issues — to control water pollution in the Great Lakes, to protect wildlife habitat on the prairies, to manage waterfowl throughout the continent, to protect caribou in the North. We can, and must, work together on acid rain as well.

The major challenge we face includes all of those issues. It is, however, much larger. Our two countries have shown that jointly we can save the whooping crane. Can we save the planet? An enormous task; but are we prepared to try?

Canada and the United States can provide the leadership required to save the planet. Time, though, is running out. It is not enough merely to ponder the issues. We must act. The cost will be large, the task difficult. But delay will lead to even greater costs and worse difficulties — for ourselves and for the entire human race. □

# Gorbachev, the military and *perestroika*

by David R. Jones

Speculation continues in the West as to the attitude of the Soviet military establishment to Mikhail Gorbachev's dual program of *perestroika* and *glasnost*. Most analysts now agree that Marshal N.V. Ogarkov was ousted from his position as Chief of the General Staff after an unsuccessful bid to gain more military funding. Some — such as Jeremy Azrael of the Rand Corporation — see this as only one event in an ongoing and “remarkable civil-military debate over the magnitude and urgency of Soviet military requirements,” and argue that there remains “a large disparity between the ambitions and aspirations of the high command and Gorbachev’s near-term priorities — both internationally and domestically.” Others are less convinced of the reality of civil-military strife in the USSR, and point out that the Soviet military have good reason to support the subsequently implemented program of economic renewal. Indeed, in his writings both before and after his unexpected “lateral transfer” to the position of Commander of the Western Theater in September 1984, Ogarkov himself has stressed the importance of modernizing the economy and closing any technological gap with the West.

## Khrushchev tried it first

Whatever the merits of arguments about the Soviet Union's alleged civil-military strife, long-time observers of Soviet military affairs must be struck with a persistent sense of *déjà vu*. While Gorbachev's program of military *perestroika* remains vaguely defined, one must wonder whether it will not resemble that launched in 1959-1960 by his predecessor, Nikita Khrushchev. As described at the time by the emigré commentator Nikolai Galay, these had three basic aims.

There is the purely military reorganization aimed at a more rational adaptation of the Soviet armed forces to the tasks set them by Soviet foreign policy in the atomic epoch. The second aspect of the military reform is to facilitate major economies in expenditure and manpower on the military front in order to ensure the successful completion of the Seven-year Plan and to create additional resources for the struggle against the non-Communist world. Finally, the third aspect is the commencement of a major reform intended to alter the social structure of the Soviet armed forces in connection with their role in the domestic policy of the socialist state.

Khrushchev's attempted military reforms, then, involved (1) the implementation of a military doctrine that had been radically revised to account for the nuclear missile weaponry brought by the “scientific-technical revolution in military affairs”; (2) a foreign policy that recognized these weapons, tremendous powers

of destruction, and therefore stressed the need to reduce tensions, promote disarmament and bring in an era of “peaceful coexistence”; (3) a repopulating of the high command to ensure support for the new military doctrine and initiatives in foreign policy; (4) a determined effort to switch much-needed resources away from the military for use in promoting economic growth; and (5) an organizational restructuring of the Armed Forces to meet the revised demands that Khrushchev and his colleagues expected to make in the new era, and to accord with the intended transformation of Soviet society from the state of “socialism” to that of “communism.”

This is not the place to examine the collapse of Khrushchev's program or the prosperity enjoyed by the Soviet military during the first decade of Leonid Brezhnev's rule, dubbed the military's “golden age” by Azrael. That prosperity began to wane in 1976, and discussions of this waning normally center on the issues of doctrine, *détente*, the productive use of manpower and other resources, the personnel of the high command, and the modernization and possible restructuring of the Armed Forces in a period of rapid technological and social change. For this reason, they are appropriate categories for a discussion of Gorbachev's emerging program of military *perestroika*.

## “New thinking” policy and doctrine

At the 27th Party Congress in February 1986, Gorbachev stressed that the superpowers must recognize the necessity for “mutual security.” He has since spelled out the broader ethic of this “new thinking” in his celebrated volume *Perestroika*. “It's my conviction,” he wrote, “that the human race has entered a stage where we are all dependent on each other. No country or nation should be regarded in total separation from another, let alone pitted against another. That's what our communist vocabulary calls internationalism and it means promoting universal human values.” Similarly, a degree of *glasnost* has been introduced into foreign military affairs by such measures as establishing an air traffic control center to avoid a repetition of the KAL 007 tragedy, permitting inspection of the Krasnoiarsk radar facility, and accepting intrusive verification procedures for the Euromissile treaty.

A consideration of the degree of idealism versus political calculation in such statements and actions need not enter this discussion. Neither need we examine in detail foreign relations since Gorbachev to admit that Soviet policy has become much more sophisticated, conciliatory and decisive, especially on issues such as arms control and Afghanistan. Rather, for our purposes it is enough to note that Gorbachev hopes for real political and material advantages from his “new” course, and that the way for it had been prepared by an ongoing revision of military doctrine that had picked up speed after 1976.

---

David R. Jones is Director of the Russian Micro-Project at Dalhousie University in Halifax, N.S.



SIMON ALVES

### Nuclear superiority renounced

There is also no need to examine here the details of this change or the ongoing Western dispute as to whether it flows from a continuous process begun in the mid-1960s. The important point is that after Marshal Viktor Kulikov's call for more attention to conventional war in 1976 and Brezhnev's Tula speech renouncing attempts at achieving strategic (that is, nuclear) superiority in January 1977, these two themes have come to dominate Soviet doctrinal writings. Thus by 1981 Konstantin Chernenko was explicitly renouncing nuclear war as a "rational" means of pursuing policy. Meanwhile, Marshal Ogarkov, Kulikov's successor as Chief of the General Staff, was calling attention to a new scientific-technical "revolution" in military affairs based on the enhanced capabilities of conventional weaponry and the promise offered by those based on "new physical principles." As for a nuclear conflict, by 1985 the same Marshal even suggested that the destructive potential of existing nuclear arsenals may even have made a major, systemic, East-West conflict impossible in modern conditions.

In that same year Ogarkov's colleague M.A. Gareev officially relegated the views of Sokolovskii and the thinkers of the 1950s-60s to the historical dustbin of military theory and called attention to the contemporary value of the teachings of the early Bolshevik military thinker, Mikhail Frunze, on conventional warfare and the economic basis of military power. Since 1976,

Soviet military spokesmen also had frequently stressed that their responses to Western moves, SDI included, would be "sufficient" for maintaining parity. This laid a basis for Gorbachev's proclamation of a doctrine of "sufficient defence" at the 27th Party Congress in early 1986. Since then, military spokesmen — beginning with such prominent figures as Ogarkov's successor, Marshal S.F. Akhromeev — have taken up Gorbachev's term and maintained that their new doctrine is the most important revision in Soviet military thought since the late 1920s. The novelty of this "new thinking" in military affairs lies in the fact that spokesmen such as Rear Admiral G. Kostev now demand only a "reasonable sufficiency" of military power, and during 1987 began rejecting the traditional Soviet offensive modes of combat. Thus Minister of Defence Dmitri Yazov asserted in October 1987 that Soviet doctrine now "considers the defence as the main form of military operations" — a statement that seemed inconceivable only a year earlier.

### Implications for economic *perestroika*

Most observers believe the adoption of this doctrine of sufficiency is closely connected with efforts to decrease military funding — at least for the foreseeable future. Unfortunately, no Soviet spokesman or economist has yet made any announcement on the actual percentage share of funds and resources to be allocated to the needs of the Armed Forces. Nonetheless, they are far from blind to the issue. Indeed, in October 1987 Akhromeev himself alluded to the introduction of "a radical reform of the price-setting mechanism" that would have major implications for Soviet defence spending and permit comparisons to the outlays made by NATO.

Such a reform, however, may be only the tip of a much larger iceberg. Indeed, as indicated above, Ogarkov's change of posts undoubtedly reflected his continued advocacy of greater military funding *as well as* economic and technical measures to revivify the Soviet economy. But other military men seem to have accepted that the two goals cannot be pursued simultaneously. In his book on Frunze, for example, Gareev set the theoretical basis for later statements about "reasonable sufficiency." He thus stressed that "military theory must strive constantly to limit the resources devoted to military purposes strictly to what is absolutely necessary so that defence becomes reliable but, at the same time, not too heavy a burden on the state."

The implications of these and other statements are that the military — at least for the moment — have recognized the need for devoting a greater share of resources to economic renewal as a means of ensuring future military power, and therefore have reluctantly accepted the need to scale back their own immediate demands. So even assuming the development of serious discontent in the defence establishment, and despite Western theories of Party-military conflict, Gorbachev is not likely to have serious difficulty with the Ministry of Defence unless his enemies there can unite in an alliance with a major opposition faction within the Party's civilian leadership.

### *Perestroika* in the high command

For the moment, the chances of such an alliance have diminished as a result of the fourth aspect of our analysis. For while the military-economic aspects of military *perestroika* are vitally important, they are only one element of a large program. Especially striking are the changes in the personnel holding the top positions in the defence establishment. Between June 1984 and July 1987, thirty-eight of the (then) top forty-three command

## Specter of Khrushchev

positions in the Soviet military establishment have changed hands at least once, and some two or three times. The positions in question include all but three of the top sixteen in the Ministry of Defence, all four commanders of the groups of Soviet forces in Eastern Europe, the admirals of all four fleets and the Caspian Flotilla, and the chiefs of fifteen of sixteen military districts, of the Troops of the Far East, and of the Moscow Air Defence District.

Nonetheless, there are indications that the military is not uniformly enthusiastic about all aspects of the Gorbachev reforms. On the surface, the commitment to *perestroika* has been proclaimed publicly, as in Defence Minister Yazov's Order No. 290 of November 7. "Today the Armed Forces are living through an important stage of their development," he told his men on the 70th anniversary of the October Revolution. "*Perestroika*, which now is being implemented in the nation, also is being carried out in the army and fleet."

### Reorganization yes, openness no

If *perestroika* seemingly is embraced warmly, at least in public, its handmaidens — *glasnost* and *demokratizatsiia* — have had a chillier reception. "Democratization" in the context of active service had its limits set recently (in March 1988) by Colonel V. Manilov in *Kommunist Vooruzhennykh sil*. While he accepted that it was part of the process of *perestroika* in the Armed Forces, and that it "created a welcome environment for raising the educational role of the military collective," Manilov went on to stress that "the key" to military "democratization" remained "the universal confirmation of strict regulation order" (emphasis in original). The military's further dissatisfaction with other aspects of the new "openness" also is clear from Yazov's recent public comments. Appearing on television in early 1988, he lamented that articles — one of which he termed "an obscenity" — in journals such as *Ogonek* and *Literaturnaia gazeta*, were encouraging disrespect for the military, undermining discipline in young recruits, and no longer instilling the proper sense of patriotism.

In taking up these cudgels, the Defence Minister served notice that the military, as other conservative elements in the Party-government hierarchy, had firm ideas about the amount of *glasnost* suitable for the present-day Soviet Union. That which strengthens the armed forces and improves "combat readiness" will be welcomed, but the military seems to be far from ready to have the darker sides of its life discussed by its own members, let alone mere civilians.

Apart from defining the limits of healthy *glasnost* within the Armed Forces *per se*, Soviet soldiers seem worried that it may weaken generally the ideological commitment to a world view of continuous conflict between the camps of "socialism" and "imperialism." This worry would seem to underlay the comments of Yazov and Akhromeev just quoted, and it has been even more explicit in the comments of leading figures of the Main Military Administration, the ideological watchdog of the Armed Forces. Its deputy chief, Colonel General Dmitri Volkogonov, for example, has continued to stress that earlier assessments of the military threat posed by "imperialism" are still valid. He also has asserted that the USSR continues to support "those nations which conduct a just struggle for social and nationalist liberation" in the Third World. More recently still, Volkogonov has defended the Afghan intervention in the original manner of 1979 and insisted that this action "was not a mistake. It was the fulfillment of our duty."

### Restructured armed forces?

Nonetheless, the repopulated command hierarchy undoubtedly will bring changes in style, with an increasing emphasis being placed on individual responsibility at all levels. This brings us to the fifth element of Khrushchev's attempted military reforms — the reduction in the size of the Armed Forces, and their parallel reorganization in line with a new military doctrine, so as to free funding, manpower and other resources for the economy. As already indicated, there are a number of reasons to believe Gorbachev may share these aims. Apart from comments on reducing the defence burden and the implications of adopting a new "defensive" doctrine, we should add his suggestion that both sides of the Central European Front reduce their forces by 500,000 men. After all, nuclear armaments consume many fewer resources than they do personnel, and the Soviet leader can best achieve meaningful savings by reductions in military manpower. And this naturally will involve a fundamental *perestroika* of the basic organization of the Armed Forces, which since the late 1930s have existed as a mass army of cadres and conscripts reminiscent of those maintained by the European powers before 1914.

### Changes, changes, changes

All the factors considered here make it seem possible that Gorbachev, like Khrushchev before him, may envisage a return to the mixed cadre/territorial military system put in place by General Gareev's hero Frunze during his celebrated "military reforms" of 1924. Such a course would accord well with both Gorbachev's general program, its justification by analogy with Lenin's New Economic Policy, and the still cautious rehabilitation of figures such as Nikolai Bukharin and Khrushchev himself.

Nonetheless, such a step must inevitably rouse considerable resentment among professional soldiers. Not only have they just absorbed the major reorganization instituted under Ogarkov, but like their imperial predecessors, they too are wedded to the concept of a mass army as a "national university," inculcating patriotism and guaranteeing the nation's internal cohesion and external security.

If Gorbachev is intent on some major military *perestroika*, he has two advantages not available to his predecessor. First, Russia now has a larger and more demanding educated and professional "middle class" than that supporting Khrushchev in the late 1950s. And second, the new leader's reforms are being introduced much more slowly, and in this case are presented as part of the overarching program of *perestroika* rather than as a series of individual and often seemingly unplanned measures. These factors mean that the Gorbachev program, as compared to Khrushchev's, has much broader support and is much more difficult to attack piecemeal. Indeed, since even military critics recognize the need for economic renewal, their complaints too must be muted by this more general concern. For this and the other reasons outlined, we should not expect the emergence of a specifically "military opposition." This is particularly true if Gorbachev can continue to avoid crises in foreign policy, an area in which Khrushchev was singularly unsuccessful during 1960-62. And for the same reasons, future *perestroika* in the military structure may demonstrate that Gorbachev has indeed launched the most significant doctrinal revision since the Red Army embraced offensive, mechanized and mobile warfare in the late 1920s. □

# Reforming the pacts

by Simon Rosenblum

*In my view, Canada need not take the first step to leave NATO. Instead, it should insist that NATO prepare itself only for purely defensive functions, and should not allow nuclear weapons on Canadian territory. If the United States were to put pressure on Canada to change its policies or leave NATO, the burden for a change would be on the United States. New Zealand did not take the initiative to leave ANZUS, it only required that no nuclear weapons be introduced into New Zealand, in accordance with the wishes of the majority of its voters. The United States ceased to include New Zealand in military maneuvers. Similarly, Canadian voters are probably more inclined to prohibit nuclear weapons in Canada than to take the initiative to leave NATO. There is also some hope that NATO as a whole might change, if Canada explains its position unequivocally and publicly, and finds an echo from the people in other NATO countries.*

Dietrich Fischer  
Princeton University Fellow  
and disarmament writer.

Following the Intermediate Nuclear Forces agreement the essential question that confronts Western defence analysts is how best to reform Western military doctrine in line with emerging notions of common security. The overriding objection to NATO is its nuclear strategy — in particular the fact that NATO is prepared to use nuclear weapons first. "Nuclear weapons provide the glue that has held the Western alliance together," according to former US Secretary of Defense, James Schlesinger. From the first days of the Cold War, when the "nuclear umbrella" was extended to Europe, US planners used the threat of nuclear destruction to deter conventional as well as nuclear attack. To this day, NATO refuses to adopt a "no first use" pledge, claiming that the alleged comparative weakness of its conventional forces requires that nuclear weapons be used to defend against — and thus to deter — a conventional attack by Warsaw Pact troops.

## Flexible Response

According to the theory of Flexible Response, adopted by NATO in 1968, the American nuclear arsenal deployed in Europe needs to contain a "spectrum" of nuclear delivery systems — from short-range artillery to long-range bombers — to provide NATO with a full range of "flexible options" short of "massive nuclear retaliation" in the event of war. Flexible Response demands that NATO must be prepared to respond "flexibly" to any type of Soviet attack, and to reserve the options to escalate to a higher level of nuclear violence, even if this ultimately means drawing in America's strategic nuclear arsenal. The theory assumes that their employment can be selective, with many nuclear weapons held back in reserve; and that their re-

lease can be managed in controlled stages.

As nuclear weapons deployed in Europe became more sophisticated, nuclear deterrence relied increasingly on nuclear war-fighting scenarios. Flexible Response dictates that whatever level of attack NATO is faced with, not only must it be able to match it but it must also be able to escalate the war to a higher level. This is known as "controlled escalation." So if NATO appeared to be losing a conventional war with the Soviet Union, it would use its battlefield nuclear weapons such as nuclear artillery or neutron bombs. If this did not stop the war, NATO would escalate up to the next level, and so on. In order to gain the initiative, the strategy also allows NATO commanders to choose to skip a level. The levels ("rungs" on a "ladder of escalation") stretch from conventional war to global nuclear war. In the jargon of the nukespeak, some European-based, intermediate-range American nuclear weapons are necessary to serve the cause of "coupling" between the US and its European allies. At each stage the threat of escalation is used to try to deter the enemy from continuing. This strategy is based upon deliberate stages of controlled limited nuclear strikes, with the bulk of each side's nuclear forces being held in reserve and cities being spared.

The nearly unanimous conclusion of those who have studied this issue is that a nuclear war could not in practice be controlled in this manner. Hence the old "joke" that "NATO strategy is to fight like hell for three days, then blow up the world." Another devastating critique was made by four eminent Americans: McGeorge Bundy, George Kennan, Robert McNamara and Gerard Smith (all of whom have held major positions in either the Pentagon or State Department) in a now-famous article in *Foreign Affairs*:

Every serious analysis and every military exercise, for over twenty-five years, has demonstrated that even the most restrained battlefield use would be enormously destructive to civilian life and property. There is no way for anyone to have any confidence that such a nuclear action will not lead to further and more devastating exchanges.

## NATO: from defence to offense

NATO's non-nuclear forces have been largely defensive in structure and orientation. NATO has unfortunately chosen a new provocative conventional weapon strategy. In what is referred to as "Follow-On Force Attack" (FOFA), or "deep strike," the intent is to be able to attack enemy forces beyond those on the front-line in order to delay, disrupt, divert or destroy selected elements of oncoming Warsaw Pact reinforcements (known as second-echelon forces) before they could join the battle. It is a strategy

---

*Simon Rosenblum is Political Affairs Coordinator for Project Ploughshares in Ottawa and author/co-editor of a number of disarmament books, the most recent of which is *The Road to Peace*. Portions of this article appear in that collection.*

## NATO and Warsaw

which capitalizes on recent advances in conventional weapon technology and relies on "smart" conventional weapons — to carry the battle back into Warsaw Pact territory.

There are, however, escalatory dangers involved in the deployment of these systems. The deep-strike strategy emphasizes going on the offensive. While NATO has always had a conventional capacity to strike into Eastern Europe, the primary emphasis has been on front line defence. The early use of conventional weapons, prior to actual engagement between NATO and Warsaw Pact ground forces, will fundamentally change NATO's conventional posture from defence to counter-offensive and threatens European stability. In the event of a crisis that could lead to war, both sides might feel pressed to preempt. The Warsaw Pact might consider it necessary to disperse its troops before they were attacked by NATO deep-strike forces; NATO, feeling that it must move before the Soviet troops were dispersed, might feel compelled to strike. To the degree that NATO's deep-strike policy involves the targeting of Warsaw Pact strategic assets, such as command-and-control centers, this would further encourage possible Soviet preemption. Conventional first-strike weapons are then as destabilizing as nuclear first-strike weapons.

An equally serious problem with the new strategy is that, if NATO launched a deep attack with conventional missiles, how would the Soviets know that the attack was a conventional and not a nuclear one? Given the large numbers of nuclear weapons still in NATO arsenals, the new conventional systems are likely to blur the nuclear firebreak in a very dangerous way. It may, for example, be impossible to distinguish conventionally-armed cruise missiles from nuclear ones while in flight, and if a large scale attack is launched, the Soviets may assume the worst. Moreover, the use of submunitions will enable non-nuclear weapons to destroy targets on the ground with the effectiveness of small tactical nuclear weapons, further increasing the scope for misunderstanding.

### INF a start

The INF agreement has brought Europe and the two military alliances to a pivotal juncture. The alternatives are clearly whether the alliances will simply go on in a "business as usual" manner and "fill in the holes" left by the "zero-zero" agreement, or whether the opportunity will be seized to work towards the progressive demilitarization of Europe. To get the alliances to stop thinking of their roles in confrontational and aggressive terms and start thinking of confidence-building, concrete nuclear and conventional disarmament initiatives and moving towards global and common security is a challenge for all of us. European social democratic parties — which played a large role in bringing about the INF agreement — are engaged now in an active exploration of a new security system for Europe based simultaneously upon a movement from within the NATO alliance that might soften and bridge Soviet-American confrontation and a loosening of the bloc system. That thinking goes like this.

European security would benefit substantially from the withdrawal of tactical nuclear weapons since these battlefield weapons are so integrated with conventional weapons and the decision to use them can be made at such low levels in the military hierarchy, that the escalation from conventional to nuclear conflict would not only be likely but automatic. In a conventional battle, the battlefield nuclear weapons could fall easily into enemy hands, which further increases the pressure to use them

before they are seized or destroyed by the opponent. The West German government has come to appreciate these dangers and would like to see tactical nuclear weapons eliminated in what is referred to as a "triple zero" agreement. As Volker Ruehe, a foreign policy adviser to Chancellor Kohl, has recently observed: "The shorter the [missile's] range, the deader the Germans."

### "No-first-use" alternative

A no-first-use declaration by NATO would also be extremely helpful given that, first, nuclear first-use is increasingly incredible, as the Americans may not be willing to sacrifice Boston for Bonn, and second, the moment NATO's first-use policy were to be carried into effect, it would have failed because from then on Europe would be subject to complete destruction rather than defence. Only the elimination of nuclear weapons can eliminate ultimate reliance on them. While the British, and particularly the French, are likely to keep their nuclear weapons for a long time to come, with a NATO no-first-use pledge the remaining role of West European nuclear weapons would be for retaliation in the improbable event of a Soviet nuclear attack.

The argument is now frequently made that NATO could rely less on nuclear weapons to deter conventional war if it strengthened its conventional forces. But given the destructive power of emerging conventional weapons, we cannot be sanguine about even a non-nuclear "defence" of Europe. George Kennan, former US diplomat and arms control specialist, points out "that a war fought with them (newly-developed conventional weapons), particularly a defensive war presumably conducted largely on our own territory, promises nothing but a degree of devastation that makes a mockery of the very idea of military victory." Reductions in conventional forces are necessary to secure a stable European peace.

### Proposals at the table

There is now the possibility of a negotiated reduction of Soviet forces in Eastern Europe. The Soviet Union tabled a proposal — known as the second Budapest Appeal — in June 1986 calling for reductions of 25 percent (approximately 500,000 each) in ground troops and tactical air forces in Europe over a period of ten years, with initial reductions of up to 150,000 troops in the first two years. The entire area of Europe, from the Atlantic to the Urals, would be covered under the proposal which also incorporated nuclear and conventional weapons-free zones. Even more promising are Mikhail Gorbachev's statements that the Soviets are now willing to redress imbalances in both alliances' armed forces through "appropriate cutbacks" by whatever side has the advantage in a specific type of weapon or troop level:

There naturally is an asymmetry of the armed forces of the two sides in Europe, but it stems from historical, geographical, and other factors. We are in favor of removing the disparity that arose in some elements, not through their increase by the side that stayed behind, but by reducing their numbers on the side which has a superiority in them.

It would be naive, of course, to expect easy progress on these matters, given the past difficulty of negotiating European troop reduction and the serious problems of determining exactly who has what. The Soviets have always resisted substantial withdrawals of their troops from Europe, since it could lead to a loosening of their grip on Eastern Europe. Yet Gorbachev may be prepared to run that risk, if not discount it altogether. The "zero-zero" nuclear weapons agreement involved substantially

disproportionate reductions by the Soviets and bodes well for conventional weapons negotiations. Similarly the successful completion in September 1986 of the Stockholm Accord, a multilateral agreement containing detailed measures to reduce the risk of surprise attack in Europe, is a good omen. The agreement requires the thirty-five signatories to give prior notification of troop exercises above certain defined thresholds (13,000 or more troops or at least 300 tanks) within specific periods of time (forty-two days). Mandatory on-site inspection of military facilities to provide for the verification of compliance with the treaty was also agreed upon.

### Defence without offense

As long as the countries of Europe feel threatened by conventional attack it will be difficult to eliminate nuclear weapons from Europe. And discussions of European security must surely be guided by the examination of how to prevent a war rather than how to fight one. It follows that merely reducing the existing conventional capabilities in Europe, whether these be cuts in troop strength or military hardware, is valuable but insufficient. What is important to recognize is that non-nuclear forces can be configured either to maximize their capacity to attack and retaliate or to maximize their capacity to defend and deny an opponent access to territory and key assets. Thus a major requirement for creating a truly stable conventional peace is to restructure NATO and Warsaw Pact conventional forces so that they provide a strong territorial defence, but pose no threat of attack or intervention.

These past few years have seen the emergence of a new security concept variously termed "non-provocative defence," "defence without offense" and "just defence." Non-provocative defence embraces the principle that defence should be based not on the threat of retaliation, but on effective resistance to attack. Instead of attempting to destroy enemy forces through air attacks and ground invasions, non-provocative defence seeks to defeat an enemy invasion through attrition, at the same time leaving open the possibility of de-escalation of the war and the withdrawal of enemy forces. A nation with a non-provocative defence is one that is thought incapable of seizing and holding the territory of other nations or of inflicting serious damage on their people or resources when they remain within their own national territory. A non-provocative defence strategy deters invasion by ensuring an aggressor will have to pay a heavy price and by demonstrating the will to prolonged resistance. By signaling adversaries that they need not fear attack, but that they will not succeed if they do attack, a non-provocative strategy removes the incentive for a preemptive attack in a crisis.

### "Non-provocative defence" weapons

Weapons for non-provocative defence must be non-threatening to other countries, i.e., they must have limited range and mobility, and so can be used to fight only inside one's own territory and can be easily protected and widely dispersed so as to avoid attracting large-scale attack. Modern weapons can be judged according to these criteria. Tanks, for example, are provocative, but fixed anti-tank obstacles, which cannot be used to attack another country, can be helpful in thwarting an attempted tank invasion. Border aircraft are provocative while anti-aircraft weapons are useful in defending a country, but are not sufficient

means to attack another country, even if they are mobile. "Defensive" is not an attribute of weapons *per se* but of forces in their totality — their size, weapons, logistics, training maneuvers — to demonstrate that they are effective in defence but have no significant offensive capability.

There is a wide range of non-provocative defence proposals. One alternative defence strategy, for instance, would use a multi-layered conventional military defence emphasizing mobility, concealment and dispersal, as well as a new military technology known as "precision guided munitions." These PGMs are extremely accurate conventional weapons that possess a high probability of destroying opposing forces, such as tanks or planes. Non-provocative defence can also be planned with an emphasis on much simpler technology, using border fortifications, tank traps and mines, maximizing the value of natural barriers and relying on territorial reserves armed with simple missiles and artillery. There is obviously room for considerable debate about the best strategy and technical mix. Considerable portions of a non-provocative defence could be introduced unilaterally. There is a limit, of course, to how far one side can change the structure of its forces and remain secure without some action from the other. A non-provocative defence would be vulnerable to an opponent who attacks the defensive system with offensive arms from within its own territory. For a complete reformation of conventional forces into a non-offensive posture, reciprocity is required.

Once again, Gorbachev, by declaring his adherence to "common security" thinking, has signalled what may prove to be a very significant change in Soviet military doctrine — from the offensive to the defensive. The Soviet leader has invited NATO to a dialogue on doctrine among military experts. Among the stated purposes for that is "ensuring that the military concept and doctrines of the military blocs and their members rest on defensive principles." The West will need to test exactly what Gorbachev means when he talks about "mutual security," and how far he is willing to go in changing the Soviet Union's current offensive-oriented posture in Europe. Even the quite general statements offered recently in this regard by the Soviets are a remarkable departure for an alliance that has hitherto emphasized the capacity to attack with its non-nuclear forces. How the West responds is a matter of first importance.

### Bargaining power of reductions

If NATO adopted a non-provocative defence strategy, it could propose the possibility of immediately trading constraints on Western conventional force modernization for cuts in Soviet main battle tanks and artillery. NATO would be reassured if the Warsaw Pact reduced its reliance on large mobile armored forces, moved away from its doctrine of massive non-nuclear retaliation, and changed its training and logistics accordingly. The Warsaw Pact, on the other hand, would be reassured if NATO abandoned the shift in its strategy toward deep strike with new high-tech non-nuclear weapons that are designed to incapacitate Soviet forces by striking with little or no warning at lines of communication, command structures and other vital targets. Negotiations should follow on an agreement between the Warsaw Pact and NATO to limit the number of long-range strike aircraft, heavy tanks and long-range conventional missiles on both sides. Ideally, this approach would lend to further reducing and restructuring of military forces in Europe — East and West — so that all nuclear weapons were removed from the continent and only

## NATO and Warsaw

small, short-range, purely defensive conventional forces remained.

As for the alliances themselves, both the Warsaw Pact and NATO have been frameworks of collective insecurity. For genuine security, the present competition must evolve into a formula of common security which encompasses both blocs. Yet, as West German peace researcher, Ulrich Albrecht, has noted: "The demand for European nonalignment seems to ignore certain facts. Most notably, even if NATO and the Warsaw Pact were both dissolved, the nations of Eastern Europe would remain tied to the Soviet Union by political, economic and social similarities, and the nations of Western Europe would remain similarly tied to the United States." What is necessary — and possible — is the withdrawal of both American and Soviet troops from European soil.

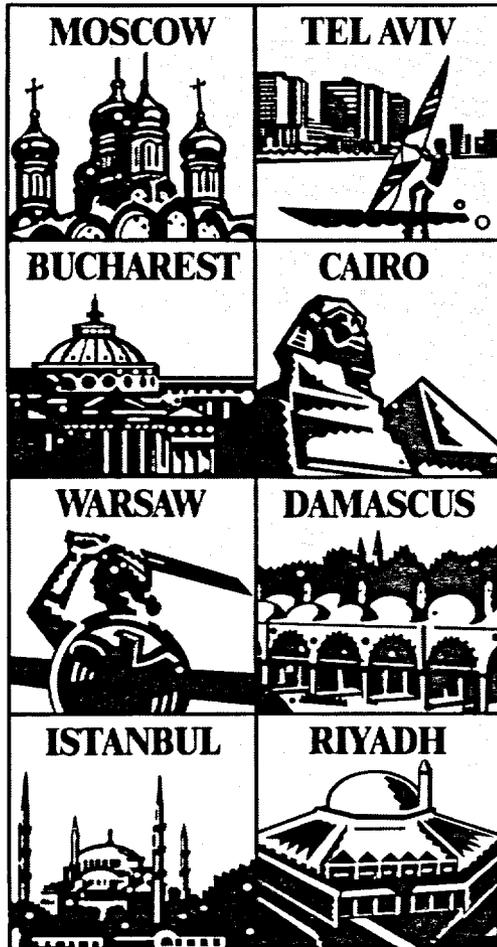
The Norwegian peace researcher Johan Galtung has written that the question is not being a member or not of the alliances but what kind of member, inside what kind of alliance. The simplest way of changing the military situation in Europe would not be by the superpowers gradually withdrawing from the alliances, with their bases and nuclear capabilities. That is why the Alternative Defence Commission in England concluded that "remaining in NATO would, on balance, put Britain in the best position to promote disarmament, reduce tension and break up the polarization of the Cold War and the military confrontation in Europe."

NATO is not simply a menace to be overcome. Rather it should be recognized that if East and West are to negotiate their

way into less provocative political and military relations, NATO will remain indispensable as an arena for the coordination of Western positions and as an instrument for the moderation of the American-Soviet rivalry. In fact, many of the Soviet overtures to Western Europe aim indirectly to influence the US administration through European channels rather than to create a fissure in the NATO alliance.

The idea of de-alignment is presently being explored by the European peace movement. It differs from non-alignment in that the goal is not to stand aside from the blocs, but to radically reform the alliances and eventually to end them. De-alignment is then not simply a goal, but a staged process which recognizes that fundamental restructuring cannot happen overnight. If the denuclearization of Europe were accompanied by new, less provocative conventional weapons deployments, then the conditions might exist for beginning to dissolve the military alliances as they become increasingly unnecessary. As the influential West German Social Democrat, Erhard Eppler, told the European Nuclear Disarmament (END) convention in Coventry, England: "We cannot just dissolve NATO and the Warsaw Pact, but we can make them obsolete."

The European security crisis is grounded in the failure of disarmament. It is now time to rethink Europe's defences. The INF agreement, more significant for its political than for its military implications, has provided an opportunity for reappraisal by both blocs. If the option of demilitarization is chosen, the logjam can be broken, and a new era of stability in Europe achieved. □



# Austrian Airlines. The Great Vienna Connection.

From our Vienna hub, Austrian Airlines has convenient connections to the economic centers of Eastern Europe, North Africa and the Middle East. We also offer frequent, non-stop service to Vienna from London, Paris, Frankfurt, Zurich and other major Western European gateways.

53 cities in 35 countries linked by our new MD-80 and MD-87 fleet. And we're growing—with New York/Vienna non-stops and Vienna/Moscow/Tokyo service beginning in March, 1989.

Our in-flight service is equally impressive. Along with separate check-in and boarding, our new "Austrian Business Class" features more comfortable seating, extra leg room, a choice of menus on many flights and other amenities. And when you fly with us, you can earn a minimum of 800 miles with Air Canada's Aeroplan.

For more information and reservations see your travel agent or call 800-387-1477, in Toronto (416) 964-3558.

**AUSTRIAN AIRLINES**

2 Bloor Street East, Suite 2810, Toronto, Ontario M4W1A8



**Aeroplan**

# Withered recovery in Africa

by Daryl S. Copeland

Just two years ago the international community announced its strategy for the rehabilitation of Africa. The UN Program of Action for Africa's Economic Recovery and Development (UNPAAERD) was the product of the Special Session of the United Nations General Assembly on the Critical Economic Situation in Africa, held in New York in May and June 1986. This comprehensive plan, adopted with great confidence and a shared sense of achievement, had direct antecedents in earlier multilateral declarations, including Africa's Priority Program for Economic Recovery 1986-90 (1985) and the Lagos Plan of Action (1980). Regrettably, the accumulation of paper generated by all these efforts has far exceeded the extent of progress towards any of the major objectives. Today, both UNPAAERD and the continent it sought to redeem are in serious trouble. What happened?

The UN Program calls for comprehensive action by national governments to relieve food emergencies; new measures to support agriculture; agricultural development; and ambitious activities to deal with drought and desertification. African countries are urged to develop transport and communications, improve the distribution and marketing channels for domestic trade, and reorient consumption patterns in favor of domestically produced goods. The Program stresses the importance of radical reform in educational systems to better provide the skills and knowledge needed for Africa's development.

## The world acts

For its part, the international community in that Program committed itself to support for countries affected by drought and desertification; to sharing information and technology; to increased assistance to agriculture, industry, transport and communications; to human resource development and to trade expansion. Specifically, the international community undertook to:

1. Increase aid flows to Africa.
2. Support the expansion for concessional financing by multilateral development institutions. This would include multilateral development institutions. This would include increased contributions to the World Bank's International Development Fund, and support for the African Development Bank and African Development Fund.
3. Ensure that no African nation undertaking an adjustment program would find itself exporting capital to any donor country.
4. Increase the grant element in development.
5. Give priority to "program" over "project" aid, including balance of payments support, and allocate assistance according to the priorities of the recipient countries.

There were further commitments to provide aid in a regular, predictable fashion; to intensify cooperation and coordination

among donors; and to seek greater involvement of African personnel. In a significant breakthrough, it was accepted that extraordinary measures might be needed to relieve debt, and the desirability of economic growth was given priority over the immediate requirements of debt servicing.

Finally, the UN Program identified certain aspects of the global economy which required urgent attention. It was agreed that policies were needed to produce sustained, equitable and non-inflationary growth in the world economy. These would include the elimination of protectionism (particularly in the area of non-tariff barriers), the encouragement of African exports and economic diversification, and improved access for tropical products within the framework of the General Agreement on Trade and Tariffs (GATT). Action on commodity issues was emphasized, with particular reference to strengthening international agreements and arrangements, providing compensatory financing, and improving Africa's capabilities for processing, marketing, distribution and transport.

## UNPAAERD's aims

Taken together, the Program's internal and international dimensions were intended to resolve the crisis by boosting foreign currency earnings, reducing trade deficits, expanding agricultural production and stabilizing the physical environment. In retrospect, much of the Program reads with the disturbing ring of a wish list, and the interim evaluation of UNPAAERD's accomplishments recently offered by the UN Secretary General is more than enough to dispel any vestigial optimism. The message is stark and unambiguous: notwithstanding the enormous efforts and great sacrifices made by many African states, the situation has continued to deteriorate. A combination of adverse economic, financial and environmental circumstances has prevented any tangible movement away from the brink. Indeed, the only perceptible motion has been towards the precipice.

In addition to the vivid portrait of a continent in a state of near collapse, there is a bitter sense of unfulfilled, even betrayed, expectations. According to the Secretary General's report, African countries have been offered precious little in exchange for their commitment to a wide range of difficult, sometimes wrenching, measures aimed at restructuring their internal political economies. The social toll has in many cases been devastating, especially concerning the consequences of the imposition of "policy reforms" in food and agriculture and reductions in the size and role of the public sector.

The Report's description of the continent's steep and gener-

---

*Daryl S. Copeland is a Foreign Service Officer in the Canadian Embassy in Addis Ababa, Ethiopia.*

## Baffling problem of no growth

alized economic decline is of signal importance. Despite some progress in agriculture in 1985-86, growth in food production stalled at 1 percent in 1987. The assessment for 1987-88 is similarly unfavorable, due to adverse weather (particularly in the Sahel) and continuing conflict (especially in Southern Africa and the Horn region). As a result, structural deficits in agricultural production and supply are growing, and food aid dependence is deepening. African commodity prices fell 44 percent in 1986, and despite an 18 percent increase in 1987, average prices remain at only 57 percent of their 1980 levels. Combined with sluggish demand, this situation has produced the worst balance of payments crisis in the history of the region. The value of exports declined by 29 percent (from \$64 billion in 1985 to \$45.6 billion in 1986), resulting in a widening of the current account deficit from \$7.1 billion to \$21.6 billion over the same period. Figures for 1987 indicate further slippage. These developments have in turn increased the cumulative external debt, now estimated at over \$200 billion. Debt servicing costs in many cases consume over half the annual hard currency earnings. In short, Africa is on an economic treadmill, running harder but getting nowhere.

### Shortfalls winning

For the UNPAAERD to succeed, the continent would have to receive at least \$24 billion in additional assistance per year over the 5-year course of the Program. Net receipts, however, were approximately \$16 billion in 1985 and \$18 billion in 1986 — a significant decrease in real terms. Aid, which accounts for 70 percent of the total inflow of external resources, has stagnated at the level of approximately \$13 billion (1986). Levels of bilateral development assistance have also declined, and increased multilateral funding (World Bank/IMF) has been overshadowed by a new and disturbing feature — the *net outflow* of resources from Africa to the IMF. Between January 1986 and February 1987, for example, African countries transferred about 3.5 times as much money to the Fund as they received in 1985; in 1986 the net outflow of resources to the IMF was over \$960 million. Export credits declined from \$1 billion in 1985 to \$.4 billion in 1986 to an estimated zero in 1987; other private lending is also in precipitous decline. Incredibly, Africa is exporting capital as aid flows diminish.

To date there have been no additional efforts by the international community to provide measures of stabilization for commodity and mineral prices. While export earnings have fallen, the prices of imported manufactured goods have increased by 20 percent. In 1986, this resulted in a deterioration of 28 percent in the real terms of trade for sub-Saharan countries, which is to say Africa had to pay more to receive less of what it needed. Most disappointingly, there have been no moves by OECD countries to reduce or eliminate protectionism or to improve access for African exports. Without progress in these areas, Africa's longer term prospects can only remain grim.

As necessary as statistics are, these densely-packed numbers fail to convey the tragic human consequences of severe economic decline. The essence is this: in poor countries, when population growth outstrips economic growth, the stage is set for disaster — food production cannot keep up and social services, already minimal, tend to disintegrate entirely. To use the example of Ethiopia, at current rates the population will double every twenty-four years, yet the existing resource base cannot support the present population. Per capita annual income is \$110. The infant mortality rate is 150 per 1000, meaning that 15 per-

cent of children will die before reaching their first birthday. Twenty-five percent will be dead before turning five. This is the human dimension of accelerating underdevelopment, and it is really the whole point.

### Call to action unheard

The Secretary General concluded, somewhat understatingly, that "Serious initiatives have yet to be taken by the international community in terms of concrete action to respond to the increasingly tightly intertwined debt, commodity and resource flow problems of Africa. These...have caused such severe balance of payments difficulties and such further depression of the level of imports and investments that recovery and development programs are now at serious risk."

Almost without exception, however, this refrain has fallen on deaf ears. In response to a daunting crisis of almost unimaginable proportions, the once enthusiastic international community seems to have lost interest. While there have been a few modestly encouraging developments in recent months, relative to the magnitude of the problem these amount to little more than tokenism, and certainly represent much less than would be required to breathe new life into UNPAAERD. What remains of this bold initiative is now little more than an empty shell, still echoing yesterday's tired homilies and shopworn slogans. Above all, it is a depressing case study of international impotence in the face of overwhelming need.

As the suffering intensifies, one is left with a number of inescapable questions about the fundamental workability of large scale, multilateral endeavors such as the UNPAAERD. Although the international community has the capability and the resources to assist, it appears that the will has failed. What then, exists by way of alternative approaches?

### A new approach

"The people who talk most about development and who make and implement development policies are the leadership, the international development agencies and the multinational corporations. But these are not the people who understand the need for development. These are people who are educated, live comfortably and have a great deal of choice. They do not know hunger and poverty and the daily rigors of the struggle for existence among the poor." So spoke Professor Claude Ake in a paper entitled "How politics underdevelops Africa." In June 1987 an international conference organized by the Economic Commission for Africa, was held in Abuja, Nigeria, to evaluate progress made in the first year of the UNPAAERD. Professor Ake of Nigeria developed a different, and strikingly resonant, explanation of the existing situation. His focus is markedly removed from that embodied in the UN Program, and he presents a powerful case for rethinking conventional attitudes toward Africa's problems.

Some of the main points of Professor Ake's argument might be stated as follows:

1. It is not economics, but politics (or, more precisely, the lack of political development) which is the key to African progress.
2. The struggle for political power and survival has precluded the emergence of a broadly-based, interactive public environment, and a culture of domination and repression has been substituted in its place.
3. This has resulted in the ineffective allocation of manpower, the squandering of natural resources, and the systematization

## Baffling problem of no growth

of corruption. Social life has become militarized, and statism, as a vehicle for kleptocracy, has stunted capitalist development and preempted the emergence of an entrepreneurial class.

4. Multinational corporations, international organizations and bilateral donors, all of whom tend to see the world recreated in their own image, have reinforced this pattern by dealing, for the most part, with unrepresentative local elites. In the broadest sense, these developments may be attributed not to conspiracy, but to consensus among a select few.

Those who benefit from these arrangements are understood to subscribe to a common set of assumptions, including a strong preference for laissez-faire capitalism, an implicit acceptance of the existing order, and an indifference or antipathy towards redistributive change. Significant also is the shared conclusion that anything outside of these convictions should be resisted or removed as an obstacle to development.

### Charity begins at home

Arising from these values is a standard set of (ostensibly value-free) economic prescriptions promoted mainly, though not exclusively, by the World Bank and IMF. Germane to the alleged effectiveness of this tonic is the "liberalization" of the economy, as guided by market forces domestically and by comparative advantage internationally; the removal of subsidies; the curtailing of welfare measures; and the reducing of government expenditures and public consumption. The bargain is supposed to involve an exchange of short-term pain for long-term gain. The immediate effect, however, is an upward shift in the pattern of income distribution. Claims regarding more distant outcomes remain largely speculative.

Professor Ake concludes that more democracy, both economic and political, is the necessary starting point for humanistic and just reconstruction. This would entail:

1. A redistribution of political power away from regimes and in favor of civil society.
2. A reorientation of public policy away from special and towards common interests by taking the well-being of the majority as the measure of all things.
3. An accountability of power to those over whom it is exercised.
4. Effective popular participation in decision making at all levels.
5. Reduction of the economic rewards of political power.
6. Collective self-reliance among African countries.

However, Professor Ake is not optimistic because "the people best placed to affect the answers are an integral part of the problem and many of them benefit from it." His thesis is timely, and his paper's release coincides with a period in which the credibility of conventional approaches to African development is collapsing under the growing evidence of massive failure. While the assertion that the international system reinforces local power structures and thereby contributes to underdevelopment is not new, his presentation in relation to Africa is nevertheless unusually compelling and succinct. The imperative of internal political change is treated with refreshing candor and, while "imperialism" is clearly implicated in his critique of Africa's ills, industrialized states are not seen as the exclusive source of malevolence in the modern world.

### Two routes to development

If we dispense with a few superficial similarities and contrast Professor Ake's values against those enshrined in the UNPA-

AERD, a dichotomy appears. When reduced to the most basic level of analysis, what emerges are two very different, perhaps irreconcilable, visions, each attended by a distinct set of policy options. The heart of Professor Ake's argument lies in his emphasis on domestic politics, self-reliance, South-South cooperation and economic democracy. This differs sharply from the UNPAAERD's call for more aid, more trade, and more debt relief in the context of a multi-tiered, interdependent, and essentially North-South global orientation. Both approaches involve degrees of adjustment, but the type of restructuring which Professor Ake seeks is premised not upon economic reforms, but upon fundamental political change.

Though the distinction is significant in itself, these divergent paths lead in turn to a host of larger and more difficult choices concerning the nature of development, normative models of international relations, ideal forms of human organization, and, ultimately, the continued expedience or acceptability of the global status quo. The case against the continued application of the orthodox solutions seems to be building. Even the few African countries widely considered as success stories have come under mounting criticism concerning the limited distribution of gains and intolerably high social costs.

A keen and comprehensive reappraisal is long overdue. As Africa hurtles towards the abyss, the realization is growing that the intensity and extent of the suffering is both unnecessary and unacceptable in the late twentieth century. The crisis in Africa demands a search for new perspectives in our understanding of deepening underdevelopment, and the exploration of alternative approaches. □



**\$95** CORPORATE RATE  
FOR BUSINESS TRAVELERS

Convenient Booking. We're in your Computer  
AA-10451 TW-33052 EA-NYC052 DL-08557 VA-06437

**M**  
BEST WESTERN  
*Milford Plaza*

Call Sal Puccio, Director of Sales (212) 869-3600.  
Or toll-free 800-522-6449. Outside New York 800-221-2690.  
270 W. 45th St., New York, NY 10036.



**Find out what is taught**  
**Then improve it**

# Third World studies in Canada

by José Havet

State of the art efforts are quite rare in Canadian social sciences scholarly production, which, I think reflects a weakness. The social scientists' lack of interest in state of the art contributions is probably only one aspect of their broader bias in favor of theoretical contributions, which they regard as the contributions of highest ranking. It is my contention that Third World studies in Canada do not escape this pro-theory bias.

A parallel may be drawn between Canadian social scientists' coolness toward state of the art efforts and the fact that usually the history of Third World studies (and more generally of social science disciplines) is above all regarded as the history of their theories rather than of their empirical work. The idea that empirical research has a "dignified intellectual pedigree" is not yet broadly accepted. State of the art papers are more than assemblages of data about academic programs, graduates, publications, associations and meetings. As in any scholarly effort, empirical data and theoretical considerations cannot be dissociated. In spite of their general quality and sophistication, Canadian Third World studies have suffered from a tendency to maintain such a dissociation.

Outside the social science disciplines, the opinion is sometimes advanced that it is the methodologies of these disciplines that constitute their most meaningful *raison d'être*. As a sociologist, I consider such a point of view extreme. However, the crude light of this sort of outsiders' perspective is stimulating and indispensable. It is definitely not an easy task for scholars specializing in any field to ask outsiders' questions; but two such questions are inescapable when reflecting upon research endeavors, i.e., "Why do they tell what they are telling?" and "What did they mean at the time they were written?" These are the two questions that will guide our comments in this piece.

## Canadian scene

In 1985, Canadian universities offered 758 courses dealing with Third World issues, 48 percent of which were regional studies courses. Forty-two universities offered a total of ninety-five study and/or research programs in the five disciplines of anthropology, economics, geography, political science and sociology, as well as in specialized interdisciplinary centers and institutes. Sixty-three of these ninety-five programs lead to Ph.D.s and were distributed in twenty universities. While these data are impressive, the number of theses dealing with Third World issues in the five above-mentioned disciplines is disappointing: a mere 213 between 1975 and 1985. It is disappointing because the large ma-

majority of graduates specializing in Third World studies are discipline-bound: they take their course and graduate work within the traditional departments and faculties. Among the 213 theses just mentioned, political science is the leading discipline with 72, followed by economics with 63, anthropology and sociology with 27 each, and geography with 24. There exist fifty-three centers and institutes which either coordinate in a multidisciplinary way research or study programs among the faculties, or offer graduate or postgraduate specialized training geared toward careers in governmental or non-governmental organizations. In addition to research and teaching activities, these centers and institutes usually manage development projects in the Third World, organize international seminars, colloquia and the like, and are frequently involved in public awareness work — all activities that differentiate them from the discipline-based study programs.

## How we compare

By any standard, Canada's Third World studies are notable, or at least on a par with those of other Western countries, in relative and often in absolute terms. This in spite of their newness, since they were virtually non-existent before World War II, at a time when the main European countries had numerous and influential regional as well as "colonial" sciences study programs. In other words, the development of Canada's Third World studies has been rapid and vigorous. These study programs started modestly after 1945, which means that a few scattered scholars in traditional faculties began to teach and to carry out research dealing with Third World issues. The program began to expand in earnest in the 1960s with today's leading scholarly associations and journals emerging at this time. The 1970s was a period of strengthening and intellectual growth, but a decline occurred at the end of the decade as the academic recession hit Third World studies hard. The squeeze is still felt today, but it has been alleviated somewhat by a new national concern for international development problems, and which is responsible for a partial refocusing of efforts on the part of discipline-based regional specialists.

## African studies' case

The development of African studies could be seen as a good example of the general patterns outlined above. Donald Ray, a University of Calgary political scientist, views this development as having passed through four relatively specific decades, the first one — the 1950s — being the "decade of the personalities," i.e., a handful of prominent scholars develop an international reputation and carve out a place for themselves on individual terms at their respective universities. Ray labels the 1960s the "decade

---

*José Havet is Associate Director (Research) of the Institute for International Development and Cooperation at the University of Ottawa.*

of institution building": a Committee on African Studies in Canada is created in 1962, has some fifty members by 1965, and publishes from 1963 to 1966 *The Bulletin of African Studies in Canada*. This *Bulletin* is superseded in 1967 by the *Canadian Journal of African Studies*, still in existence today and having gained a worldwide reputation in the field.

In 1970, the Canadian and American Africanists' associations met jointly in Montreal for a conference which ended in chaos; it has been described as the "Battle of Montreal." It pitted everyone against everyone: Americans against Canadians, emerging Quebecois nationalists against anglophone Canadians, Africa-based against North America-based scholars, and above all black Americans against the "White American scholar power structure." It is the latter conflict that started the "Battle" and as a consequence the Canadians withdrew from the conference. This led to the creation of the Canadian Association of African Studies which rapidly became synonymous with African studies in Canada.

Ray sees the 1970s as the "decade of maturity": funding is sufficient, and Canadian scholars have research centers, specialized institutes, a major journal and an active association; students are numerous and publications increase both in number and in quality. But the 1980s witness a stagnation which could characterize the decade: the conferences are less successful, funding is scarce, some African specialists lose their positions. However, simultaneously the economic and social crises plaguing Africa raise the continent's profile in Canada: the Sahel drought, the Ethiopian famine, and South Africa's apartheid all help to underline the relevance of the research field.

### Specialization within Third World Studies

This description of the African studies' development patterns provides a good illustration of what happened in other areas. Roughly the same factors influenced the origins and gradual buildup of all regional study programs: Canadians' experiences of missionary activity and war in the regions; commerce; immigration of Third World nationals to Canada; the appeal of decolonization struggles as well as of socialist and communist movements; a scholarly concern for transcultural studies seen as indispensable to the maturation of Western social sciences; and interest in international development issues.

For each region specific events played a critical role. For East Asian studies: (1) the Maoist odyssey; (2) in the early 1950s in the United States, the harassment by the McCarthy Committee of the Institute of Pacific Relations, which led to the latter's moving to the University of British Columbia in Vancouver (this prestigious Institute gave a boost to East Asian studies in Canada, partly because of its influential *Pacific Affairs* journal); (3) the Vietnam War; and (4) the recent interest in the "Pacific rim" countries.

The factors influencing the development of South Asian studies were essentially twofold: an interest in the region's religions and spirituality (among the 177 South Asian specialists in 1983, 18.9 percent studied religion; they remain the most important group of specialization), and the non-violent independence movement of Mahatma Gandhi. For Middle East and Islamic studies there were religious, archeological and historical concerns; the new visibility of the area due to oil, the Israeli-Arab conflict and the increased political activism in the area. For Africa and Latin America, the factors were similar: missionary activities, a

recent interest in international development issues in those regions, and, specifically for Latin America, the high profiles of the political "problems" of Cuba and Central America, especially Nicaragua.

### Origins of scholars

As far as the particular features of the actual institutionalization of Third World studies is concerned, one should note first of all, the relatively good companionship between francophone and anglophone scholars in some regional studies associations, for example, in the Latin American one. This contrasts with the "solitudes" observable in the discipline-based social sciences associations, which almost all have ended up with *de facto* anglophone "Canadian" associations alongside independent Quebecois associations. This difference shows that — maybe — the personal and academic identities of regional specialists are more related to their regions of interest than to Canada.

The second comment refers to a rather bizarre, but noteworthy, episode in the institutionalization of Asian studies. The Canadian Society for Asian Studies was created in 1968; it regrouped both East and South Asian specialists, a total of some 400 scholars. A conflict arose between the Society's South Asianists who were native to the sub-continent, and the other members. The former began, in 1971, a Canadian Association for South Asian Studies which survived until 1980 with a membership averaging around 200. At that date, due to pressure from funding agencies, the two associations merged, not without difficulties. In other words, if in the first comment it was suggested that identities rooted in Third World regions rather than in Canada reduced the "solitudes" within the scholarly associations, the case of the South Asianists shows that the effect is quite different where the scholars include both native Canadians and those native to the studied region.

### International development studies

A few comments now about the institutionalization of international development studies. While the first Third World studies to become institutionalized in Canada have been the regional ones, the latest have been the international development studies. By and large the latter studies began their institutionalization process after 1975, a process that was overdue and that is not totally completed yet. The most notable landmarks of this institutionalization have been the creation of a string of international development study programs from Dalhousie University to the University of British Columbia, the publication since 1980 of the important *Canadian Journal of Development Studies*, and the setting up of the Canadian Association for the Study of International Development in 1984-85.

While the regional studies' strengthening occurred in the 1960s, a period of university expansion, the international development studies' strengthening occurred during years of academic recession. Today the contrast is obvious between the difficulties faced by some regional studies and the relative well-being of international development programs. Why is this the case? The weight which may be attributed to different explanatory factors can only be tentative, but two factors seem of critical importance: the high profile of international development issues, and second, economics' hegemony in the field, for economics is the example *par excellence* of successful institutionalization within the social sciences. It can be argued that its legitimacy affects the whole area of international development studies.

## Find out what is taught

### Some strengths

The great strength of Canadian Third World studies lies in their constant questioning of their role, nature and underlying assumptions, as well as in the variety of origins, life experiences, academic backgrounds, ideological orientations and motivations of their scholars. This gives a dynamism, vibrancy and diversity to these studies that is quite remarkable, especially considering the relative smallness of the scholarly community, as compared to the United States, for example. Because of this diversity, sharply divergent opinions exist in the field of research concerning whether or not Canadian scholarship develops its own paradigms. Jorge Nef of the University of Guelph, for instance, has argued that Canadian Latin American studies are witnessing the emergence of a paradigm embedded in the liberal and radical political economy traditions and that this paradigm explicitly rejects United States "developmentalism." On the other hand, Ronald Keith of the University of Calgary has argued that the political economy tradition of Canadian East Asian studies does not contribute in any way to its distinctiveness from United States scholarship, the latter having influential New Left and "radical critique" currents. These points of view are contradictory because the general bents of Latin Americanists and East Asianists in both countries are not that different. The debate remains open.

*Parkhotel  
Frankfurt*

*...das kleine Grand Hotel*

Very quietly located in city center · Within walking distance to the railway-station · Easy access to Frankfurt-Airport · 278 comfortable and air-conditioned rooms and suites · Fitness-Center · 2 Restaurants · Casablanca-Bar with Live-Piano Entertainment · Conference and Meeting-Facilities for 10 · 400 persons.

Limousine-Service · Shoeshine-Service

CALL TOLL-FREE IN USA/CANADA  
RADISSON MÖVENPICK 01-800-333-3333  
or Utell INT. 01-800-44 (USA)  
CANADA 01-800-387-1338

**MÖVENPICK HOTELS**  
INTERNATIONAL

Tel. (069) 26970 Wiesenhüttenplatz 28-38

### Some weaknesses

Finally, I shall comment briefly on some of the weaknesses of Third World studies in Canada (and often elsewhere) and assess the impact those weaknesses could have on the prospects for the area of research. These weaknesses are the difficult implementation of interdisciplinarity, the often non-comparative nature of these studies, the overlaps and gaps in the field and the narrow scope of the questions raised. Much has already been said in this article about the importance of discipline-based Third World studies in relation to interdisciplinary ones. Third World studies are often claimed to be, and indeed should be, interdisciplinary. But this is far from being the case. Why? The only comments that can be made here are that the disciplines' resistance is fierce and that the *de facto* economics' hegemony in the field often seriously bends the nature of supposedly interdisciplinary study programs, journals and funding committees. Progress in the field requires that these situations be corrected.

Gaps and overlaps in research themes exist in all scientific endeavors. One observes fads; serious imbalances; emergences, rises and falls; and stagnations that are difficult to explain in strictly scholarly terms. This is also the case for Canadian Third World studies. A specific example of this would be the fact that in 1983 Canada had 128 self-defined India specialists, but only 5 Bangladesh and 5 Pakistan ones.

Another example, having broader implications, may be seen in the fact that Canadian Third World specialists appear to have a bias against the study of social *stability*. They prefer to study social *change*, and even more, social *development*. This is obvious in regional studies. In Latin American studies, for instance, Cuba was intensely studied in the 1960s; in the 1980s, it is Central America, particularly Nicaragua. But these countries are studied only as long as it is noticed that social change or development is occurring. This is a weakness, because the study of social stability is of key importance, especially in societies where considerable social change or development has taken place; actually social stability and social change or development cannot be dissociated because social stability needs to be viewed in a dynamic perspective.

Finally, there is the problem of the scope of the questions raised. It has been argued that in different sciences, especially during the last thirty years or so, the most impressive advances have resulted from broadening the scope of the questions traditionally raised in these disciplines, i.e., when scientists raise questions usually asked in other disciplines specializing in broader fields. For example, when sociologists asked questions normally raised in biology, when economists did the same with sociology, marketing specialists with economics, international development specialists with ecology (eco-development) or with nutrition (basic needs approaches).

While this appears to have been the case, Canadian Third World specialists are now encouraged to narrow the scope of their questions; for example, there are new concerns with marketing, with small-scale enterprise development and with institution building rather than broader scopes. This is the trend favored by the main funding agencies, a trend which becomes obvious when one considers the background of the specialists controlling the decision-making process in these agencies.

Given this situation it may be argued that the great challenge facing Third World studies in Canada is how to carry out development-relevant research while simultaneously broadening the type of questions raised by this research. □

# Trying to debate Free Trade

by Mitchell Sharp

*From the Institute on Research on Public Policy Halifax (unless noted):*

***Canadian-American Free Trade: Historical, Political and Economic Dimensions (Conference Papers)*** edited by A.R. Riggs and Tom Velk. 1987, 251 pages, \$15.00.

***Knocking on the Back Door: Canadian Perspectives on the Political Economy of Freer Trade with the United States*** edited by Allan M. Maslove and Stanley L. Winer. 1987, 220 pages, \$20.00.

***The Canadian Import File: Trade, Protection and Adjustment (Essays in International Economics)*** by G.E. Salembier, Andrew R. Moroz and Frank Stone. Montreal, 1987, 255 pages, \$20.00.

*From the Institute (Ottawa) and The Brookings Institution (Washington, D.C.):*

***Perspectives on a U.S.-Canadian Free Trade Agreement*** edited by Robert M. Stern, Philip H. Trezise and John Whalley. Washington, 1987, 266 pages.

***Building a Canadian-American Free Trade Area (Brookings Dialogues on Public Policy)*** edited by Edward R. Fried, Frank Stone & Philip H. Trezise. Washington, 1987, 217 pages.

***Global Imbalances and U.S. Policy Responses: A Canadian Perspective*** by Richard G. Lipsey and Murray G. Smith. Toronto and Washington: C.D. Howe Institute and National Planning Association, 1987, 51 pages.

These days, one of the quickest ways to produce a book on a complex subject such as free trade with the United States is to organize a conference, invite acknowledged authorities to make presentations, find good commentators and editors, and then sponsors willing to pay the costs of publication. This method has the advantage that, if the organizers of the conference are fortunate in their selection of participants, the book can be a better balanced survey of the subject than if written by an individual author, however knowledgeable.

Four of the books under review, dealing directly with the proposed free trade agreement with the United States, were put together in this way and sponsored or co-sponsored by the federally-funded Institute for Research on Public Policy. One of them was prepared for the IRPP as an essay in "International Economics." The other, about global imbalances, which deals only indirectly with the proposed trade agreement, was co-authored by

Murray G. Smith, who was, at the time and is now, on the staff of the IRPP. For the IRPP, which is obligated to take an impartial position on public issues, particularly on such a fundamental and contentious issue as the proposed free trade agreement, balanced presentation is essential and, on the whole, has been achieved.

While this is so, the overall impression of the books under review is that they are attempts to explain and justify free trade with the United States to a Canadian public that until recently had not thought much about it. True, opponents are given an opportunity to explain their views and do so, but it is the proponents who set the agenda, since the subject under discussion is *continental* free trade, not *multilateral* free trade or any other possible form of Canadian trade policy. The titles of the books appearing at the head of this Review Article illustrate the point. Free trade with the United States is the subject of all the collections of essays. The title of the Brookings Dialogue assumes that our two countries have already decided to build a free trade area.

## How to debate it?

Like the discussion in these books, the public debate centers around the proposed free trade agreement. It is not a debate about Canadian trade policy for the future. The question is a simple one: "Are you in favor of or opposed to the agreement negotiated and signed by the governments of Canada and the United States?" You cannot be in favor of parts of the agreement and opposed to others. It is this agreement or, for the time being, no agreement. In any case, does it matter at this stage what individual Canadians think about the proposed agreement? After all, now that the ratification process is underway, the essential decisions will be made by members of the United States Congress and by members of the Canadian House of Commons and Senate.

As a former MP, I can say without fear of contradiction that the subtleties of the argument about the proposed free trade agreement contained in these books or in any other books on the subject are not likely to have much effect upon the voting of present Members of Parliament with respect to the legislation before them to implement the proposed agreement. The parties have taken their stands, the Whips will be on, at least in the House of Commons. The attitude of Senators is less predictable and could have a considerable influence on the outcome.

---

*Mitchell Sharp is a former Liberal Minister of Finance, Trade & Commerce and External Affairs. He lives in Ottawa.*

## Review Article

It is possible, of course, that a general election will be held in Canada before the final decisions have to be taken. Then, it would be possible to debate in a more meaningful way than has yet taken place the fundamental issues that underly a comprehensive free trade agreement between Canada and the United States and to examine more carefully the alternatives. And, in casting their votes, Canadians would be able to take into consideration, among other matters, the attitude of the candidates towards the proposed free trade agreement, which was not even contemplated at the time of the last general election.

It is possible, therefore, that these books will be more than interesting historical documents giving the pros and cons of free trade with the United States before the agreement was negotiated by the two governments and before the legislators in the two countries made their decisions. They could become part of the larger public debate, generated by a general election (or by rejection of the agreement by the US Congress) about Canada-United States relations and the alternative forms of trade policy, including the proposed free trade agreement.

### Is free trade just economics?

The debate about free trade with the United States has been and is being carried on, I suggest, at two levels, which might be expressed in the form of two questions:

*one question* — is this a satisfactory bilateral preferential free trade agreement? — which is an economic question;

*the other question* — should Canada change its trade policy from multilateralism to continentalism by entering into a comprehensive preferential free trade agreement with the United States? — which is both an economic and a political question.

One of the interesting aspects of the debate among the academics, illustrated by the collection of essays under review, is that most Canadian professors of economics answer "yes" to both of these questions, although in the conferences held more recently (the dates of the respective conferences are April 1985, September 1986, February 1987 and March 1987) they draw attention to deficiencies in the proposed agreement. In contrast, most Canadian professors of political science and history take a broader view and draw attention to the effects upon Canadian identity and independence of the adoption of a continental approach. There are exceptions, of course, and one of these is Professor Peyton Lyon who, as a political scientist, has long favored the idea of free trade between Canada and the United States.

In the worlds of business, of the arts and of politics, it is more difficult to define the position of the various participants. I think it is fair to say that most of the proponents — the business leaders in particular — tend to concentrate on the benefits of a free trade agreement and say little, if anything, about the non-economic effects. The trade unions, by contrast, tend to answer "no" to both questions. The arts community emphasizes the threat to cultural independence of the continental approach. Debate among the federal politicians has been almost entirely partisan, government supporters in favor of the agreement, emphasizing the economic benefits, opposition supporters expressing doubts about the economic benefits of the proposed agreement and expressing alarm about the effect of the agreement on Canadian independence and identity. In the provinces, too, elected politicians seem to follow their party leaders in their attitude towards the proposed agreement.

### Impossibility of knowing effects

There is not going to be agreement about the economic effects of the proposed agreement before it comes into effect, it does come into effect. Nor will there be any way of testing the forecasts because so many other powerful factors are at work affecting the Canadian economy. Nevertheless, it is difficult to contest the assertion, at least theoretically, that the removal of remaining trade barriers between Canada and the United States would after a time, and perhaps a difficult time, result in a net economic benefit to both countries and that Canadians would share this benefit which would, however, be relatively modest.

It is equally difficult to contest the assertion that a comprehensive preferential trade agreement with the United States would, to some extent at least, erode Canadian independence and sense of identity.

In his appearance at the Brookings Institution in Washington in February 1987, Donald Macdonald gave what has become the conventional response of proponents of the proposed trade agreement to concerns about independence and identity when he said:

Canadian independence ultimately will not depend on the nature of tariff arrangements between Canada and the United States. What really counts is the will and conviction of Canadians, a will and conviction that has been in existence now for over two centuries, to continue to maintain an independent country in the northern half of North America. In my opinion, the sense of national community, of national pride, is even stronger in Canada now than I remember it during my boyhood, and that despite much closer economic ties between the two countries.

A much more thorough and less subjective examination of the non-economic implications was given by Professor Denis Stairs in the conference held in September 1986, which deserves a wider reading outside of academic circles, both by proponents and opponents of the proposed free trade agreement. He said there (as he did in an article in *International Perspectives for* May/June 1987):

One of the surprising features of the present debate in Canada is the degree to which it has focused on the economic aspects of the issue, to the neglect of traditional concerns about its implications for the country's political, social and cultural life at home, and for the conduct of its foreign policy abroad. It would appear, in effect, that those who support the bilateral initiative are in pursuit of economic gains (for the first time in Canadian history) without serious reference to non-economic costs. Implicitly, therefore, and sometimes explicitly too, they have accepted the primacy of economics over other values.

Canadian independence from the United States has always involved a cost in economic terms. We are not a natural trading unit. Our trade and communications lines tend to run north and south rather than east and west. If we were only concerned about economics we would obviously opt to join the United States, if we could. So we come down to the question: "How much should we be prepared to sacrifice in independence and identity for the possible and admittedly limited gains of entering a North American free trade area?"

Perhaps it is too late now to put the question to the Canadian people. Perhaps it is not. □

# Book Reviews

## Holding the Arctic

by Gerald Graham

*Arctic Imperative: Is Canada Losing the North?* by John Honderich. Toronto: University of Toronto Press, 1987, 258 pages, \$24.95.

This is a timely and thought provoking book on the challenges facing this country in the Far North. The focus is almost entirely on external threats posed by the heavy

US and Soviet military presences in the general area, and the problems which surface from Polar Sea-type incidents and impending hydrocarbon projects.

John Honderich, a Toronto journalist, has a passion for both the Arctic and strategic affairs. He has undertaken considerable research, and manages for the most part to weave together complex issues and present them in clear, simple fashion. There is, however, far too much repetition. The book should appeal to all those southern Canadians who suspect the North was first "frozen out" by Meech Lake and then sacrificed on the altar of free trade. Northerners, however, will be disappointed by the book's scant attention to northern issues as they see them, e.g., devolution, revenue sharing, division of the territories, resolution of the Dene and Nunavut land claims, and provincehood. Instead, Honderich deals almost exclusively with the sovereignty issue and the region's strategic importance.

The book's central thesis is nevertheless compelling — that Canada is an Arctic nation by default, and that it is time

for a new national will and a new "made in Canada" manifesto to meet the Arctic imperative.

Mr. Honderich calls his book both a call for and a plan of action. He, like many others, argues for an integrated approach to a panoply of issues facing Canada on the military, environmental and native fronts. By and large, he addresses the right issues, and there is no shortage of solutions advanced, but where the book is particularly weak is in the author's 2-track approach to Arctic defence. An advocate of arms control,

Honderich nonetheless proposes, *inter alia*, shifting Canada's military focus from Europe to the Arctic, moving the North Warning System further north, building a fleet of conventional submarines capable of operating under ice, mining the entrances to the archipelago

(an ingenious and inexpensive method, we are told), installing underwater radar, beefing up the Rangers, purchasing more Auroras, and arming the Polar-8 Icebreaker. The paradox is striking.

Mr. Honderich does not put a price tag on all this, but he evidently feels that the defence of the Arctic is worth whatever it costs. But since no one challenges Canadian sovereignty to the archipelago itself, and since the Arctic is virtually indefensible in any case, one wonders why we need all this hardware when a strong negotiating position vis-à-vis the United States, coupled with enhanced regional cooperation, might suffice. Since the book was written, the Mulroney government has signed a deal with the US over shipping in the Northwest Passage, and if the dispute over that waterway ever goes to The Hague we would undoubtedly win, so in a sense one has to wonder why a military solution is advanced to what is essentially a legal and diplomatic problem.

One final note. Considering the prestigious publisher, the number of errors in this book is appalling. Mr. Honderich dedicates the book to his wife, and notes her "critical eye" and "superb editing skills." He is hardly in a position to judge.

*Gerald Graham is an Ottawa-based Consultant in international and Arctic affairs.*

## Hunting for paradox

by James Eayrs

*Janus and Minerva: Essays in the Theory and Practice of International Politics* by Stanley Hoffmann. Boulder, Colorado: Westview Press, 1987, 457 pages, US\$39.95.

In this aptly-titled collection of twenty essays (five of them previously unpublished in English) of the past quarter-century, Stanley Hoffmann examines the theory and practice of international politics in its several two-faced guises: war and peace,



## Book Reviews

anarchy and society, violence and order, revolution and stability, law and lawlessness, discord and collaboration. Only those students and practitioners who discern these Janus-like features deserve to touch Minerva's mantle.

Hoffmann, who is Douglas Dillon Professor of the Civilization of France and Chairman of the Center for European Studies at Harvard University, takes delight in the paradoxical arrangements of the human family's affairs. He selects Raymond Aron for his *maître* precisely for being "a master at paradoxes." Hans J. Morgenthau's vain attempt to coach postwar American leaders in the great game of balancing power "is a story full of paradoxes." "The invulnerability of nuclear forces, the vulnerability of the population — such has been the very paradoxical equation of stable balance." One could give many more examples. Where his Canadian counterpart John W. Holmes (I trust neither will resent this comparison) has been said to accept paradox, Hoffmann runs paradox to ground, like Rousseau's huntsmen after stag.

The first part, "Theories and Theorists," considers why the study of international politics has been largely an American enterprise: mainly because the United States is the only superpower with a plethora of universities at which free inquiry is encouraged. (Hoffmann's answer is, characteristically, far more complex.) It also analyzes the thought of Rousseau, Aron (for whom he has the highest praise), and Morgenthau (from whose dogmatics on power and states-centrism propounded through five editions of *Politics Among Nations* he recoils both intellectually and esthetically).

Part Two, "Order and Violence," opens with the essay "Is There an International Order?" "Yes" and "no," Hoffmann predictably responds: it depends what you mean by "order." He asserts: "The dialogue between the Athenians and the unfortunate leaders of Melos has not become entirely irrelevant. The big powers do not allow the lesser ones to undermine the fragile order of the system very much more than they allowed yesterday." This is disputable: neither the United States nor the Soviet Union has been able to respond Athenian-style to what their leaders chose to regard as threats to vital interests posed by events in Korea, Cuba, Indochina, Poland, Lebanon, Afghanistan; and even Grenadans were not butchered or sold as slaves.

In Part Three, "Actors and Interactions," Hoffmann discusses the origins of

the Cold War and its treatment by historians. Neither "the official view" that the Cold War was caused by Soviet bad behavior nor the revisionist view that it was caused by American bad behavior is found satisfactory. The official view (set forth magisterially by the practitioner Dean Acheson) ignores the "paradox" that "whereas it was the Soviet Union that behaved according to a classical theory of power politics, it was the United States that behaved not at all like a classical great power playing a balance of power game but like an ideological power with a global vision." The revisionists score valid points, but "they do iron out the kinks of history." A chapter on Soviet international behavior, written after Gorbachev took over but before Reykjavik, the Washington summit and the flowering of *glasnost* and *perestroika*, is necessarily tentative about its future: one wonders how Hoffmann will construe the chairman's latest departure from received orthodoxy: "Every people and every country have the freedom of social and political choice. There is not a shade of utopia or illusion about it" (*The New York Times*, February 19, 1988).

In a chapter on domestic politics and interdependence, Hoffmann distances himself from the "high politics" model of his *The State of War* (1965). "The agenda of world politics is no longer filled by traditional strategic issues" — although, ever-mindful of paradox, he adds that "these remain essential." The agenda "tends to be occupied by the very issues that are central to domestic politics, i.e., issues of economic growth and social welfare....As a result, the constituencies of foreign policy have broadened." To the soldier and the diplomat, who for Aron epitomize the state as it faces the world, we must now add the CEO, the union leader, the environmentalist, even the intellectual.

Part Four, "Sermons and Suggestions," shows Hoffmann unlike many of his colleagues and countrymen to be a United Nations man. Despite its having "perpetuated the drawbacks of sovereignty," the UN "has been a significant factor in establishing world order based on the nation state and possessing a distorted, rather equalitarian hierarchy (paradox again!), considerable flexibility, and several taboos on the traditional ways of using force."

This small sampling of themes from a volume densely packed with them may indicate the wide range of Hoffmann's topics and the resources he brings to their elucidation:

tion: formidable learning (one is reminded of Goldsmith's parson), a connoisseur's appreciation of ambiguity, relentless analysis (with a bent for its triadic mode, as in "three concrete examples," "three preliminary remarks are necessary," "it is a triple problem.") Allowed only three works to instruct a neophyte, he would choose Thucydides's *History*, Aron's *Peace and War*, and Kenneth Waltz's *Man, the State, and War*. For any of these *Janus and Minerva* might be substituted with no loss of "international perspectives" — even if it lacks an index and (in a book otherwise free from typos) contains one curious printing error: the sentence "As a good Kantian he [Aron] knew that there is no moral duty to accomplish the impossible" is consecutively repeated. No matter: it is a thought that bears repeating.

---

James Eayrs is Professor of Political Science at Dalhousie University in Halifax, N.S.

## Misunderstanding Central America

by Harold Klepak

*Canada, the Caribbean, and Central America* edited by Brian MacDonald. Toronto: The Canadian Institute of Strategic Studies, 1986, 140 pages.

*Conflict in Nicaragua: A Multidimensional Perspective* edited by Jiri Valenta and Esperanza Durán. Winchester, Massachusetts: Allen & Unwin, Inc., 1987, 44 pages, US\$45.00 cloth, US\$19.95 paper.

The crisis in Central America continues to spawn a wide range of studies on the situations in the individual countries of the area as well as of the region as a whole. Nonetheless, Canadian assessments of the issues have remained very limited in number and often of little depth. Even Western European sources are quickly exhausted by the serious researcher.

Thus the two books reviewed here should be timely and helpful. Alas, the Canadian one is the result of the proceedings in the autumn 1985 of a seminar of the Canadian Institute of Strategic Studies. It contains the views of a number of impor-

tant commentators on Latin American and Caribbean issues — diplomats, academics and strategic analysts. The Valenta/Durán volume is the product of a joint project between the University of Miami's Graduate School of International Studies and the Royal Institute of International Affairs in London. Unfortunately, the two works, while timely, are not particularly helpful for an understanding of either the regional situation or the potential European and Canadian roles which might most assist in resolving the current conflicts.

To begin with, neither work is unbiased. Both have a decidedly anti-Nicaraguan bent. And while the Canadian product has much less of a *parti pris* than the Miami-RIIA one, neither really gives an opportunity to the Sandinista side, or its admirers, to state their case.

In Brian Macdonald's collection of discussions there are three sections: the Geopolitical Context, the Commonwealth Caribbean, and the Options for Canada. After a good introduction to the much needed background of the area by the distinguished historian J. Ogelsby, the rest of the first section consistently hammers Nicaragua. Linking it first to sinister worldwide revolutions (Maurice Tugwell) and then to Cuban and Soviet machinations (Juan del Aguila), this section then presents an American naval view (Commodore W.T. Pendley) of the threat posed by "Marxist-Leninist advances" in the region. Nothing giving a Nicaraguan point of view on these issues found its way into this part of the volume. With the exception of Ogelsby, all speakers were highly ideological in their perspectives. While there is no reason why this should necessarily be a problem, the lack of a voice for the other side made for truncated debate afterwards and an unbalanced view of the geopolitical context at the end.

The Caribbean section of this book was much better, highlighting Commonwealth issues and the vulnerabilities of the small states of the region. This section ended, rather curiously, given the section's title, with John Graham of the Department of External Affairs discussing Canada and Contadora. Nonetheless, this chapter is excellent. It gives a factual description of the Contadora peace process and Canada's efforts to assist the initiatives which were eventually to lead to the Esquipulas peace accords of August 1987.

The Canadian options section sees George Bell give a very good assessment of

the issues involved in Canadian membership in the OAS. Charles Donley then writes knowledgeably of Canadian trade, investment and tourism links with the region. Finally, however, John Harbron considers a potential OAS and regional security role for Canada concluding, rather unconvincingly, that we should agree "to join the OAS and to accept the inter-American system for what it always has tried to be — an attempt at regional security, however, imperfectly applied." Thus the series of articles has high points and low. Overwhelmingly, however, insofar as Central America is concerned, the collection leaves the reader with only one side of the story, and a highly ideologically charged one at that. One is also left to wonder why good Canadian analysts such as Edward Dosman and David Haglund were not used to make this volume more solid, convincing, and Canadian.

If the MacDonalD volume seems to have some problems, the Valenta-Durán book from Miami/London is plagued with them. This is not intended to be a collection of proceedings, but rather a studied, multidimensional approach to the Nicaraguan conflict. As such, one might have expected the work to be unbiased and scholarly. Again, one is disappointed. Only one pro-Sandinista Nicaraguan writer features among the fifteen contributors. The editors explain this by saying that the Sandinistas refused to take part in the study. However, this does not explain why none of the many pro-Sandinista writers in the US and Britain was asked to contribute.

The collection of articles begins with a highly "cold warrior" introduction which is controversial and unbalanced. With the exception of three good articles — by Francisco Villagrán Kramer, Esperanza Durán and Margaret Crahan — subsequent contributions maintain this tone. Not surprisingly then, the synthesis made by Jiri Valenta at the end also shows a lack of balance and a strident anti-Sandinista stance.

The three exceptions do provide a glimpse of another possible way of looking at the crisis. The Villagrán article outlines the crisis in a cool and clear manner and gives a fine analysis of the Guatemalan role in regional peace initiatives. Esperanza Durán is fair to all sides in a discussion of where the Contadora peace process might go in the future. Margaret Crahan does a masterly job of discussing political legitimacy and dissent in Nicaragua. The one

Sandinista contributor, Francisco Lopez, unfortunately adds a rather short and poorly argued article placing the whole blame for Nicaragua's woes on the United States.

Again, one is left to wonder why excellent analysts such as Walter LaFeber, E. Bradford Burns and John Weeks were not brought in to make this analysis of conflict in Nicaragua truly multidimensional, not to mention less polemical.

The August 1987 Peace Agreement at Esquipulas II, and the March 1988 Nicaraguan peace accord it spawned, have opened up considerably the Central American diplomatic and military scene since these two books became available. Iran-Contra has shaken the US administration's resolve in Nicaragua and the Central Americans' own room for maneuver has been enlarged.

Events are moving quickly in the region and outside it. While the war seems interminable in El Salvador, both Honduras and Nicaragua are living times very different from those of less than a year ago. There is a great need for serious discussion both in Western Europe and in Canada of the place of outside countries in the search for solutions to the crisis in the area. Both Western Europe and Canada are being asked to increase their role in Central America. While policies seeking to do this may present opportunities, they also offer more than their share of pitfalls.

A careful look at policy options, for Canada in particular, is needed in order to prepare a sound and helpful approach to the resolution of the problems of the region. Canada's policy to date has been seen in Central America as independent, sensible and constructive. Mostly it has been well balanced and perceived as such. The CISS wanted to contribute to the debate in 1985 but did not succeed as well as it might have. This does not mean it should not try again. The same might also be said for the RIIA/University of Miami initiative. However, if such efforts are to be worthwhile it must be with the knowledge that the issues are complex and the points of view numerous.

---

Harold Klepak is Professor of Military and Strategic Studies at College Militaire Royal, Saint-Jean, Quebec.

## Book Reviews

### NGOs and universities in development

by Norma E. Walmsley

*Bridges of Hope? Canadian Voluntary Agencies and the Third World* by Tim Brodhead, Brent Herbert-Copley with Anne-Marie Lambert. Ottawa: The North-South Institute, 1988, 173 pages, \$14.00.

This 1980s view of Canadian voluntary agencies documents loss of innocence over the past couple of decades, as Canadian non-governmental organizations (NGOs) have evolved from being aggregates of dedicated volunteers to the point where — in the name of “professionalism” — changes in management style can, and do, see volunteers squeezed out by development “experts”; and where, in 1985, government funding accounted for well over \$200 million of NGO resources.

On the basis of a questionnaire completed by 129 widely diverse development agencies in Canada (25 percent of them with *foreign* head offices), it is difficult to make general statements and to come up with figures and tables which accurately reflect the entire NGO community. A list of responding agencies to the questionnaire (which is an appendix to this study) shows a glaring lack of a common denominator upon which to make meaningful comparisons. For example, there are agencies with budgets that range from a few thousand dollars to those with over \$20 million; church-based organizations, and an unrealistically large proportion (20 percent) of organizations devoted to development education exclusively, through to NGOs acting as “executing agencies” for CIDA and administering multimillion dollar projects.

It is conservatively estimated that some 35,000 to 40,000 *individuals* may be directly involved in the work of Canadian NGOs concerned with development — individuals whose motivations range from mission, to service, to questionable philosophies, to goal- and career-orientation; from unpaid through to paid volunteers and staff, some with corporate level salaries.

Faced with this “potpourri,” the authors of *Bridges of Hope?* have used the questionnaire responses as a rack on which to hang a wide range of facts, theories and re-

flections. This book has something for everyone who has had contact with NGOs or their work. It traces changes in the development community and in approaches to development, both in Canada and overseas, presenting many sides to many questions, yet rarely attempting to analyze them in depth, or to develop or expand upon them.

*Bridges of Hope?* does constitute a very useful point of departure for NGO planning sessions, at a time when many Canadian NGOs’ “articles of faith” about their unique claim to “altruism, autonomy, participation, efficiency and cooperation” are no longer a given, but have to be proven in the real world where there are growing numbers of southern (indigenous) NGOs and where CIDA policies are being decentralized. That is, more government officers are being located in Third World countries to work directly, not only with governments but also with indigenous NGOs, thus posing a challenge for Canadian agencies whose major forte has always been “working directly with the people” — claiming to by-pass government, with its bureaucratic restraints.

Given the new context, the authors challenge Canadian NGOs to become much more sophisticated agencies and to exercise strongly one of the key attributes which they profess to have — flexibility in the face of change. The book closes with a thought-provoking 1980s admonition: “How [the agencies] translate idealism into strategy will determine their continued relevance.”

*L'Étude du développement international au Canada* publié sous la direction de José Havet. Montreal: Les cahiers scientifiques de l'Association canadienne-française pour l'avancement des sciences (ACFAS), 1987, 304 pages.

Excluded from the North-South Institute publication are “organizations such as labor movements, universities and colleges, and professional associations that conduct international development activities as part of a broader mandate.” A partial treatment of Canadian university involvement in international development is given in “*L'Étude du développement international au Canada.*”

This is not a comprehensive study of the universities’ involvement in international

development, but rather a collection of papers, published on the occasion of the 55th conference of ACFAS. It brings together several articles by a number of different authors.

While the book has the appearance of a French-language publication (cover, front material, titles and running heads, one survey and one university-specific article are in French), most papers in the collection are printed in their original English, each prefaced by a French-language resumé.

They more or less set out a descriptive account of the history and some highlights in the growth of specific *area* studies at Canadian universities, including reports on studies on East Asia, Southern Asia, the Middle East and Islam, Africa, and Latin America and the Caribbean, with one on Research and Teaching of Japanese History.

The bulk of the articles included are those which, as the editor observes, are the least difficult to obtain, that is, those on area studies. A number of them had been published previously in the *Revue canadienne d'études du développement*, of which M. Havet is also editor. He states he has been trying (with not too much success, apparently), to attract articles from scholars on particular fields of research in international development. The two included here — one on Canadian Geographers and Studies in International Development, and one report of Rural International Development in Canadian Universities — are most worthwhile.

The paper entitled “Le rôle des universités dans l'aide canadienne au développement international” is sparse indeed, reflecting the lack of availability of comprehensive, up-to-date overviews in this regard. A partial reason for this situation, the editor claims, is the lack of academic prestige for generalists in international development, because of long-standing prejudices in the university milieu: academic careers are based on discipline-oriented priorities and on other prevailing pressures (often artificial) and/or availability of research funds for subjects which are “trendy” in the academic community.

Norma E. Walmsley is Founding President of MATCH International Centre in Ottawa, and a continuing watcher of Canadian NGOs.

## Conspiracy in the White House?

by Tom Sloan

*America, God and the Bomb: The Legacy of Ronald Reagan* by F.H. Knelman. Vancouver: New Star Books, 1987, 478 pages, \$6.95 paper, \$16.95 library.

This is a revised, expanded version of a book first published, under the same title, in 1985. The work has been updated, but the approach is the same. It is a furious, unforgiving assault on the President and the presidency of the United States over the past eight years. Given more material, the author has not changed his mind.

F.H. Knelman is a Canadian university professor and a peace activist. Both show: the indictment is fierce, and it is well documented.

His thesis is that under the Reagan administration there has been developed a "secret strategy," the thrust of which is to undermine efforts to find a peaceful settlement to the conflicts between the world's two superpowers, to encourage an arms race that would end by destroying the economy of the Soviet Union and ultimately to do nothing less than impose on the world in general and the Soviets in particular a Pax Americana. Should that fail, the author contends, US policy has been to prepare America both psychologically and militarily to wage a "winnable" nuclear war in the name of religion, democracy and human rights. "The Reagan administration will settle for nothing less than the capitulation, internal collapse or military defeat of the USSR," Knelman asserts.

To back up his thesis, Knelman provides an impressive array of evidence. His "witnesses" come from the ranks of the US military, the government, the neo-conservative movement and, above all, the religious fundamentalists who have gained unprecedented influence during the Reagan years. Among these groups, Knelman has no difficulty in finding people who believe that nuclear war with the "Evil Empire" is both inevitable and winnable. And he finds a constant pattern of deception and disinformation from high places designed to exaggerate the Soviet threat and convince Americans they are faced by an implacable enemy bent on destroying civilization.

What he does not do convincingly is prove the existence of a plot organized and directed by Reagan and his chief lieutenants to unleash nuclear war. The picture that emerges is one of the malevolence and fanaticism of some being at least matched by the confusion and ignorance of others, including Reagan himself — hardly the recipe for a perfect plot. What also emerges is an ugly portrait of a government infiltrated, if not dominated, by fanatics who believe that Armageddon — the Christian fundamentalists' own Jihad — is just around the corner, and by cold-eyed cold warriors who believe that the very idea of peaceful coexistence is a communist trap.

While the target of the book's indictment is essentially the US and its policies, Canada does not emerge unscathed. In a long chapter entitled "Canadian Complicity in US Nuclear Strategy," the author delivers a wide-ranging assault on the policies of successive governments. From our cooperation in cruise missile testing — which Knelman claims has no basis in our NATO commitments despite government claims to the contrary — to our voting pattern on arms control issues in the United Nations, he charges that Canada has acted like a "vassal state." There is more: "Subservience to the US has been short-term in benefit, short-sighted in vision and particularly short on courage and integrity." As for the recent White Paper on defence, it is "a simplistic revival of the Soviet threat, supported by deceptive and distorted data, cast in propagandist garb and couched in cold war rhetoric."

Knelman is not an uncritical supporter of the Soviet Union, whose blundering stupidity, he says, has often played into the hands of the extremists in Washington. He does, however, absolve it of any policy for world conquest and convincingly questions the often repeated claims of overwhelming Soviet superiority in conventional weapons — a claim, he suggests, used by successive generations of Hawks to justify unnecessary military buildups in the West.

In a brief review it is impossible to do justice to the wealth of historical, technical and political analysis contained in this book. But it must also be said that, in a sense, the book as published does not entirely do justice to itself. Along with the extensive revision has also come a considerable amount of repetition. A more thorough editing job would have made the book considerably shorter, hence more accessible to potential readers.

More's the pity, because this is an important book. As long as the attitudes and approaches it chronicles continue to exist in high places, the danger of a world-destroying conflict, stupidly entered into, persists. In reminding us of that danger, F.H. Knelman had done us all a service.

*Tom Sloan is an Ottawa freelance writer specializing in international affairs.*

## UN and UNA in the US

by King Gordon

*Issues before the 42nd General Assembly of the United Nations* edited by John Tessitore and Susan Woolfson. Toronto: D.C. Heath Canada Ltd. (a Lexington Book), 1987, 197 pages. \$20.95.

This annual publication of the United Nations Association of the United States was prepared to brief concerned internationalists, Non-Governmental Organizations, even delegates, on the issues to be considered and acted upon by the session of the United Nations General Assembly that opened in September 1987. The list of seventeen distinguished contributors confirms a reader's impression that what we have here is a fair and constructive approach to the main interrelated issues in the global system — political, military, economic and social, environmental — and the role played by some organ or agency of the United Nations in seeking solutions.

Two trends are visible: (1) while devastating violence and utter disregard of human values are evident in many areas — notably in the Gulf War, the Middle East, South Africa and Central America — there are strong indications of a lessening of East-West tension and even of a desire to cooperate in the interests of peace; (2) there are encouraging signs of increased United Nations initiative in the resolution of conflict, the promotion of human rights, and the battle against Third World poverty. Secretary General Pérez de Cuellar has embarked on several personal missions in efforts to resolve bitter disputes. And on a

## Book Reviews

number of occasions he has successfully enlisted the support of the five major powers to find the means for ending the brutal Gulf War and to lay the basis for a stable negotiated peace between the Palestinian people and Israel.

The United Nations program to cope with renewed famine in Africa and promote long-term African recovery has called forth popular support throughout the world. And one important feature of the program is that in many cases it has elicited people's support through NGOs in excess of their government's funding. The widespread political, economic and cultural crises throughout the world have resulted in the creation of thirteen million refugees. The immediate responsibility for meeting their urgent needs rests with the Office of the United Nations High Commissioner for Refugees assisted by hundreds of NGOs. But the ultimate solution of this tragic problem must be found in the establishment of a durable peace in a just world community. So also in the case of the major environmental perils induced by ignorance, the greedy thrust of high-tech industry, and the desperate need of the hungry poor. An important breakthrough in analysis and prescription has been made by the World Commission on Environment and Development chaired by Gro Harlem Brundtland, Prime Minister of Norway. But the solution rests with the peoples of the world and their governments acting in cooperation through appropriate international institutions.

Unstated but implied in this excellent report is the growing conviction that the protection and promotion of human values must be the central objective of political and economic systems. This is back of the rising prestige of the United Nations which has influenced the US Congress to partially reverse its decision to cut off support for the world organization and to reinstate drastic cuts in assessed contributions. It also lends further support to Willy Brandt's statement in the Introduction to this cogent report: "We see signs of a new awareness that mankind is becoming a single community."

---

*King Gordon is a retired United Nations public servant living in Ottawa, where he is Co-Chairman of The Group of 78.*

## British press examined

by Alan Frizzell

*The Media in British Politics* edited by Jean Seaton and Ben Pimlott. Brookfield, Vermont: Gower Publishing (original publisher Arvebury, Aldershot, England), 1987, 266 pages, US\$59.50.

During the last week of February the Chairman of the British Broadcasting Corporation, Mr. Marmaduke Hussey, delivered a blistering attack on, of all things, the BBC. A couple of days later the Home Office Minister, Mr. Timothy Renton, warned that if the print media did not soon exhibit a more responsible attitude, then the government was prepared to impose standards on them through legislation.

Given this environment of criticism where attacks on the media charge political bias, superficial reporting and downright lying, one might assume that any academic analysis of the media in British politics would be a useful aid in understanding the confusing world that is the UK media. Alas, this little volume is merely a compendium of unrelated media studies, and the conclusions drawn from them are insubstantial.

The editors suggest that there have been two analytic approaches to the study of the media in Britain. One adopts the liberal model and sees the media as a necessary part of the democratic process, whose independence from government is indispensable to the provision of an adequate check on arbitrary government. The other is a critical view that considers the media as servants of established political power. Elements of both these theoretical dimensions are evident in the studies, but there is no logic to their presentation. Though there is an interesting analysis of the Lobby system and an absorbing account of one journalist's difficulties with Rupert Murdoch's *Times*, the Canadian reader — or a British reader for that matter — would gain no better comprehension of the political impact of the British media.

The topics studied cover the effects of the media on leadership, social class and voting; media coverage of the holocaust, Northern Ireland and the rebellion in the Sultanate of Oman (1965-75); the lack of left wing policies on media reform and the implications of technological change.

The conclusions from this analytic smorgasbord are less than satisfactory.

Most of the contributors agree that with the decline in importance of social agencies such as the family, church and community, the relative influence of the media has increased. They are, however, unsure what the effects of this are, and resort to that refuge of academic obfuscation — advocating further study and more precise models.

---

*Alan Frizzell is Professor of Journalism at Carleton University in Ottawa.*

## Diplomat in training

by Brian Meredith

*My Grandfather's House: Scenes of Childhood and Youth* by Charles Ritchie. Toronto: Macmillan of Canada, 1987, 167 pages, \$19.95.

As the title emphasizes, this is a highly personal and self-revealing little book, a worthy addition to the several that already stand to Charles Ritchie's credit, that earned him a Governor General's Award and a devoted readership. It sets the scene for those books and confirms his reputation as a wit, a man of highly entertaining letters and as an able diplomat. To this reviewer he recalls the diplomatic writing fifty or more years ago of Axel Munthe in the *Story of San Micheli* and of Lord Frederick Hamilton's accounts of life in Government House in Ottawa long before that in *The Days before Yesterday*. In terms of today Charles Ritchie ranks with Sir Charles Colville in his diary, *Fringes of Power*.

As a Canadian observer of events during and since World War II he emerges from his recollection of his Grandfather's House and of the generation that lived there and gives the reader glimpses of the Nova Scotian environment that produced him as well as a clue to the perspective that enlivens the several characters that people his pages. Ritchie has rescued them from the oblivion in which they would otherwise have remained. It is thus a social document of his ilk and time, and praise be that he is still with us, enviably well-preserved and bemused as ever. This latest book is a must for those seeking a knowledge of the Canadian presence abroad as established by External Affairs during that crucial early period.

---

*Brian Meredith is a retired international public servant living in Ottawa.*

## The events of February and March 1988

### CONTENTS

#### Bilateral Relations

USA	32
Other countries (alphabetically)	33

#### Multilateral Relations

Commonwealth	38
EC	39
Exchange Rate	39
GATT	39
ICAO	39
Iran-Iraq War	40
NATO	40
Trade Negotiations	41
UN	41

#### Policy

Acid Rain	43
Aid	43
Arctic	44
Defence	44
Genocide	45
Human Rights	45
Immigration	46
Refugees	46
War Crimes	47

#### For the Record

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

Relations between Canada and the United States during the February-March period were dominated by trade issues and continued dissatisfaction over lack of action to control acid rain. The period was highlighted by Prime Minister Mulroney's address to the Americas Society in New York on March 28, where he was awarded the Gold Insigne of the Pan American Society for outstanding contributions toward strengthening relations among western hemisphere nations. Mr. Mulroney was the first Canadian to receive the award.

### **Acid Rain**

With no positive signs of a pact on acid rain control between Ottawa and Washington, Prime Minister Brian Mulroney took his campaign to a New York business audience. He told The Americas Society that "The obligation of neighborhood also includes the stewardship of our natural environment. The boundary between us is political but the environment pays it no notice. On no issue is this clearer than acid rain." After providing evidence of damage to lakes, forests and agricultural land, he added, "We cannot solve this problem by ourselves because 50 per cent of all acid rain falling on Canada today comes directly from the United States. You are a major part of our problem and a vital part of the solution" (Office of the Prime Minister, *Notes for an Address*, March 28). The *Financial Post* on March 29 recalled that last year in Ottawa, President Reagan had promised to consider a bilateral agreement to cut acid rain emissions but negotiations had gone nowhere. While in New York, Mr. Mulroney, told Public Broadcasting Service's *MacNeil-Lehrer Newshour* that continued US inaction over acid rain will "react negatively on our relationship."

### **Free Trade Agreement**

Referring to the Canada-US Free Trade Agreement as "a dream as old as the century...a dream that is now within

our grasp," Mr. Mulroney promised his audience at the Americas Society that Canada intended to move the Agreement through Parliament as a matter of priority. Observing that the two countries "have built the largest trading relationship in history — and two of the most prosperous economies anywhere in the world," the Prime Minister hoped that the Free Trade Agreement would be strongly endorsed on both sides and that "leadership and confidence shall prevail over protectionism and fear" (Office of the Prime Minister, *Notes for an Address*, March 28). US Senate Finance Committee Chairman Lloyd Bensten announced on March 17 during the Committee's first public hearings on the free trade agreement that the US Senate had set a short two-and-a-half-month timetable for drafting the implementing legislation for the Canada-US free trade pact (*Financial Post*, March 18). On the same day the *Globe & Mail* predicted that the Canadian government planned to introduce legislation in mid-April to implement the trade agreement. Trade critics of both opposition parties in the Commons raised questions concerning provincial jurisdiction on matters regarding trade in view of impending constitutional challenges from Ontario and Manitoba. International Trade Minister Pat Carney stated that the federal government had consulted throughout with the provinces on the free trade agreement...in the order of eighteen meetings of the committee of officials and about a dozen First Ministers' meetings on the issue." The Minister repeated what the Prime Minister had earlier told the House that "Canada, the federal government, has the constitutional right to sign and to negotiate international treaties" (*Hansard*, February 26).

### **Film Policy**

There was continued concern in Canada about the adverse impact of the Free Trade Agreement on cultural industries. One of those areas was film policy. *The Gazette* (Montreal) wrote on February 15 that the real ending of the story had yet to be written because Ottawa had not even introduced legislation to bring in the new rules which would

allow the big US studios to maintain their Canadian distribution outlets for their own films or for any film for which they hold world rights but which would bar them from distributing other films, such as those made by independent producers. A group of US Senators led by Alan Cranston of California were reported to be angry about Canadian plans to impose a quota system on the distribution of foreign films in Canada and wanted the implementing language for the free trade agreement to spell out Washington's right to retaliate against laws that might impede the production, sale or distribution of films, television programs or video recordings (*The Globe & Mail*, March 24).

### **Textiles**

The American Textile Manufacturers Institute, a powerful lobby group, threatened to fight the proposed free trade agreement if Canada set up a duty-remission program which would refund a portion of the duties or tariffs now charged on imported fabrics (*The Gazette* [Montreal], February 18). According to *The Financial Times* on February 15 this would give Canadian garment makers tariff-free access to overseas materials. The paper reported that President Reagan was taking the textile caucus's concerns seriously. Minister of Finance Michael Wilson presented what he called a "balanced package of support" for the textile industry on March 22. He said the package included "five programs of duty remission; some immediate tariff reduction, which will help the competitive position of the clothing industry; and third, a reference to the new trade tribunal which will address the question of further declines in tariffs" (*Hansard*, March 22).

### **Energy**

*The Financial Post* reported on March 12 that Alberta gas exporters were poised to take advantage of the Canada-US free trade deal but faced the serious problem of shortage of pipeline capacity to transport Canadian gas to growing US markets. Canadian gas exports to the US were expected to reach 1.1 trillion cubic feet this year. Sales were 920 billion cubic feet last year and 765 bcf in 1986. Canadian market share in the US was expected to nudge 7 percent this year, up from 4.6 percent two years ago. A hearing in Calgary of the National Energy Board was told by a consultant representing the Ontario Ministry of Energy that Canadian consumers could be forced to pay higher prices for lower-quality gas by the turn of the century if the 23-year contract for large volumes of Alberta gas to California was approved. Canadian gas producers, however, were eager to see the sale approved by the National Energy Board for it would have signalled a new era of relaxed export controls. According to D'Arcy McGee, energy counsellor for the Canadian Embassy in Washington, speedy passage of the free trade agreement was being blocked by several special interest groups, including vocal independent natural gas producers angered by the increasing Canadian exports of oil and gas who had urged Congress to ensure that any Canadian drilling subsidies or tax advantages were matched in the US before the free trade agreement was approved (*Globe & Mail*, March 29).

## **Afghanistan**

Canada welcomed the announcement on April 8 by the United Nations Secretary General that an agreement had been reached that day for the withdrawal of Soviet troops from Afghanistan. External Affairs Minister Joe Clark expressed concern that the Geneva negotiations did not include a ceasefire agreement or provide for the termination of arms supplies. The agreement was also deficient for not having agreed on the establishment of a government in Afghanistan which was acceptable to the Mujahideen, but Mr. Clark, however, noted that the outcome of the Geneva agreement was only the first stage in creating conditions that would bring genuine peace to the long-suffering people of Afghanistan and allow for the return of the millions of refugees to their homes. Canada, which was providing more than \$20 million a year to assist Afghan refugees in Pakistan, was considering providing further financial support and assistance to the United Nations in its efforts to bring peace to Afghanistan and help alleviate the misery of millions of displaced persons (External Affairs News Release, April 8).

## **Austria**

### ***President Waldheim***

There was considerable reaction to Kurt Waldheim's decision to stay on as President of Austria in response to release of a report by six historians, the *Globe & Mail's* correspondent in Austria reported on February 24 that the historians had managed to do no more than trace Waldheim's activities through the war and concluded that he must have known about war crimes. According to the correspondent the historians blamed Waldheim for doing nothing to prevent war crimes, but found no "smoking gun." Mr. Waldheim was quoted as having protested that "knowledge cannot be considered a crime....Otherwise, the whole generation would have to be found guilty."

The *Ottawa Citizen* in its editorial on February 11, stated that the Austrian government-appointed commission, though it "did not state that Waldheim was a Nazi war criminal," had found him guilty of moral cowardice, deception and collaboration with those who sent thousands to their deaths in the Balkans. It concluded, "the longer he remains, the more damage he does to Austria's reputation." But the *Calgary Sun* on February 16 sympathized with Mr. Waldheim's dilemma, stating that "If he resigns because he is concerned about the division in his country, it will be taken as an admission of guilt. If he doesn't resign, he will continue to be vilified." It added that at this point, without adequate evidence against him, Waldheim should have been regarded "as a victim, not a criminal." The *Edmonton Sun* on February 18, called on Waldheim to "do himself and the country a favor and quit....Clearly he's learned nothing in forty years."

## Ethiopia

External Relations Minister Monique Landry announced plans to visit Ethiopia and Mali from February 13 to 20. During her 4-day visit to Ethiopia, the Minister was to meet with Ethiopian officials to express Canada's concern over the present famine situation, to discuss relief efforts, and to review bilateral relations including plans for long-term development assistance. As of February 1, 1988, Canadian assistance to Ethiopia for 1987-88 had reached approximately \$60 million (External Affairs News Release February 11). Mrs. Landry was lauded by an editorial in the *London Free Press* on February 24 for expressing concern in Addis Ababa about continued reports of brutality in the Ethiopian government's forced resettlement program.

But in reporting to the Commons on her trip to Africa, the External Relations Minister said that "The rationale for Ethiopia's resettlement program, whatever the political motives, was undeniably visible and plain as day; brown dust in the north, green land in the south." But Howard McCurdy (NDP, Windsor—Walkerville) called the Ethiopian government's population displacement program "clumsy and dictatorial." He added that the "intentions are far more political than humanitarian" and the residents of the North were being forced to move to more southerly regions which were not ready to accept them. The External Relations Minister stated that "Ethiopia's official policy, in the resumed program, was for voluntary resettlement only" (*Hansard*, February 23).

Meanwhile Canadians were having a hard time believing there was another famine in Ethiopia, according to Oxfam Canada. Susan Watkins, the organization's project development officer in the Ethiopian provinces of Eritrea and Tigre, was in Halifax to launch a public awareness and fund-raising campaign. Ms. Watkins said the government of Ethiopia spent more than half its budget on the military and only 5 percent on agriculture and concluded there had to be a change in priorities (*Daily News*, Halifax, February 15).

## France

According to a report from Paris in the *Financial Post* on March 11, France and Canada were planning to resume negotiations to resolve their long-standing dispute over fishing rights in the waters around the French islands of St. Pierre-Miquelon off Newfoundland. By refusing to grant any fishing quotas for 1988 to the French, Canada apparently forced France back to the bargaining table. Canada's chief negotiator told reporters in Ottawa that the move to resume talks was a breakthrough following a meeting between Canadian Ambassador Lucien Bouchard and French Foreign Minister Jean-Bernard Raimond. Talks had broken off October 9 when France walked out. In retaliation, Canada refused to grant any quotas for this year. *The Gazette* (Montreal) on March 11 reported that the government of France had declared the archipelago of St. Pierre-Miquelon a disaster area because of the economic crisis

there resulting from Canada's banning of French fishermen from its waters. The French government announced plans to financially assist the fishermen and thereby the 6,000 French islanders. In its editorial on February 10, the *Chronicle-Herald* [Halifax] reported that according to French sources on the islands, trawlers were now returning to port with near-empty holds. Either the cod stock in the disputed zone had been badly depleted by the chronic overfishing by French vessels, or the "fishing cycle" had hit a sudden low. The editorial concluded that "despite the sympathy we must feel for the residents of St. Pierre and Miquelon, France itself is to blame for the current impasse."

Traditional French fishing rights in the Gulf of St. Lawrence lapsed in 1986, but another clause in the bilateral fishing agreement of 1972 promised the French access elsewhere in Canada's economic zone. The two sides remained far apart on the quotas issue. The French were demanding 20,000 tons a year until 1992. Canada was holding to the limits it offered in January 1987 of 3,500 tons for St. Pierre-Miquelon vessels and another 3,200 tons in inhospitable waters off northern Newfoundland for vessels from mainland France. Without satisfactory quotas France refused to agree to third-party resolution of the maritime boundary dispute. Against France's 200-nautical-mile claim surrounding St. Pierre-Miquelon, Canada was proposing twelve miles of territorial waters, with perhaps a further twelve miles of economic zone (Fisheries and Oceans News Release, February 25).

## Haiti

An all-party delegation of five Members of Parliament visited Haiti for six days in mid-March. Howard McCurdy (NDP, Windsor—Walkerville) was quoted in the *Windsor Star* on March 21 as saying that millions of dollars in Canadian aid to poverty-ridden Haiti was getting through, but not all of it was being used effectively. He suggested that Canada needs to organize better how the money was being spent. McCurdy voiced support for continuing Canada's policy of not allowing the Haitian government to control any of the aid money. A report on the visit was to be released by mid-April. Prime Minister Mulroney speaking to The Americas Society in New York on March 28 stated that "Nowhere has the yearning for democracy been greater than in Haiti. Nowhere has it been more cynically thwarted.... We have pressed and will continue to press the Haitian authorities firmly and directly to develop genuine democratic institutions" (Office of the Prime Minister, *Notes for an Address*, March 28).

## India

### Sikhs

A letter sent in December by External Affairs Minister Joe Clark advising seven provincial premiers with sizeable Sikh populations (all but Newfoundland, Prince Edward Island and New Brunswick) to avoid attending activities organized by three Canadian Sikh organizations, was leaked to the media. The three organizations mentioned were

Babbar Khalsa, International Sikh Youth Federation, and the World Sikh Organization. Mr. Clark's letter quoted in the *Globe & Mail* on February 25, stated that the Government of India had "taken particular exception" when elected Canadian officials had attended functions sponsored by these organizations. He added, "I would appreciate your cooperation in avoiding events and activities which could be perceived as supporting the Sikh organizations...or their objective in the creation of an independent Sikh state." The reaction from the federal Liberal caucus was swift when it designated its opposition day on March 10 for the discussion of this issue in the House of Commons. Don Getty of Alberta was the first premier in Canada "to come out categorically against the Clark letter" according to the *Edmonton Journal* on March 12, and added that he would continue to associate with Albertans who belonged to these controversial organizations. Meanwhile, the *Toronto Star* on March 21, reported that seven Liberal MLAs and two federal Liberal MPs from Metro Toronto had attended and spoken at a Sikh convention in Mississauga in defiance of Clark's advice.

The *Globe & Mail* editorial on February 26 noted a parallel when, to Ottawa's chagrin, France had welcomed and honored René Lévesque as head of a party committed to Quebec's sovereignty. The editorial observed that "Freedom of speech in Canada protects those who express their belief in an independent Khalistan; but elected officials, public representatives in a country that claims India as a friend, should dodge attempts to have them lend legitimacy to that belief." A *Windsor Star* editorial entitled, "Joe Clark speaking for Gandhi?" on February 26 advised "It is not fitting for External Affairs Minister Joe Clark to take on the role of unofficial lobbyist for the Indian government....Any Sikh who breaks the law will be tried and, if found guilty, punished as any other Canadian lawbreaker. It is uncharacteristic of our system of justice to blame an entire ethnic or religious community for whatever mistakes or crimes may be committed, or we might assume to have been committed, by some of its members." The *Province* (Vancouver) on February 26 in its editorial "Clark errand boy for Indian government?" observed that "Clark may have legitimate reasons for acting so publicly as India's messenger boy. But he cites nothing other than its displeasure. That's simply not good enough. In fact, if that's all there is to it, it's downright embarrassing to have Clark doing India's lobbying for it."

## Israel

### Parliamentary Visit

Two parliamentary delegations visited the Middle East during the 1-week recess in the second week of February. One delegation was made up of seven members of the Standing Committee of the Commons on External Affairs and International Trade. The other delegation of the Canada Arab-World Parliamentary Association (CAWPA) included six members from all three political parties and both Houses of Parliament. Both delegations visited Israel and the Occupied Territories, Jordan and Egypt. The CAWPA delegation also visited Tunisia.

In an interview with the Jerusalem-based correspondent of the *Globe & Mail*, the External Affairs Committee Chairman, William Winegard, said Committee members told Israeli Prime Minister Yitzhak Shamir that they were speaking for the vast majority of Canadians when they said that they were distressed by what they had seen and that recent human rights violations in the occupied territories were unacceptable. They also voiced Canada's opposition to the building of civilian settlements on the West Bank and Gaza. The Canadian External Affairs Committee members spoke of the need to convene an international peace conference on the Middle East and of Canada's support for the basic principle of exchanging land for peace (*Globe & Mail*, February 19). Mr. Winegard was reported to have observed that while Israeli Foreign Minister Shimon Perez supported the concept of an international conference or an "opening conference," the Committee was concerned that Shamir "appeared to be rejecting an international conference" (*Toronto Star*, February 20).

*Toronto Star's* Jerusalem correspondent wrote that the Canada Arab-World Parliamentary Association delegation of four members of the House of Commons and two Senators visited the Jabaliya camp, the biggest in Gaza with 52,000 inhabitants, and spoke to youngsters who said they were victims of brutality at the hands of Israeli armed forces. George Van Roggen, also Chairman of the Senate Foreign Affairs Committee, was reported to have spoken to a 20-year-old who had had his arm broken as he was leaving a mosque and who claimed he had never thrown stones at anyone; but upon leaving the hospital, he would now do so (*Toronto Star*, February 16). Mr. Winegard summed up the Committee's visit this way, according to the *Globe & Mail* of February 18: "Of all the regimes in the world, of all the states that might understand repression and occupation, you would expect that to be Israel....And here we see our friends taking actions that are simply unacceptable to Canadians."

### Canada-Israel Committee

External Affairs Minister Joe Clark's remarks to about 450 people at the Chateau Laurier Hotel in Ottawa provoked a walkout by some and set off a noisy demonstration outside the ballroom. Mr. Clark was the guest speaker at the annual conference of the Canada-Israel Committee. In his speech he noted that "Human rights violations such as we have witnessed in the West Bank and Gaza in these past agonizing weeks are totally unacceptable, and in many cases are illegal under international law. The use of live ammunition to restore civilian order, the withholding of food supplies to control and collectively penalize civilian populations, the use of tear gas to intimidate families in their homes, of beatings to maim so as to neutralize youngsters and preempt further demonstrations, have all been witnessed these past months." Mr. Clark also observed that "A blunt truth that has emerged starkly from recent events is that Israel's chief adversary and challenge is the Palestinians, not her Arab neighbors." He expressed support for the right of Israel to exist within secure and recognized boundaries and the profound desire of Canadians that the human rights of Palestinians be respected (*External Affairs Statement*, March 10). The following day, Mr.

Clark wrote to Sidney Spivak, Chairman of the Canada-Israel Committee. The letter said, in part, "Yesterday in your remarks you implied that I had ascribed responsibility to one side only. I refer to my text...I do not for a moment mean to suggest that blame is to be found on one side only....The cycle of violence must be broken on both sides.' Given Canada's unwavering support for Israel, and my own personal and long-standing support, I would regret any misconstruction of my remarks or my position." Prime Minister Brian Mulroney responded in writing on March 22 to the executive vice president of B'Nai Brith Canada, who had written expressing concern with regard to Mr. Clark's speech. Mr. Mulroney wrote, "Canadian policy towards Israel is clear, consistent and unchanged: Israel is our friend." The letter also called for an end to violence and "direct negotiations between the parties" (Office of the Prime Minister *Release*, March 22).

The *Calgary Herald* editorial on March 12 said that External Affairs Minister Joe Clark showed remarkable personal courage by telling a pro-Israel audience, bluntly and to their faces, that Israel's recent behavior in dealing with unrest among Palestinians was "reprehensible." Most other editorials and columns reflected this view. The *Winnipeg Free Press* on March 13 observed that Liberal leader John Turner dealt with the problem by avoiding frankness. He had chosen to sidestep the issue that had been front and center in the preoccupation of all Canadians: the violence that had been going on in the territories occupied militarily since June 1967. According to the editorial, NDP leader Ed Broadbent had chosen to be frank. He had expressed support for Palestinian self-determination and given his party's views on the disturbances. Those views were unpopular so he was booed. Finally, it stated that Mr. Clark too had opted for frankness. Not only was he booed, but a group of those attending had staged a noisy walk-out, temporarily halting proceedings. It concluded, "There is no monolithic view on who is at fault or what should be done. There should be agreement to give opposing views a hearing." The *Times-Transcript* of Moncton on March 15 wrote that Canada still supported Israel and its right to exist behind secure boundaries. Occasional disapproval could surely be voiced without jeopardizing that friendship and support.

## Japan

### **British Columbia**

Talks aimed at ending a dispute over a Japanese import tax levied on BC lumber failed, according to BC Economic Development Minister Grace McCarthy who had returned from a 17-day trip to Japan, Hong Kong and South Korea. The Minister indicated that the matter might be brought before an international trade tribunal for settlement. In an interview with the *Vancouver Sun* published on March 9, Mrs. McCarthy said she was "disappointed" that Japan refused to drop the 8 percent tax on BC spruce, pine and fir. Ken McKeen, general manager of lumber products with the Council of Forest Industries, told *The Sun* that provincial sales to Japan of spruce, pine and fir lum-

ber topped \$84 million in 1987. He added that, of the 40,000 houses built in Japan with imported lumber in 1987, 70 percent of the lumber was supplied by BC.

### **Ontario**

Ontario's Agriculture Minister, Jack Riddell, told a news conference in Tokyo that the province could increase farm exports to Japan by 25 percent this year to \$100 million. The minister, on an export promotion tour of Japan, Hong Kong and South Korea, said Ontario farmers had sold \$80 million worth of agricultural products in Japan last year, up 23 percent from 1986 (*Globe & Mail*, March 10).

## Korea

Hyundai Motor Company of South Korea was cleared of charges that it had been hurting Canadian auto producers by dumping cars in Canada. The 3-man Canadian Import Tribunal handed down a unanimous decision that Hyundai's pricing policies did not injure Canadian producers, namely complainants General Motors of Canada Ltd. and Ford Motor Company of Canada Ltd. The tribunal did not dispute Revenue Canada's ruling last month that Hyundai had been dumping, or selling its products more cheaply in Canada than in South Korea. But the panel said it found the dumping "has not caused, is not causing and is not likely to cause material injury to the production in Canada of like goods" (*Globe & Mail*, March 24).

## Libya

Stories resurfaced almost a year later about the circumstances surrounding the death in Libya of an Ottawa man, Christopher Halens, 31, librarian for Southam News in Ottawa. His body was found at the foot of his Tripoli hotel last April 14. He had been attending a conference to mark the anniversary of an American bombing raid. While the official Libyan report called it suicide, others claim he was murdered. The RCMP decided there was insufficient cause to suspect foul play and the Department of External Affairs considers the case closed. According to a report in the *Ottawa Citizen* on February 27, Inspector George Timko of the RCMP conceded that the Mounties had never seen important documentary evidence, including the Libyan police report, official photographs, transcripts of witnesses' statements and the lab report. He said they got only a summary of the autopsy report, translated from Arabic by External Affairs. The CBC's *Fifth Estate* conducted its own investigation and televised a documentary on March 1.

## Mexico

### **Minister's Visit**

External Affairs announced that Mexican Foreign Minister Bernardo Sepulveda Amor, accompanied by Mrs. Sepulveda, would make an official visit to Ottawa on March 28 and 29. Mr. Sepulveda's consultations with his

Canadian counterpart, Joe Clark, were to cover "a range of bilateral and multilateral issues of mutual interest, including trade relations between the two countries; debt and the situation in Central America" (External Affairs *News Release*, March 25). In his speech at the dinner hosting the Mexican Minister, External Affairs Minister Joe Clark said the evening's guest "has helped to shape my focus on the region." Mr. Clark noted that rich and deep ties had developed with Mexico since the establishment of formal diplomatic relations between the two countries forty-four years ago. He indicated that some 160 Canadian companies had established joint ventures in Mexico and Canadian exports to Mexico had increased more rapidly in 1987 than to any other country in the region thereby making the 2-way trade at \$1.7 billion Canada's largest with any Latin American country (External Affairs *Statement*, March 31).

## Mozambique

"Agriculture has come to a standstill in the former Portuguese colony on the Indian Ocean as a fearful combination of civil war, brigandage and government ineffectiveness has paralysed the country" according to Southam's Harare-based correspondent's report in the *Ottawa Citizen* on March 19. The situation in Mozambique was described to be worse than Angola, Ethiopia, Somalia or Chad.

Liberal Party's external affairs spokesman, André Ouellet, expressed concern in the Commons about inadequate response to the famine in Mozambique in spite of the bilateral Canada-Mozambique assistance program and increased funding for Southern Africa Coordinating Conference. Secretary of State for External Affairs Joe Clark, said he was aware of the grave situation for he visited the area last August. He added that Canada was prepared to consider any means likely to help provide assistance as soon as possible (*Hansard*, March 25).

## Senegal

### Detention

Concerns about the safety and security of Maïre Wade, the leading opposition candidate in the presidential election and head of the Democratic Party of Senegal, were raised by Senators Jerry Grafstein and Lorna Marsden. Mr. Wade had earlier attended a meeting in Ottawa with the two Senators and raised concerns about the democratic practices of the government of his country (*Debates of the Senate*, March 1). In a 2-page answer the Deputy Leader of the Government in the Senate, William Doody, assured his colleagues that "the safety of Maïre Wade does not seem to be at stake." Senator Doody added that Mr. Wade and twelve other persons had been formally charged for their alleged involvement in violent demonstrations following the announcement of the results of the presidential and legislative elections on February 28. The matter was now before the court though no date had been set for the hearings (*Debates of the Senate*, March 24).

## South Africa

On February 24, in a News Release, External Affairs Minister Joe Clark "strongly condemned the South African Government's imposition of draconian new restrictions on political activities" of certain groups and added that "the restrictions will further limit peaceful, legal activities in opposition to a system of institutionalized racism which is unacceptable to most South Africans and to the international community." The Minister was responding to the South African government's action against leaders of seventeen anti-apartheid organizations. They were banned from addressing more than ten people without written permission from the police, and forbidden to take part in any interview with a journalist or to contribute "in any manner whatsoever" to any publication. The *Globe & Mail* reported on February 25 that the country's largest trade union federation, the Congress of South African Trade Unions, had been prohibited from taking part in any political activities, including calling for sanctions or for the release of imprisoned members. The *Toronto Star* on February 27 wondered what Pretoria hoped to gain from this latest "exercise in insanity" because previous rules banning the televising of violence in South Africa had not ended the unrest. The *Edmonton Journal* warned on February 26 that the government had set the stage for racially based civil war, while *The Gazette* (Montreal) on February 25 questioned why the South African government was banning activities of organizations such as the United Democratic Front, which had consistently supported non-violent measures. The latest gag, according to the *Toronto Sun* on March 1, was designed to make President Botha and his Pretoria government look strong in the eyes of the voters in two byelections to be held in the Transvaal.

Secretary of State for External Affairs Joe Clark made a statement in the House of Commons on March 2 on the situation in South Africa. In view of recent actions of the South African government, he said, "Pretoria seems intent on closing the door to peaceful change. Its actions invite violence because they leave nothing else." On diplomatic relations Mr. Clark said the choice was basic. "Do we walk away in disgust or do we try to use and build our influence despite our profound disappointment? The powerful temptation is to walk away." But he added, "Maintaining an embassy in that country is effectively the only way in which we can continue to know what is really going on."

On trade, Mr. Clark pointed out that "since Canada's trade with South Africa is less than 1 percent of South Africa's total trade, our action is more effective when it is in concert with or as catalyst to actions by nations whose economic impact is greater." The Liberal opposition's External Affairs critic, André Ouellet (Papineau) observed that "the Botha Government will not be influenced by kid-glove diplomacy" and claimed that "the Pretoria Government had made a declaration of war on peace, justice and human rights. We are now, more than ever, in a position to cut our relations there." The New Democratic Party's External Affairs Critic, Bill Blaikie, stated that the measured tone of the External Affairs Minister and the lack of new initiatives did not do justice to the fundamental objections



## European Community

The European Community's (EC) Commissioner for External Relations and Trade Policy, Mr. Willy de Clercq, was to be in Ottawa for a 1-day visit on April 19 and hold talks with Ministers Crosbie, Wilson, Oberle and Mayer. The talks were to focus on a range of issues including the state of the Canada-EC trade relationship, agricultural trade developments and their implications for both bilateral relations and the Multilateral Trade Negotiations, and the Canada-US Free Trade Agreement. The status of several Canada-EC disputes was also to be reviewed (External Affairs News Release, April 18). The Canada-EC trade and investment relationship is Canada's second largest after that with the United States. With the favorable currency realignments since the end of 1985, Canada's exports to the EC have experienced a marked increase to the point where the EC is now Canada's fastest growing major export market (External Affairs News Release, April 15). Dissatisfaction over the EC's trade policies was expressed by Canada's Grains and Oilseeds Minister Charles Mayer who told the EC Commissioner during their meeting that the European Community's policies of high subsidies and protectionism were severely damaging Canadian farmers. "The Community's aggressive tactics are hitting Canadian farmers hard and I made that very clear to Mr. De Clercq," Mr. Mayer said following the meeting. He added, "Competition on the world market is getting more and more unfair and EC export subsidies are the main culprit. Their level of subsidies is outrageous!" Minister Mayer cautioned that "The EC should be more sensitive to the fact that they run a substantial trade surplus of about \$4 billion with Canada. We want to compete in their market under a fair set of rules" (Minister of State for Grains and Oilseeds, *Information*, April 20).

## Exchange Rate

The dollar was worth \$US.771 at the beginning of February and \$US.797 at the end of March.

## General Agreement on Tariffs and Trade

Two complaints against Canada were brought to the international trade panel of the General Agreement on Tariffs and Trade (GATT)—one by the United States dealing with fish processing on the west coast and the other by the European Community dealing with liquor policies. Canada decided to abide by both adverse rulings and take appropriate measures to remedy the situations. In so doing International Trade Minister, Pat Carney, told the House of Commons, "Canada expects other countries to live by the GATT rules, but we cannot do so unless we are also prepared to respect these rules ourselves" (*Hansard*, March 21).

## Fish

In order to protect fish processing jobs, the Federal government requires that herring and salmon be processed in Canada before shipment abroad. The General Agreement and Tariffs Agreement (GATT) declared in November 1987 that this practice violated international trade rules. The complaint to GATT was made by the United States. Alaskan fish processors were upset that Canadians were buying Alaskan fish and then taking it back to British Columbia to be processed. In December, International Trade Minister Pat Carney had promised to negotiate and settle the dispute but nothing had materialized. The United Fishermen and Allied Workers Union said upto 7,500 jobs were at stake because of this ruling (*Globe & Mail*, February 26).

## Liquor

GATT had ruled late last year that Canadian provinces were discriminating against foreign producers by protecting domestic wineries, beer brewers and distillers of liquor spirits. The preliminary panel ruling on the dispute with the European Community tabled at the full GATT council meeting on February 2 pointed to protectionist measures including larger price markups on foreign liquor and wine, limited listing of imports and laws requiring beer to be brewed in each province. The dispute with the European Community also had implications for the free trade agreement with the US, in which Ottawa agreed to eliminate discriminatory provincial price markups on US wines over a 7-year period. As the GATT ruling applied to provincial governments, there was the constitutional question about the federal government's ability to force the provinces to comply (*Globe & Mail*, February 18). Although GATT has no power to force compliance with its decisions, the international trade body could sanction retaliatory measures by the European Community against any imports from Canada if Canada chose not to implement the GATT panel decision (*Globe & Mail*, February 27). In British Columbia, where Canadian wine is marked up by 50 percent and foreign imports by at least 110 percent, the wine producers and grape growers were not as yet writing their industry's obituary but were harried by the dispute, according to the *Vancouver Sun* on February 2. The President of the Canadian Wine Industry, Jan Wescott, was reported in the *Financial Post* on March 18 as having told a news conference that "There had to be some muscle behind our trade diplomacy." He further charged that the Europeans were pouring billions of dollars into their wine industry in the form of subsidies, creating vast surpluses that were disrupting international markets. If the Europeans continued to spurn offers for consultations, Ottawa should retaliate by raising the import duty on wine.

## ICAO

A diplomatic conference was held at the headquarters of the International Civil Aviation Organization (ICAO) in Montreal from February 9 to 24. The conference was the result of a Canadian proposal, adopted by the 26th As-

sembly of ICAO in September 1986, to develop a new legal instrument designed to eliminate safe havens for perpetrators of unlawful acts of violence at airports serving international civil aviation (External Affairs, *News Release*, February 8). In her remarks at the conference, Minister of State for Transport Monique Vézina stressed the shared conviction of all that international terrorism "can be neither excused nor tolerated; it must be fought." She added that all present would spare no effort to further protect civil aviation from this plague (External Affairs *News Release*, February 9). The diplomatic conference, at which eighty-one states were represented, adopted on February 24 the protocol proposed by Canada for the suppression of unlawful acts of violence at international airports. There was until then no international legal regime for dealing with the prosecution and punishment of the perpetrators of these attacks. However, such an international regime already existed for attacks against aircraft and was embodied in The Hague and Montreal Conventions, which sought to ensure that those who were responsible did not go unpunished, particularly by escaping from the territory of the state where the attack had been carried out. These Conventions oblige a state where an alleged offender was found to submit the case to its competent authorities for the purpose of prosecution, or to extradite him to another state with jurisdiction over the offence. The Canadian proposal, therefore, sought to extend this "extradite or prosecute" regime to include unlawful acts of violence at airports, thus complementing The Hague-Montreal system (External Affairs *News Release, Briefing Notes*, February 24).

## Iran-Iraq War

The use of chemical weapons against civilians in northern Iraq was condemned by Secretary of State for External Affairs Joe Clark. He added that Canada had asked the Secretary General of the United Nations to immediately send experts to inquire into the circumstances in which this tragedy occurred. Canada urged all parties to the 1925 Geneva Protocol banning chemical weapons — including Iraq and Iran — to abide by their legal obligations. The Department of External Affairs had summoned the Ambassador of Iraq to convey the foregoing and also communicated it to the Government of Iran (External Affairs *News Release*, March 25.)

External affairs critics of both opposition parties in the House of Commons raised the issue of the use of chemical weapons in the Iran-Iraq war. André Ouellet, (Lib., Papineau) asked foreign minister Joe Clark whether a note of protest had been sent to Iraq concerning its use of chemical weapons and what actions had been taken to bring the matter before the UN Security Council. Mr. Clark responded that the Iraqi ambassador had been called and "serious concern and disapproval" had been expressed with respect "to the use of chemical weapons by Iraq." The New Democratic Party's external affairs critic, Bill Blaikie, suggested that Canada consider the possibility of "a total arms embargo on both Iran and Iraq" in order "to suffo-

cate the ability of these two countries to wage the kind of war they are waging on each other." The External Affairs Minister responded that Canada was seeking more unanimity by more countries to find a settlement and accepted Mr. Blaikie's challenge to become "a prominent agent in awakening the world to the need for an end to this conflict" (*Hansard*, March 25).

## NATO

Prime Minister Brian Mulroney arrived in Lahr, West Germany, on March 1 to inspect Canada's North Atlantic Treaty Organization (NATO) forces on his way to attend the 2-day first full-scale meeting in six years of the sixteen leaders of NATO in Brussels. At issue, the *Toronto Sun* reported on March 1, was the US-Soviet treaty abolishing intermediate-range nuclear missiles, and the possibility the superpowers would agree in May to cuts in intercontinental ballistic missiles. According to the the same newspaper, Canadian officials had stated that Mulroney was to press the allies to work out a common position for conventional arms reduction. The *Financial Post* reported on March 3 that the leaders of NATO were delaying a decision to modernize short-range nuclear weapons until future arms talks established whether the move was necessary. In the final communiqué issued on March 2, NATO leaders set out an agenda for arms control and a strategy for achieving: (1) A 50 percent cut in long-range nuclear weapons. (2) A stable and secure alignment of conventional forces in Europe, preferably at lower levels. (3) The elimination of of chemical weapons. (4) Reductions in shorter-range, land-based nuclear systems (*Financial Post*, March 3). The *Toronto Star* on March 4 took issue with Prime Minister Mulroney's statement in Brussels that "Far from weakening in terms of our commitment to Europe and to NATO, we're determined to reinforce our efforts here." The editorial concluded that when Canada already committed ten cents out of every defence dollar to European defence and maintained 7,000 troops in West Germany at \$1.2 billion a year, it was no time to commit more troops to Europe. It proposed that Canada instead play a more active role in the defence of our Arctic. Furthermore, now that the superpowers had signed a major treaty freeing Europe from the threat of intermediate nuclear missiles, many thoughtful people on both sides of the Atlantic were questioning how long US and Canadian troops should be stationed in Europe, the *Toronto Star* editorial observed.

The move away from sole reliance on nuclear weapons to the defence of Western Europe was welcomed by the *Saskatoon Star-Phoenix* on March 8. It added that Prime Minister Brian Mulroney showed strong leadership at the NATO meeting and that Canada, in beefing up its armed forces while reaffirming its commitment to NATO, was placing itself in a better position to keep the alliance strong and ensure that peace would endure. Dressed in a tank crewman's suit, Prime Minister Mulroney in Lahr pledged allegiance to NATO and attacked the NDP's plan to pull

Canada out of the Western alliance. In what the *Globe & Mail* called an unusually partisan speech from a military base on foreign soil, Mr. Mulroney warned of this dangerous and naive policy. The *Winnipeg Free Press* on March 5 called the Prime Minister's reference to the official New Democratic Party policy of abandoning Canada's 40-year commitment to NATO as timely and justified. It added that although he was obviously seeking political advantage in a pre-election period, he was saying nothing that many Canadians themselves had not said since NDP successes in opinion polls made an NDP national government conceivable.

NATO's retiring Secretary-General Lord Carrington made a farewell visit to Canada from March 8 to 10. After completing a 4-year mandate he was to be replaced by Dr. Manfred Woerner, currently Minister of Defence of the Federal Republic of Germany (*External Affairs News Release*, March 7). Lord Carrington addressed The Empire Club of Canada in Toronto on March 9 and emphasized that NATO needs Canada and Canada needs NATO. He added that Canadian membership in the alliance had always been a source of strength (*Globe & Mail*, March 10). The *Ottawa Citizen* on March 11 reported that Carrington, in discussing the NDP policy towards NATO, did venture to state that it would be wrong for any northern NATO country to unilaterally demilitarize its northern waters without the agreement of all the alliance partners. The previous month Liberal leader John Turner at the party's policy meeting in Vancouver had called for an international treaty to demilitarize the Arctic. Speaking on behalf of the Secretary of State for External Affairs to the Canadian Institute of International Affairs, International Trade Minister Pat Carney noted that NATO "will continue to be the best instrument for preserving the peace, and Canada's place will continue to be in NATO." Referring to the NATO Summit, Minister Carney added that Canadians had every reason to be pleased with the results of the meeting for it achieved "a remarkable degree of consensus around a sensible and open-minded approach to future relations with the Soviet bloc" (*External Affairs Statement*, March 25).

## Trade Negotiations

### **Uruguay Round**

Montreal was picked as the venue for the Mid-Term Review Conference of the Multilateral Trade Negotiations (the "Uruguay Round") to be held during the week of December 5, 1988. The Uruguay Round is the largest and most ambitious set of multilateral trade talks in history, intended to establish the blueprint for international trade relations until the end of this century and beyond. When the Round was launched at Punta del Este, Uruguay, in September 1986, it was agreed that it would end in four years. The Mid-Term Review Conference would bring together 1,000 delegates from the majority of the over 100 countries participating in the worldwide trade negotiations (*External Affairs News Release*, February 18).

### **Cairns Meeting**

Canada's Minister of State for Grains and Oilseeds, Charles Mayer, was to represent Canada at the third meeting of the Cairns Group in Bariloche, Argentina, in late February. The Cairns Group, which first met in Australia in August 1986, is composed of fourteen developed and developing countries promoting agricultural trade reform. The Group played an important role in making agriculture a priority on the agenda at the GATT ministerial meeting in Uruguay in September 1986. Canada hosted the Group's meeting last year (Minister of State of Grains and Oilseeds, *Information*, February 3).

In his speech to the Group in Argentina, Mr. Mayer said that Canadian grain farmers relied heavily on world markets. The European Community's subsidies had given rise to the US Export Enhancement Program and both had forced down international prices. The Minister hoped that by the time of the Mid-Term Ministerial Review in December, it would be possible to have an agreement on the core elements of an agricultural framework package. He suggested that one concrete way to show faith in participating in real agricultural trade reform would be for countries not to introduce new trade restrictions or subsidy distortions for a period of two years (*Grains and Oilseeds Speech*, February 24).

## United Nations

### **FAO**

Controversy erupted over allegations that Canada was trying to influence the election of a new director for the Food and Agricultural Organization (FAO). Richard Lydiker, FAO's information director, accused the Canadians of resorting to "character assassination" in their campaign against current director Edouard Saouma. Canada backed Moise Mensah of Benin for the post. Lydiker also criticized Canada for not paying its \$10 million 1988 dues to the FAO. Lydiker's charges of character assassination were immediately rejected by Rhéal Lalande, one of two Canadian diplomats permanently attached to the UN organization. A *CP Wire* story from Rome carried in *The Gazette* (Montreal) on February 11, however, quoted an unnamed Canadian official citing four major criticisms of FAO operations: FAO wasn't cost-effective overall; wasn't effective in delivering its programs in the field; did not have written criteria for the choice of field projects; and lacked proper personnel-management programs.

The news stories from Rome prompted Jack Scowen (PC, MacKenzie) to raise the matter in the Commons and ask for comment from External Affairs Minister Joe Clark. The Minister described it as "extraordinary behavior on the part of an official of a United Nations organization" and admitted that various Canadian governments, including this one, had been concerned about the management of the FAO and "this kind of incident demonstrates exactly why we are concerned." Mr. Clark said he had written to Dr. Souma "indicating that I expect his apology" (*Hansard*, February 11). The information director was quoted in

a later *CP Wire* story as saying that he stood by his criticism of the Canadian government and had no intention of apologizing for his earlier remarks (*The Ottawa Citizen*, February 13). The *Windsor Star* editorial on February 19 echoed the call for an apology from the FAO official. It stated that the FAO was heavily politicized, with anti-Western leanings, despite the fact that Western democracies provided most of the funds and technical assistance for its projects. In view of this, "the expectation of efficiency and accountability is not excessive."

Canada, and other Western nations on the FAO, had good reasons to be disappointed with Saouma's performance in the previous twelve years, but it opposed his reelection mainly as a matter of principle, according to Rhéal Lalande. Canada believes that no one should serve more than two 6-year terms as head of any UN agency. (Dr. Saouma had been elected to a third 6-year term last November). In an editorial on "The FAO empire of Dr. Saouma" the *Globe & Mail* on February 22 stated that the Director General, Dr. Saouma, lived lavishly and worked furiously at empire-building, and that his rhetoric had done little to help Third World nations grow their own food. The editorial, however, cautioned Canada against pulling out and withholding its \$10-million in 1988 FAO dues and encouraged it to remain and fight for reforms from within. But the *Winnipeg Free Press* on February 24 urged Canada "to demonstrate leadership of its own and stop contributing to the FAO and resign, pending FAO reform that would have to begin at the top." It blamed the FAO for reacting "lethargically" to the Ethiopian famine and added that under Dr. Saouma too many FAO decisions about disbursement of aid had been delayed or adjusted for reasons having little to do with the need being responded to.

### **Human Rights Commission**

A delegation representing the James Bay Cree — the first native group to be granted non-governmental status at the Commission in Geneva — was lobbying for the establishment of a special study of treaties and agreements between indigenous peoples and the countries they live in. Canada, not a member of the 43-nation commission, quietly lobbied to change some aspects of the resolution, according to an External Affairs spokesman in Ottawa (*Globe & Mail*, February 24). One Canadian official recommended that the study be delayed because "more groundwork needs to be done," while another told the Commission that Canada's agreements with its native people are not treaties in the international sense of the word. External Affairs spokesman Franco Pillarella described the proposed study as "backward-looking." The Indian leaders, both in Ottawa and in Geneva, responded by accusing the Department of External Affairs of trying to derail the resolution because Canada did not want its

treatment of natives exposed to international scrutiny (*Globe & Mail*, February 27). Grand Chief Matthew Coon Come, of the Cree of Quebec, said the proposed designation of 1992 as the International Year of Indigenous Rights would focus world attention on the plight of natives as "dispossessed enclaves." He argued it would be fitting to start redressing wrongs on the 500th anniversary of Christopher Columbus's voyage to the New World.

Gordon Fairweather, head of the Canadian delegation to the UN Commission on Human Rights, was reported in the *London Free Press* on March 18 as having said in Ottawa that he quarrelled with a number of the Cree tactics. "I think the tactical position of trying to equate Indian people in Canada with the position of blacks in South Africa — Indian people have the vote and constitutionally guaranteed rights — is not a strategy that will make the world listen." *The Gazette* of Montreal on March 14 carried an editorial which claimed that Canada had won an unfortunate victory at the Human Rights Commission in Geneva last week. It tarnished this country's human rights record and pointed up Canada's shabby record with its native peoples. If Canada did not want the international community to deal human rights questions that touch Canadian interests, it would have far less credibility when it tried to focus attention on human rights concerns elsewhere. The editorial concluded that if Canada expected to dish it out, it should be able to take it.

### **Palestine Liberation Organization**

Speaking on behalf of the governments of Australia, Canada and New Zealand and referring to legislation passed by the USA Congress which, if implemented, would force the closure of the Palestine Liberation Organization's (PLO) United Nations Observer office in New York, Canadian Ambassador to the United Nations Stephen Lewis noted that the host government was under a legal obligation to allow the PLO to maintain its UN office. This would avoid setting an unfortunate precedent for the status of all observer missions at the United Nations. He added that, if it proved necessary, the procedure for dispute settlement, set out in the Headquarters Agreement between the UN and the host government, could be utilized. Mr. Lewis expressed the hope that the participants would not politicize this issue and would seek the broadest possible consensus on the legal issues involved (*External Affairs News Release*, February 29). The *Globe & Mail* reported on March 12 that even the closest allies of the United States had denounced the decision, and quoted External Affairs Minister Joe Clark as having described the development as "unfortunate," fearing that the move could set a dangerous precedent for other UN observer missions.

# Policy

## Acid Rain

On his way to Zambia External Affairs Minister Joe Clark noted, "It may seem odd to have come to Africa to talk of caribou and acid rain, but the interdependence between the environment and mankind's activity knows no regional or continental bounds" (*External Affairs News Release*, January 30). He was in Nairobi enroute to Lusaka, when he addressed the headquarters staff of the United Nations Environment Program. The Minister was commended by Canadian newspapers for having explained the full range of Canadian environmental concerns and for describing the determination of the government to enact tough new legislation to crack down on Canada's polluters. The *Winnipeg Free Press* editorial on February 12 also noted that Mr. Clark wrongly limited his criticism to "acid rain from the United States" as threatening Canadian apple and maple trees. It added that serious as is the US acid rain threat to Canada, it represents only 50 percent of the airborne filth. The other half is produced by Canadian smelters and factories whose owners should be ashamed of themselves and who should be compelled by Canadian law to clean up their smokestack emissions far faster than they have been doing. (Also see Acid Rain, Bilateral USA.)

## AID

### **Minister's Statement**

The federal government released its report on aid titled *Sharing our Future*, in response to recommendations of the Standing Committee on External Affairs. In tabling the document in the House of Commons on March 3, the Minister for External Relations, Monique Landry, called it an "action plan that will guide Canada's Official Development Assistance (ODA) policies into the next century." The Minister also indicated that the government endorsed the Committee's proposal for an ODA charter. The charter would have four objectives: (1) to help the world's poorest countries and people, (2) to strengthen the human and institutional capacity of developing countries to solve their own problems in harmony with their natural environment, (3) in setting objectives for development assistance, development priorities must prevail, (4) to strengthen the links between Canadian citizens and institutions and those in the Third World. In short, partnership.

It was the first major Canadian government statement on international development in thirteen years and included the first-ever ODA charter setting out Canada's principles and priorities. Speaking in the Commons, Mrs. Landry said, "Too often in the past, aid-giving has been considered exclusively a moral or humanitarian issue. We must change that perception. Aid must be regarded not

just as charity but as an investment in our shared future" (*Hansard*, March 3). She also recognized that Canada's non-governmental organizations and institutions were among the world's leaders in international development. Numerous initiatives to enhance their contribution were proposed in the strategy. Addressing the annual conference of the Canadian Institute of International Affairs in Ottawa on March 25, on behalf of the Secretary of State for External Affairs, International Trade Minister Pat Carney said, "The strategy will direct our assistance to the poorest countries and peoples of the world. Our bilateral aid will be focussed on thirty countries or regional groupings, with 65 percent of the total going to our Commonwealth and Francophone partners. Africa will receive 45 percent over the next five years." The Minister also noted that "the environment has emerged as a compelling issue in foreign relations" and had therefore "been made a central feature of CIDA's new aid strategy." (*External Affairs Statement*, March 25).

Since "a basic principle of Canada's foreign policy is the promotion of human rights," the policy paper announced that "Cabinet will annually consider information on human rights situations as part of the the process of determining which channels of Canadian assistance may be used, and what level of bilateral assistance to apply to each potential recipient." Furthermore, Canadian development officers would receive special training on human rights. Bernard Wood, Director of the North-South Institute, anticipated that the human rights provisions were "an attempt to dictator-proof" aid. Although the External Affairs Committee Report had recommended developing a classification system for rating countries as to their performance on human rights, the Minister rejected that idea, saying that the decision would be taken privately by the cabinet each year and would not be subject to public scrutiny (*Ottawa Citizen*, March 4).

The Liberals' human rights and international development critic Roland de Corneille questioned, "Who is the 'Cabinet?' Will it really be some faceless bureaucrats who will make recommendations? Will it be the Secretary of State for External Affairs, or will it be some clique of Neanderthal, red-neck Tory back-benchers holding up aid because they do not like the political stripe of some recipient government?" (*Hansard*, March 3). On behalf of the New Democratic Party Jim Manly said that though the Committee had recommended extensive decentralization, he was pleased that an important first step toward decentralization was being taken in the Report. According to the *Ottawa Citizen* on March 11 the announced decentralization at the aid agency would involve tripling its overseas staff to about 370 and sending about 100 headquarters people into the field. Mr. Manly also applauded the proposed emphasis on human resource development through doubling of scholarships, among other initiatives. He welcomed "the reduction of tied aid from 80 percent to

50 percent for the sub-Saharan area, and to 66-2/3 percent for other areas" (*Hansard*, March 3).

Under the new policy countries such as Greece, Portugal and Yugoslavia — now classified as developing countries — would no longer qualify for Canadian aid because of their relatively strong economies.

## Arctic

A column in the *Winnipeg Free Press* on March 23, described it as a special, if not unique, operation: the coming together of some of Canada's most prestigious experts on the North — mainly former public servants, most of whom were now active in post-retirement careers — into a voluntary think-tank group to produce a report on Canada's North. The report titled *The North and Canadian International Relations*, was a year in preparation and carried out by the Canadian Institute of International Affairs (CIIA) Ottawa branch. The group urged the government to replace the Canada-US Arctic cooperation agreement dealing only with icebreaker traffic, with a comprehensive formal document recognizing Canadian sovereignty in the area for all purposes. (See *International Canada*, December-January). The group also urged the government to try to bring North American defence and NORAD more effectively under NATO to reduce the danger of Canada's becoming involved in US strategy. It agreed with the government that the demilitarization of the Arctic was not practical at this time but recommended that Canada could respond to proposals of Soviet leader Mikhail Gorbachev by suggesting that a zone in the circumpolar region would be designated for only limited military use by all nations.

The report was submitted to the Prime Minister, the Secretary of State for External Affairs and other cabinet ministers (*Ottawa Citizen*, March 22). International Trade Minister Pat Carney told the CIIA in Ottawa on March 25 that the government was studying this latest report and that Canada was seeking to enhance multilateral cooperation in the Arctic. "For arms control and security matters, which have an East-West character, the appropriate framework already exists for us in the North Atlantic Treaty Organization (NATO) and the Conference on Security and Cooperation in Europe (CSCE)," she observed. "But the framework for cooperation in non-military fields needs to be developed further," and added that Canada was working closely with Norway in the hope of building on the progress made at the joint Canada-Norway Conference in Tromsø last December. Minister Carney said that whatever else, "Mr. Gorbachev's Murmansk speech showed that the Soviet Union may finally be serious about multilateral cooperation in non-military fields such as the environment." She added, "Canada's own bilateral program with the Soviet Union, which is successful and growing, suggests that it is in the interests of the entire Arctic community to encourage the Soviets towards multilateral cooperation as well." In an editorial titled "Must protect sovereignty," the *Saskatoon Star-Phoenix*, on February 24 urged Canada "to remain firm in its resolve to increase its

defence commitment in the North, despite reservations being expressed about its use of nuclear-powered submarines." It continued, "The bottom line must reflect the nation's primary goal, earning recognition of its sovereignty over the North. To that end, Canada should take whatever steps are necessary. Its future as a sovereign nation requires it."

## Defence

### **Budget**

The *Financial Post* reported on February 18 that the defence budget was slated to rise about 3 percent a year (after inflation) for the next two years. The defence bill was expected to be \$11 billion this year — \$3 billion was expected to be spent on military hardware and another \$8 billion on armed forces pay and operations this year. This amounted to 41 percent of all federal spending (excluding debt and transfer payments), compared with 34 percent six years ago. Apart from the traditional cabinet watchdog over federal spending, it was reported that for the first time the Department of Finance would take part in trying to get "a handle on defence spending and priorities and how the two are connected. Under the old rules, other cabinet ministers did not know how the Defence department operated because the military set their own priorities within a fixed budget," according to a Finance Department official as reported in the *Financial Post* on February 18.

### **Submarines Acquisition**

Defence Minister Perrin Beatty was quoted by the *Winnipeg Free Press* on March 5 as saying that "a sovereign and independent country must be prepared to be fully involved in its own defence," and that "Canada can have as much security and as much sovereignty as it wants to pay for." The White Paper on Defence released in June last year called for an estimated \$200 billion in defence spending during the next fifteen years. The Department of Defence planned to spend more than \$13.5 billion in direct acquisitions within five years. The list included six new frigates (\$3.5 billion), thirty-five marine helicopters (\$2 billion) and twelve nuclear-powered submarines costing at least \$8 billion. The *Toronto Star* editorial on February 14 warned that deployment of submarines in Canada's Arctic waters "would lead to greater militarization of the region." It stated that it favored the alternative of Liberal Leader John Turner who told delegates to the party's policy conference in Vancouver on February 7, "I believe a policy to equip ourselves with nuclear powered attack submarines in the Arctic is wrong." He advised that "The most effective way of asserting our sovereignty in the Arctic is by giving the Arctic the priority it deserves in our foreign policy, and in our scientific, technical, economic and environmental programs." The New Democratic Party also favored development of conventional electric-diesel submarines in association with passive detection assignments in northern waters. Defence Minister Beatty defended the spending, saying Canada's 23-vessel navy was so old and rusted that the federal government was

faced with a decision to either invest heavily or abandon its sea commitment. According to a recent survey referred to in the *Winnipeg Free Press* on March 5, of Canada's 120,000 armed forces personnel only nineteen senior staff members had nuclear systems experience, but Ottawa planned to start training and assembling crews five years before the first sub was launched.

The Minister-Counsellor at the Soviet Embassy in Ottawa, Alexei Makarov, was reported to have told a news conference at the Embassy that "There was no need to show the nuclear flag" and that Canadian sovereignty in the Arctic could be achieved by peaceful means (*Toronto Star*, February 17). But the *Chronicle-Herald* (Halifax) editorial on March 15, "Grasping for Strategy," observed that "The freedom of the seas is important to every Western country and it is important that the West has the equipment to ensure that freedom." It reasoned that, "The Canadian Navy should have the equipment to meet that challenge in the 21st century. Canadian nuclear submarines will add to our capability to deter potential foes and underscore our determination to protect our sea routes of trade and travel." Geoffrey Pearson, Executive Director of the Canadian Institute for International Peace and Security, was quoted in the *Edmonton Journal* on February 14 as saying, "Although nuclear submarines may, as claimed, be more effective than surface ships, given Canada's geography, the government needs to provide a more adequate explanation of what it sees as the security problem faced by Canada in the Arctic." The *Mail Star* (Halifax) on February 8, quoted former vice-chief of defence staff Vice-Admiral Nigel Brodeur as having told a defence conference in Ottawa that in the Arctic, "the only effective deterrent and counter (to a Soviet threat) is for Canada to possess a good underwater 'burglar alarm' (fixed surveillance) system...backed up by our own 'police force' of nuclear-powered submarines...both to deter against intrusions and to handle them should they occur." But a letter signed by twelve religious leaders representing the Canadian Council of Churches, and sent to Prime Minister Mulroney, stated that acquiring the submarines would explicitly violate Canada's own trade policy in nuclear materials. The subs would require enriched uranium. Since uranium could not be enriched in Canada, this country would have to violate its own policy against international trade in nuclear materials for military purposes. Canada has opposed efforts by Argentina, Brazil and India to buy nuclear-powered vessels because of concern about proliferation of nuclear weapons (*Globe & Mail*, February 19).

The Standing Committee of the House of Commons on National Defence continued to hold hearings on the Submarine Acquisition Project during this period. The *Financial Post* on February 8 noted that though both the Liberals and the New Democrats had said they would cancel the nuclear-powered submarine program in favor of diesel-electric vessels if they won the next election, such a move would irreparably damage the country's relations with both bidders (Britain and France), as well as the wider NATO community. The nuclear submarine project got support from the visiting Secretary General of NATO, Lord Carlington, who said the proposed Canadian submarine fleet

would be "a welcome addition to the alliance" (*Ottawa Citizen*, March 11).

## Genocide

Ottawa's Armenian community expressed outrage over a letter sent to the chairperson of the Ottawa Board of Education (OBE) by Jacques Roy, Assistant Deputy Minister of External Affairs' European branch, objecting to the inclusion of Armenian genocide in a new course to be introduced into OBE schools. Mr. Roy's letter, quoted in the *Ottawa Citizen* on March 17, stated in part, "I wish to indicate the federal government's concern about the negative impact the adoption of the program as presently formulated would have on Canadian-Turkish relations.... On many occasions, the Turkish authorities have expressed their concerns to us. They fear that the use of the word 'genocide' creates an association with Nazi and Soviet atrocities." Mr. Roy denied Armenian suggestions that he was pressured to write the letter by Turkish diplomats or members of the Turkish community in Ottawa. External Affairs Minister Joe Clark told the Commons that the letter was sent without his knowledge and that "the Department of External Affairs should not have been involved." Calling it "Crass diplomacy," the *Ottawa Citizen* editorial on March 18 said the "official's misguided decision to meddle in a local school board dispute should be treated seriously," and the official "compounded the error by suggesting in an interview that the Canadian government must accept Turkey's claim in order not to jeopardize 'millions of dollars' in trade contracts with that Mediterranean nation." OBE trustees decided to include the course as intended in their curriculum called Inhumanity in Society.

## Human Rights

The Standing Committee on Human Rights of the House of Commons undertook an examination of the human rights situation in the West Bank and Gaza. The Committee's first witness on March 15 was a Jerusalem-based Palestinian, Hanna Siniora. Chairman of the Committee, Reg Stackhouse, (PC, Scarborough West) introduced Mr. Siniora as "a well-known and widely respected" editor of the *Al Fajr* daily. Mr. Siniora called it a courageous step for the Committee to undertake to discuss the human rights of "a people that have lived for more than twenty years under suppression, under occupation." He appealed "We would like the Canadian Parliament, this Committee and the Canadian government, to talk to the Israeli government about human rights infringements. The Canadian Parliament should also impress on the Government of Israel that the national aspirations, the right of self-determination of every people on earth, including the Palestinian people, should be respected" (Human Rights Committee *Minutes of Proceedings*, Issue No. 30, March 15).

## Immigration

Former Speaker of the House of Commons and recently retired ambassador to Portugal, Lloyd Francis, wrote in the *Ottawa Citizen* on February 10 that "Canada's complex immigration laws and procedures are a time bomb that will explode in the next decade, threatening our society." He noted that while Canada had profited enormously from immigration, over 90 percent of illegal immigrants secured landed immigrant status eventually, which encouraged others to follow.

The *Winnipeg Free Press* editorial on February 24 blamed "arrogant officialdom" and "unreasonable conduct" at Immigration which "encourages people to try to sneak into Canada or to circumvent the rules." It cited the case of a Winchell Alvero in the Philippines, and his sister, a Canadian citizen living in Winnipeg. The editorial charged that the "authorities delayed her correctly timed application to sponsor his move to Canada — and then rejected it for being too late. Judge Francis Muldoon of the Federal Court of Canada, who heard her appeal, found that the officials who handled the case had been "negligent, lackadaisical and entirely wanting in any reasonable sense of urgency." He ordered the government to allow Mr. Alvero into Canada as it should have done two years ago. The editorial concluded "The line-up at Canada's refugee wicket would get shorter if people could be sure of honest dealing, straight answers and fair treatment at the other wicket, the regular take-a-number-and-wait-your-turn wicket."

### **Turks**

The fate of 450 Turks living in Canada became the point of difficult federal-provincial negotiations while the emotion-charged debate swirled around the issue in mid-March. The Turks had started arriving from abroad in increasing numbers at Mirabel airport in July 1986, and about 2,000 had appeared by the end of the year. On January 8, 1987, visa restrictions were imposed on Turkish nationals. A pledge by Canada to increase by thousands the number of immigrants accepted each year was reported incorrectly in Turkey as meaning that Canada wanted thousands of Turks as laborers. Travel agents and others in Turkey had led the would-be immigrants to proceed to Canada where jobs would be waiting. Since a number of the Turks had successfully established themselves in Canada and had sold everything prior to leaving Turkey, a number of non-governmental organizations and churches appealed to Immigration Minister Benoit Bouchard to allow them to stay in Canada. Mr. Bouchard added, "If I agreed for humanitarian reasons that they could stay here, then in two weeks we would have 2,000 to 3,000 [more refugee claimants] because it would be said abroad that you can come to Canada because Canada won't return you" (*The Gazette* [Montreal], March 14). Quebec's immigration minister Louise Robic promised that those Turks deported from Quebec could apply for immigrant status through proper channels once they were in Turkey, and would be welcomed back. Minister

Robic told the Quebec National Assembly on March 17 that she did not have the power to stop the deportations (*The Gazette* [Montreal], March 18). Meanwhile, forty Turks ordered deported from Canada were offered shelter by a Roman Catholic church in Montreal in a standoff with the federal government. One of the Turks, 29-year-old Ismail Ozkan, defied a government order to board a flight to Europe. He vowed to live in St. Robert-Bellarmin Church until immigration authorities came to get him (*Toronto Star*, March 21). The Federal Immigration Minister stated that the government had no intention to forcibly remove the Turks from the sanctuary of a church but would not drop the deportation orders against them (*Ottawa Citizen*, March 22).

In a new development the *Globe & Mail* reported on March 23 that deportation orders against forty Turks in Montreal had been suspended, and Quebec's Immigration Minister would accept them as immigrants provided a special ministerial permit was forthcoming from the federal immigration minister. The *Toronto Star* noted on March 23 that immigration ministers representing Ottawa and Quebec had worked out a deal by which the Turks would be accepted in Quebec as regular immigrants. The deal involved taking the refugees acceptable to Quebec by bus to a US border crossing point from where they would apply for immigrant status and be brought back as immigrants. The federal Immigration Minister warned foreign nationals in provinces other than Quebec that they would not get the same reprieve granted forty Turks in Quebec. He was reported in the *Ottawa Citizen* on March 24 as having said that he had only agreed to delay the deportation of the forty at the request of the Quebec government because that province, under a 1977 agreement with the federal government, had the right to select some of its immigrants.

Canada erred in allowing the Turks to enter the country initially, according to the *Edmonton Journal* on March 23, but they should be allowed to stay in Canada while their immigration status was being determined. "Immigrants built Canada and made it grow from a few acres of snow into a rich, vibrant nation," philosophized the *Toronto Star* on March 22. It added, "immigrants were still needed if Canada was to keep on growing. If Canada opened its doors wider, fewer people would be tempted, as the Turks were, to make phony refugee claims. There was a need for a less-restrictive immigration policy that welcomed more newcomers."

## Refugees

As the saga of refugee claimants from various countries continued to unfold the Senate and the House of Commons remained in deadlock over two pieces of legislation introduced to deal with the issue. The *Winnipeg Free Press* on February 13 suggested that there was room for negotiation between the government and the Senate and called on the Senate "to challenge the minister's unjustified quest for wide search powers for immigration officers and the

authority to have ships pushed or towed away from Canada if there were grounds for believing that they were carrying illegal immigrants to this country." Bill C-55 passed the Commons on October 27, and then went to the Senate. It would severely shorten the period to determine who qualified as a refugee. Bill C-84 was designed to impose stiffer penalties on bogus refugees and their collaborators. Both pieces of legislation, Bills C-55 and C-84 were still being studied by the Senate.

The *Globe & Mail* reported on February 13 that last year more than 2,000 people had arrived every month in Canada claiming to be refugees. There was an increase in refugee claimants from 1,600 in 1980 to 7,100 in 1984, 18,000 in 1986 and more than 30,000 in 1987. According to the *Globe & Mail* on February 3, a confidential government document predicted that Canada would reject about two-thirds of an estimated 17,400 refugee claims that would be made in the first year after the new legislation was in place.

Representatives of the Canadian Bar Association's immigration section and its counterpart in Ontario told the Senators on the Legal and Constitutional Affairs Committee studying refugee-related Bill C-84, that several sec-

tions of the Bill limited rights guaranteed under the Charter. According to the *Ottawa Citizen* on February 26, the lawyers said this made the legislation unconstitutional and it ought to be returned to the Commons with the same amendments previously rejected by the Immigration Minister.

## War Crimes

Two Memoranda of Understanding between Canada and Israel and Canada and between The Netherlands and Israel were tabled in the Commons on February 22. Minister of Justice Ray Hnatyshyn said the agreements would enable Canadian officials investigating war crimes to gather evidence in The Netherlands and Israel in accordance with the conditions recommended by Mr. Justice Deschênes to ensure the obtaining of such evidence in accordance with Canadian procedures and safeguards (*Hansard*, February 22). A similar agreement had been signed with the Soviet Union earlier and negotiations were continuing with other countries.

# For the Record

## 1. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

- Andrew, Arthur  
"War prevention as policy." *Policy options/Options politiques* 8 (December 1987) 16-20.
- Bayer, J.A.  
"Is there life after NATO?" [On Canadian defence policy.] *International Perspectives* (Sept.-Oct. 1987) 13-16.
- Bourque, Jean-Louis  
"Versailles, Québec, Dakar: la francophonie en marche." *L'Action nationale* (novembre 1987) 199-202.
- Byers, R.B.  
"The 1987 Defence White Paper: an analysis." *Canadian defence quarterly* 17 (Autumn 1987) 11-22.
- Canby, Stephen L. and Jean Edward Smith  
"Restructuring Canada's defence contribution: a possible key to Western security." *Political science quarterly* 102 (fall 1987) 441-457.
- Carrier, Jean-Paul  
"Quebec abroad: structures for federal-provincial cooperation in foreign policy are inadequate and should be rebuilt." *Policy options* 8 (November 1987) 16-18.
- Coalition québécoise d'opposition au libre-échange  
"Non au libre-échange." *L'Action nationale* 37 (octobre 1987) 140-147.
- Cohen, Raymond  
"International communication: an intercultural approach." *Cooperation and conflict* XXII (June 1987) 63-80.
- Cox, David  
"Living along the flight path: Canada's defence debate." *The Washington quarterly* 10 (Autumn 1987) 99-112.
- Cox, David  
"Sovereignty and security: Canada's new defence policy." *Canadian business review* 14 (August 1987) 8-15.
- Coyne, Deborah  
"Coping with Casino Capitalism." [Canada's part in restructuring the international financial system.] *Policy options/Options politiques* 8 (December 1987) 12-14.
- Crickard, F.W.  
"Nuclear-fuelled submarines: the strategic rationale." *Canadian defence quarterly* 17 (winter 1987/88) 17-24.
- Grande, George  
"Containment: forty years later." *bout de papier* 5 (fall 1987) 30-35.
- Grant, Michael  
"Riding the South American roller coaster." [Canada's business links with Brazil and Peru.] *Canadian business review* 14 (winter 1987) 16-20.

- Jansen, Gordon W.V.  
"CIDA opens doors." [Interview with Margaret Catley-Carlson.] *Canadian business review* 14 (winter 1987) 8-14.
- Jull, Peter  
"Good neighbours with Greenland." *Policy options/Options politiques* 8 (December 1987) 21-24.
- Kersell, John  
"A TCI connection." [Turks and Caicos Islands and Canada.] *Policy options/Options politiques* 8 (December 1987) 27-28.
- Knelman, F.H.  
"Canadian Defence policy: the branch plant model." *Canadian dimension* 21 (Nov./Dec. 1987) 28-31.
- Littman Sol  
"The Altı Rodal report: strong vibes from a quiet source." [On the Deschênes Commission on War Criminals in Canada.] *Canadian dimension* 21 (Nov./Dec. 1987) 24-27.
- Morse, Eric S.  
"Sport and Canadian foreign policy." *Behind the headlines* 45 (December 1987) 1-18.
- Rahman, Syed S. and David Balcome  
"Drawing Canadian business toward the Orient." *Canadian business review* 14 (winter 1987) 21-25.
- Rahman, Syed S. and Prem Benimadhu  
"Working together: the African experience." [Canadian trade and investment links with Ghana and Zaire.] *Canadian business review* 14 (winter 1987) 26-30.
- Rasiulis, Andrew P.  
"Conventional arms control: stabilizing the balance in Europe." *Canadian defence quarterly* 17 (winter 1987-88) 39-46.
- Robertson, Colin  
"A chat with the Ignatieffs." (Part two.) *bout de papier* 5 (fall 1987) 26-29.
- Stafford, David ed.  
"Challenge and commitment: comments on the Defence White Paper." *Behind the headlines* 45 (September 1987) 1-22.
- Story, Donald C.  
"Trudeau's Commonwealth: a process rather than an influence." *Dalhousie review* 66 (fall 1986) 256-274.
- Drohan, Madeleine et al.  
"Redrawing the nation." (Free trade). *Macleans* 100 (October 19, 1987) 14-23.
- Epstein, William  
"New stance tarnishes Canada's reputation." (Canadian defence policy) *Bulletin of the atomic scientists* 43 (October 1987) 11-12.
- Galarneau, Hélène  
"Chronique des relations extérieures du Canada et du Québec." *études internationales* XVIII (septembre 1987) 609-643.
- Gessell, Paul et al.  
"Free trade: historic midnight deal." *Macleans* 100 (October 12, 1987) 22-27.
- Graham, Thomas R.  
"Knowing United States trade laws." *Canadian business review* 14 (August 1987) 39-41.
- Guy, James J.  
"Canada and the Caribbean: how 'special' the relationship." *The Round Table* 304 (October 1987) 434-444.
- Haglund, David  
"How is Canada doing on Latin America?" *International Perspectives* (Sept./Oct. 1987) 5-8.
- Haglund, David G.  
"Unbridled constraint: the Macdonald Commission volumes on Canada and the international political economy." *Canadian journal of political science* 20 (September 1987) 599-624.
- Hansen, Per Conradi  
"The Royal Norwegian Air force in Canada, 1940-1945." *Canadian defence quarterly* 17 (Autumn 1987) 61-66.
- Honderich, John  
"The Arctic option: NATO and the Canadian North." *The Canadian forum* 772 (October 1987) 7-19.
- Humphrey, John P.  
"Les conditions nécessaires à la paix." *Études internationales* XVIII (septembre 1987) 601-608.
- Hutcheson, John  
"Mr. Mulroney's deal." (editorial). *The Canadian forum* 773 (November 1987) 5-6.
- Jansen, Gordon  
"Singapore: a market hungry for Canada's technology." *Canadian business review* 14 (August 1987) 33-38.
- Jockel, Joseph T.  
"Canada's new military plans." *International Perspectives* (Sept./Oct. 1987) 17-19. Keenleyside, T.A., B.E. Burton and W.C. Soderlund "La presse et la politique étrangère canadienne." *études internationales* XVIII (septembre 1987) 501-521.
- Kernaghan, Kenneth  
"La déclaration de principes de l'Institut d'administration publique du Canada: les fondements pour son élaboration et son contenu." *Administration publique du Canada* 30 (automne 1987) 352-375.
- Kernaghan, Kenneth  
"The Statement of Principles of the Institute of Public Administration of Canada: the rationale for its development and content." *Canadian public administration* 30 (Fall 1987) 331-351.
- Kerr, William A.  
"The recent findings of the Canadian Import Tribunal regarding beef originating in the European Economic Community." *Journal of world trade law* 21 (October 1987) 55-65.

July/August 1988

Vol. XVII, No. 4 \$4.50

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

**“Inner Meaning” of Free Trade**

---

**Summit reflections**

---

**Palestine uprising**

---

**Defence and political parties**

---

**Hong Kong in China**

---

88/6

0000204  
LIBRARY (BFL)  
DEPT. OF EXTERNAL AFFAIRS  
125 SUSSEX DRIVE  
OTTAWA ON  
K1A 0G2

# Mileage or Service?

Once you've experienced VARIG's service to Brazil or Japan, you won't even think about frequent flyer mileage points.

**Why?** No company sends just anybody on a long, important business trip. So you must be pretty important.

Mileage points on trips like these are as necessary as another free toaster from your local bank. On trips like these—join the new breed of frequent flyers who jog, take vitamins, eat right and who know that they are



definitely important enough to choose the comfort of a VARIG flight.

Fly with us from Toronto, Montreal, New York, Miami, or Los Angeles. Savor our beautifully served, award-winning international cuisine and relax with flight crews who truly know the meaning of Brazilian hospitality.

**VARIG's service is the bonus our frequent flyers prefer.**

VARIG SERVES BRAZIL AND JAPAN WITH 27 FLIGHTS A WEEK FROM NORTH AMERICA.



**VARIG**

The World Class Airline of Brazil.  
Since 1927.

**“Inner Meaning” of Free Trade**  
*by David Farr* 3

---

**Summit reflections**  
*by Hyman Solomon* 8

---

**Defence and Canadian political parties**  
*by Tom Keating* 11

---

**The Palestinian uprising**  
*by John Sigler* 15

---

**Horn of Africa showdown**  
*by John Sorenson* 18

---

**Political future of Hong Kong, China**  
*by Ronald C. Keith* 21

---

**Foreign aid and human rights**  
*by Loretta Lynn Rose* 23

---

**Book Reviews** 26

**Letters to the Editor** 30

**International Canada**  
*A supplement of reference material on Canada's foreign relations  
presented by the Department of External Affairs.*

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by Baxter Publishing.

President:  
W. H. Baxter

Vice President:  
Wolfgang Schmidt

Consultant:  
Alex Inglis

Editor:  
Gordon Cullingham

Editorial Associates  
Bhupinder Singh Liddar  
Stuart Vallance

Executive Director:  
Stuart Northrup

Publisher:  
David McClung

Advertising Production:  
Wendy McClung

Circulation:  
Guy Bolduc  
Irene Clark

Subscriptions:  
In Canada:  
One year (six issues): \$25  
Three years (eighteen issues): \$60

Other Countries:  
Same as above, in US funds.  
Additional charge for airmail  
delivery upon request.

Editorial and subscriptions:  
National Press Building  
150 Wellington Street, #302  
Ottawa, ON, Canada  
K1P 5A4  
Tel: (613) 238-2628  
Fax: (613) 234-2452

Advertising address:  
Baxter Publishing  
310 Dupont Street  
Toronto, ON, Canada  
M5R 1V9  
Tel: (416) 968-7252  
Telex: 065-28085  
Fax: (416) 968-2377

ISSN 0381-4874  
Copyright ©1988  
Second Class Mail  
Registration Number 4949

*International Perspectives* is indexed in  
the *Canadian Periodical Index*, *Current  
Content* and *PAIS Bulletin*.

A  Baxter Publication

## Editor's Note:

*The exhilaration of not only belonging to, but hosting, Summits of the Western world's richest nations, the intended acquisition of nuclear-powered submarines, even the impending trade embrace with the United States — all this could give Canadians a sense of suddenly being a "principal power." It may not be healthy, but it is certainly heady — and expensive, as we learn to play and pay in a major league. The thrills can be both pleasant and unpleasant, and those sensations are felt in some of the articles in this issue of International Perspectives. Carleton University historian David Farr guides us through the quite large museum of free trade experiences with the United States. He likes what he shows us, and anticipates good things from the current adventure, if we give economics a chance, and don't allow politics to provide all the motivations.*

*Hyman Solomon of the Financial Post takes a wry look at June's Summit in Toronto, where the "photo opportunities" quaintly outnumbered the economic achievements. But he concludes that the institution is justified by the absence of justification for its absence.*

*And Canada's political parties are getting set to outbid each other on ways to spend more for defence. Two of them are well on their way to letting job creation zeal determine defence policy. The Conservatives' White Paper and the NDP's defence policy statement give Tom Keating of the University of Alberta a base for analyzing where those two parties would take us. So far, though, the Liberals have revealed little of their intentions.*

*In other articles, John Sigler of Carleton University reviews the state of relations between Palestinians and Israelis, and how they got that way. It is a story that grows uglier with age. The Horn of Africa has been the site of that continent's longest-running war. It is a complex and messy scene, as some of the world's poorest strive to overcome the crippling distortions of colonialism and the Second World War. John Sorenson of Toronto is a patient escort across the battlefield. The poor often need human rights as well as material help. Loretta Lynn Rose of Edmonton has some ideas on how to go about determining those countries whose civil rights records should deny them our aid.*

*Finally, remember that in 1997 the British colony of Hong Kong will be taken over by China, in a complex transfer full of brave efforts to ease the pain of going backwards. Ronald Keith of the University of Calgary probes the documents for clues to that future.*

# “Inner Meaning” of Free Trade

by David Farr

There have been at least nine projects of partial or comprehensive free trade between Canada and the United States over the last 130 years. Some ended in failure; some were successful. Some were marked by acrimonious public controversy; others were judged and accepted quietly. Some were initiated by the United States; more by Canada. Throughout all the Canadian discussion of free trade the question of its political implications has usually come to the fore. The balance between economic rationale and political consequences has shifted in the intermittent debate according to the nature of the proposal and the circumstances which called it forth.

The political implications of free trade, its “inner meaning,” touch on the deepest roots of our national existence. The free trade debates, to use Robert Fulford’s striking phrase, are “symbolic discourses” on the nature and destiny of Canada. If we are a child of divorced parents, as Arthur Lower once described us, then our adolescence has been marked by the stress of parental loyalties pulling against each other. Which link, the British or the American, offered the best chance of our fulfilling our aspirations? We have debated the point continually. Now, as we enter another national debate on a full-fledged plan of free trade with the United States, it is worth examining the place political arguments have played in previous discussions of the issue.

## **Reciprocity Treaty, 1854-66**

The first case, the celebrated Reciprocity Treaty of 1854-66, is not a test for Canadian nationality, for the concept did not exist. A free trade agreement with the American republic was seen by the British North American colonists as a desirable economic arrangement. It was regarded by Great Britain as a commercial aberration which could only be justified by its political benefits. It was viewed by the US government as a means of securing material advantages for an important region of the nation. It was also a way of easing a source of tension with Great Britain.

The British approach to reciprocity was initially hesitant, then more accommodating. The hesitation stemmed from Britain’s recent conversion to free trade, an economic doctrine which she was now enthusiastically attempting to impose on her colonies. One way was by forbidding the colonies to enact “differential duties,” i.e., to give preferences in commercial arrangements to one country over another. The British territories’ trade concessions to the United States could only be justified, therefore, by political considerations: that they would lead to a prosperous and loyal group of colonies, contentedly trading with their rapidly growing neighbor. Under these conditions, Governor General Elgin argued, any desire for annexation to the United States would wither and die. And so it turned out to be. The outbreak of the Civil War, increasing the demands of the American

market, added to British North America’s contentment. The years of the Reciprocity Treaty were golden years, a memory which colored the approach to free trade in Canada for generations.

For the United States a commercial arrangement with the British colonies offered a means to reenter fishing waters closed to the men of New England since the War of 1812. This was an economic benefit; it was also a re-assertion of the United States position as a maritime power off the coasts of northeastern North America.

The golden trading years, inaugurated through political factors, came to an end for similar reasons. The United States took the lead in abrogating the treaty. The last years of the agreement had been disturbed by a flurry of recrimination as the victorious Northern states accused Canada of sympathy towards the Confederacy. The British colonies were desolate at the loss of reciprocity. They found solace in attempts to gain additional trade markets in the Caribbean and in pressing ahead with the plan of British North American union which had been agreed upon, for a set of different reasons, in 1864.

The dream of regaining reciprocity did not die, even after the Confederation of Canada took shape. Prime Minister John A. Macdonald pursued it many times at what appeared to be opportune moments. Finally he was reluctantly obliged to admit defeat and take up the protectionist model which the United States had chosen during the Civil War. It is significant, however, that until 1894 there was a standing offer of reciprocity with the United States in the Canadian tariff act.

## **Election of 1891**

Interest in free trade with the United States has often emerged from circumstances of economic shock or recession. In the next case to be examined, it arose from a sense of frustration at the slow growth of the Canadian economy compared to that of its neighbor. The Commercial Union/unrestricted reciprocity movement of the late 1880s and early 1890s reflected the failure of Macdonald’s “National Policy” to deliver promised material benefits to Canada. To committed free traders such as the Liberal, Sir Richard Cartwright, the answer was clear: gain access to the expanding United States market. The campaign for Commercial Union was supported by wealthy Americans (or former-Canadians) who had economic interests in Canada. It also gained the patronage of others such as Goldwin Smith, who hoped it would lead, as the German Zollverein had done in that country,

---

*David Farr is Professor Emeritus of History at Carleton University in Ottawa. This article is based on a talk he gave recently to the Ottawa Historical Association.*

## Long history of freeing trade

to a political union between Canada and the United States.

There was something sinister, Prime Minister Macdonald believed, in the combination of these interests. It gave him an issue on which to fight his final campaign in 1891. The Liberals, who were espousing unrestricted reciprocity (a free trade area with each country retaining its external tariff against third countries) could be branded as disloyal to Canada's place as the senior colony in the British Empire. The Prime Minister went to the country, his weapon the most famous phrase in Canadian political history: "A British subject I was born; a British subject I will die." It is current to see Macdonald as one who cherished the imperial tie above all else. Nothing could be further from the truth. The man must be judged by his deeds, not his words. In his actions Macdonald sought to promote Canada's interests through a voluntary relationship with Great Britain, the source of protection, trade, immigration and capital.

This interpretation emerges from Macdonald's last address to the electors of Canada on February 7, 1891. (This is the statement in which the famous phrase occurs.) "Gentlemen," declared Macdonald (for all the electors were gentlemen), "Gentlemen," Canada has been built by settlers who govern themselves but enjoy the advantages of association with "the mightiest Empire the world has ever seen. Not only are we free to manage our domestic concerns, but, practically, we possess the privilege of making our own treaties with foreign countries." The appeal to sentiment was starkly stated but it worked. Macdonald won his last election.

Politics and economics were thus closely intertwined in the 1891 election. In the argument over unrestricted reciprocity, politics proved the decisive factor. The Liberals could not prevail against the "slippery slope" argument, i.e., that closer economic union led inevitably to political union. This argument is not, of course, absent from the current free trade debate, as the warnings of Mitchell Sharp have made clear. It is an argument which, because it relates to the future, can neither be proved nor disproved.

### ELECTION OF 1911

The election of 1911 represents the most acrimonious debate over free trade in Canada's history. As in 1854, the United States' motives in 1911 were substantially political and only secondarily economic. The government of the day saw political advantage, i.e., re-election, in reciprocity. There were economic groups, such as the newspaper proprietors, in favor of reciprocity. But President William Howard Taft, was the prime mover in 1911. Anxious for a good campaign issue, Taft took up reciprocity with Canada and succeeded in working out an agreement with the Laurier government by January 1911.

For Laurier and his colleagues, the trade agreement was a gift from the gods. By 1911 the administration had been in office almost fifteen years and, like Macdonald's in 1891, it was showing signs of wear. The bitter dispute over Laurier's proposal to create a Canadian Navy had lost the party ground in Quebec. The Western grain farmers were discontented with the burden the Canadian tariff imposed upon their costs of production. Reciprocity, it was argued, would open the great American market to farmers, miners, lumbermen and fishermen; it would continue the economic growth which had been so marked since 1896.

The debate over reciprocity went on inside Parliament and outside it. The Conservative opposition, which had seemed stunned when the trade agreement with the United States was

first announced, soon recovered its confidence and went on the offensive. The government was unexpectedly thrown back and forced to spend its efforts countering the opposition attack.

### Politics versus economics

In the debate the Liberals specialized in economic arguments, the Conservatives in political ones. It is unnecessary to recount the range of the arguments. What is instructive is to observe the uncanny resemblance between the debating points of 1911 and those being raised today. For example, in 1911 a strong argument against reciprocity was that it would destroy the east-west axis of the Canadian economy. There was the danger that the country's expensive transportation system would be made irrelevant. Today it is argued that free trade will bind the Canadian provinces to the states to the south, and that consequently the authority of the central government will be undermined. When the Meech Lake accord is added to this equation, the result is national disintegration. Against this scenario it is contended that Canada-United States free trade will require a free movement of goods and services within Canada and thus bring us the domestic common market we have long been denied. The resemblance of approaches across the years is striking.

Resources, their processing or conservation, represent another theme expressed in both debates. In 1911 it was claimed that the United States coveted Canada's non-renewable resources so she could save her own for future use. Today the resource horizons of both countries have shrunk but there is still fear that the United States will successfully draw Canadian resources to herself. Canadians will continue to be "hewers of wood and drawers of water." In 1911 it was argued that the country's processing and skilled labor would be lost as Canadian materials flowed to the United States. Shades of the debate in the 'seventies over the danger of foreign investment leading to a loss of R and D from Canada.

The current free trade debate has been enlivened by the claim that the United States cherishes a long-term interest in Canada's fresh water. (The text of the agreement has actually nothing to say on fresh water.) Water does not appear to have figured in the 1911 debate. Both countries were becoming aware of the pollution of the Niagara River, but they did not worry about their long-term need for fresh water. Sir Clifford Sifton, foe to Laurier and to reciprocity, spoke of Canada's "water powers" being sacrificed to the United States. He meant hydro-electric power. What a contrast to today, when provinces transform the drainage of vast northern territories to supply electricity to the United States!

The early years of the 20th century were a time of anxiety over the ruthless operation of the great industrial trusts — the steel trust, the beef trust, the oil trust — which were accused of stifling competition and oppressing the consumer. Sifton argued that the beef trusts of the Midwest would take over Canadian agriculture under reciprocity. Canada would become "a backyard to the city of Chicago." For "trusts" substitute "multinational corporations" and there is a sense of *déjà vu* in the current debate.

### Threat to trading patterns

What would be the effect of reciprocity/free trade on Canada's other trading partners? Should we not try to expand trade with them rather than putting all our eggs in the American basket? In 1911 Robert Borden, leader of the Conservatives, proclaimed reciprocal free trade within the British Empire as a

worthier goal than reciprocity with the United States. Today John Turner speaks of pursuing multilateral trade negotiations through the GATT process rather than entering into bilateral arrangements with one country. Borden lived to see a form of preferential trade within the British Commonwealth but it did not solve Canada's need for long-term and growing export markets. One can only wonder whether the current eighth round of GATT negotiations, which may be concluded in five or six years, will yield the trading environment which John Turner desires. For both critics the overwhelming fact of life was, and is, the centrality of the United States among Canada's trading partners. This was clearly emerging in 1911; it is beyond doubt today. Has the country's sense of national identity suffered, it must be asked?

Stephen Leacock, who fought reciprocity, said of the 1911 election, "People lived on figures and the man who could remember most of them stood out as a born leader." This was the humorist, recalling the dexterity with statistics of John Henry Bagshaw, the Liberal candidate in the great election in Mariposa. However the Conservative candidate, as did Leacock, used political arguments to much better effect. It is time to examine those arguments, again with reference to the themes of the current debate.

### Fear of change

Undoubtedly there were many voters in 1911 who felt confident about Canada's position, following a decade-and-a-half of unparalleled economic growth. Why risk what we have by a "leap in the dark?" asked a retail merchant in Ontario. (Compare Donald MacDonald's "leap of faith.") The same question is being asked today.

In spite of the cries of the cultural nationalists who produced *If You Love This Country*, suspicion of the United States was stronger in 1911 than it is in 1988. Today Canadians see the United States as assertive, impelled by a restless energy and the source of a culture and values which appeal irresistibly. It is a great and wealthy power, neither as strong nor as wealthy as it was thirty years ago, but still the champion of the Western world. Canadians do not see the United States as intent on annexing their country or seizing some of its territory. They do not believe political union is an objective of the United States government. In 1911 many prominent Canadians were convinced that this was a reality, as were many humbler Canadians. After all, the Alaska boundary dispute and many fisheries clashes were recent memories. Under Theodore Roosevelt expansion had appeared still to be a theme in US foreign relations. The utterances of prominent Americans lent credence to Canadians' fears.

Canadians were nervous when President Taft told Congress that Canada had come to "the parting of the ways" and that reciprocity offered an opportunity to the United States to move closer to Canada. Privately Taft raised with his old mentor, Teddy Roosevelt, what he felt would be the practical consequence of reciprocity. The flow of trade to the south would draw Canadian business behind it, so that Chicago and New York would become *de facto* centers of Canadian business and finance. "I see this as an argument made against reciprocity," wrote Taft, "and I think it is a good one." Laurier and his followers could rail against the "faint hearts," they could contend that the prosperity which reciprocity would bring would make Canada stronger and less fearful, but towards the end of the campaign they knew they were fighting a losing battle.

### The British tie

The Conservatives painted reciprocity as a choice between a Canada linked with Britain by many ties and a Canada recklessly turning to the United States. Reciprocity would accentuate the latter tendency. The most popular author in the English-speaking world, Rudyard Kipling, entered the fray. It was too much to expect nine million Canadians to remain distinct from ninety million Americans if they joined in an economic union, he told the *Montreal Star*. Inevitably the commercial, legal, financial, social and ethical standards of the larger partner would prevail. "I see nothing for Canada in reciprocity," he concluded, "except a little ready money, which she does not need, and a very long repentance."

The election of 1911 saw Canadians vote "no" to reciprocity and "yes" to a Canadian nationality based on the tie with Britain. Two men who were disappointed with the outcome of the election were the young cabinet minister, Mackenzie King, who lost his parliamentary seat in North Waterloo, and O.D. Skelton, who had prepared statistical surveys showing the effects of reciprocity for the Minister of Labour, that same Mr. King. Skelton went back to teaching at Queen's and, later, to writing his biography of Sir Wilfrid Laurier. King, his political career sidetracked for a time, went to work for the Rockefellers in the United States. The two were not to come together again for a decade. Both men, one the politician and the other the intellectual, saw the political arguments of 1911 as decisive in the result. King called them "supposed fears," not "actual anticipated results," but did not minimize their importance. To him the most powerful was the belief that a government needed a mandate from the people before it embarked on a dramatic change of direction. Does this complaint sound familiar? Skelton took some consolation in the self-reliance Canadians had shown in rejecting an economic arrangement which would have been good for them. There was, he wrote, "a readiness to set ideals over pocket." Yet how facile were the political arguments! The Canadian farmer who sold potatoes to the United States was no more selling his loyalty to his country than Kipling was when his books were bought in their thousands in the United States. It was regrettable, Skelton argued, "that in order to demonstrate a loyalty which might have been taken for granted, it was considered necessary to sacrifice unquestioned economic advantage."

### FREE TRADE EVENTS AFTER 1911

From 1911 to 1985 free trade with the United States was not a subject of widespread public debate in Canada. This does not mean that the notion of free trade was in abeyance for the period. It was put into action, on a selective basis, on at least five occasions during these seventy-five years. These instances did not, however, arouse the anxieties that had so gripped Canadians in 1911. There seem to be two principal reasons for the lack of controversy. One was the limited scope of the trade arrangements that were concluded. A partial measure of free trade seemed easier for Canadians to swallow. Second, there were always clear and pressing reasons for implementing specialized trading arrangements. They constituted medicine for an ailing patient.

### Trade treaties of 1935 and 1938

The first instance was the commercial treaties of 1935 and 1938, negotiated by the governments of Mackenzie King and Franklin Roosevelt. The 1935 treaty was the first formal commercial agreement between the United States and Canada since the Reciprocity Treaty. It incorporated hundreds of changes in

## Long history of freeing trade

the tariff schedules of each country. The 1938 agreement brought Great Britain into the new structure of more liberalized trade being created in North America. Canadian foodstuffs and raw materials now found the United States market open to them in a way it had not been since 1866. The context for the two commercial agreements was, of course, the world depression of the 1930s, which had especially devastating effects on Canadian producers of primary commodities. The mechanism was Roosevelt's Trade Agreements Act (1934) which gave the executive authority to conclude commercial treaties without the necessity of appeasing Congress.

For Canada the 1935 trade agreement took on something of a bipartisan achievement. Although Mackenzie King's government negotiated the final agreement, the negotiations had actually begun under King's predecessor, R.B. Bennett. There was little objection in Canada when the terms of the agreement were made public, and no political worries. Mackenzie King even saw the agreement as reinforcing "the underlying realities of public and private friendship between our two peoples." The political results of the achievement of 1935 were, therefore, benign. Yet the hemispheric cooperation inaugurated in 1935 and 1938 provided the environment for the much closer economic integration that occurred during and following the Second World War.

### Hyde Park Declaration, 1941

The onset of war in 1939 destroyed the pattern of trade which had sustained Canada since the 'twenties: a surplus on the account with the United Kingdom which offset a deficit in the trade with the United States. After 1939 Britain could no longer provide that surplus, even though her requirements for Canadian materials remained. The problem was intensified by Canada's pledge to supply Great Britain with massive amounts of war production through gifts and loans. Purchasing components in the United States for some of this production contributed to Canada's mounting trade deficit with the United States. In this situation Mackenzie King and his advisers concluded an agreement with President Roosevelt in April 1941 providing for the United States to spend more money in Canada, either through purchases or defence construction. Later the United States agreed that equipment being sent to Britain under Lend-Lease might be manufactured in Canada. The Hyde Park declaration, named after FDR's country home in the Hudson valley, was a pragmatic response to a pressing economic problem. It involved the abolition of duties and customs restrictions on a flow of Canada-United States trade in military supplies worth \$2.5 billion by the end of the war. Few Canadians suggested that the Hyde Park declaration had any political implications beyond symbolizing Canada-United States "good neighborhood."

The same equanimity had not greeted the military counterpart of the Hyde Park declaration, the Ogdensburg agreement of the year before. This undertaking, by which the two countries set up a joint advisory board to plan for a strengthening of their North American defences, dated from the dark days after the fall of France. King and Roosevelt had worked out the essentials of the scheme in August 1940. It signaled a basic shift in Canada's security arrangements from Great Britain to the United States. Most Canadians in 1940 grasped only the short-term significance of Ogdensburg. It was comforting, when Germany had overwhelmed Western Europe and was poised to attack Britain, to have the United States pledge itself to join with Canada in a common defence effort. Prime Minister King was praised by

friend and foe for securing this cooperation. It was the historian Frank Underhill who pointed out that the defence agreement opened a new era in Canada's relations within the North Atlantic triangle. Loyalties would be altered as defence policies were changed. Speaking at a Couchiching Conference in the same month as King's meeting with Roosevelt, Underhill linked Britain's inability to act as Canada's protector with her decline as a world power. These views ran against the grain of the strongly pro-British sentiment existing in English Canada during the early years of the war. Former Prime Minister Arthur Meighen wrote the government to urge that Underhill be interned. Premier Mitchell Hepburn of Ontario, a Liberal, and George Drew, the leader of the provincial opposition, joined in denouncing Underhill. The Board of Governors of the University of Toronto took up the case and Professor Underhill nearly lost his job. As an imaginative historian, he had drawn on the trends of the past and the events of the present to sketch a scenario for the future. It turned out to be a view that was fully borne out. The economic and political collaboration of the Second World War led directly to the unparalleled integration that exists between the United States and Canada today.

### Free Trade Agreement of 1948

At first it was difficult to see that the circumstances of peacetime called for the same innovative responses that had been exhibited during the war. The end of hostilities did not alter Canada's basic economic weakness. She could not compensate for her dependence on the United States by finding strong trading partners elsewhere in the postwar world. She extended loan and export credits on a large scale to Britain and Western Europe. But in her trade with the United States, Canada was still mired in a deficit position. In 1947 she had been designated an off-shore supplier for the Marshall Plan, a concession which eased, but did not remove, her unfavorable trade balance to the south. When United States officials suggested, in October 1947, that the two countries extend the scope of their existing commercial arrangements by entering into a modified customs union, the Department of Finance was enthusiastic. Reciprocity, 20th-century style, would greatly stimulate Canadian exports to the United States and it would provide an assured market for the future. Talks began immediately and were concluded early in 1948, with a full-fledged free trade agreement the result.

The Canadian negotiators believed approval to be in Canada's best interests, as did the few members of Mackenzie King's cabinet who knew about the talks. But, presented with the trade agreement, the 73-year-old prime minister hesitated and drew back. The plan seemed "sound commercially" but it was "fatal politically." The ultimate objective of the United States, Mackenzie King thought, was "to control the continent." Free trade would be a step towards that goal. "Personally, I would rather have Canada kept within the orbit of the British Commonwealth of Nations than to come within that of the United States . . . All my efforts had been in that direction." He decided to reject the advice of his officials and let the plan die. Before he did so he received, from another world, the most extraordinary confirmation of his decision. Browsing through his books, he came across a title he had not looked at for twenty years, *Studies in Colonial Nationalism*, by the English writer Richard Jebb. He opened it at the last chapter, entitled "The Soul of Empire." He was amazed, he confided to his diary, how "completely the views there expressed accorded with my own."

The desire for fuller independence of the Commonwealth, at the same time preserving the unity of the Empire . . . A true picture." His mind was made up. The King of 1948 had become the Borden of 1911.

### Defence Production Sharing Agreement, 1959

Since 1948, and until the Mulroney government's trade initiative, freer trade with the United States has not aroused political passions. Yet it has been advanced, quietly and on a piecemeal basis, through the seven rounds of multilateral trade negotiations conducted under the auspices of GATT. Large installments of freer trade have also been attained by the so-called "sectoral arrangements": the Defence Production Sharing Agreement of 1959 and the Automobile Pact of 1965. These have been specialized in scope and technical in nature; not the stuff of political debate. Yet their effects on Canada's exports and imports have been phenomenal. The proportion of exports to and imports from the US has grown and remained high: 48 percent and 68 percent in 1948; 77 percent and 69 percent in 1987. The level of fully manufactured goods in Canada's exports to the United States is now 47 percent. Seventy percent of this flow is conducted on a duty-free basis, a condition unprecedented in our modern history.

Political objections have not arisen to these installments of freer trade. Economic objections have been trifling. The Defence Production Sharing Agreement, which came about in an effort to reduce Canada's chronic deficit in the purchase of military equipment from the United States, is a case in point. The principal criticism of the agreement was that it did not go far enough in creating jobs and expanding defence exports for Canada. The agreement gave Canadian firms equal opportunities with United States companies in bidding for US defence contracts and vice versa. Customs duties on each side of the border were removed for the trade that resulted. The agreement was announced on Monday, February 23, 1959. The timing was highly significant. On the previous Friday the Diefenbaker government had disclosed the death of the Avro Arrow, an engineering casualty that cost 14,000 jobs. It was now suggested that access to American defence contracts might make up for some of these lost jobs. George McIlwraith, Liberal defence critic, complained that Canadian firms still had to go out and seek orders in the United States; the government had not been able to secure a fixed proportion of American contracts for them. Hazen Argue of the CCF believed that there was a threat to Canadian sovereignty in the fact that Canada was not *guaranteed* a share in American defence production! The Diefenbaker government was commended for creating a Department of Defence Production and for inviting the United States to open an office in Ottawa to explain US procurement procedures to potential Canadian suppliers. As United States defence spending began to increase in the Vietnam War period, so did the imports of defence materials and equipment from Canada.

### Automobile Pact, 1965

Automotive products now make up about 36 percent of our imports and exports with the United States, thanks to the Auto Pact. No large questions were raised when the pact was announced. Signed by Prime Minister Pearson at President Lyndon Johnson's Texas ranch in January 1965, the treaty was not submitted to Parliament until fifteen months later. The delay was to

allow the duty-free arrangement to be approved first in Congress and, perhaps, to give free trade in automobiles and original parts a chance to yield some benefits for Canadian car purchasers. The parliamentary debate on the Auto Pact can only be characterized as desultory. Mackenzie King had decreed, as long ago as 1926, that Parliament should give its approval before any important treaty affecting Canada was ratified by the executive. Why had Parliament not been approached earlier, the opposition demanded? Why was it being called upon to "rubber stamp" the agreement now? The pact would only promote continentalism by confirming the domination of the Canadian industry by the three United States auto giants. A better approach, Max Saltsman of the NDP argued, would be for Canada to build a national car such as Sweden's Volvo.

No one in the House saw a loss of sovereignty through this major extension of economic integration. Critics of the pact soon fell silent. A day later Jean Chrétien noted the pallid character of the debate by pointing out that not a single Conservative was left in the House to vote on the motion approving the agreement. Yet the Auto Pact has been responsible for larger trade flows back and forth across the North American border than the 1911 reciprocity agreement would ever have produced.

### Let economics rule now

What are we to make of this puzzling record of proposals and rejections? How does it help us take a position on the current free trade project between Canada and the United States? O.D. Skelton, who was as good an historian as he was a policy adviser, was close to a valid answer when he talked about a loyalty "which might have been taken for granted." Should not Canadian nationality, Canadian sovereignty — whatever we like to call it — be something we take for granted today in facing out to the world? Canada is no longer a struggling group of British colonies in North America. She is no longer, even, a "middle power." She has become a major country of considerable international strength and influence. She possesses the seventh largest economy in the non-communist world, is the world's largest exporter of minerals and lumber and the second largest of wheat. Most of our exports are manufactured or semi-manufactured. In recent years we have placed more direct investment in the United States than the United States has in Canada. Our cultural life is flourishing, supported generously by a process which avoids government direction. We are in no danger, under our own Parliament, of having our institutions or policies dictated by any foreign country.

Change is inevitable, whether it comes from the impact of free trade, the arrival of refugees or the abolition of intermediate nuclear missiles. The important consideration is that it be *managed*, which, in the case of a foreign trading arrangement, means looking hard at the terms and conditions proposed. Do they reflect an awareness of the capacity of our current economy and its long-term needs? All negotiations involve compromise; something is given up in return for something gained. It is always unsettling to have to make concessions, but economic interdependence is a proven route to material growth and prosperity. They are the soundest foundations of self-determination, making possible the social advance and cultural enrichment which give value to a nation. Perhaps, in 1988, it is time to turn from dwelling on the political dangers of free trade and to consider the relevance of trade liberalization to Canada's position in the competitive world of the 21st century. □

# Summit reflections

by Hyman Solomon

Days before political leaders of the free world's seven richest nations gathered in Toronto for the 14th economic summit, *The Economist* magazine recruited ten of the world's most respected financial and political statesmen to write an alternative communiqué on the state of the world economic and financial condition. In their own right, *The Economist 10* were as prestigious a lot as the Summit's Group of 7. They included such figures as Paul Volcker, Henry Kissinger, Guido Carli, Etienne Davignon, Tony Solomon, and Canada's Gerald Bouey.

The opening sentence of *The Economist 10* declaration set its entire tone and thrust: "We are deeply concerned by the increasing economic nationalism in many countries, ours included, despite the recent emergence of some favorable economic trends." Drawing on a wealth of experience and former leadership in their fields, and in clear, unforgetting terms, The Ten skipped across the economic landscape pointing out dangers, calling for solutions, and holding Summit feet to the fire of their intense, collective gaze.

Unless checked, The Ten thundered, rising nationalism in nearly all Summit countries inevitably would send the world economy on a downward spiral. The lecture went on in unrelenting fashion. Macro-policy cooperation to deal with imbalances in Summit growth rates and external trade were still not effective enough. The US, West Germany and Japan, the three main players in this game, were all guilty of too much policy rhetoric and not enough action. The Third World debt crisis was beginning to resemble the atomic bomb — still posing a huge danger, but too familiar to get excited about anymore. The new GATT round of multilateral trade negotiations was moving too slowly and in danger of becoming a "sideshow" to the nationalistic and protectionist forces increasingly shaping the global trading system. East-West economic and financial arrangements, in light of the Soviet reform movement, were out of date, and in many ways ineffective. They badly needed reform along market lines.

## *The Economist's* declaration

When the declaration finally ended, there were few stones unturned. Surely this was a world menu and an economic-political order worthy of the Toronto Economic Summit. In fact, it was probably enough to preoccupy the next whole cycle of summits, beginning Bastille Day, 1989, in Paris.

Except that a funny thing happened to *The Economist 10* agenda on the way to the Toronto summit. It got tangled in a long, loosely tied net of national summit politics. When, for example, the trade issue emerged as part of the Summit communiqué, there was no mention of rising economic nationalism, although the GATT Uruguay round certainly received its much-needed politi-

cal push — with some major qualifications in the sensitive field of agriculture. Macro-policy, similarly, was given short shrift in favor of the Summit's discovery of structural adjustment, the overlooked companion which all nations pledged to uphold in their own individual fashion. Third World debt was still a leading agenda item, but only the relatively small percentage owed to official government agencies by the few dozen poorest nations, mainly in sub-Saharan Africa. A summit consensus to forgive, reschedule or subsidize less than US\$100 billion of the debt — again depending on each Summit nation's choice of option — was hailed by all, with authorship claimed by Canada, Britain and France. But the remainder of the US\$1.2 trillion debt burden — about 95 percent of it — was largely ignored, except for a general instruction to just keep plugging away at the problem on a "case-by-case" basis.

Unlike *The Economist 10* declaration, the mood of the Toronto communiqué was upbeat and self-congratulatory. No need for complacency, of course, but the Summit found itself in extended recovery and doing very nicely. And in line with its growing acceptance of coordinated, economic defence, new warning signals and backup structures were being put into place to deal cooperatively with reversals. Looking back through its own set of prescription glasses, the Summit concluded that, like Baby, it had come a long way over the past seven years, compared with the first seven. All in all, the Summit institution and process had proved its value, and was worth keeping and crowing about.

## Summits are politics, crises are economics

The sharp contrast in those two visions of the Summit world begs the question. Which is the correct one? In fact both are correct, but the Summit snapshot is the more realistic, and therefore the truer one. Not because Summit experts command sharper analytical skills, or a capacity for greater judgment and honesty. On the contrary. The Summit vision takes precedence because it reflects individual and collective economies through a political prism, the only instrument which in normal times can push things forward in Summit democracies.

The exception to this rule is a real crisis. When the stock market sank unexpectedly last October and sent world financial markets into a state of red alert, politicians put aside their political prisms and deferred to their economic experts — the finance ministers and central bankers who normally defer to the politicians. The informal, but effective network of alliances among the groups — continually reinforced at personal and technological levels — sprang into smooth, collective action. Liquidity flooded markets, while calming, coordinated statements oozed like oil from the right government offices. When things were sufficiently stable, the politicians quickly resumed their places at the top.

Hyman Solomon is Ottawa Bureau Chief for the *Financial Post*.

In summity terms, the stock crash was instructive on a variety of levels. It was a terrifying reminder — the only kind which moves some politicians — that the dangers underlined by *The Economist 10* were out there, capable of erupting and playing havoc with the world at any time. Political leaders who dallied too long in dealing with structural imbalances, volatile exchange rates, and investment-savings asymmetries were accepting risks which might even exceed the political ones facing them in meeting the problems.

It was also a satisfying test of the international economic machinery which has grown up gradually around, and in support of, Economic Summits to replace the now broken Bretton Woods postwar agreement on fixed exchange rates. Probably the least known achievement of Summits, the network of bilateral and international financial meetings, indicator comparisons, surveillance, and persuasion techniques among central bank, finance and political leaders, has created a form of loose discipline among Group of Seven countries. As sovereign nations, members submit to its rules and constraints voluntarily. As the October crash revealed, crises, which concentrate political minds instantly, produce the greatest compliance. But the forces of interdependence are always competing against national political and other pressures at home. It is the play to these forces which determines the outcome of summits.

### Wills and ways and means

That is why the Summit version outshines *The Economist 10* view of the real economic world. And it is why that view is always less than ideal, if not plain disappointing. Realistic summit leaders know what they can deliver when they return home. To promise more is to risk adding to broken promises and deepening cynicism. In a pre-summit interview with the *Financial Post*, Prime Minister Brian Mulroney — this year's host — made the point from a political leader's unique vantage point. "The problem is that financial and economic decisions cannot take place without political will and political clout. If you segregate the two [financial from political], the balance sheet will always prevail... If they are commingled, and they can only be commingled at the leaders' level, then the dynamics can give rise to some very interesting propositions and some quite rapid action."

They did commingle at the Summit, and the result was a unanimous, and disappointing, decision for politics. Little wonder. With the October market crash now a dim memory, with nearly all Summit economies in healthy condition, and with exchange rates behaving acceptably, or at worst under temporary mild sedation, political leaders were in no mood to see lurking *Economist 10* dangers.

More importantly, they were in no political position to do much about them. US President Ronald Reagan was enjoying his last hurrah and was powerless to impose fresh budget or summit strictures on an election-bound Congress. Although other leaders were not quite so constrained, few were in position to lead late 1988 charges in collective, macro-policy efforts. Japan's Norboru Takeshita was already balancing a torrid economy that for once was expanding internally as well as externally. West Germany's Helmut Kohl, whose economy naturally leads Europe, was not prepared to face down political opposition at home and turn up the heat under his economy. Only Britain's Margaret Thatcher, who dominated the leaders' sessions and emerged the undisputed strongman of the present

group, was in position to call any political play she chose. But Britain does not run with the big three economically and cannot make a difference in this debate. The Summit bowed silently to macro-policy, and focused instead on micro, structural adjustment policy, which all G-7 members could list in the communiqué as good works and sound evidence of leadership and growing attention to market forces.

The political focus on debt, protectionism and trade yielded similar meager fare. The Summit ignored middle income Third World debt because the US was unable to consider anything which even smacked of bank bailout. Summits are not expected to make decisions, only point out appropriate policy direction. But on debt, the minor US concession made on official sub-Saharan relief was US Treasury Secretary James Baker's only small nod to progress. Even there, it was more illusory than real. The US can deliver nothing itself, given Congress' rabid opposition to foreign aid generally. Baker only conceded that the US would not object if others wanted to forgive or forget debt.

### Persistent agricultural subsidies

If Prime Minister Mulroney could claim at least partial victory on debt relief for the poorest, and something better on Summit approval of Canada-US free trade, there was no such clean claim on agricultural subsidies, his other major personal agenda item. Both opposing factions — most of Europe and Japan, versus the US, Canada and Britain — remained firm. In the end, they agreed on one of those compromises so ringed with qualifications, that it was possible for anyone to read anything into it. The result is that the GATT will meet in Montreal this December for a midterm ministerial review with mixed signals on how to tackle agricultural subsidies. Hardly surprising, given the contrasting political, social and economic foundations underlying agriculture in Summit nations.

The Summit ignored the point, but there is a real question whether the GATT midterm is being held at the right time for major decisions on agriculture or anything else. The US in December will have elected a new president and a new Congress, but neither will take office until mid-January. If George Bush replaces Ronald Reagan, and retains James Baker as a leading cabinet member, there will be continuity between administrations. If Michael Dukakis succeeds Reagan, the GATT midterm will be held in a political vacuum.

Baker, himself, who has been all but running the US for the past few years, has also been the single most important influence on the Summit's growing role in international monetary coordination. The breakthrough came when Baker moved to Treasury. In 1985, the then Group of 5 finance ministers moved to coordinate wildly fluctuating exchange rates under the Plaza Accord. The 1986 Tokyo Summit formalized and extended the coordinating process, and under intense pressure from Mulroney, invited Canada to join the finance ministers' inner sanctum along with Italy.

### Summit or perish

The coordinating effort has now evolved into an ongoing process which incorporates the OECD, growing joint efforts by the International Monetary Fund and World Bank, the GATT, and regular G-7 finance ministers meetings. All of these culminate in the annual Economic Summit meeting where politics commingles with economics and provides the direction which

## More than photo opportunities

nations intend to take to meet the world's problems.

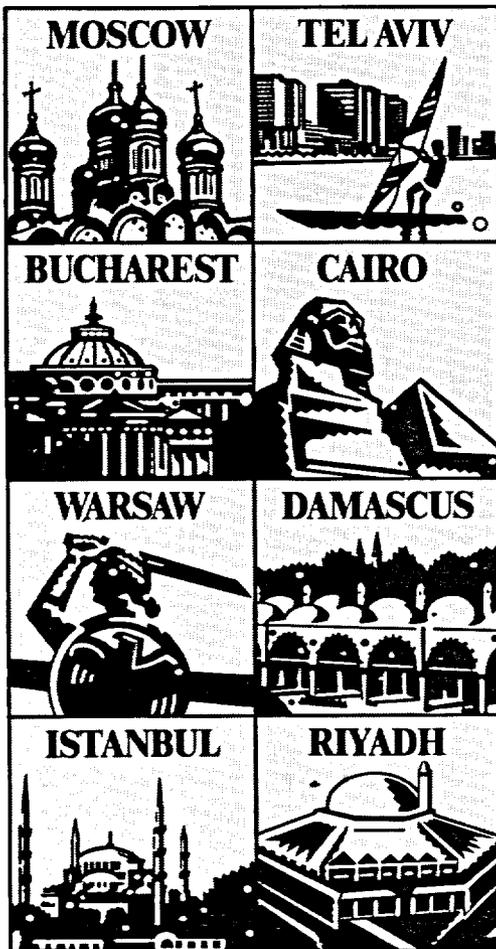
It is not neat, consistent, satisfying or ever complete. It takes place in a political and media circus atmosphere, where Summit leaders spend as much time planning photo opportunities as they do compromise approaches to dangerous economic or trade trends. More, in fact, if the truth were told. Not to be outdone by the preening leaders, the media roams the Summit like packs of snarling caged animals, tearing at any bit of food or trivia thrown their way and taking their anger and frustration out on anything that moves.

Periodic attempts are made to restore some measure of quiet calm and informality — the so-called Library Concept — which was the original format for Summits when it was first drawn up around 1974 by France's Valery Giscard D'Estaing and West Germany's Helmut Schmidt. (The first summit was held in Ram-

bouillet, France, in 1975 without Canada, which was invited to join the next year in Puerto Rico.)

These attempts at Summit sanity are doomed. For all their complaining, the Summit leaders are not interested in some quiet meeting away from world network cameras. And for all its complaining, the media cannot stay away. The strong symbiosis which dominates the odd couple relationship of media and politician all year long, comes to something of an annual climax at the Economic Summit. For better or worse, it will continue to do so as long as there are summits.

And there will be more of them, frailties and all. As Sylvia Ostry, Mulroney's Personal Representative to the Summit, said of the institution, with full credit to Winston Churchill: "It is a reed too frail to support the process of managing interdependence — except when you consider the alternatives." □



# Austrian Airlines. The Great Vienna Connection.

From our Vienna hub, Austrian Airlines has convenient connections to the economic centers of Eastern Europe, North Africa and the Middle East. We also offer frequent, non-stop service to Vienna from London, Paris, Frankfurt, Zurich and other major Western European gateways.

53 cities in 35 countries linked by our new MD-80 and MD-87 fleet. And we're growing—with New York/Vienna non-stops and Vienna/Moscow/Tokyo service beginning in March, 1989.

Our in-flight service is equally impressive. Along with separate check-in and boarding, our new "Austrian Business Class" features more comfortable seating, extra leg room, a choice of menus on many flights and other amenities. And when you fly with us, you can earn a minimum of 800 miles with Air Canada's Aeroplan.

For more information and reservations see your travel agent or call 800-387-1477, in Toronto (416) 964-3558.

**AUSTRIAN AIRLINES**  
2 Bloor Street East, Suite 2810, Toronto, Ontario M4W1A8



**Aeroplan**

# Defence and Canadian political parties

by Tom Keating

Canadians are approaching a landmark election. Rarely in the history of Canadian electoral politics have there occurred election campaigns during which foreign or defence policy issues were in the spotlight. Among the noteworthy exceptions were the 1911 federal election, in which free trade with the United States determined the fate of the Laurier government [See article by David Farr in this issue, Ed.], and the 1963 election when the Diefenbaker government self-destructed on the issue of nuclear weapons and Canada's defence relations with the United States. The next exception may be even more exceptional, for as a federal election draws near both free trade *and* defence will be on the agenda, with the Liberals and the New Democrats attempting to unseat the Mulroney government. There is little doubt that free trade will dominate the next federal election campaign. On this issue, the positions of the respective parties are straightforward and well-known.

Yet the free trade agreement is not the only issue that divides Canada's three political parties and involves matters of profound significance for the future of this country and its foreign policy. There is also the matter of defence policy. Unlike free trade, however, partisan differences on defence are less clearly defined and more easily obscured. Nevertheless, the differences are significant and the party that prevails in the next election will have considerable influence over the shape of Canada's defence policy for the next generation.

## Lining up on defence

Defence, like foreign policy, is not often in the limelight during election campaigns. In part, this has been the result of a widely-shared consensus on defence policy among the Liberals and Conservatives and most of the electorate. The partisan differences that have appeared in the past have tended to be ones of emphasis rather than substance. The noteworthy exception to this has, of course, been the NDP, which since 1969 has offered a defence program substantially distinct from those of the old line parties, one that has centered on a unilateral withdrawal from the North Atlantic Treaty Organization and abrogation of the bilateral air defence pact (NORAD) with the Americans. Until recently, however, the New Democrats did not possess sufficient popular support to be a credible government party. If recent opinion polls are accurate this has now changed, and the NDP may very well be in a position where it could consider implementing its defence policy.

If further encouragement is needed to take the NDP's defence proposals seriously it can be found in the collapse of the historical bipartisan support for Canada's postwar defence policies and the growing public questioning of these policies and the Western alliance's reliance on nuclear weapons. The instigation for this widening debate on Canadian defence policy can be traced

to recent shifts in the nuclear and conventional strategies of the superpowers, the increasingly public debate on security policy within the Western alliance in the early 1980s, and the concomitant growth of the peace movement here and abroad. With a public more attentive to matters of security policy, the parties have been anxious to tap this emerging constituency by distinguishing themselves on defence matters. The Mulroney government provided additional fodder for debate when it released the White Paper on Defence in June 1987. The document was one of the most anticipated defence policy statements that a Canadian government has produced. It may also prove to be one of the most short-lived. For the first time since the early 1960s defence has become a major partisan issue and the upcoming federal election will present the Canadian electorate with an opportunity to decide among competing proposals for the future of Canadian defence policy. Now that the government has presented its proposals in detail, it will be up to the opposition parties to articulate their programs. While we await the details of these, there are already indications that the electorate will be able to choose among quite distinct views of the future direction defence policy will take in this country.

## TORIES: INDEPENDENCE OR CONTINENTALISM?

A White Paper on Defence had been one of the key election promises of the Mulroney government when it was first elected in September 1984. Prior to the release of the White Paper, *Challenge and Commitment*, in June 1987, the Conservatives had already restored distinct uniforms to the three branches of the armed forces, and committed an additional 1,200 personnel to Canada's brigade on the central front in West Germany. The pressures of financial restraint, however, had largely won out over the demands for increased defence spending. As a result the Tories were unable to maintain the levels of defence spending that the Liberals, following a decade of neglect, had restored in their last years in office in the early 1980s. The White Paper has thus become the main plank in the Tory platform on defence policy. Many of the commentaries on the White Paper have viewed the document as a shopping list for the forces and have criticized the type and cost of this equipment. The equipment and the document itself are, however, as much a statement of doctrine that would govern Canada's military orientation into the 21st century as they are a simple matter of re-equipping a threadbare navy and depleted army.

---

*Tom Keating is Assistant Professor of Political Science at the University of Alberta in Edmonton. He is the co-author, with Larry Pratt, of Canada, NATO and the Bomb to be published by Hurtig in September.*

## Fortress Canada?

As has been noted frequently, including earlier commentaries in this journal, the Conservative government's White Paper is guided by a cold war image of the Soviet threat, a concentration on the instruments of warfare, and a rather benign view of American military interests in the Arctic. The document also reflects an overwhelming preoccupation with local defence and independent Canadian action. Many have described this with some pride as an illustration of "Canada firstism." Indeed the Prime Minister in his foreword to the document stated:

Canada must look to itself to safeguard its sovereignty and pursue its own interests. Only we as a nation should decide what must be done to protect our shores, our waters, and our airspace. This White Paper, therefore, takes as its first priority the protection and furtherance of Canada's sovereignty as a nation.

Independence and self-interest have become the order of the day.

### Those submarines

The government, in attempting to combine its harsh cold war sentiments with the flag-waving nationalism of Arctic sovereignty, is seeking popular support for what will become Canada's most expensive procurement program, the acquisition of nuclear-powered submarines. The ruse of sovereignty is everywhere at work in the Tory approach to security policy. As James Bagnall, the *Financial Post's* defence correspondent, has noted, the construction of the nuclear fleet will be "a declaration of independence from NATO."

Canada's maritime strategy, Tory-style, both gives the maritime forces primary responsibility for serving Canada's defence interests and attempts to do so with as much independence as possible. The result, as the Prime Minister indicated, will be to concentrate Canada's forces near the home front and to shift our commitments to the Arctic and Pacific. Alliance and other commitments will be served once the homeland has been secured. The emphasis on a maritime strategy in the document has been noted with approval by retired Rear Admiral Fred Crickard who, in a presentation before the House of Commons Committee on Defence in April of this year, said

The most important feature of the White Paper is not the issue of nuclear-fueled submarines or the role of the army in Europe, or the revitalization of the reserves, but the fundamental change in defence thinking insofar as the maritime dimension is concerned . . . It is the first "Canada first" maritime defence policy statement ever declared by a Canadian government.

In the government's view the submarines are both a necessary and cost-effective method to demonstrate this changed commitment and to convince our allies that Canada has the capability to secure her own maritime frontiers.

Yet even the government is not convinced that Canada can do this alone. As Defence Minister Perrin Beatty indicated to the Defence Committee of the House of Commons, the government envisaged "having new discussions [with the United States] with regard to an integrated naval command similar to the integrated air command." Canada's maritime strategy may very likely become part and parcel of a continental maritime strategy defined by the Americans — a NORAD for the sea. The submarines are viewed as a means of enhancing the government's bargaining position so that the doctrine governing Canada's coastal waters will have some Canadian input and will not be made in Washington.

### Elsewhere in the White Paper

This new posture is also reflected in other decisions, including an increase in the level of the reserves here in Canada, the government's decision to cancel the commitment to supply forces to Norway in times of crisis (the CAST commitment) and its willingness to participate in the Air Defence Initiative with the United States. The emphasis on maritime forces in the Conservative White Paper, combined with the cancellation of the CAST commitment, also suggests a diminution of Canada's European NATO commitment. While the forces have been retained on the central front, and the government continues to give strong rhetorical support to the alliance, if and when the submarine project is launched, future governments will be hard-pressed to find the funds to sustain a Canadian presence in West Germany. Successive reports by Senate committees, the Auditor General and other agencies have shown that the Canadian armed forces are seriously undermanned, ill-equipped, over-centralized at the top, and lacking in reserves. The forces chose to implement the economies of the Trudeau era by centralizing and unifying, and the impression given by many of the studies is that Canada is not only unable to add new commitments, it cannot fulfill those it already has.

White Papers are nothing more than statements of intent. The proof lies in what gets implemented or dropped, how many scarce dollars are devoted to which service, or which equipment project (the army alone has 164 such projects underway or in the planning stages) is selected within the budget. The Conservatives plan to increase Canadian defence spending by a minimum 2 percent annually in real terms over a 15-year period. This would allegedly exclude major projects but, even if economic conditions and politics permit this, Canada will likely be unable to acquire much of the new military equipment it will need if the forces are to carry out their missions. Recent evidence suggests that the 2 percent growth rate will be hard to maintain and that financial concerns in Cabinet will cut into major projects. The result will be that some items will have to be sacrificed to make way for others.

For a small power such as Canada, the sheer cost and rapid obsolescence of modern military hardware can rapidly overwhelm the defence budget. Commitments must be abandoned, and it is here in the realm of economics and technology that withdrawing to Fortress North America begins to make sense. The government, while maintaining the existing Canadian presence on the Central front and giving strong rhetorical support to NATO, nevertheless seems inclined to give preference to a more continentalist defence posture. The "hidden meaning" of the White Paper lies in Prime Minister Mulroney's apparently innocuous foreword in which sovereignty and self-interest (not the prevention of war) are enshrined as the ultimate goals of Canadian policy.

### UNILATERALISM, NDP-STYLE

At first glance, unilateralism in Canadian defence policy appears to be confined to the left of the political spectrum. A great deal of commentary in the press and elsewhere has been directed at the New Democrats' proposals to withdraw Canada from the NATO alliance and to abrogate the NORAD agreement with the United States. The NDP's position on these issues is not a new one and debates on defence policy have raged within the party since its founding in 1961. Although the party did not take a formal stand against participation in NATO until 1969 (largely as

the result of the influence of individuals such as David Lewis), there has always been considerable opposition to Canada's alliance commitments within the party. Military alignments have been opposed by two factions. The first was pacifist, antinuclear and antimilitarist, and found its roots in the party's social gospel tradition and the acts-of-conscience of leaders such as J.S. Woodsworth, whose unyielding opposition to war had, in 1939, gone as far as opposing Canada's involvement in the coming struggle against Hitler. Woodsworth's was a minority view — neither the NDP nor its predecessor, the Co-operative Commonwealth Federation, ever embraced pacifism — but in 1939 many in the CCF objected to Canada's automatic involvement in "European wars which brought no peace."

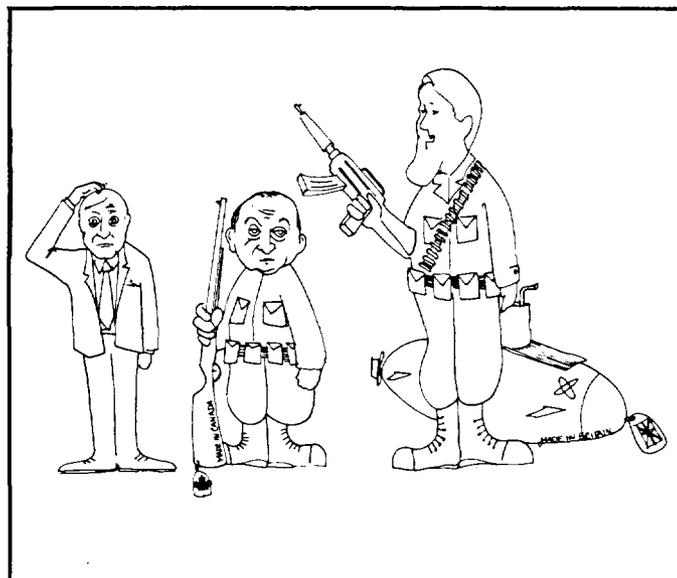
### CCF agonizings

While the party rejected Woodsworth's pacifism in September 1939, they gave only qualified approval to the war effort: "Canada should be prepared to defend her own shores," stated the party, "but her assistance should be limited to economic aid and must not include conscription of manpower or the sending of any expeditionary force." This statement closely resembles recent NDP policy toward NATO, and is indicative of the second and much more influential nationalist position among many Canadian social democrats. Whether directed against Britain, as in the interwar years, or, as in the postwar period, against the US, left-nationalism rejects both multilateral and bilateral defence alignments on the grounds that such ties require the sacrifice of too much autonomy and involve Canada in great power conflicts in which she has no direct interest. Therefore, it is argued, Canada should still "be prepared to defend her own shores" — whatever that means — but only her shores, her territory, her sovereignty. It is a view that can best be described as isolationist, yet it is probably the view of many Canadian social democrats.

The NDP took its formal decision on NATO as part of a radical anti-American attack from the Waffle faction on Canada's complicity in the Vietnam War, at the party's 1969 convention. That decision has been overwhelmingly ratified by party committees and conventions in the intervening years and would seem to have the support of about half of the party's parliamentary caucus. Only recently at the meeting of the party's federal council has this policy been modified. Significantly the policy has not been abandoned, only its implementation postponed. If this is purely a matter of winning votes, it is unlikely that electoral expediency will outlast the fundamentalist views of party militants — for whom getting out of NATO is akin to one of Martin Luther's theses, to be nailed to the door of the Church as a statement of theological purity. If instead, it is intended as a lever to pressure other NATO members to reform such policies as the first-use of nuclear weapons and adopt defensive force postures it will surely fail. Other members are unlikely to take an NDP government's proposals for reform seriously as long as the party retains its commitment to withdraw from the alliance. However sound the advice (and there are some useful suggestions regarding, for example, defensive force postures), the messenger would be viewed with suspicion.

### Internationalist isolationism

What underlies the NDP's majority view on defence policy is a complex mixture of 19th century liberal ideas about war and disarmament, a vitriolic dislike and fear of the United States, and



a traditionally isolationist view of Europe. Above all, New Democrats recoil from the idea that Canadian security can be best obtained in military alignments with the great powers. NATO, it is alleged, ties Canada to military spending levels, to first use of nuclear weapons, and to various policies and institutions of the United States. Party spokesmen argue that, in place of NATO, the first principle of Canadian defence policy should be protection of territory and sovereignty. The more specific proposals of NDP defence policy call for the withdrawal of Canadian forces from Europe (although not without consultation), including the air brigade; assuming unilateral and independent control over air surveillance of Canada's Arctic by canceling NORAD; completing the construction and subsequent operation of the North Warning System without direct American participation; and, perhaps purchasing AWACS aircraft for increased aerial surveillance. Party spokespersons also suggest that an NDP government would purchase additional frigates, some diesel-powered submarines and install passive surveillance devices in the Arctic. From this it is evident that an NDP defence policy is unlikely to be cheaper than its Conservative alternative.

Once sovereignty and the homeland are secured, the New Democrats advocate a more assertive voice on arms control and greater Canadian involvement in peacekeeping activities. It is the NDP defence critic's view that we "want a free hand in our internationalism and we can only get that by not only [taking] forces out of Europe but [getting] out of the NATO council." Yet the burdens of securing sovereignty may limit opportunities to make an effective contribution in these areas. Each of these programs mentioned above suggest a commitment limited to territorial defence. Many will also be very costly. This will leave few resources for other undertakings, and while the New Democrats propose to conduct territorial defence without any formal cooperation with the United States, they do recognize and acknowledge that the United States has to have its security guaranteed. They would therefore be willing to share intelligence information and do whatever is necessary to reassure the Americans that the northern part of the North American continent remained secure. This suggests that an NDP defence policy could not easily ignore American defence interests in Canada and might have to respond to them lest the Americans be tempted to do it themselves. Thus the end result may not look that much

## Fortress Canada?

different from the continentalist leanings of the Tories, but the road there could be rougher.

### LIBERAL MALAISE

As the Tories and the New Democrats borrow freely the themes of sovereignty and territorial defence from the Liberal government's White Paper of 1971, the Liberal party looks for other sources of inspiration. Unlike the other two parties, the Liberals have, as yet, refrained from making a detailed pronouncement on defence policy. The memory of years of Liberal government neglect of the armed forces may be difficult to shake. This neglect left Canada inadequately equipped to respond to the changing strategic situation in Europe and North America that developed in the 1980s. It also left the forces without a strategic doctrine that could be used to guide operational commitments and procurement decisions. Some efforts were made to reverse this situation in the early 1990s as defence spending was allowed to increase between 6 and 9 percent in real terms. Today, the party can also take some solace from the Tories' problems in maintaining this level of spending. Yet the Liberals are still likely to be placed on the defensive when confronted with the serious state of Canada's depleted armed forces. The lack of a substantial program may also place the party at a disadvantage, especially in light of the more comprehensive plans of the NDP and the Conservatives. There is a chance the Liberals will have devised such a plan by the time the campaign begins, but first they may have to overcome some internal differences.

### Uncertain status quo

Like the New Democrats, the Liberals face internal disagreement when it comes to defining defence policy. At the 1986 national convention which confirmed John Turner's leadership, the left wing of the party challenged more moderate voices within the caucus by adopting motions opposing cruise missile testing and supporting the declaration of Canada as a nuclear weapons-free zone. Liberal leader John Turner subsequently supported the anti-cruise position but has refrained from making a similar commitment on the nuclear freeze issue. It is perhaps in part as a result of these internal debates that the party has tended to define their policy by what they are opposed to and have, for the moment, been ambiguous in making clear what they favor.

Despite the lack of detail there are enough statements to suggest that the Liberals will try to present yet a third alternative to that of the Conservatives and New Democrats. Like the New Democrats, the Liberals have been quick to criticize the continentalist tendencies in the 1987 White Paper. They have gone on record in opposition to a continuation of cruise missile testing, to the acquisition of nuclear-powered submarines, and to the cancellation of the CAST commitment to Norway. They have also expressed concern about the potential links among NORAD, the ADI and Star Wars. Alternatively, like the Conservatives, they have condemned the New Democrats' position on NATO and have also retained support for NORAD, albeit with an ABM restriction attached. The Liberals' commitment to NATO was reasserted in John Turner's Vancouver address, where he said that Canada has "the opportunity and the obligation to use our influence on all our partners to help lead that alliance in directions which will build a lasting peace." Left unsaid was precisely what that direction was and what capabilities Canada would bring to the alliance to push it along that path.

The Liberals have gone some way in distinguishing themselves from the positions of the other two parties without making specific commitments of their own. To many this may sound too much like the Trudeau era, when defence policy was allowed to languish without doctrinal direction or financial commitment. Until Turner's Liberals show signs of overcoming this, they may have difficulty convincing the Canadian public that the legacy of the Trudeau era has been replaced by an alternative vision.

### THE PARTIES LINE UP

As an election nears, Canadian security policy is approaching a crossroads and Canada's three political parties are beginning to stake out distinct paths to direct this policy into the 21st century. One path follows an increasingly popular tendency within the Atlantic alliance and elsewhere that favors a regional and primarily unilateral approach to security. For Canada this would mean working within a secure Fortress North America through even closer strategic cooperation with the United States. A second path would take Canada out of its postwar commitments to NATO and its participation in bilateral air defence arrangements with the Americans through NORAD and would lead to a declared policy of non-alignment or neutrality. This option would not preclude increased defence spending but would reject the multilateralist approach that has to date influenced much of Canada's postwar defence planning. In this respect it shares some common territory with the first. The third road would reject these continentalist and neutralist options and recommit the country to a multilateralist defence policy rooted in NATO.

Although the three major parties may not see themselves moving along these paths, there is much to suggest that the Conservatives and the New Democrats at least have claimed the first two as their respective priority positions. The Liberals, for their part, while not quite as definite as the other two parties on defence policy, seem inclined to support the third path. What remains to be seen is how far they may be willing to travel this road.

### A real debate?

If this characterization is valid it marks an interesting shift in the positions of the Liberals and Conservatives from the 1960s and indicates that the New Democrats are holding fast to a policy that was originally adopted in 1969, although repeatedly debated before that time. Canada's three major parties are raising questions of great significance about the future of Canadian security policy and our participation in bilateral and multilateral alliances. Should territorial defence be Canada's prime security mandate? Is it worth risking Canada's support for NATO to send submarines under the Arctic ice? Is this country willing to confine itself to a continentalist defence policy? What defence policy would best respond to the changing strategic environment in the wake of reforms in the Soviet Union and the potential reduction in nuclear stockpiles in Europe?

As the Tories begin to implement the policies and programs outlined in the White Paper, the opposition parties are poised to take it apart. Recent public opinion polls on the acquisition of nuclear-powered submarines show no signs of a consensus on this most important issue. We thus have all of the ingredients for a substantial and timely debate on the future of Canadian defence policy. Let us hope it does not get overshadowed by the idiosyncrasies that so often invade election campaigns. □

# The Palestinian uprising

by John Sigler

In the first twenty years after their defeat in 1948, the Palestinians relied on the other Arab states united under the slogans of pan-Arab nationalism to restore their lost rights. Israel was strongly supported by the United States and other Western powers, and the Palestinians clearly felt vastly outnumbered. Egypt called in the Soviet Union in 1955 as an ally to offset the power of the Israel-US alliance. But the military balance, particularly when including the factors of morale, training and maintenance, has always strongly favored Israel. Only when the Western world was divided, and Israel alienated from the United States, as occurred in the Suez Crisis of 1956, could the Arab side win a political victory and secure the withdrawal of successful Israeli military forces. Thanks to improved training, newer military technology, and the advantage of the initiative, Egypt and Syria were able to impose limited initial military victories over the surprised Israelis in 1973. Egypt used that limited war to secure the return of its lost territories in Sinai, but it was unable to secure the promised American diplomatic support for a negotiated solution to Palestinian grievances, which the Israeli leadership firmly rejected.

From his early student years in Cairo, PLO chairman Yasir Arafat has insisted on the idea that only the Palestinians themselves could achieve their liberation, and to do that, they must remain united. The affection in which Arafat is held throughout the Palestinian community reflects in large part the recognition of his commitment to unity, independence from outside control, and "steadfastness" in face of continuing frustrations at the diplomatic and political level. But the PLO leadership has not been successful in finding a formula for achieving its goals. It has moved away from the armed struggle to the idea of a negotiated settlement, but the abortive experiment with King Hussein in 1985-86 to induce the Americans to play a strong diplomatic role was deeply divisive within the Palestinian movement. It ultimately failed, with abundant responsibility on all sides. The movement came back together at the 18th Palestine National Council meeting in Algiers in April 1987, but it was increasingly isolated on the diplomatic agenda until the Palestinian population in the occupied territories initiated an entirely new phase in the history of the conflict — a decentralized, non-lethal policy of organized civil disobedience.

## The uprising

The uprising which broke out on December 9, 1987, in Gaza had been building for months. The incident which triggered the widespread protest was a traffic accident near the Jabaliyya refugee camp in Gaza in which an Israeli truck rammed a van carrying Gazan workers back from Israel, killing four and wound-

ing eight. The accident was widely interpreted as revenge for the slaying in Gaza City two days earlier of an Israeli businessman, suspected of being an intelligence agent. That killing was part of an emerging pattern of confrontation between the Gaza-based Islamic Jihad and Israeli prison and intelligence authorities. As in the Algerian case, the prison experience has proved critical in forging unity in the nationalist movement. Activists from the main parties in the Unified Leadership of the Popular Uprising — Fatah, the Popular Front for the Liberation of Palestine, the Democratic Front for the Liberation of Palestine, the Palestine Communist Party and Islamic Jihad — came together in prison and continued their collaboration outside. But it was really the teenagers and their stone-throwing attacks which broke the "barrier of fear" which Israeli occupation authorities had heretofore effectively used to maintain control. For months, incidents of teenagers throwing rocks at passing Israeli settler vehicles had mounted in both Gaza and the West Bank. But after the incident in Gaza on December 8, they took on the military itself.

Two other events contributed to the timing of the uprising. One was the Arab Summit Conference in Amman from November 8 to 11, when the Palestinian question largely disappeared from the agenda as the Arab leaders concentrated on the mounting dangers from the escalating Iran-Iraq conflict. The Israeli press took considerable satisfaction from this indication that the Palestinian question was disappearing from the Arab and international agenda. It was the latest signal to the Palestinians in the occupied territories that they could rely very little on the outside world to pay attention to their grievances. They also had the example of the militancy of the Shi'a in Lebanon in harassing the Israeli army and driving it out of Lebanon. The Israelis contrasted their bitter experience in Lebanon with the relative ease with which they had ruled over the Palestinians in the West Bank and Gaza. On November 25, two guerrillas from Ahmed Jibril's Popular Front for the Liberation of Palestine General Command staged a dramatic hang-glider suicide attack against an Israeli army camp near Kiryat Shimona, killing six Israeli soldiers. A poll conducted in the West Bank and Gaza in 1986 showed broad support (61 percent) for such "armed struggle" tactics, but there was a declining sense of the efficiency of such measures to force any change in the occupation.

## "Armed struggle" no winner

These guerrilla actions, so widely reported in the Western media, kept alive the idea of "armed struggle," but caused few real security problems for the Israeli state. On the 20-year period

*John Sigler is Professor of Political Science at Carleton University in Ottawa.*

## Two rights in conflict

from 1967 through 1986, Palestinian guerrillas killed 396 Israelis in Israel and the occupied territories, and the figures were much lower in the 1980s than the earlier period. On balance, these activities undoubtedly cost the Palestinians more in terms of promoting hostility to their cause in Western audiences and securing considerable sympathy for the Israelis than any irritant function they served in changing the diplomatic agenda.

That has dramatically changed with the uprising, which has been widely reported in the Western media. For perhaps the first time for the general public, the situation has been seen for what it always was — a problem of the basic human rights of a people dispossessed of its land, its identity and its dignity. Strong, sensitive voices within the Zionist movement have long understood this tragic aspect of the establishment of the Jewish state, but the solutions have been difficult and painful to translate into an acceptable political formula. For many years, the problem was shoved aside as the Israelis dealt with the problem of absorbing immigrants from around the world and the building of a new modern state structure. Meron Benvenisti, former deputy mayor of Jerusalem and the director of the important West Bank Data Project financed by the Ford and Rockefeller Foundations, has argued that the conflict is now back to where it began: a communal conflict between the Jewish and Arab peoples for a homeland on the same small bit of territory. In this view, the interstate conflict between Israel and its Arab neighbors is largely secondary, although there is little doubt that if the Palestinian problem is not resolved, it will come again to dominate the political agenda of Arab leaders, and we shall be back on the road to war, a war in which weapons of mass destruction — chemical, biological and nuclear — may be directed against civilian targets in a catalytic struggle which it would be difficult to confine to the eastern Mediterranean. That is why it is so vital that the Palestinian civil disobedience campaign succeed in getting the problem to the top of the world's diplomatic agenda now.

### Lessons of the "Intifada"

The Palestinians, so long identified as the world's leading terrorists, have given us important new lessons in the recent uprising. In power terms, the demonstrations have been grossly asymmetrical. Palestinian teenagers have used rocks against what many regard as the world's fourth-ranking military power, and a nuclear power at that. Nuclear weapons have no utility against such a determined population, nor have the more mundane techniques of coercion and the barrier of fear proved effective. As Shlomo Avineri, one of Israel's leading political scientists and former director-general of the foreign ministry, recently remarked: "An army can beat an army, an army cannot beat a people." In a cruel play on words, however, the Israeli army under Defence Minister Rabin has tried to do just that, with new batons issued to the troops to try to beat a population into submission. From all the reports to date, it is clear that the Palestinian population stands fully mobilized in opposition to such coercive military authority and in defence of their fundamental rights. And it works. Many Israelis are scandalized and so are their supporters abroad. That is an important lesson for all of us, with our exaggerated faith in military defence and our excessive expenditures on all the paraphernalia of modern weapons systems.

Many Western European defence specialists have been writing about the importance of nonmilitary defence, or social defence, of preparing populations in advance to resist any mili-

tary occupation. This is intended as an important deterrent in which populations again take up responsibility for their own defence and do not rely only on a distant elite which commands arcane, incomprehensible technologies and defends complex strategies which often defy common sense. Governments in any but the most democratic states will look with suspicion upon such local preparation against arbitrary authority for it could be used in peacetime against undemocratic regimes as well. Ironically, here in the Arab world, where there has been precious little in the successful implementation of democratic regimes, the Palestinians have provided important lessons for themselves, for their occupiers, and for other Arab populations in the region: Arab government leaders have long been ambivalent about the Palestinian cause for they have long recognized that, out of its suffering, the Palestinian nationalist movement has evolved democratic practices which stand in stark contrast to the authoritarian processes of many Arab governments. This Palestinian democracy threatens the legitimacy of the Arab regimes quite as much as the failure of the Arab governments to undo what is still widely seen by Arab populations as the great injustice done to the Palestinians.

### Canadian policies and controversies

Canadians have been modest about their weight in this protracted conflict and we have justified our role primarily as peacekeepers: on the Golan Heights with the UN Disengagement Observer Force since 1967, with the non-UN Multilateral Observer Force in Sinai since 1985, and as truce observers since 1949. From 1947 on, we have been seen with the United States as one of Israel's closest supporters. In 1982, Prime Minister Trudeau, alone among Western leaders, saw the Israeli invasion of Lebanon coming and warned Premier Begin that such a war could not serve Israel's interests and would be opposed by such a long-standing Israeli friend as Canada. True to its word, Canada condemned the invasion which has served as an important turning point in Israeli public relations abroad. Would that the Prime Minister had been able to persuade then Secretary of State Alexander Haig of the wisdom of his insight as to the damage which such an invasion would cause and headed off the "green light" to Israel which was to cause the Reagan government such irreparable damage to its own international standing.

To his considerable credit, Joe Clark as Secretary of State for External Affairs, has given considerable attention to Canadian policy in the Middle East where he has insisted on a balanced Canadian policy, one which continues to place the security of the state of Israel as a leading Canadian concern, but which insists on the rights of the Palestinian people to a homeland in the West Bank and Gaza. He has also spoken out openly about violations of Palestinian human rights in the occupied territories. Modest efforts have also been made to support the activities of Canadian non-governmental organizations in development projects on the West Bank. If Canada returns to the Security Council in 1989, we will be called upon again to play a more active role in efforts to find a negotiated solution to the Israeli-Palestinian problem.

Before that occurs, however, there will be elections in Israel, the United States, and probably Canada as well. The uprising has put the Palestinian question at the center of the Israeli political scene. Early polls suggest that the uprising has further polarized the Israeli public with more favoring suppression of the uprising, and this should give a boost to the Likud coalition. The major

architect however of the hard line policies has been Defence Minister Yitzhak Rabin from the Labour Party and a long-time rival to Foreign Minister Peres. Peres has favored turning over the bulk of the Palestinian population to Jordanian control and has lobbied hard to sell this policy to the US administration. The uprising has demonstrated clearly however that the large majority of Palestinians refuse King Hussein's leadership and demand that their own representatives in the Palestine Liberation Organization be heard in any negotiated solution. Only the doves in the joint Arab-Jewish Progressive List for Peace (PLP) and in the Communist-based Democratic Front for Peace and Equality (DFPE) are willing to entertain negotiations with the PLO and the 2-state solution, and they have proven to be unacceptable coalition partners up to now in the seriously factionalized Israeli political process.

### Jews split abroad

Peres has counted heavily on Israel's friends, principally the United States government and the American Jewish community, to demonstrate that they cannot accept and will not work with the rejectionist and annexationist policies of Premier Begin and thus throw their weight behind Labour in the coming elections as the only party which can work with Israel's friends abroad. But Peres and his friends have been appalled at how far the United States has been willing to go in rewarding the Likud, politically, militarily and financially (despite its intransigence on the Shultz plan), for this undermines Peres's argument that only Labour has the confidence of the US government and the leaders of the American Jewish community. This deep split inside Israel in face of a critical election explains why pro-Labour voices in the American Jewish community have been willing to speak out in criticism of the harsh repressive policies of the government and the unwillingness of Premier Shamir to consider an international conference and a negotiated outcome.

The same argument of course applies to Canada, but the role of the Canadian government and the Canadian Jewish community is certainly a more modest one vis-à-vis Israeli politics. Here the Canadian government has been more willing than the US government to speak out in criticism of Israeli government policies, but fewer Canadian Jewish leaders than American ones have spoken out in the same manner. As *Globe and Mail* columnist Michele Landsberg and University of Manitoba law professor Jack London made clear in an interview on CBC *Morning-side* March 17, the agony for sensitive, human rights-oriented Canadian Jews over what is happening in the occupied territories is no less acute, but the Canadian Jewish community feels more vulnerable, threatened and defensive than the American Jewish community about speaking out in public. Perhaps this explains the sharp reaction by many in the Canada-Israeli Com-

mittee (CIC) audience on March 10 to External Affairs Minister Clark's criticisms of Israeli policy in the territories. While the speech contained the usual strong support of Canada for the security of the state of Israel, such statements by Canadian leaders have rarely criticized the Israeli government publicly. Canada has long preferred to work behind the scenes. But Prime Minister Mulroney, in his end-of-year interview with David Halton of the CBC, had stirred up a hornet's nest of protest within his own party and in the Arab diplomatic community by his remarks on Israeli government restraint in its handling of the uprising.

### Growing support for Palestinians

It is difficult to know how relevant these issues will be in the next Canadian election, but there are early signs that candidates who represent other ethnic communities, the so-called "new Canadians," are coming forward and may take a more Third World orientation generally, including some greater measure of sympathy for the Palestinians than has been characteristic of all but francophone Quebec in the past. Many believe that the tightly organized CIC has had a strong influence on Canadian politicians and hence Canadian policy toward the Middle East, and has not been balanced by any equally effective lobby on behalf of Arab Canadians. The killings and beatings of Palestinian youth have raised anguish for the first time in the Canadian public about Palestinian grievances. In a March poll, 56 percent of the Canadian public supported Joe Clark in his criticism of Israeli human rights abuses, and a plurality of Canadians in 1984 agreed that there would be no peace in the area without a Palestinian state.

It would be a mistake to see this only in zero-sum terms, that whatever new sympathy may exist for the Palestinians means any less for Israelis and the tragic history of the Jewish people. What we need to recognize is that we are dealing with two tragic peoples, and that a myopic morality which deals only with one and ignores the other simply does not help them or the outside world to find a way out of the terrible impasse. The status quo is entirely unacceptable, as the Palestinians have now clearly demonstrated, and the Canadian government should be able to build on strong support from concerned Canadians for its policies of (1) "a just, lasting, and comprehensive peace settlement," (2) "fair-minded peace initiatives," (3) "the security, well-being and rights of Israel as a legitimate, independent state in the Middle East," and (4) "the legitimate rights of the Palestinians...including their right to play a full part in negotiations to determine their future and their right to a homeland within a clearly defined territory." These are the right policies, even if their realization will require herculean efforts on the part of all those concerned with promoting international peace and security based more on justice than fear. □

# Horn of Africa showdown

by John Sorenson

Is there an end in sight for Africa's longest war?

After twenty-seven years of savage conflict, the war between Ethiopia and Eritrea has taken a new direction following a series of major victories against Ethiopia's military government by the Eritrean People's Liberation Front (EPLF). This may mean the beginning of the end for Ethiopia's military regime (known in the official language of Amharic as the Derg, meaning "Committee") and its leader Haile Mariam Mengistu.

The recent EPLF victories have been compared to the French defeat by the Viet Minh at Dien Bien Phu and may prove to be the most decisive in Eritrea's quarter-century struggle for self-determination. In December the EPLF broke out from behind their 200-kilometer line of trenches near the bombed-out ruins of what was once the town of Nakfa. The Ethiopian army was forced back, and then in mid-March at the Battle of Afabet, the Ethiopian 29th Mechanized Brigade was completely destroyed in a classic ambush. The EPLF claimed to have killed or captured 18,000 enemy soldiers. Additionally, the EPLF captured a large quantity of tanks and weapons, as well as three Soviet military "advisers." In the following months, the EPLF claimed that it had put 45,000 Ethiopian troops out of action and broken the back of the Ethiopian military. Even allowing for exaggeration, it is clear that the situation for the Derg is serious.

## WW2 aftermath

Eritrea's struggle for independence began during the Second World War when the former Italian colony (of the same name) came under British administration. While the other colonies attained independence, Eritrea was federated with Ethiopia by a United Nations decision in 1951. A UN Commission ostensibly inquired into the wishes of the Eritreans but its investigation was cursory. Undoubtedly, many Eritreans did desire unification with Ethiopia but others wanted independence. The claims of both sides were exaggerated and those of the Unionist Party were accompanied by violent acts of terror and assassination. The federation was achieved through a collusion of imperialist interests: Ethiopia, which had steadily expanded its borders during the European "Scramble for Africa," wanted access to the sea; the United States aimed to establish a communications base in Eritrea and to maintain a useful ally along the strategic Red Sea coastline.

The federation was unworkable from the start. The relatively liberal atmosphere in Eritrea was regarded as a threat to the centralized and tightly controlled feudal monarchy of Ethiopia.

*John Sorenson is a graduate student at York University in Toronto. He is also associated with the Eritrean Relief Association in Canada.*

Under Haile Selassie, political repression in Eritrea was severe and violent. During a general strike in 1958, 500 people were killed or wounded by the police. Newspapers were censored, industries were closed and transferred to Addis Ababa and the official languages, Tigrinya and Arabic, were replaced by Amharic. The terms of the federation act were constantly violated and it was finally abandoned when Ethiopia illegally annexed Eritrea in 1962. Annexation directly violated the federation act, which could only be amended by the UN. Furthermore, the supposed "vote" taken in the Eritrean Assembly was carried out at gunpoint, with armed guards in the chambers; a declaration was simply read out to the Members of Parliament.

The UN ignored repeated protests from Eritrea regarding annexation, and armed resistance broke out under the Eritrean Liberation Front (ELF). The US poured weapons into Ethiopia, building up the second largest army on the continent (next to that of South Africa). Israel provided counterinsurgency training to Haile Selassie's troops. The ELF received assistance from a number of Arab countries which either saw the Eritrean struggle as a Muslim movement or wished to manipulate an independent Eritrea for their own ends.

## USSR horns in

Meanwhile, the Soviet Union, after its ouster from Egypt and Sudan, saw the 1969 military coup in nearby Somalia as an opportunity to secure a strategic position in Africa. Although the officers who carried out the coup had been trained in Moscow they did not immediately declare the coup to be socialist. However, the Soviets enthusiastically supported the new regime; estimates of military aid varied widely (\$300 million to \$1 billion), but the Somali army had doubled in size by 1975. In exchange for this largesse the Soviets acquired a naval base at Berbera.

The objectives of Somalia's military buildup must have been abundantly clear. Since the former British Somaliland and Italian Somaliland were united as the independent Somali republic in 1960, the government had dedicated itself to regaining what it regarded as lost territories in the Ogaden (in Ethiopia), the Northern Frontier District (Kenya) and Djibouti (former French Somaliland). In 1977 Somalia invaded the Ogaden.

## New guard, old policies

After Haile Selassie was deposed by military coup in 1974, there was some hope that the Eritrean case might be solved. However, the Derg continued his policy in Eritrea and the war continued. Victory was almost in the hands of the Eritreans in 1977 when they had control of all but the major cities, and part

## Ethiopia and its enemies

of the Derg's forces were diverted to the Ogaden. However, ethnic, religious and political factionalism among the ELF leadership led to strife within the liberation movement. Eventually, the ELF was superseded by an offshoot movement, the EPLF, which downplayed internal divisions and proclaimed a socialist ideology.

As in Somalia, the military regime in Ethiopia did not initially declare its ideological orientation. Hoping to preserve its position in the Horn, the US endorsed the Derg, stressed its support for Ethiopia's "territorial integrity" and actually increased its supply of weapons. These increases, however, did not meet the levels demanded by the Derg, which then turned to the Soviet Union. Although the Soviets had supported Eritrean independence at the UN in 1950, they responded to Mengistu's appeals, dropped their support for Somalia and reversed their position on Eritrea. In a dizzying switch of alliances, the US began arming Somalia. A massive airlift of Soviet weapons, accompanied by Cuban troops and pilots from South Yemen, allowed Ethiopia to win a victory in its dispute with Somali over the Ogaden region and turn its full attention to Eritrea. Under the Soviet-backed onslaught, victory was snatched from the Eritreans, who were forced to retreat.

For a decade, the EPLF remained in the rugged mountains of northern Eritrea, seemingly forgotten by the rest of the world. Most support from the Arab countries dried up as the EPLF's socialist program was articulated. The US, still hoping to "win Ethiopia back" with food aid, did not see the EPLF as an Eritrean counterpart to the *contras* or the *mujahadeen*.

The OAU (with the honorable exception of Samora Machel of Mozambique) has refused to recognize the legitimacy of Eritrean claims to self-determination because of its principle of maintaining the borders inherited from the colonial period. Clearly, this would equally apply to the Eritrean case, but Haile Selassie had annexed Eritrea only months before the OAU convened. Abdul Rahman Mohammed Babu, the former Foreign Minister of Zanzibar and Minister of Economic Planning and Social Welfare in Tanzania, introduced the clause concerning colonial borders to the OAU. In an interview with the author, he stated that he has suffered "eternal shame" because of that clause's effect on the Eritrean case. To his credit, Babu has now become a tireless advocate of Eritrean self-determination.

### Eritrean resistance thrives

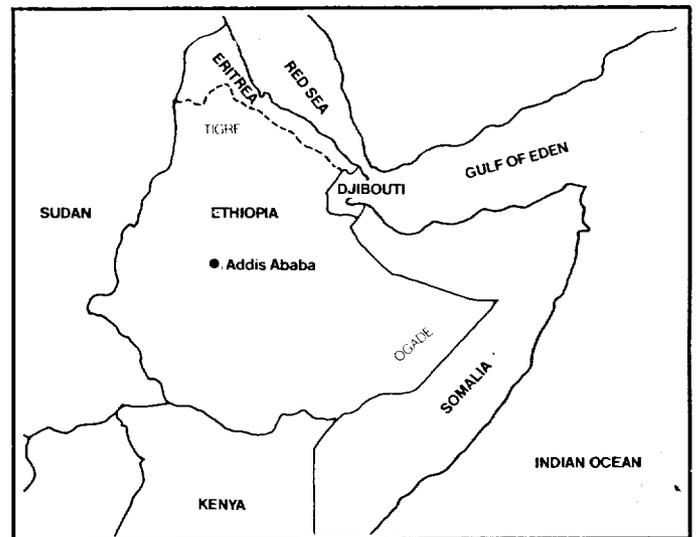
Despite a lack of external support and confronted with the devastating famine which ravaged the Horn, the EPLF was able to create a far-reaching social revolution in the areas it controlled, including land reform and the emancipation of women. Under the constant threat of aerial bombardment, the EPLF built an impressive underground infrastructure in its base areas including hospitals, schools, workshops and garages. Through the Eritrean Relief Association emergency food aid was brought in from Sudan to meet the needs of the civilian population stricken by war, drought and famine.

Now the EPLF has broken out from its defensive perimeter and dealt a deadly blow to the Ethiopian army. Additionally, just inside Ethiopia in the province of Tigré, the Tigréan People's Liberation Front (TPLF) achieved a string of impressive victories which have also weakened the Ethiopians. The TPLF states that it is fighting for a democratic Ethiopia and advocates secession only as a last resort. During its initial period, the TPLF received substantial support from the Eritreans but relations be-

tween the two fronts cooled during the early 1980s. Now the EPLF and the TPLF have put aside their differences and signed a treaty of cooperation which could spell eventual defeat for the Derg.

### Starvation and atrocities

But at the moment, it is the Eritrean people who are suffering most. Relief supplies to a famine-stricken population have constantly been disrupted by military conflict. Crop fields and villages have been attacked. Now the Derg is relocating villagers and there has been a massive displacement of the population fleeing from the combat zones. The EPLF states that as many as 180,000 people have been displaced and that 50,000 have fled to areas it controls. Also, following its defeats in March, the Derg expelled all foreign relief workers from Eritrea and Tigré. Ostensibly this was done for their own safety, but the EPLF and the TPLF suggested that it was to clear the area of witnesses to atrocities against the civilian population. Reports of these atrocities are now starting to be received. The EPLF issued statements throughout May and June concerning arbitrary executions, burning of villages, executions of political prisoners and the use of napalm and cluster bombs. During May, according to the EPLF, in the town of She'eb alone, 400 people were slaughtered, 80 of them herded into a ditch and then crushed to death by tanks.



In Ethiopia, Mengistu has responded to the EPLF victories by declaring a state of emergency which gives the army the right to arrest or shoot civilians on the spot, as well as to enter and search homes at any time. Forced conscription has increased and children as young as fourteen have turned up as prisoners of war in Eritrea. On May 19, Addis Ababa Radio announced that every salaried Ethiopian would now have the "opportunity" to contribute a month's wages to the war.

Rather than accepting EPLF calls for a negotiated end to the conflict, Mengistu in his May Day speech issued renewed calls of "Everything to the war front!" What more can be sent there is a question. A quarter-century of war has drained the economy of the entire region. Ethiopia's arms debt to the Soviet Union stands at more than \$2 billion.

### Out of bounds to aid?

Armed by the Soviets, Ethiopia depends on food aid from the West. Eritrea's situation in this respect is even worse. Few

## Ethiopia and its enemies

governments are willing to provide aid there directly, although Australia and the Scandinavian countries have gone farther than most. Canada refuses to offer development aid to Eritrea, although it does provide some indirect emergency relief. Now a growing number of NGOs are calling for increased cross-border supplies to Eritrea from Sudan.

Canada and Italy are the only two governments which support Ethiopia's controversial resettlement program, intended to move large numbers of people southward from the provinces of Tigré and Wollo, ostensibly because of ecological collapse in the north, although OXFAM says the area can recover through simple irrigation. Tigré and Wollo are also the scene of much anti-government activity. Widely condemned for its brutality in implementing the program, the Derg temporarily halted resettlement but has now resumed these operations.

Ethiopia remains one of the poorest countries in the world and no development can take place under these conditions. In his speech Mengistu himself estimated the annual costs of the war as equal to that of constructing four universities, four hospitals, four "big industries" and a railroad across the country.

### Sudan angles

The wars Mengistu inherited from Haile Selassie also have broader regional effects. Over a million refugees have been created in the Horn and many have fled into Sudan, which is experiencing its own food crisis. Recent reports indicate waves of walking skeletons now crossing back into Ethiopia in search of food; many of these have come from the southern areas where fighting continues between the Sudanese government and the Sudanese People's Liberation Army (SPLA). While Sudan has allowed the Eritreans to operate cross-border relief operations, Ethiopia has responded by backing the SPLA.

In a 1986 interview with the author, EPLF Secretary General Issayas Afewerki indicated that although the Eritreans were sympathetic to the southern Sudanese, the SPLA was being used as a tool by both Mengistu and the Soviet Union. "Why is the Ethiopian government eager to pour all these firearms into south-

ern Sudan? Is it because they are interested in the rights of the southerners when they have denied the rights of their own people?....What they're doing is purely political maneuvering. Is the Soviet Union outside this game? We don't think so."

### Outlook: violent, perhaps short

It seems doubtful that the Derg can win a final military victory. With its recently captured weapons, the EPLF now claims a parity with Ethiopian forces, except in the air. As well, it has captured high-ranking commanders such as Lt. Col. Afewerke Wassie, one of Mengistu's confidants. Other Ethiopian field commanders have been executed in front of their troops for military failure. Morale is low among the conscripted soldiers and there are continuous rumors of mutinies.

Some have speculated that the recent pullout of Soviet troops from Afghanistan may foreshadow a similar Soviet disengagement from the Horn. There have also been suggestions that the Soviets are becoming tired of Mengistu's insistence on a military solution in Eritrea and that a coup may soon occur. Although EPLF radio, broadcasting from the liberated areas, charged on May 25 that the Derg was also purchasing weapons from China and North Korea because Soviet supplies were inadequate to pursue the war, the EPLF is skeptical about second thoughts on the part of the Soviet Union regarding support to Mengistu. Tesfai Ghermazien, the EPLF representative in Washington, stated in a June 14 telephone interview that Soviet weapons are still flowing into Ethiopia. "Everyone is expecting the Soviets to call for a peaceful solution but actually they are not ready," Tesfai said. "They have decided to keep Mengistu in power and Mengistu's only solution is the gun."

But how much longer the Soviets will continue to support Mengistu's unwinnable war is another question. The Derg is sending in 50,000 untrained troops to bolster its forces weakened in the March defeats. The offensive could be delayed until the rainy season ends in September, but when it occurs it might be Mengistu's last showdown. □

## International Perspectives

#302-National Press Building 150 Wellington Street, Ottawa, Canada K1P 5A4  
Please enter my order for *International Perspectives* as follows:

### In Canada:

- Three years (18 issues) for \$57
- One year (6 issues) for \$21

### Other countries

- Three years (18 issues) for \$66
- One year (6 issues) for \$24

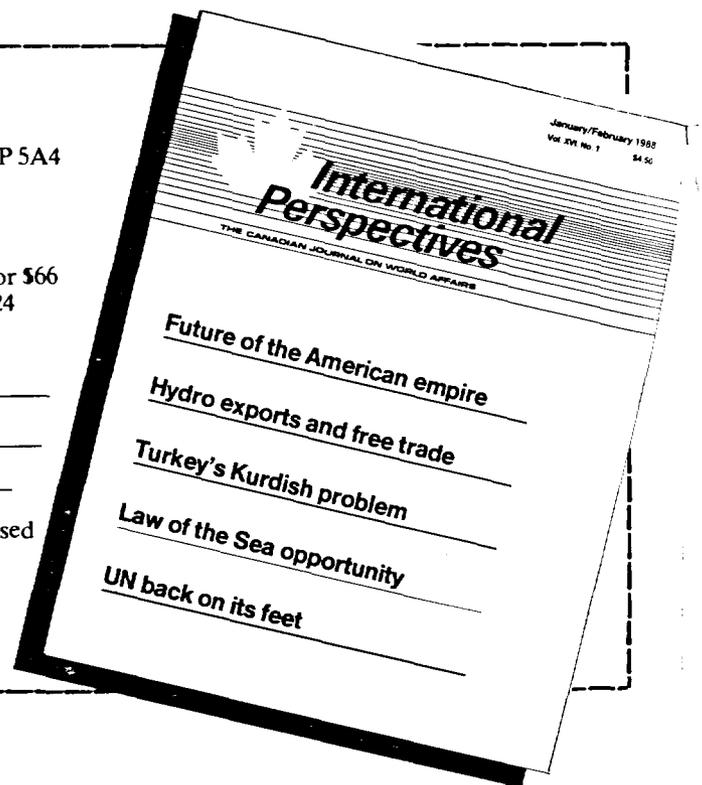
Name \_\_\_\_\_

Address \_\_\_\_\_

My cheque/money order payable to *International Perspectives* is enclosed

Please bill

Authorized Signature \_\_\_\_\_



# Political future of Hong Kong, China

by Ronald C. Keith

Traditional Chinese wisdom would never allow the eye of a fish to pass as a pearl. The draft of the Basic Law of the future Special Administrative Region of Hong Kong (HKSAR) was finally made public in the seventh session of the Basic Law Drafting Committee on April 28. Hong Kong's future has internationally become the subject of furious forecasting and the ongoing debate in Hong Kong will now focus on the extent to which the new law as the legal framework for the 50-year deal to preserve Hong Kong's distinctive social and economic system represents a pearl or a fishy eyeball.

This Law is supposed to give form and substance to the September 1984 Sino-British Joint Declaration. The latter included, in Annex 1, the "basic policies" of the People's Republic of China (PRC), and these are perhaps best described in terms of Deng Xiaoping's interrelated concepts of "one country, two systems" and "Hong Kong people will rule Hong Kong."

## "No-party state"

A less than charitable view would describe the current process of drafting and public consultation as a manipulative process designed to perpetuate a lack of democratic process in what some have referred to as an "administrative no-party state." Historically, Hong Kong was an anomaly of the British imperial experience; there was no carefully staged introduction of British parliamentary processes. While there was an expansion of a British style civil service and legal tradition, there was what some observers describe as "consensus colonialism." The latter implied a bureaucratically-induced political quietism which sought to avoid precipitate Chinese action against Hong Kong. Institutional change focused on the cooptation of political controversy and the pacification of social groups and corporate bodies through administrative rather than political means. This pattern was only modestly qualified in the partial introduction of electoral reforms after the riots of 1967.

Both the British and Chinese agenda might now be seen in terms of mutually agreed agenda for a smooth transition to 1997 within a deliberately circumscribed process of political change. The British were unable to gain Chinese acquiescence in the continuation of British administration after 1997, but both sides have agreed that the transition would run more smoothly if there were no major reshufflings of personnel. The present composition of the Legislative Council is not expected to change drastically, hence the subscription in the draft Basic Law to "the principle of gradual and orderly progress." This law is to be quickly passed through a stage of public consultation in Hong Kong before it goes forward to China's National People's Congress (NPC) in late 1988 or early 1989 for enactment. Its speedy enactment and

its provisions appear designed to forestall any Hong Kong-based popular movement from stealing a march on the Chinese before 1997 through the hasty creation of local general elections.

## People or interests?

Even before the publication of the draft law, public discussion in Hong Kong had tended to focus on whether 25 percent or 50 percent of the Legislative Council would be installed by direct election. In respect of the installation of a Chief Executive and Legislative Council in 1997, the draft law appears to be compatible with historical Chinese Communist united front organizational preference for the selective representation of "functional" groups in society, as opposed to constituency-based electoral party politics based upon one person, one vote. The critics of the draft law contend that it perpetuates an existing pattern of informal representation of groups such as business, labor and professional corporate bodies. This notion of representing "circles" or "walks of life" is reminiscent of the original Communist organization of the Chinese People's Political Consultative Conference under the united front of 1949. The latter as the highest state authority was superseded, but not subsumed by the National People's Congress in 1954.

The drafting committee was no doubt influenced by the April 1987 statements of Deng Xiaoping which clearly rejected any formal adaptation to British parliamentary structures in Hong Kong's political future. However, the British common law tradition is historically rooted in Hong Kong and has been accepted as part of Hong Kong's distinctive social system. Certainly, from the Chinese point of view, the current emphasis on "functional" representation is twice blessed, for it is not specific to the modern British parliamentary tradition and it is less of an anomaly in terms of the PRC's own limited political experience which has only recently allowed direct elections of the delegates to county-level people's congresses.

Hong Kong's political transition promises to become one of this century's most fascinating political experiments. Inevitably, there will be problems. In the constitutional history of the People's Republic of China, for example, "legislative power" has always been exclusive to the NPC. While the State Council (somewhat similar to a cabinet) could pass "administrative regulations" and the provincial congresses could pass "rules and regulations," they could only do so within the provisions of fundamental "law," as passed and interpreted by the NPC. This is certainly appropriate to China as a unitary state; however, the

---

*Ronald C. Keith is Professor of Political Science at the University of Calgary in Alberta.*

## After 1997?

most recent state constitution of 1982 specifically mentioned the NPC's ability to create "special administrative regions."

### Vague is beautiful

The draft law may reflect a pragmatic political strategy, but it is more than a little woolly in constitutional terms. The HKSAR is not a "region" in any normal constitutional sense. There is no Chinese Communist precedent for such a "high degree of autonomy." Hong Kong's fourteen deputies to the NPC currently caucus with the Guangdong provincial delegation; however, the HKSAR in some ways appears to be a non-sovereign state within the Chinese sovereign unitary state. A Chinese province such as Guangdong cannot enact "law," but the future HKSAR is to have such power, particularly in spheres not relating to defence and foreign affairs. Even in the field of foreign affairs some HKSAR involvement is anticipated. The international agreements of Hong Kong to which the PRC is not a party are to remain in force after 1997. The HKSAR status as an autonomous customs area with its own freely convertible dollar has also been reconfirmed.

While the Basic Law is to be enacted under Article 31 of the PRC constitution, it becomes a final source of constitutional authority for many of the governmental processes of the future HKSAR. Only NPC laws which selectively pertain to defence, foreign affairs and national unity are to apply in Hong Kong. The NPC can either revoke or return HKSAR law for reconsideration only insofar as it contradicts the Basic Law. The HKSAR has its own final court of appeal, and the draft Basic Law allows for the appointment of foreign judges from other common law jurisdictions to preside in Hong Kong courts after 1997.

Furthermore, ministries of the PRC government cannot set up offices in Hong Kong without HKSAR approval, and if and when their offices are approved, they are required to respect HKSAR law. Executive power is vested in the HKSAR to deal with public finance, monetary and economic policy, industry and commerce, trade, taxation, postal services, civil aviation and maritime matters, traffic, transport, fishery, agriculture, personnel administration, civil affairs, labor, education, medical and health services, social welfare, culture and recreation, municipal facilities, urban planning, housing, real estate, public order, entry and exit controls, meteorology, communications, science and technology, sports and "other administrative affairs." The HKSAR is guaranteed its own independent finances to be used "exclusively for its own purposes" under Article 104 of the draft law, and Article 107 emphasizes that the HKSAR is to continue to practise "a low tax policy." Resource-rich regions within China will undoubtedly envy such an unencumbered fiscal situation, and the draft Basic Law seems to guarantee Hong Kong's competitive edge over the coastal cities and economic zones of southeast China.

### Some guarantees

Article 4 guarantees that the socialist system and policies will not be practised in HKSAR for fifty years, but is this a substantive guarantee? The original Sino-British Declaration was only a declaration, and not an international treaty. The Chinese adamantly refused to accept the UK negotiators as representing the people of Hong Kong and they never conceded sovereignty, hence the issue has been construed as one of "resuming" sovereignty. While the HKSAR will have its own final court of appeal, the exclusive power of interpretation of the Basic Law

resides with the Standing Committee of the NPC which is only obliged to consult an ongoing Committee for the Basic Law of the HKSAR. Chinese military forces will be located in Hong Kong. These are required to honor both NPC and HKSAR laws, but they will be financed by the PRC.

In the end there are no ultimate guarantees, but the tendency to look for answers in history is all too often unnecessarily subjective and analytically crude. The views of the older generations in Hong Kong may have some political importance, but the case of Hong Kong in 1988 is nothing like the case of Shanghai in 1949. The 1949 case was informed by US containment and the Cold War exclusion of China from the UN, and since 1949 the regime has gone through several stages of national political integration and economic development.

Economic reform within China may yet cause political controversy over social polarization, and despite protestations of China's cultural and moral integrity, the Party may feel threatened by Western cultural influence permitted under the "open door." There is no promise that the Party will not take future action against "bourgeois liberalism." Chinese leaders have, however, pointed the fact that recent action against this phenomenon has been circumscribed so as not to influence Hong Kong's domestic politics. In the past, ideology definitely was exported to Hong Kong. In the Cultural Revolution, there were serious riots in Hong Kong over the alleged desecration of Mao, and the restricted circulation of his little Red Book; but Mao is dead and there has since been profound generational change at all levels of leadership within the PRC. The intellectuals have been formally incorporated into the working class. The Cultural Revolution has, in fact, resulted in tremendous antipathy towards the politics of large-scale mass movements within the PRC, and the content of the Party's own political tasks has shifted substantively away from class conflict towards political stability and modernization.

### China's gains

The PRC can "resume" sovereignty and have the economic benefit of Hong Kong. China has its own version of fiscal conservatism and is dedicated to its own form of economic nationalism. However, the increasing involvement in international trade, while qualified in terms of serious commitment to China's national interests, is a firm, long-term policy which sees foreign investment as a positive element in the program of modernization. A brutal policy of social revolution in Hong Kong would be a curious anachronism in terms of the PRC's own politics. It would not serve the modernization interests of the regime, but it would undercut its strategy to spur the regional economies of southern China and to reincorporate Taiwan into the mainland; and it would have tremendous cost in terms of China's international relations in the Pacific Rim.

The Chinese are likely to take the Basic Law seriously for sound political reasons of national self-interest. It appears that both the Chinese and the British are attempting to preserve Hong Kong's stability and economic prosperity through a flexible political strategy which draws on existing structures of corporate representation and appointment in such a way as to avoid any potential crisis which could arise with the precipitate application of principles of British parliamentary democracy at the expense of Chinese sovereignty. Whether this strategy is an act of political genius or political dissimulation is in the eye of the beholder. □

# Foreign aid and human rights

by Loretta Lynn Rose

Offering foreign aid and protecting human rights are often naturally related activities since the poor and the oppressed are so frequently the same people. Many Canadians have called for the government to make explicit this latent connection by joining some aspects of its foreign aid and human rights policies. Any linkage, however, requires a careful elucidation of goals so that neither policy becomes misdirected or ineffective. In fact, this process of focusing on the aims and strategies of foreign aid has been going on for some time in foreign policy reviews, and now culminates, with a new interest in human rights as one aid priority, in the Canadian International Development Agency's (CIDA) new policy statement, *Sharing Our Future*.

These recent reviews all point to certain paramount aims for aid: alleviating the pressing problems of poverty, hunger, inequality, and environmental distress; helping countries to achieve political stability; and promoting economic growth. When aid is linked to human rights, wider objectives of economic prosperity and human welfare remain, but motivating specific changes in the behavior of offending governments becomes a thread of concern which runs through all the other goals.

Creating an aid-rights link must begin with defining terms. And here is the most difficult hurdle: what are fundamental rights, and what constitutes "abuse" of rights? The Department of External Affairs advances no clear definition of human rights, but utilizes the general guidelines put forth in the International Bill of Human Rights. With respect to abuse, the broad definition of "gross and persistent" maltreatment is used. This lacks refinement, but offers the potentially helpful criterion of institutionalized abuse: we could assume that the constancy and dedication of such violence raises the level of injury qualitatively, to a degree that is wholly unacceptable.

Yet, even in the case of clearly institutionalized abuse, problems abound. How, for example, do we resolve the seeming contradiction between defending individual life and liberty, and freedom of religion, when free religion, in the case of some Muslim countries, involves chopping off hands, blinding and other mutilations? Does this, because it is institutionalized violence, constitute "gross and persistent" human rights abuse? If we claim it does, upon what basis do we judge these Koranic laws to be wrong?

## A role for "morality"

This raises the question of the moral basis for the judgments made. Human rights issues are framed as moral issues. Governments are held responsible for their actions and are deemed culpable when they offend, and the international community regards it appropriate to demand change and to intervene if necessary. Thus, governments do act with at least some notion of a

system of morality and of a moral community with the right to make judgments. However, the right to judge cannot simply be assumed. The fact that all states do make moral assertions can be used to justify joining in with our own pronouncements. People simply are moralists in their dealings with one another. But there are more compelling reasons for promoting human rights. One is that human rights violations do not affect the oppressed only. Rights violations cause unrest and upheaval that affect the outside world. This concept is often expressed in the adage that, "if rights are denied anywhere, freedom is threatened everywhere." In addition, there is the serious question of not compromising our integrity by throwing away our moral convictions.

These are, in fact, the reasons used by the Canadian government to explain why it attempts to promote human rights abroad. (See, for example, the government's *Canada's International Relations: Response of the Government of Canada to the Report of the Special Joint Committee of the Senate and the House of Commons*, 1986.) Still, we are in a world of sovereign states operating on the basis of self-interest, and undisciplined by any higher authority. No formal moral community exists. And, since there is no common cosmology there are no universally accepted rules to guide action. The challenge then, is to create rules and definitions within the context of moral pluralism and state sovereignty.

Perhaps it would be possible to develop some universal criteria on the basis of our common human condition and experience. For example, in a very simple fashion, could human rights abuses be defined as violent or oppressive action which the executors would not be willing to suffer themselves? Could we in this way, apply the "golden rule" to human rights?

This may help, especially in judging the sincerity of governments' claims, yet it is clearly insufficient, for some people are willing to suffer what we in the West regard as appalling and abusive. A good example here again is Koranic law. Appealing to higher principles, leaders who strictly administer the decreed mutilations would presumably agree that they, too, are subject to these divine laws. We cannot then fault them for human rights abuses on the basis of doing unto others what they would not have done to themselves. Yet we would still reject mutilations as an appropriate punishment for social offenders.

There is, of course, a place for punishment, and this limits the degree to which benevolence can be extended. However, when individuals' actions are not clearly harmful to society, or do not challenge its foundations, and they lose their lives or liberty as a result, there is a clear disjuncture between the social ill and the "cure." Such punishment itself becomes antisocial, for it multi-

---

*Loretta Lynn Rose is a graduate student at the University of Alberta in Edmonton, with NGO field experience.*

## ***Aid for the poor or the oppressed***

fies or extinguishes the potential of those individuals to contribute to their society. Put another way, such treatment of individuals (the parts) hurts society (the whole) and can therefore rightly be called abusive. It is easy to think of ways that we might put this idea to work in analyzing situations. For example, governments often suppress opposition groups claiming that they do so to protect the whole (society); however, it is pertinent to ask whether the "protection" is meant for the whole, or whether it results from the government's attempts to shield itself (a part).

This relationship of parts to whole extends beyond national borders. What governments do affects the welfare of the human race in general, whether directly or indirectly. This is a commonplace of modern international relations. Thus, if one part (a state) is causing enough distress that the health of the whole (the international community) is affected, the whole has a right to intervene. This is explicitly recognized in Article 39 of the Charter of the United Nations.

Three broad principles, then, can help in formulating a working definition of human rights, of what constitutes abuse, and of when abuse warrants intervention: first, the guideline of gross and persistent, or institutionalized abuse, which is currently applied by our government, but which needs much refining; second, an application of the "golden rule," to determine whether governments consistently violate their own professed standards; and third, a consideration of the relationship between the parts and the whole, and the necessity of preserving the integrity of both.

### **Beating guidelines into policy**

Such general guidelines require much diligent work to make them useful, and Canada's many activities on the various standard-setting committees of multilateral organizations offer promise. In the meantime, however, action is required. So, keeping in mind these general parameters, how ought the Canadian government to develop its immediate policies? On this subject, writers such as Margaret Doxey, Terence Keenleyside, Patricia Taylor and others have offered useful insights. It is worth reiterating, and adding to, some of these.

First, sanctioning governments must admit their own human rights problems, and be consistent in taking remedial action. This is the foundation for action, and the only way of avoiding charges of hypocrisy. Canada's involvement in the United Nations Working Group on Indigenous Populations, and its submission to the authority of the Human Rights Committee under the Optional Protocol represent, in at least some measure, this type of ameliorative action.

Second, suspending any military trade with offending regimes is imperative. Obviously, adding to the coercive resources of abusive governments is illogical and counterproductive. This is recognized in the government's September 1986 policy guidelines for the export of military equipment to countries whose governments have a record of serious human rights violations. However, continuing controversy over exports of military and electronic equipment to Chile suggests that there remains much to be done in refining these guidelines.

Third, it is appropriate — indeed necessary — to take some actions which may be largely symbolic, but very public, in order to make a clear statement against gross abuses. Black South Africans, for example, have insisted that sanctions against their government are vital as expressions of international support,

even when the eventual impact of sanctions is not clearly known.

### **Making respect for human rights attractive**

Concrete action must follow close on the heels of symbolic performance, to give substance to the moral and intellectual statement. The next step is to consider how the Canadian government can persuade abusive governments to change. Canada has never approached such questions in terms of exerting mere force. And, indeed, with respect to human rights, it is doubtless more useful to try removing the options of offending governments so that respecting human rights becomes increasingly attractive. This is where foreign aid enters the picture. Here is a "good" which we control; and although Canadian aid may be small in comparison to aid given by some others, it may nonetheless be very important to poor countries facing grave problems. In addition, linking aid to human rights, unlike many other actions, cannot be construed as a breach of sovereignty of the receiving state. Aid which is freely given can be freely withdrawn, and in this sense is not *a priori* meddling.

However, if we intend to use aid as a "weapon" for advancing human rights, then it is especially important for Canada to have an overall, consistent, and thoughtful *policy* for linking aid and rights. Inconsistency can invite cynicism and lessen the chances of success. Allan Boesak's recent statement in Ottawa is a solemn warning about this very thing occurring with respect to sanctions: according to Boesak, unless Canada acts now on its commitment to take tougher sanctions against South Africa, it would have been better that these promises had never been made.

### **Government in action**

It is therefore encouraging to see human rights appearing as a major subject for consideration in recent government documents dealing with Canada's foreign policy. The Report of the Special Joint Committee on Canada's International Relations (*Independence and Internationalism*) devoted an entire chapter to human rights. So did the Report of the Standing Committee on External Affairs and International Trade on Canada's Official Development Assistance Policies and Programs (*For Whose Benefit?*), which made an argument for linking aid and human rights. As a result, the government faced these issues explicitly in its responses; *Canada's International Relations: Response of the Government of Canada to the Report of the Special Joint Committee of the Senate and the House of Commons*, and *Canadian International Development Assistance: To Benefit a Better World*. Of particular note, the government has promised to establish an International Centre for Human Rights and Democratic Development (ICHRDD). And CIDA, in its recent policy review, demonstrates a new commitment to the promotion of human rights. Thus, a policy for linking aid to human rights is being developed, although it is only in the beginning stages. There are several dimensions that should be included in such a policy.

First, we need objectively and explicitly to consider the sacrifices involved. It may be true in regard to the human rights issue more than others, that there is small chance of effectiveness without sharing the burdens of change. The offending states may carry the blame, but cost will partly be carried by the accusers. This, perhaps, is only fitting, if the public is to know that governments do not accuse others lightly, but only after serious consideration, and after taking into account the difficulties of our times. How might costs be shared?

There is the obvious step of welcoming refugees: if we deplore oppression, we must allow the victims of oppression to settle in our country. Similar in this regard, is the CIDA training program for Ugandans which operated during the Amin years when virtually all bilateral aid had been suspended. Another example would be the CIDA income-generation program for Afghan refugees in Pakistan. Although limited in scope, these programs are important for the positive encouragement they offer to those living under tyranny.

Creating channels for improving the resources/training of the people suffering under oppressive regimes, while refusing to consort with the regimes themselves, is an eminently reasonable response. One argument often made against an aid-rights link, is that cutting off aid harms the very people who need help. This, in part, is the argument used by the Canadian government as an explanation of its recent renewal of aid to Guatemala. The government felt that Guatemalans should not be "doubly penalized" by having to endure both oppression and aid suspension. Others assert that aid to abusive governments never reaches those who need it anyway, so the concern is misplaced.

While it is true that corrupt governments may block delivery of goods and services, or squander funds, a portion of aid may still reach the poor. If this is so, we face a serious question of whether we can, in conscience, cut off aid to such countries. Shall we hold the poor hostage because their governments err?

### Direct aid the answer?

Delivering aid *directly* to the citizens and bypassing the offending governments seems to be the way out of this quandary. If such assistance can be offered, there can be no objection that cutting off aid harms those who need its help, or focuses on human rights issues to the detriment of the poor. The best way for Canada to do this is to accelerate the channel line of aid through Non-Governmental Organizations (NGOs). The involvement of NGOs tends to be consistent and well-informed, and some respected agencies, such as the International Committee for the Red Cross, are able to remain in troubled countries after other organizations, which are thought to be more closely linked with one regime or political system, have been asked to leave. In Guatemala, for example, it would be possible to direct aid through groups such as Oxfam or the World Council of Churches, which maintain a presence there. The mechanism for such action is in place now: CIDA's NGO Program has channeled Official Development Assistance (ODA) through hundreds of NGOs for many years. Most recently, CIDA entrenched the idea through its new Partnership Program which is

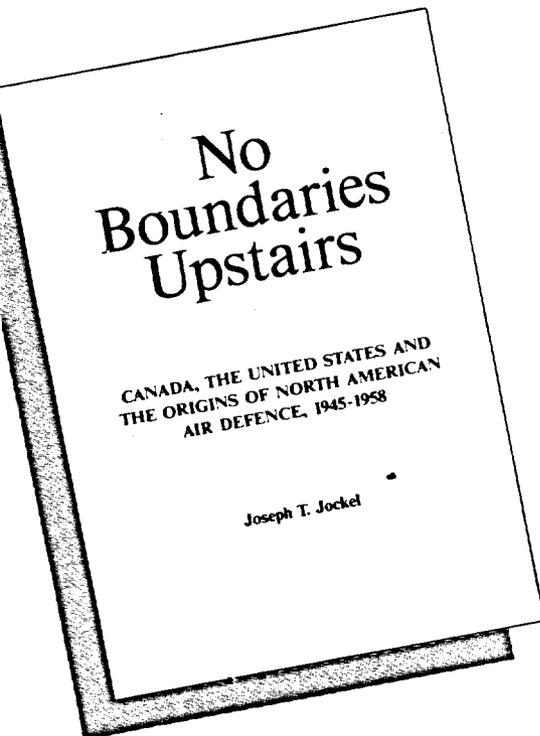
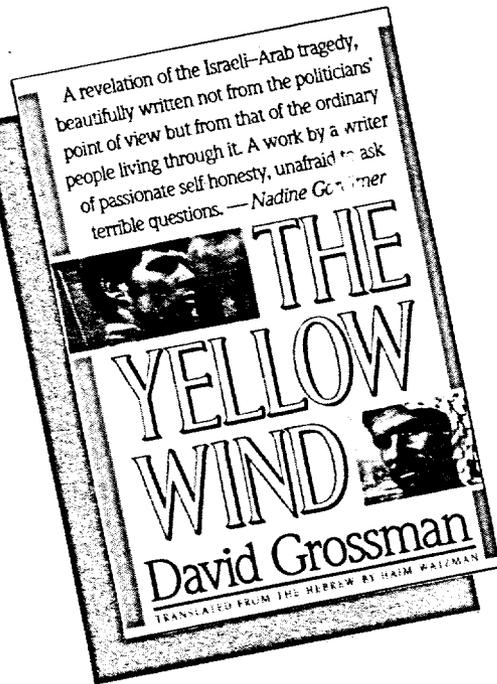
to receive 50 percent of CIDA's aid dollars. Specifically, in *Sharing Our Future*, it promises that: "Cabinet will annually consider information on human rights situations as part of the process of determining which channels of Canadian assistance may be used....In countries where violations of human rights are systematic, gross and continuous, and where it cannot be ensured that Canadian assistance reaches the people for whom it is intended, government-to-government (bilateral) aid will be reduced or denied. Canadian assistance will be channeled through our development partners working at the grassroots level."

### Define and refine

This new commitment is promising, especially since the NGO Program has already been very successful. However, since the government is reluctant to refine its definition of human rights abuse beyond the crude standard of gross and persistent abuse, it remains to be seen whether the channels which exist for linking aid and human rights will, in fact, be used to their potential. Indeed, the vexing problems with formulating workable definitions threaten continually to gut any human rights policy of its utility. And CIDA's policy, though focusing directly on human rights, still offers many loopholes. Where gross and persistent abuses occur, will Canada continue to send bilateral aid if most, or half, or at least some of it can reach the people for whom it is intended? Again, if, according to the policy, aid need not be denied, but merely reduced, will the government be prepared to divert large amounts of funds through NGOs, or will it continue to seem to legitimize abusive governments by sending bilateral aid? Increasing aid through NGOs has not traditionally been viewed as a process which takes place automatically when aid to oppressive governments has been cut; and given that aid which is routed through NGOs is more "invisible" to the Canadian public than bilateral aid, the temptation to succumb to the inertia of former practices may be great.

But the strategy of rerouting aid is vital in order to deal with questions of the effectiveness, moral obligations, and possible hypocrisy or harm that could arise from an aid-rights link. And, importantly, it is capable of fulfilling the goals of such a linkage: namely, helping the oppressed to gain a better quality of life, and persuading coercive governments to change their behavior, while maintaining wider aims of development. CIDA, in its review, demonstrates the desire to keep the proper ends of aid, including a commitment to human rights, firmly in view. The new policies introduce fresh opportunities for Canada to defend human rights; the business at hand now is to ensure that the opportunities are seized wholeheartedly. □

# Book Reviews



## Responding to Gorbachev

by Geoffrey Pearson

*Gorbachev's Russia and American Foreign Policy* edited by Seweryn Bialer and Michael Mandelbaum. Boulder, Colorado: Westview Press, 1988, 491 pages, US\$32.50 cloth, US\$15.95 paper.

This volume of fourteen essays by American scholars (and one Canadian: Timothy Colton of the University of Toronto) contains some excellent analyses of Gorbachev's Russia, perhaps the best that have yet appeared since the Gorbachev phenomenon began to take hold of the Western imagination in 1985. The title is somewhat misleading, for much greater emphasis is given to Gorbachev's Russia than to American foreign policy, and the latter is treated for the most part uncritically. A group of Western, rather than American, scholars might have produced a better balance. Moreover, the reader would have benefited from a general introduction by the editors, given the density and detail of much of the analysis. Nevertheless, the East-West Forum and the Samuel Bronfman Foundation which sponsors it, is to be congratulated for organizing the workshops which led to these results.

Those who study the USSR tend to be conservative in their views, rather like cosmologists; in each case it is hard to say what is going on. Let alone what might happen in the future. Sovietology and cosmology are alike too in their unremitting expertise, most of which is beyond the ken of academic colleagues, not to speak of the pundits who interpret such phenomena for the layman. Thus one hears much of Soviet "behavior," as if the USSR were a distant planet rather than a society of human beings who respond to events in

much the same way as everyone else. Of course, the Soviet authorities must take some of the blame for this telescopic reporting, hiding as they do behind "lies, damn lies and statistics." But not all the blame. Western universities, on the whole, have failed to develop the kind of scholarship which treats the Soviet Union in historical and comparative perspective, and not as an anomaly of social science.

The contributors to this volume mostly avoid this approach, which happily Mr. Gorbachev has helped them to do. They are cautious optimists on the whole, although none dares to predict that the current reform process is bound to succeed. Indeed the majority view is that Gorbachev's objectives cannot be reached for five to ten years, perhaps more, and that in the meantime his survival is by no means certain. On the other hand, they generally agree that the Soviet Union has no choice but to reconstruct its economy if it is to meet both the requirements of national security and the conditions for popular acceptance, and that this imperative in turn implies some form of "democratization." There is no going back to the Stalinist model. The pessimists would disagree, for they believe that a monopoly of political power is incompatible with economic progress, and that the former is bound to be safeguarded at the expense of the latter.

The contributors explore this conundrum in various ways, but none has a ready answer. Most try to interpret the reform movement in terms of past Soviet or Russian experience; thus Frederic Starr sees the process of change in the Soviet Union entering a new phase, with the growth of a civic or popular culture which will make change from above more difficult, raising questions about Gorbachev's room for maneuver; Robert Campbell, writing on the Soviet economy, doubts that real change can be achieved without dismantling the "administrative hierarchy";

but neither Timothy Colton nor Thane Gustafson, writing on the Soviet system in two fine essays, expects Gorbachev to be able to do this, even if he wanted to. Seweryn Bialer doubts that Gorbachev is a "radical marketizer" anyway. So if *perestroika* still implies socialism, and the latter means continuing stagnation, are the pessimists right? "Not necessarily," these authors say, pinning their hopes on change from below.

One aspect of the Soviet future not explored at length here is ethnic unrest, an apparent consequence of "democratization." The Soviet system was built in part to control the dangers of political fragmentation, and once it is loosened, could the structure of society itself be in danger? This question no doubt weighs on the minds of the current Soviet leadership.

What are the implications of a more open and more efficient Soviet economy and society for East-West relations? Can the West influence the direction and pace of change in ways that improve the prospects of mutual security? Seweryn Bialer believes that Soviet "new thinking" about foreign policy is genuine because stable international relations are imperative if reform is to succeed. He also believes that such reform is in the Western interest and that the West can help Gorbachev by encouraging exchanges, and responding constructively to his ambitious objectives for arms control and disarmament. But John Gaddis, William Hyland and Michael Mandelbaum remind us that Western influence on Soviet policy has been dogged by inconsistency and confusion in the White House, disarray in NATO, a fickle public opinion, and not least a history of Soviet refusal to let such influence go too far. The point is put most succinctly by Joseph Nye, Jr.: "Domestic reform and *glasnost* in the Soviet Union are American interests, but not ones about which the United States can do much."

The shadow of the past hangs heavily over these tentative conclusions. The safest prediction about the Soviet Union has always been "more of the same," and over the past forty years Western governments have invested a great deal in the policies which flow from this prediction. The avoidance of nuclear war has been thought to depend on the containment of Soviet power, both in Europe and elsewhere, and there has never been much doubt that this power would continue to grow. Mr. Gorbachev is now beginning to act on the op-

posite premise, that of mutual security, and he appears to mean business. Both Western governments and Western academics find it hard to suspend disbelief. "Then felt I like some watcher of the skies, when a new planet swims into his ken." But can we be sure that it is really new?

*Geoffrey Pearson, a former Canadian Ambassador to the USSR, is Executive Director of the Canadian Institute for International Peace and Security in Ottawa.*

## How NORAD happened

by Donald Barry

*No Boundaries Upstairs: Canada, the United States, and the Origins of North American Air Defence, 1945-1958 by Joseph T. Jockel. Vancouver: University of British Columbia Press, 1987, 160 pages, \$19.95.*

The origins of the North American Air Defence Command (NORAD) have long been controversial. The 1958 agreement has been variously portrayed as an American initiative in which Canada was obliged to participate, as the product of collusion between Canadian and US air force authorities, and as the logical culmination of a pattern of bilateral cooperation in air defence that began at the end of World War II. In this book Joseph Jockel effectively demonstrates the weaknesses of these explanations. He argues that there was no grand design behind the development of postwar air defence cooperation. Rather, in the largest sense, it evolved in a pragmatic, incremental fashion in response to changes in Soviet military capabilities.

Jockel situates the NORAD accord in the context of a tradition of informality in Canadian-American defence relations which dates from the Ogdensburg Agreement, drawn up by President Theodore Roosevelt and Prime Minister Mackenzie King in 1940. That agreement created the Permanent Joint Board on Defence (PJBD) to coordinate the mutual defence of the two countries. The statement, Jockel observes, "was nothing more than an unsigned press release upon which the existence of the PJBD rests to this day." This assessment, however, confuses the status of the agree-

ment with the method of its creation. It is more correctly understood as a formal agreement, informally reached. In Canada the accord was approved by the cabinet and published in the *Canada Treaty Series*. On the US side it was regarded as an Executive Agreement which did not require Senate ratification. It appeared in the *State Department Bulletin* and is still listed in the US government publication, *Treaties in Force*.

Jockel's volume is more heavily based on American than Canadian documents, but it contains important glimpses of the differing attitudes of National Defence and External Affairs officials towards defence cooperation with the US. The military approached defence matters with a view to getting the job done, while External Affairs tended to be more sensitive to the effects of bilateral defence arrangements on Canadian sovereignty.

Jockel is undoubtedly correct in asserting that External Affairs did not oppose the creation of NORAD, although it strongly recommended that the US be asked to acknowledge the need for adequate consultation with Canadian authorities prior to any action that could involve Canada in hostilities. At External's urging such a provision was included in a memorandum approved by the Chiefs of Staff Committee in early 1957, before the defeat of the St. Laurent government. But it was omitted from the documents presented to the incoming prime minister, John Diefenbaker, and his defence minister, George Pearkes, by General Charles Foulkes, Chairman of the Chiefs of Staff, shortly after the new government took office in June 1957. Although the importance of consultation was ultimately acknowledged in the NORAD agreement of 1958, Jockel points out that the expectation that the US would consult Canada in crisis situations was probably unrealistic and, in any event, it was not met, the Cuban missile crisis being the most notable example.

This is an important book that sheds much light on a pivotal chapter in Canadian-American defence relations. It is well worth reading.

*Donald Barry is an Associate Professor of Political Science at the University of Calgary, currently on loan to the Historical Section of the Department of External Affairs. He is co-author (with J.F. Hilliker) of the forthcoming official postwar history of that Department.*

## Canadians like disarmament

by Simon Rosenblum

*End the Arms Race: Fund Human Needs* edited by Thomas L. Perry and James G. Foulks. West Vancouver: Gordon Soules Book Publishers Ltd., 1986, 336 pages, \$9.95.

*Roots of PEACE: the Movement against Militarism in Canada* edited by Eric Shragge, Ronald Babin and Jean-Guy Vaillancourt. Toronto: Between The Lines, 1986, 203 pages, \$12.95.

The first collection of essays presents the proceedings of the 1986 Vancouver Centennial Peace and Disarmament Symposium and was put into book form in the hope "that it will spur people to become involved in the campaign to prevent nuclear war, and to address the real and solvable problems of billions of this planet's inhabitants." The articles are not only concerned with the prevention of a nuclear holocaust but also determined to decrease militarism and end the escalating arms race in conventional, biological and chemical weapons.

Twenty-two speeches from experts from twelve countries are included along with the text of panel discussions. The list of personalities is impressive and includes John Kenneth Galbraith, Bishop Remi De Roo, ambassador Paul Warnke, Petra Kelly, MIT Professor Kosta Tsipis, Rear Admiral Eugene Carroll and Stephen Lewis. While speeches do not easily convert into book articles, the quality of the contributions is generally high, especially from the standpoint of presenting positions for a general audience. The book also incorporates abridged versions of speeches by Helen Caldicott and David Suzuki which were given in Vancouver during the month preceding the symposium. The tension between the two pieces is interesting as Caldicott suggests that the time may have come to abandon all scientific research, while Suzuki, recognizing the important contributions that science can make to the progress of humankind, appeals for society to become more prudent in its haste to find technological applications for all advances in scientific understanding.

While the articles are essentially from a single perspective, the book is not without diversity. For example, the American par-

ticipants largely advocate balanced multi-lateral disarmament, while the British contributors make the case for major unilateral initiatives. Time, of course, has to some extent outpaced the book's deliberations as the Intermediate Nuclear Forces Agreement and serious negotiations on "deep cuts" in strategic nuclear forces could not have been expected at the time of the Vancouver symposium.

*Roots of PEACE* contains thirteen chapters, almost half of which were previously published in the fall 1984 *Revue internationale d'action communautaire*. The first half of the book provides an international perspective on the peace movement while the second half is devoted to strategies of peace movement organization, including the relationship of peace issues to the women's movement, the trade unions and to urban reform movements. Quebec is the reference point of most of the articles in this section.

The essays share in common an approach which challenges "the status quo of militarism, patriarchy and Cold War politics." Most of the authors represent what might be called the left wing of the peace movement as they are highly skeptical about the use of the structures and institutions of the state to make the changes necessary to end the Cold War and secure a just peace. Recent progress such as the INF agreement and positive signs of a strategic nuclear weapons deal challenge some of the book's cynicism vis-à-vis bilateral disarmament between the United States and the Soviet Union.

The writers play no favorites as neither superpower comes off well in the book and "détente from below" is the recommended course of action. Non-alignment — and, specifically, Canadian withdrawal from NATO — is strongly endorsed by many of the contributors. Not considered is a longer term — and probably more realistic — approach of radical reform of both NATO and the Warsaw Pact so that over time the blocs work themselves out of existence.

The articles in this small volume are all quite short and leave the reader less than satisfied. Particularly useful, however, are Gordon Edwards's article on Canada's uranium trade and the piece on Quebec trade unions and disarmament written by Eric Shragge and David Mandel. Many of the articles are unfortunately somewhat polemical in nature, yet the book's basic premise that Canada's role in the arms race cannot be separated from basic relations of

power in our society cannot be simply dismissed.

Simon Rosenblum is Project Ploughshares' Political Affairs Coordinator in Ottawa and author/editor of a number of books on disarmament.

## Outrage over the occupation

by H.J. Skutel

*The Yellow Wind* by David Grossman. Translated from the Hebrew by Haim Watzman. Don Mills, Ontario: Collins Publishers (original publisher Farrar, Straus & Giroux of New York), 1988, 216 pages, \$23.95.

Regrettable though it may be, there is nothing strange in the fact that Western sympathies in the Israeli-Palestinian conflict have, until very recently, been overwhelmingly directed towards that party with whom we feel the greatest cultural and political affinity. Then, too, there is the residual guilt felt by non-Jews concerning the Holocaust, which has contributed its own special biases to the issue.

Meanwhile, either because of constraints imposed upon it by the Israeli authorities or out of fear of arousing the ire of Israel's supporters abroad, media reportage has too often focused on the more sensational acts of Palestinian extremists, thereby neglecting to inform audiences as to the depth and authenticity of the suffering experienced under the Israeli occupation by the masses of ordinary Palestinians — a situation made irrefutably clear by the recent *intifada* (uprising) in the occupied territories in which hundreds of Palestinians have been killed or wounded. Consequently, the Palestinians — their faces sinisterly masked in *kaffiyehs* — have, for the most part, skulked across the popular mind as depersonalized embodiments of unwarranted rage and gratuitous violence.

*The Yellow Wind*, a work of non-fiction by one of Israel's most celebrated novelists, now provides a powerful, if belated, corrective to this negative picture of an embattled people. (The book's title is derived from a Palestinian legend, told to the author, concerning a wind from hell which will sear the earth, destroying all perpetrators of cruelty and injustice.) Essentially a collection of in-

interviews and observations made on the occupied West Bank in early 1987, Grossman's book had its beginnings as a lengthy article undertaken at the request of the left-leaning Israeli newsweekly *Koteret Rashit*. The author, possessed of a sensitive and compassionate eye, elicits from his encounters richly human and troubling insights.

Amid the squalor of a refugee camp, Grossman visits a schoolroom devoid of window-glass and electricity and whose common toilet is a "hole in the ground." It is irrelevant who is responsible for the existence of the camps, the author reflects, as ultimately it will be the Israelis whom the children will come to hate for their blighted, joyless lives. His attention is directed to two small boxes containing the kindergarten's toys: "Old, faded toys. Someone's donations. Not one toy is whole. None of the cars has wheels. Dolls have missing limbs. There is no mercy."

Furtively, in the night, Grossman meets with Palestinian workers hiding out illegally, with their employers' connivance, in an industrial park on the outskirts of Tel-Aviv. Theirs is a horrendous tale of a stupefying, vegetative existence of 13-hour days, six or seven days a week. No medical or unemployment insurance, no social security, no cost-of-living adjustments. Khaled, a dishwasher and father of two from Gaza, proffers his diary from which Grossman records for the reader the pathetic confidences of a life entombed.

Not surprisingly, the humiliations to which the Palestinians have been daily subjected, coupled with the abiding nostalgia of the refugees for their original homes, has served to foster, at all levels of their society, a profound contempt for the Israelis and a steely determination to have a state of their own — in *all* of "Palestine," according to some. Nevertheless, one dispirited businessman tells the author that "the time is approaching when you will expel all of us from our land. That, after all, is the only difference between your parties, the good ones and the bad ones: 'when to expel the Arabs?'"

But it is not solely the dehumanizing effects of the occupation on the Palestinians with which Grossman is concerned. "I could not understand how an entire nation like mine, an enlightened nation by all accounts, is able to train itself to live as a conqueror without making its own life wretched." Accordingly, the book is replete with examples of how the occupation is

rapidly consuming the Jewish state's store of humanity and moral credibility. In one particularly brilliant chapter, Grossman juxtaposes the ludicrous shifts and contrivances the Israeli authorities employ to maintain the appearance of incontestable power, with a comical reminiscence of George Orwell's when he was serving as a colonial officer in Burma. The stark message here is that the oppressor is inevitably deprived of his own freedom and dignity.

*The Yellow Wind* provides an incisive refutation of the falsehoods and distortions Israel has propagated concerning the beneficence of the occupation ("the most benign in history") and the non-existence of a Palestinian national identity. More disturbing, it underscores the hypocrisy of Israeli officials and certain Jewish human rights activists who ceaselessly bewail the absence of human rights for their coreligionists in the Soviet Union, while denying the same to the 1.5 million Palestinians in the territories.

*H.J. Skutel is a Montreal freelance writer. He contributes to Middle East International of London.*

## Military might in the Middle East

by Jack Maybee

*The Middle East in Global Strategy*  
edited by Aurel Braun. Boulder,  
Colorado: Westview Press, 1987,  
274 pages, \$US34.00.

This collection of essays grew out of a conference held at the University of Toronto under the auspices of the Canadian Professors for Peace in the Middle East. Editor Aurel Braun is a Canadian and Associate Professor of International Relations at the University of Toronto. Two other contributors teach at Canadian universities; nine are at American or Israeli institutions; one is with the US National Security Council.

In his introduction, editor Braun stresses the need for strategic assessments which include political, economic, diplomatic and psychological elements as well as military dimensions. He says that it is within such a conceptual framework that the contributors to the book consider the various issues of the Middle East.

While the ensuing studies do not often

manifest this conceptual framework, several do contain useful and informative material. Gerald Steinberg and Steven Spiegel make an impressive though narrowly based case for "systematic strategic cooperation" among Israel, The United States and Western Europe. Of particular interest is their account of Israel's contribution to the testing, development and maintenance of US and European military equipment.

Sanford Lakoff in his chapter on US strategic doctrine in the Middle East, S.N. MacFarlane on Soviet strategy and Joel Sokolsky on the maritime dimension of superpower strategy in the area focus largely on the military aspects of strategy, often with a strong quantitative emphasis. The qualitative approach is more evident in the chapters by Meir Zamir on Syria, by Avner Yaniv on alliance politics in the Middle East, and by Edwin Fedder and Aurel Braun on NATO and the Warsaw Pact respectively. In the section of the book concerning the Gulf region, Roger Savory provides a useful analysis of the impact of Iran's Islamic revolution on the Gulf area, and Robert Litwak outlines Soviet policy with respect to the Gulf. In his essay on US strategic concerns in the area, Zalmay Khalilzad takes us back to the quintessential stuff of quantitative geopolitics — theories of deterrence, tables of arms sales, statistics of oil exports and other trade exchanges. Some statements in the Gulf section must be discounted in the light of the Soviet withdrawal from Afghanistan.

The book suffers from two main shortcomings. First, it does not include any systematic examination of the Palestinians and the PLO, who are sure to play an important role in future developments in the Middle East. Secondly, much of the book seems to reflect a notion of strategy which takes no account of the common interests of the human race on the one hand or of the particular interests of ordinary people on the ground on the other. The particular interests of ordinary people can be factors of significance in areas of tension, as is evident in Afghanistan, in Nicaragua and in Gaza and the Occupied Territories of the West Bank. A book on strategy should deal with these questions.

Finally, the book has been poorly proofread: besides a host of typos, some real nonsense statements have slipped in.

*Jack Maybee is a retired Canadian diplomat who has served in the Middle East.*

# Letters to the Editor

Sir,

Many thanks for letting me propound my Palestinian "passion" in your columns ("Canada and Palestinian self-determination," March/April). I should, however, not have implicated the Canadian officials who currently bear responsibility for relations with the Middle East. All serving officers were directed by DEA to refuse to answer my questionnaire about Canada's Middle East involvement. Although this contrasted sharply with the cooperation accorded three earlier surveys, all but six of the officials whom we approached obeyed the Departmental directive. The returns from over fifty former officials, however, were more than adequate, and my statements about departmental attitudes are correct if the tense is altered, if it is understood that I am reporting the views of "officials who have had responsibility for...."

My guess, encouraged by the disobedient six and about forty informal interviews, is that the perceptions of serving officers in fact differ little from those whose service is past. Nor can I see any significant discrepancy between the views of DEA officials and those of their counterparts in the State Department, in the Foreign Office, and other Western diplomats. All have long been impatient with the tilt towards Israel forced on them by their publics and political masters.

Recent events in Gaza and the West Bank have probably narrowed this perceptual gap. The Prime Minister's charitable assessments of Israeli actions, however, suggest that he is not yet in step with the area experts on the government payroll.

DEA officials, while admiring the moral conviction underlying Joe Clark's gutsy speech to the Canada-Israel Committee, are concerned that he may have gone too far and that it is now more difficult to reform Canada's substantive positions, notably our pronounced tilt towards Israel. Clark has felt obliged to assert repeatedly that Canada's position has not altered. Indeed, he was moved to tell his first Jewish audience after the CIC speech that Canada would "protect, defend and endorse Israel forever." This address left his audience

cool, and they did not, as in Ottawa, reward the Minister by standing and singing the Israeli national anthem.

Peyton Lyon  
Appleton, Ontario

Sir,

I would like to compliment Brigitte Robineault on a well-documented and -written article on "Polisario and Western Sahara" (*International Perspectives*, March/April 1988).

However, allow me to express some thoughts and make a few corrections:

1. The most important conclusion one can draw in the case of Western Sahara is the failure of the UN to implement its decolonization policy, as laid down in General Assembly Resolution 1514 (XV) of December 14, 1960. Even worse, the UN General Assembly by virtue of its Resolution 3458 (A) and (B) of 1975, while confirming the need for self-determination of the Sahraouis people, confirmed the Madrid Accords of November 14, 1975, among Spain, Morocco and Mauritania. Under these accords, a Spanish decolonization formula was accepted, and the Western Sahara was partitioned between Mauritania and Morocco in exchange for an award of mineral and fishing rights to Spain. This double standard applied by the United Nations is exactly what provoked the continuation of the armed struggle by the Polisario front and its military wing, the Sahara People's Liberation Army, against the Moroccan forces, which occupy the richest part of its territory.

2. As the "Sahara Libre" (March 1988), published by the Polisario Front in Algeria, reports, the European Economic Community (EEC) recently refused to recognize the claim of Morocco to sovereignty over the territorial waters of Western Sahara. This recent Agreement on Fisheries, Commerce and Finance between Morocco and the EEC does not contain any provision regarding the sovereignty of the territorial waters of the Sahraoui Arab Democratic Republic, despite protracted negotiations of seven months and pressures by Morocco to the EEC.

3. The exercise by Morocco of a right of "hot pursuit" against Polisario units into the territory of Mauritania or Algeria is against international law. A right of hot pursuit across frontiers could only be granted by a treaty between neighboring states. Al-

though several such treaties have been concluded between neighboring states, no agreement or treaty to this effect exists between Morocco and Mauritania or Algeria. It should be also noted that on May 18, 1988, Morocco and Algeria restored their diplomatic relations, which had been severed twelve years ago.

4. The Advisory Opinion of the International Court of Justice in *The Western Sahara Case* (1975), was not requested by Morocco. In December 1974 the General Assembly of the UN, by Resolution 3292 (XXIX), reaffirmed the principle of self-determination for Western Sahara and asked the World Court, according to Articles 65-68 of its Statute, to render an opinion on this question.

5. It was General Assembly Resolution 2229 (XXI) of December 20, 1966, which called for a referendum for the territory of Western Sahara, after Spain and the United Nations, on the basis of the principle of self-determination, agreed to consider the territory as "non-self-governing." However, such a referendum was never held.

N.M.Poulantzas  
Director, Canadian Institute for  
International Order  
Ottawa.

Sir,

In an otherwise fine article, "Jobs for Canada's next UN Ambassador" (*International Perspectives*, March/April 1988), Firdaus Kharas snidely observes that "this is not the time to appoint another Jean Drapeau to the UN system."

From first hand experience of his work as our Ambassador to UNESCO, I know that Jean Drapeau is fulfilling his responsibilities with devotion and distinction. He does us all proud. All concern for the protection of professional foreign service career prospects notwithstanding, it must offend any intelligent sense of justice that this distinguished Canadian had to put up with contemptible media carping when appointed, and that now, after having proven beyond doubt that the appointment was sound, he still has to abide cheap shots like Kharas's.

C.W. Westdal, Director General  
International Organizations Bureau  
Department of External Affairs  
Ottawa.

# The events of April and May 1988

# internationalcanada

## CONTENTS

### Bilateral Relations

USA	32
Other countries (alphabetically)	35

### Multilateral Relations

Central America	40
Economic Summit	41
Exchange Rate	41
Iran-Iraq War	41
OAU	41
UN	41

### Policy

Arctic	42
Defence	43
Environment	43
Immigration	43
Refugees	44
Subsidies	45
War Crimes	45

For the Record	46
----------------	----

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs and lists recent Canadian publications on world affairs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

The period March-April witnessed the tabling of the Canada-US Free Trade Agreement (FTA) enabling legislation in the House of Commons; its approval by the US Senate finance committee; a visit to Washington by Prime Minister Mulroney to hold the fourth and final round of talks with President Reagan; and continued inaction over acid rain.

### **Free Trade Agreement**

**LEGISLATIVE DEVELOPMENTS:** Minister for International Trade John Crosbie was granted leave in the House of Commons by a vote of ninety-seven to forty-seven on May 24 to introduce Bill C-130, the 153-clause, 123-page legislation to implement the Free Trade Agreement with the United States. The initial agreement was reached in October 1987 and signed by President Reagan and Prime Minister Mulroney on January 2 of this year. The agreement was presented to US and Canadian legislatures for approval. The Bill contained twenty-seven proposed changes to federal statutes to enable elimination of cross-border tariffs over a 10-year period beginning January 1, 1989. A number of new agencies would be established, including a Canada-US Trade Commission, a binational panel intended to settle disputes in dumping and countervailing duty areas. Members of both opposition parties in the Commons voted against Bill C-130. Liberal party leader John Turner maintained that it was not a trade agreement but a "Sale of Canada Act" and that was why the Liberals were fighting the deal. The New Democratic Party leader, Ed Broadbent, asked the government to "do the right thing and resign now and have an election on this important issue" (*Hansard*, May 24). The Prime Minister, speaking to a conference of Progressive Conservative women in Ottawa, said "The Liberals and the NDP say they want an election on free trade. Well, they are going to get one — but I don't think they are going to like the results," (*The Gazette* [Montreal], May 29).

While the Liberals in the House of Commons presented a united opposition to the Free Trade Agreement, the same was not expected of their fellow Liberals in the Senate. The

*Toronto Star* reported on May 27 that, in 1982, thirteen Liberal senators signed a Senate committee report that concluded "the desired restructuring, growth and competitiveness of Canadian industry can best be achieved by the negotiation of a bilateral free trade agreement with the United States." Liberal Senator and deputy opposition leader in the upper chamber, Royce Frith, conceded that "There is no doubt there are a number of philosophical free traders in the Senate." He added that while simply blocking the legislation would be inappropriate, one could not rule out amendments.

In the first speech to a Progressive Conservative gathering in Ottawa, following his appointment as Minister for International Trade, John Crosbie labelled the opponents of free trade as "CBC-type snivellers, the Toronto literati, the alarm spreaders, the encyclopedia pedlars" and accused them of spreading alarm about loss of cultural identity because of free trade (*Ottawa Citizen*, April 11).

The US Ambassador to Canada, Tom Niles, in an interview quoted in the *The Gazette* on May 10 predicted, "My sense is that very definitely the vote [by Congress] will be favorable." The weekly *Financial Post* on May 14 carried a report from its Washington correspondent stating that the drafting of the Canada-US free trade bill was moving ahead swiftly in the US Senate and the House, and provided every indication that the bill would be ready to be formally submitted to Congress by June 1.

**PROVINCIAL REACTION:** "Bred into every Canadian politician is the sure knowledge that trying to legislate in an area that involves federal-provincial powers is like walking through a minefield," cautioned the *Financial Post* on May 31. It further expressed regret that the "instant reaction" of some provinces — and the Liberals and the NDP in the House, "donning the cloak of defenders of provincial rights" in their anxiety to oppose free trade — was on the federal-provincial question rather than the substance of the enabling legislation. The four western premiers meeting for talks on Vancouver Island expressed their support for the agreement (*Globe and Mail*, May 10). The Liberal governments of Ontario and Prince Edward Island expressed their opposition to the Free Trade Agreement. Ontario was more vocal, objecting to the intrusion of the

federal government into areas of provincial jurisdiction such as liquor policies, and threatened to take the federal government to court. Wines and spirits are marked up by most provinces to "protect" their own industries. Under the Agreement, all discriminatory markups on distilled spirits were to be removed by January 1, 1989. Under Clause 9 of the free trade bill, the federal government gave itself the power to make regulations to force these price corrections should any province not comply (*Financial Post*, May 30). The editorial added that Ontario had later "muted" its criticism of the agreement and the Attorney General of the province, Ian Scott, advised against any court challenges at that time. The Washington correspondent of the *Globe and Mail* reported on May 27 that in a diplomatic gesture to Canada, the House of Representatives Ways and Means Committee "scotched" a Senate Finance Committee provision aimed at requiring provincial compliance with the terms of the Agreement. The House version made no reference to the provinces. Since the Senate and House committees could not agree on common language, the Administration was to write a version that did not directly name the provinces. The US Senate Finance Committee chairman, Lloyd Bentsen, in referring to Ontario Premier Peterson's challenge, termed it "an outrageous result to allow one premier of one of the provinces to have that kind of a position and prevail over the entire country" (*Toronto Star*, May 19). Bentsen said he was confident that the free trade legislation was going to pass the Senate and the House. Earlier, on May 18, all fourteen members of the Senate Finance Committee approved the free trade package, including an amendment that would make it simpler for US companies to demand action by Washington against unfair Canadian subsidies (*Toronto Star*, May 19).

A study released by the Canada West Foundation stated that the economy of British Columbia would derive "significant benefits" from the Canada-US Free Trade Agreement. The US represented forty-seven percent of BC's exports in 1986. The study observed that while "significant adjustment will be necessary for grape growers, wineries and fruit and vegetable industries in the Okanagan Valley," other industries such as chemicals, metal fabrication, machinery, transportation equipment and minerals, were expected to benefit from the trade agreement (*The Province* [Vancouver], May 4).

**GRAPES AND WINES:** Premier Bill Vander Zalm of British Columbia announced a new program to help the grape industry switch to a higher quality and more competitive product, and provide assistance in the promotion and marketing of quality BC wines. The provincial New Democratic Party's agriculture critic Mark Rose said the new program showed that the BC government had admitted the Free Trade Agreement would "crush" the wine and grape industry and wipe it out completely (*The Province* [Vancouver], May 3). The International Trade Minister, John Crosbie, pledged government assistance to the beleaguered grape growers in a speech to the Penticton Chamber of Commerce, in the heart of BC's wine growing country. But he would not say when the aid would be available or what form it would take (*Toronto Star*, April 26). Meanwhile, in the other grape-growing area (Ontario),

Brian Nash, chairman of the province's Grape Growers' Marketing Board, revealed that his members were asking the federal government for \$156 million in government compensation for expected losses under free trade (*Toronto Star*, May 27). In response to Liberal agriculture critic Maurice Foster's (Algoma) request that the government make a commitment of direct emergency compensation to the grape growers who were being devastated by the free trade deal, the Minister of Agriculture, John Wise, replied that "you cannot snap your fingers and come forth with a fair and equitable adjustment package." He indicated that a federal-provincial and industry task force had been established last December and would make recommendations to Cabinet "in the very near future" (*Hansard*, April 25).

**ENERGY:** Minister of Energy, Mines and Resources Marcel Masse told the Commons that the free trade agreement assured Canadian producers a market in the United States and that "nothing obliges a Canadian to sell Canada's energy if he is not satisfied with the competitive pricing under free trade" (*Hansard*, May 24). In a column in the *Globe and Mail* on April 7, the director of the Illinois Department of Energy and Natural Resources, Don Etchison, wrote that Canadians who argued against sharing energy supplies with the United States in a time of "energy crisis" failed to see that, in the long run, joint planning would actually help avert such a crisis. They also failed to realize that if the United States suffered from an energy shortage, Canada would too because the two countries' economies were closely linked.

The Calgary-based Canadian Energy Research Institute study released in mid-April predicted that Canadian gas producers could look forward to a rise in natural gas prices and an increased share of the US market until well after the turn of the century (*Financial Post*, April 21).

In a related development, the *Globe and Mail* reported on May 30 that senior officials at British Columbia Hydro and Power Authority were developing plans to create a special export agency to market both BC and Alberta electricity to California on long-term contracts. If successful, the plans could turn West Coast utilities into a major exporter of electrical power, perhaps even in the same category as Hydro Quebec.

**EDITORIAL REACTION:** Most of the editorial comment on the proposed Free Trade Agreement was positive. Kingston's *Whig-Standard* on May 21 called for rejection of the free trade agreement, not because it interfered with one province's right to set a price structure favoring its wines, but because the treaty was bad for Canada as a nation. The *Globe and Mail* of the same day stated that political support for the agreement was strong on both sides of the border and belied the prophets of doom who said it could not be done. It added that success for the opposition would be a somber day for Canada. The *Financial Post* on May 24 lamented how "woefully ignorant" members of the US Congress were of basic Canada-US trade facts, and hoped the FTA would help improve their knowledge of trade between the two countries. According to *The Gazette* (Montreal) of May 16, the deal looked bad enough for Canada already and the paper accused Ot-

tawa of bending over backwards to satisfy the United States that the provinces would comply. Saint John's *Telegraph-Journal* on May 11 complemented the world's largest trading partners for having worked out an "imaginative arrangement to free the flow of trade" and warned against the process degenerating into fear-mongering and acrimony. The *Winnipeg Free Press* on April 16 also cautioned against "the silly and unsubstantiated scare stories being peddled by the enemies of free trade in Manitoba and across the country." It referred to the "sober, modest and realistic" report by the Economic Council of Canada which pointed out three chief benefits to this country of the Free Trade Agreement: It would lead to a significant increase in employment and incomes; it would offer the opportunity for even greater economic growth; and it would help forestall US trade actions which could rob Canadians of jobs and economic opportunities. It encouraged Canadians to support the deal. The *Calgary Herald* on May 25 stated that trade with the United States would still be the key element in Canada's prosperity regardless of the results of the debate on the Free Trade Agreement. It added that, in their zeal to protect Canada's current advantages, the New Democrats and Liberals risked the very thing they were so intent upon preserving.

**ASEAN REACTION:** Members of the Association of Southeast Asian Nations (ASEAN), at their 2-day meeting in Ottawa in early April, expressed concern that the free trade agreement could lead to a new form of North American protectionism. But Jean McCloskey, assistant deputy minister of External Affairs' Asian and Pacific branch, assured that any Asian fears about the Free Trade Agreement were unfounded. Canada's trade with the six ASEAN members (Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand) grew by 33 percent for a total of \$1.8 billion last year (*Ottawa Citizen*, April 8). The Bangkok-based correspondent of the *Globe and Mail* on May 20 quoted Phaichitr Uathaikul, president of the Thailand Development Research Institute, as saying that a free trade agreement in theory should not hurt third countries and hoped that Canada and the United States would keep in mind the interests of smaller developing countries.

### **Film Policy**

The US film distributors treated Canada as part of the US domestic market and in February 1987, Communications Minister Flora MacDonald proposed a licensing system to change that. But the Minister's "diluted" and revised distribution policy announced on May 5 in Toronto left it to anyone's guess whether the new version would have much effect, according to the *Globe and Mail* on May 9. Canadian films take up 3 percent of screen time in Canada, far less than domestic films in Australia (20 percent), Britain (26 percent), France (49 percent) and the United States (98 percent). The Minister pledged to assist Canadian distributors to the tune of \$17 million a year for five years. The *Toronto Star* on May 9 claimed that the Communications Minister "surrendered to Hollywood" and the promising film distribution policy now lay tattered on the cutting room floor — Canada's latest sacrifice to win a trade deal with the US. This government kept saying that

its free trade deal protected Canadians' cultural industries, but its actions spoke louder than its words, noted *The Gazette* on May 9. In expressing "sympathy" for MacDonald, the *Ottawa Citizen* on May 9 pointed out that her credentials as a cultural nationalist were sound, even if her behavior had been sometimes disappointing. It added that the most serious criticism was that she was unable to prevail against the powerful lobby mounted by Hollywood film mogul Jack Valenti, a personal acquaintance of President Reagan. The new policy dashed the hopes of Canadians who would have distributed a modest share of Hollywood's independently produced movies in Canada, and then re-invested some of their profits in Canadian film production (*Toronto Star*, May 4). A *Calgary Herald* editorial on May 9 credited Flora MacDonald for "deft political manoeuvres" which offered some satisfaction simultaneously to Canadian nationalists and to the Hollywood studios. It observed that "neither side is completely happy, but neither side should be completely unhappy," for the prime goal of assisting the Canadian film industry had been maintained.

### **Prime Minister's Visit to Washington**

Prime Minister Brian Mulroney visited Washington on April 27 and 28 and met with President Ronald Reagan for the fourth and final annual meeting between them. Mr. Mulroney also addressed a joint session of the US Congress, attended a state dinner at the White House, had lunch with Secretary of State George Shultz and opened the new Canadian Embassy.

In a welcome speech which opened "Bienvenue, Brian and Mila," President Reagan told several hundred flag-waving spectators on the White House lawn that "cooperation is the hallmark of our relationship," and that he was confident that Congress and Parliament "will vote favorably on this historic (free trade) agreement" (*Globe and Mail* April 28). In his address to the Congress on April 27, Prime Minister Brian Mulroney traced the historic cooperation between the two countries in defence and economic matters and referred to the Canada-US Free Trade Agreement as "a good, balanced and fair agreement, the most important ever concluded between two trading partners." Mr. Mulroney made a strong appeal to curtail acid rain and asked, "what would be said of a generation of North Americans that found a way to explore the stars, but allowed its lakes and forests to languish and die?" (*Notes for an address*, Office of the Prime Minister, April 27). In his speech at the White House state dinner on April 27, Mr. Mulroney lavishly praised President Reagan for strengthening Western security and economies and referred to him as "a man of peace."

According to the *Globe and Mail* on April 27, Canada had made significant progress in its relations with the United States since the first annual summit of government leaders three years earlier, and the Free Trade Agreement was obvious proof of that. The *Ottawa Citizen* editorial on April 28 took an opposite position: "We plainly got nowhere by making a friend in the White House...for Mulroney was still pleading for the one gift that would have redeemed his effort of friendship: a US agreement to cut acid-rain emissions." The *Financial Post* on April 30 observed that Mr. Mulroney's visit to Washington, highlighting as it did the

importance to both countries of the implementation of the FTA, could not have been more timely." The *Calgary Herald* on April 28 termed acid rain "willful environmental aggression" and called on Canada "to dust off the brass knuckles" since entreaties of friendship and appeals to common sense did not get the US to clean up its act.

## Angola

The elusive peace in Angola was the subject of an editorial in the *Toronto Star* on May 9. It welcomed the two days of talks in London for the first time in thirteen years between Angola and Cuba on the one side and the United States and South Africa on the other. The editorial observed that both the US and South Africa were trying to use Namibian independence as a bargaining chip to get Cuban troops out of Angola. South Africa had warned that any future talks were doomed to fail unless the US Congress stopped asking for more sanctions against South Africa. Such an attitude did not bode well for ultimate success of peace negotiations, however much the Reagan administration may have wanted it, the editorial concluded. The *Globe & Mail* on May 5 stated that whatever it might say, South Africa was extremely unlikely to withdraw from Namibia. It was in its strategic interest to control Namibia and keep Angola off balance. A healthy, independent Angola would be an economic and political boost to the region, and a threat to South Africa's regional hegemony.

The Southam News correspondent in Pretoria reported that South Africa had made it clear that it would not settle for anything less than a complete and rapid departure of the Cubans (estimated at 45,000) from Angola as the condition for the removal of its troops from Angola. The correspondent estimated there were 3,000 South African troops deep inside Angolan territory. The ideological conflict which had wracked the former Portuguese colony since independence in 1975, had left an estimated two million homeless and nearly bankrupted the country that could have been the wealthiest on the continent. The Soviet Union and the United States had used Angola as one of the battlefields in their continuing worldwide test of political and economic will (*Ottawa Citizen*, May 28). Several more rounds of fierce bidding and possibly some military encounters were expected before peace returned to the region, predicted the Johannesburg correspondent of the *Toronto Star* on May 22.

## Britain

### Fur Industry

Earlier this year the British government proposed that coats made from fox, lynx, coyote and bobcat were to be labeled as probably having been caught using leg-hold

traps. Canada's \$1-billion business involving 100,000 trappers immediately became jittery. Sales of Canadian furs in Britain were \$20 million in 1980, slumped to \$9 million by 1983, bounced back to \$24 million the next year then fell away to \$6 million in 1986. And last year, sales returned to healthy 1980 levels (*Financial Post*, April 8).

Audrey McLaughlin (NDP, Yukon) told the Commons that the livelihood of thousands of Canadian families could be devastated by proposed British legislation and urged the External Affairs Minister, Joe Clark, to take the case of Canadian trappers and the Canadian fur industry directly to British parliamentarians. Mr. Clark responded that Canada's High Commissioner to Britain was already actively pursuing the matter and promised to raise it with the British Foreign Secretary within the following month (*Hansard*, May 2). At a news conference in Ottawa, the national chief of the Assembly of First Nations, George Erasmus, said the proposal was "a direct attack on indigenous people's way of life, our traditional economy." Indigenous people make up over half the work force of trappers and fur ranchers. He was joined at the press conference by New Democrat MP Audrey McLaughlin and British Labour MP Gwyneth Dunwoody. The latter said such a label would be misleading because nine times out of ten a fur garment contained pelts obtained in ways other than a leg-hold trap (*The Gazette* [Montreal], May 3).

## Denmark

### Elections

Prime Minister Poul Schluter, head of the 4-party center-right coalition government called a snap election for May 10 and identified Denmark's role in the North Atlantic Treaty Organization (NATO) as the key issue. On April 14, opposition parties in the Folketing (parliament) won a vote on a resolution requiring the government to remind foreign warships that Denmark had banned the presence of nuclear weapons within its territory (*Globe and Mail*, May 7). Although eight members of NATO, including Canada, prohibited the deployment or storage of nuclear weapons on their soil in peacetime, no visiting warships had been asked by these host NATO countries whether they carried nuclear weapons. According to the *Globe and Mail* on May 7, Canadian Defence Minister Perrin Beatty said the election caused concern among NATO countries because anything that impeded cooperation among member navies affected common security.

Denmark, a founding member of NATO in 1949, had passed a law in 1957 barring nuclear weapons from Danish territory. For thirty-one years NATO warships put into Danish ports regularly and carried nuclear weapons. The warship commanders neither announced nor confirmed that such weapons were aboard and Denmark did not ask. According to the *Winnipeg Free Press* on May 16, this harmless deceit had worked well and Denmark had

just wasted time and money on what might have been its most unnecessary general election ever, which produced virtually no change despite dramatic claims that a decisive answer was needed to a major nuclear weapons question. *The Gazette* on May 12 said the elections were inconclusive and failed to settle the fuss over the anti-nuclear resolution. It advised the Americans and the British to play it cool and stop huffing and puffing about boycotting Danish ports. The *Calgary Herald* on May 12 noted that NATO observers in Copenhagen had said that a compromise was possible which would better satisfy the spirit of the 1957 law, but would still give allied skippers who visited Denmark a way to save face. Following the election, the Queen asked the leader of the Social Democrats — rather than Mr. Schlueter, a Conservative — to chair the discussions on a new coalition.

## Ethiopia

### Famine and Politics

Drought and the related problems of food aid delivery complicated by political developments continued in Ethiopia. The Department of National Defence announced the use of Canadian Forces CC-130 Hercules aircraft "to provide humanitarian relief to the people of Ethiopia" for three months beginning June 1. The decision was based on the findings of a mission to Ethiopia sponsored by the Department of National Defence and the Canadian International Development Agency (National Defence News Release, May 31). Meanwhile the Standing Committee of the Commons on External Affairs and International Trade held hearings on "the current conflict in Ethiopia with particular reference to its impact on aid delivery," and was to report its findings in early June.

Earlier, on April 6, in what was described as "a shocking and callous move" by *The Gazette* on April 13, Ethiopia's Relief and Rehabilitation Commission ordered all foreign relief agencies to withdraw immediately from Tigré and Eritrea provinces where anti-government forces were reported to have made "dramatic advances" against Ethiopian government troops (*Globe & Mail*, April 7). The International Committee of the Red Cross (ICRC), which had direct responsibility for aid distribution, called on the government to rescind the order so that aid could flow to the estimated five million in need in Eritrea and Tigré. A spokesman for the Eritrean People's Liberation Front said the order would ensure that civilians remained trapped in drought areas and faced starvation unless food could be taken in through Sudan (*Globe & Mail*, April 8). Canada's ambassador to Ethiopia, David MacDonald, during a visit to the offices of the *Financial Post*, was reported on May 7 as having "frankly admitted that he simply didn't know what was going on in the north since all the Westerners had been expelled." Two days earlier, however, in an interview reported in the *Ottawa Citizen* on May 9, Ambassador MacDonald assured that "at least 95 percent of the food gets through. We have tracked and traced it."

Canada had shipped about 180,000 tonnes of food to Ethiopia in the last year, most of it wheat, flour and cook-

ing oil. The *London Free Press*, in its editorial on May 3, stated that Mr. MacDonald was "finally acknowledging the evils of the Mengistu regime" and called on Canada to continue to press the Ethiopian government to lift the ban on foreign aid workers in the northern areas, and "not to be timid in condemning the Ethiopian actions." The *Regina Leader Post* on May 9 said Mr. MacDonald hurried around this country and brought Canadians up to date on the situation in east-central Africa, and felt his job was to keep the spirit of charity alive. Meanwhile, Stephen Lewis, Canada's ambassador to the United Nations, called on the organization's Secretary General, Pérez de Cuellar, to use his visit to Addis Ababa to encourage Ethiopia to either allow a larger UN presence in Eritrea and Tigré, or permit a broader representation in the region of non-governmental relief organizations which had cooperated closely with the Ethiopian government in the past (*The Gazette* [Montreal], May 20). There was the possibility of the International Committee of the Red Cross abandoning the famine-stricken land within days, unless the Ethiopian government backed down in its request to the ICRC to hand over thirty million tonnes of stockpiled food, according to a report in the *Globe and Mail* on May 31 from its correspondent in Addis Ababa.

Observing that Eritrea had been "unjustly treated by history," and that Mengistu was "a poor tactician," the *Globe and Mail* on April 15 revealed that Canada had "quietly told the Mengistu government that a diplomatic solution was desirable." It added that both the Tigréan and Eritrean rebels were prepared to negotiate with Ethiopia but the government of President Mengistu Haile Mariam had resisted such overtures.

### Release of Royalty

Seven Ethiopian princesses related to the former Emperor Haile Selassie were released after spending fourteen years in prison. Both the Secretary of State for External Affairs and Prime Minister Brian Mulroney had sent letters to the Ethiopian government requesting the women's release, but never received a reply. Canada's ambassador to Ethiopia David MacDonald met with the women in Addis Ababa and offered them refuge in Canada (*Globe and Mail*, May 31).

## France

### Fisheries Dispute

The period April-May, after some strained times, ended on a hopeful note for eventual resolution of the fisheries dispute between Canada and France. In mid-April, Canada's Minister of Fisheries and Oceans, Tom Siddon, announced that the fishing vessel *Croix de Lorraine* from St. Pierre-Miquelon, had been arrested in Canadian waters (Fisheries and Oceans News Release, April 14). The next day at a news conference on April 15, the Minister of Fisheries gave details of the arrest and announced that charges were being laid for alleged violations of Canadian law (Fisheries and Oceans News Release, April 15). Ac-

According to Vancouver's *The Province* on April 19, the sending of the trawler called *Cross of Lorraine* was just a nice historical touch since it was General de Gaulle's wartime symbol and the peacetime symbol of the Gaullist party which happened to be running its leader Jacques Chirac for the presidency. The French trawler had twenty-one people aboard — seventeen fishermen and four politicians — including a senator, a member of the French chamber of deputies and two members of the territorial government. The vessel from St. Pierre-Miquelon steamed into Canadian waters to protest Canadian fishing claims around the Islands. The protesters were freed on April 17 in St. John's on \$30,000 bail and ordered to return on October 3 to face charges of fishing illegally in Canadian waters (*Calgary Sun*, April 18).

In the midst of a national election campaign in France, President François Mitterrand accused Canada of "unjust and extremely restrictive measures" against the fishermen, according to the *Globe and Mail* on April 18. Following the incident, Canadians leaving and entering France were being harassed by French officials. Canada's External Affairs Minister Joe Clark told a press conference in Edmonton that he wanted the harassments stopped and called the delays "systematic." He also said they appeared to have some "authorization." Mr. Clark added that he had formally protested the action, which he said was inconsistent with the most elementary rules of conduct between countries that are friends and allies (*Edmonton Journal*, April 18).

The *Calgary Sun* reported on April 18 that the French government had recalled its ambassador, Philippe Husson, from Canada for consultations in light of a "worsening of the French-Canadian dispute over fishing." Regina's *Leader-Post* on April 20 advised the French to get the whole issue back into proper perspective. It added that if nothing else, the recalling of the ambassador was hardly the way one treated a prospective customer one was trying to woo into a multi-billion dollar nuclear submarine deal which, ironically, was supposed to be all about increasing Canada's ability to protect its sovereignty. Saint John's *Telegraph-Journal* on April 21 observed that the timing of the protest — during a French presidential election campaign — did not hurt, and that the tone of outrage in French reporting of the incident guaranteed the issue would stay alive in France for some time. The *Ottawa Citizen* on April 19 called for "curtain time for French farce" which "was aimed at a French audience, but caught our attention in Canada, too."

During the uproar over the capture of fishing vessels by both Canada and France, the federal government announced that an agreement had been reached on a non-binding mediation procedure. The agreement provided for the appointment of a mediator to "facilitate the adoption by the parties of a mutually acceptable solution" on annual fish quotas for French vessels off Canada's Atlantic coast. If an agreement on quotas was reached, French vessels would be allowed to fish for them while the dispute over St. Pierre-Miquelon's maritime boundary was being determined by international adjudication. The mediation was to be non-binding, and the right reserved by each party, in case of failure, to revert to its previous claims. The media-

tor was to have ninety days in which to carry out this mandate (Government of Canada News Release, April 28).

The optimism was short-lived, for barely a week had lapsed when, on May 6, St. John's *Evening Telegram* reported that a Newfoundland dragger, the *Maritimer*, with a crew of five, was ordered the day before into port at St. Pierre when a French naval tug found it fishing in disputed waters near St. Pierre. Newfoundland's House of Assembly held an emergency debate on the incident while the trawler's skipper, Willoughby Bolt, said in an interview that he and his four crewmen were being given red carpet treatment and, while they were not under arrest, they were not free to leave the island. Mediation efforts were suspended on instructions from the Secretary of State for External Affairs to Canada's negotiator, Yves Fortier, who postponed a scheduled meeting with his French counterpart in Paris (*Le Devoir*, May 7). Mr. Clark informed the Commons on May 9 that Canada delivered "a note of protest to the French Government regarding the incident respecting the *Maritimer*. The St. John's *Evening Telegram* on May 7 called on the federal government to "get tough with France," but concluded that there was, unfortunately, no assurance that the national government had the will. It noted that Newfoundland's provincial legislature had passed a unanimous resolution calling on the federal government to immediately stop conducting business with France. Apart from cancelling a multi-million dollar contract awarded to a joint venture between two Newfoundland firms and a company in France involving development studies on a new type of offshore development system, Newfoundland had threatened to cancel arrangements under which the province provided the islands with such services as forest fire-fighting and emergency medical services. A Newfoundland member of parliament, Bill Rompkey (Lib., Grand Falls—White Bay—Labrador), accused the government of being "headless and gutless in this dispute with the French," but External Affairs Minister Joe Clark recalled that the government had acted "vigorously to protect the interests of Canada and of Canadian fishermen" (*Hansard*, May 9).

Hopes were revived when Prime Minister Mulroney, on a consultation visit to Paris for the forthcoming June Economic Summit, announced after a 1-hour meeting with the newly-installed French Prime Minister Michel Rocard, that Canada and France would move toward resuming talks over the disputed waters off the Newfoundland coast (*Financial Post*, May 27). In his congratulatory message on the re-election of President François Mitterrand, Prime Minister Mulroney expressed the hope that "with respect to our dispute over fisheries, I trust that the constructive approach you have favoured will enable us to find a just and equitable solution" (Office of the Prime Minister Release, May 9).

## Haiti

The Parliamentary Group on Haiti presented its report to the Secretary of State for External Affairs on April 27, and it was tabled in the Commons on May 16. Joe Clark

welcomed the report as an important element in Canada's review of its relations with Haiti, and said he was pleased to note that the Group was unanimous in its recommendations. The principal recommendations of the report included the continuation of diplomatic relations with Haiti, the continuation of current development programs and the resumption of planning for new aid programs. The report also recommended that Haiti be designated a priority country for CIDA, and that the annual bilateral consultations between Canada and Haiti include discussions of management of the economy, political and social stability, and the periodic examination of the human rights situation in Haiti.

The Parliamentary Group on Haiti was established by Mr. Clark on January 26 of this year to examine Canada's relations with that country (External Affairs News Release, May 16).

## India

Relations between External Affairs Minister Joe Clark and the Sikh community in Canada became more tangled and frosty during April and May. Further to his letter to seven provincial premiers advising against contact with three Sikh organizations (see International Canada, February and March), the *Globe and Mail* reported on May 18 that the External Affairs Minister had intervened to have a Sikh refused refugee status even though the man was declared a bona fide refugee by the independent panel of the Refugee Status Advisory Committee. External Affairs officials had also intervened several months ago in an application for a matching grant to establish a Sikh studies chair at the University of British Columbia. Support for the education program could have harmed bilateral relations with India, the officials had maintained at that time (*Globe and Mail*, May 17).

Mr. Clark ignored two unanimous requests to appear before the Commons Multiculturalism Committee. Gus Mitges (P.C., Grey—Simcoe), chairman of the Committee, advised it would have been "for his own best interest" for the minister to have appeared (*Toronto Star*, May 20). Instead he agreed to appear in June before the Justice Committee responsible for the Canadian Security Intelligence Service. One of the groups identified by Mr. Clark, the World Sikh Organization, appeared before the Multiculturalism Committee and challenged the Minister to identify "just one person from our entire membership who has been tried and convicted for acts of violence . . . If the minister cannot produce such evidence, we believe it is not inappropriate to suggest that he has shown a reckless disregard for the truth and has misled, perhaps inadvertently, most of the premiers of this country" (*Toronto Star*, May 11). The leader of the New Democratic Party, Ed Broadbent, charged in the Commons that the Secretary of State was "simply continuing unwarranted persecution of the Sikh community" (*Hansard*, May 16). The *Edmonton Journal* reported on April 7 that Alberta's Employment min-

ister Rick Orman had received a letter from Mr. Clark last spring, nine months prior to the one to the seven premiers, advising him not to attend functions sponsored by the World Sikh Organization, the International Sikh Youth Federation or Babar Khalsa. Mr. Orman had attended a function not sponsored by any of these organizations at the Sikh temple last year. Don Getty, Premier of Alberta, was one of the premiers who had chosen to ignore Mr. Clark's advice. The *Winnipeg Free Press* on May 24 came to the defence of Mr. Clark, who it said had been unjustly attacked in Parliament and outside for attempting to define how the government should have dealt with residents of Canada who wished to campaign for the dismemberment of a state with which this country had good relations.

## Israel

### At 40

The *Globe and Mail* editorial on April 25 observed that "When Israel declared its independence on May 14, 1948, no one expected a rose garden," but forty years later it was facing the most important political decision of its too-eventful life. It added that "the decision must be, surely, to exchange most of its occupied lands and peoples for a secure regional peace." Lloyd Axworthy (Lib., Winnipeg—Fort Garry), on behalf of the Liberal caucus, paid tribute in the Commons "to a remarkable country, and a remarkable group of people...for establishing a democratic system of government in the Middle East, and in undertaking a number of important initiatives in science, technology, education, culture and economics" (*Hansard*, April 21). John Bosley (P.C., Don Valley East) and Nelson Riis (NDP, Kamloops—Shuswap) also made statements in the House on April 21 on behalf of their caucuses congratulating Israel on its fortieth birthday.

The *Toronto Star* on April 22 noted that for forty years, Israel had fought both the desert and its neighbors to create a flourishing and lively democracy. While Israel had always had special support from the West, the editorial cautioned that it risked diminished support if the quest for peace were not demonstrated and maintained.

Shirley Carr, president of the 2.2 million member Canadian Labour Congress (CLC), according to the *Toronto Star* on April 8, "condemned the violence by the Israeli government and...Palestinian (terrorist) activities," and wrote to Israeli Prime Minister Yitzhak Shamir and External Affairs Minister Joe Clark "demanding an immediate negotiating process and asking that Canada do what it can to help." Ms. Carr also said that the Palestine Liberation Organization had a right to attend any talks aimed at bringing peace to the Middle East. According to Rick Jackson, director of the CLC international affairs department, the statement marked the first time that the labor body had supported PLO attendance at Middle East peace talks.

### Canadian Attitudes

A majority of Canadians believed that External Affairs Minister Joe Clark had been fair in his strong criticism of the Israeli army for its actions in the Israeli-occupied territories, according to an Angus Reid Associates poll conducted March 17 to 21, and reported in the *Globe and Mail* on April 2. Of those surveyed, 56 percent said that Mr. Clark's unprecedented criticism, delivered at a Canada Israel Committee dinner March 10, was "fair." Only 22 percent thought it was "unfair," while 22 percent were unsure. The poll also showed that 47 percent of Canadians believed that the Canadian news media's coverage of the conflict in the West Bank and Gaza had been "unbiased and fair." Only 8 percent thought the coverage had been "biased in favor of Israel," and 11 percent viewed it as "biased in favor of Palestinians" (*Toronto Star*, April 2).

### Minister's Speech

External Affairs Minister Joe Clark's speech to about 500 people at the Jewish Community Centre in Edmonton on April 18 received considerable media coverage. It was his first major address on the Middle East since his last speech on March 10 in Ottawa to the Canada Israel Committee when he called Israel actions in the occupied territories totally unacceptable and cited human rights violations of the Palestinians. (See *International Canada*, February and March). Mr. Clark pledged that Canada was "a firm and unyielding friend of Israel's," and added that "there should be no doubt in anyone's mind that a fundamental, unchanging element of the approach that Canada takes to this issue is our continuing strong, unchanging support of the integrity and independence of Israel" (*Edmonton Sun*, April 19). Abe Silverman, a vice president of the Canadian Zionist Federation, was reported having told the *Edmonton Journal* of April 19 that Mr. Clark's visit to the Edmonton Jewish community did nothing to reassure him about the way the government handled its relationship with Israel. But Mr. Howard Bloom, executive director of the Edmonton Jewish Federation, was encouraged by what the minister had said, according to the *Toronto Star* on April 19. The *Edmonton Sun* on April 20 stated that Mr. Clark did not apologize for the confusion he had caused with his earlier speech, or for the inaccuracies in it. But, added the editorial, he did "the next best thing by putting a lot of distance between himself and his ill-timed lecture."

### Human Rights

A Likud member of Israeli Knesset, Ehud Olmert, testified before the Standing Committee of the House of Commons on Human Rights on May 9. The previous month the Committee had heard from the Jerusalem-based Palestinian newspaper *Al Fajr* editor, Hanna Siniora, in its examination of the human rights situation in the West Bank and Gaza. Mr. Olmert told the committee members that in the last five months there had been violent riots by Palestinians against the Israeli authorities and against the Israeli army. While expressing Israel's willingness to start "a political dialogue based on direct negotiations without

any pre-conditions," the witness informed the Committee that a Palestinian state could not be established on "the territories of Judea, Samaria [the West Bank] and Gaza." He conceded that here and there Israel had made mistakes and regretted every such mistake. Israeli soldiers had perhaps used too much force to stop the rioters (*Minutes of Proceedings and Evidence of the Standing Committee on Human Rights*, Issue No. 34, May 9). Andrew Witer (P.C., Parkdale—High Park) told reporters afterwards that "Mr. Olmert was trying to defend the indefensible" in his testimony on the violence that had killed at least 180 Palestinians and 2 Israelis (*Toronto Star*, May 10).

### Refugee

A 37-year-old Israeli, Gershon Sharoni, sought refugee status in Canada as a conscientious objector to Israel's violence in putting down the uprising in the occupied territories. Sharoni, who had earlier served in the Israeli reserves, claimed if he returned to Israel he would be drafted into the reserves to serve in the West Bank or the Gaza strip. He was the sixth Israeli to claim refugee status this year. Last year there were thirty, and in 1986 the number was twenty-three, according to immigration department spokesman, Ian Sadinsky (*Toronto Star*, May 17).

### South Africa

The Saint John *Telegraph-Journal* reported on April 6 that Archbishop Desmond Tutu of Cape Town, South Africa, a leading opponent of apartheid and Nobel Peace Prize recipient, would receive an honorary degree at Mount Allison University in Sackville, New Brunswick on May 9.

Archbishop Tutu told the convocation that the apartheid regime in South Africa was "as evil...as Nazism ever was and the world was faced with a moral choice — the same choice as faced the world with Nazism." Archbishop Tutu asked Canada and the West to act soon and effectively to head off a potential blood bath that could erupt overnight. He praised Canadian students for their role in heightening awareness about apartheid over the past two decades (*Chronicle-Herald* [Halifax], May 10).

The Africa-based correspondent of the *Toronto Star* reported on May 10 that in a speech in Cape Town, South African Foreign Minister Roelof Botha questioned Ottawa's "moral motivation" for seeking economic sanctions against his country. He berated Canada's "deplorable" handling of its "Red Indian population" and accused Canadians of hypocrisy.

An Ottawa city council committee on visible minorities voted in favor of a proposal to a change in the name of Sussex Drive in front of the South African Embassy — and the Prime Minister's residence — to Nelson Mandela Street after the South African jailed black leader. The Mayor and four aldermen opposed the idea, thus effectively shelving it. The *Ottawa Citizen* editorial on April 11 stated that the

proposed name change would more likely trivialize an important concern than influence South Africa's leaders.

## South Korea

The country went to the polls to elect members of the National Assembly on Tuesday, April 26. According to the *Ottawa Citizen* on April 30, the "rebuke" to President Roh was unmistakable, for his Democratic Justice Party won only 125 of the chamber's 299 seats. The Party for Peace and Democracy took seventy seats, the Reunification Democratic Party came third with fifty-nine, while the independents won ten seats. The editorial observed that never before in the country's history had the leadership "allowed itself to be beaten in National Assembly elections" and predicted turbulent times in South Korea's development. But things are looking up for democracy, according to *The Gazette* [Montreal] on April 28, something that the group of Canadian Korean War veterans then visiting the country whose freedom they helped win thirty-five years ago might find especially gratifying. The new and strengthened National Assembly would also provide the necessary balance to the President's powers. But Mr. Roh, a former general, still controlled the army and could still order martial law, cautioned the *Globe and Mail's* Seoul correspondent on April 30. He added that the balance of power between the President and a fractious assembly would depend in part on how much either side thought it could get away with.

## Yugoslavia

Henry Melkic, president of Toronto-based Flavorex Industrial (Canada) Ltd., who held dual nationality of Canada and Yugoslavia, was arrested last September during a visit to a Yugoslav food fair. Charges were not laid until five months later, and Mrs. Melkic claimed that Canada's Department of External Affairs had "done nothing to help her husband" (*Globe and Mail*, April 14). A Canadian diplomat was assigned to be an observer at the trial which opened on May 5. Melkic's lawyers claimed that all that their client did was to arrange for a Chicago supplier to sell to Agrokomerc 21,304 tonnes of soyabean in September 1986, on which he made a 9 percent profit (*Calgary Sun*, May 5). Until his arrest, Mr. Melkic had been the largest importer in North America of products from Yugoslavia — a country from which he arrived stateless in 1962 and was granted Canadian citizenship four years later, according to the *Globe and Mail* on May 6. It added that the scandal had already driven the country's vice-president from office and scores of others implicated in the scandal had been stripped of their membership in the Communist Party. In a telephone interview from Belgrade, Mr. Melkic's lawyer said that the Canadian Embassy in Belgrade had successfully pressured the Yugoslavian government to allow Canadian officials regular access to his client (*Globe and Mail*, May 6).

# Multilateral Relations

## Central America

The Central American peace process was still fragile and the Nicaraguan government and the Contra rebels were still making piecemeal ceasefire agreements of sixty days in the hope of reaching a final agreement. The special committee of the House of Commons on the peace process in Central America visited the five signatory countries to the Arias (Esquipulas II) Plan in mid-May. The committee chairman, John Bosley (PC, Don Valley West), told the Southam News correspondent from Honduras that the MPs got no details on how Canada was expected to assist with the peace process in Central America. Vice chairman of the committee Lloyd Axworthy (Lib., Winnipeg—Fort Garry) said that when the delegation met with Salvadoran President José Napoleon Duarte, the President even questioned the wisdom of involving neutral countries such as Canada in the peace process (*Toronto Star*, May 19). But Nicaragua President Ortega lavishly praised Canada for steps it had already taken in working towards a lasting peace settlement in Central America (*Ottawa Citizen*, May 12).

Ortega maintained that the United States was pressuring its allies in the region to work against any border treaty involving verification by neutral nations.

One task proposed for a Canadian peacekeeping force had been the policing of the Honduras-Nicaragua border since the US-backed Contras were largely based in Honduras (*Toronto Star*, May 19). The *Globe and Mail* reported on May 17 that it had been told by an official in the Department of External Affairs that Canada would consider patrolling "the Nicaraguan-Honduran border, or something inside Nicaragua."

The *Toronto Star* editorial on May 23, stated that about 100 Canadian troops were standing by at various Canadian bases, ready to take off on a peacekeeping mission to Central America. But several important issues remained unsolved. First that needed a formal request from the five Central American countries, and the Canadian government wanted to know the precise duties of the peacekeeping mission. In praising the diplomatic efforts of External Affairs Minister Joe Clark, the *Calgary Herald*

on April 14 lauded the Arias Plan for having moved twenty-five million Central Americans several steps away from destructive war and closer to negotiated settlements. The editorial quoted Mr. Clark as saying, "Let's assume a peace is reached; there's going to be a need to keep it." It added, "Canada would doubtless accept the invitation....After all what better use for soldiers than to keep the peace?"

Meanwhile more Nicaraguan contras were obtaining refugee status in Canada. The number of Nicaraguans selected as refugees through Canadian embassies abroad had mushroomed from 77 in 1984 to 915 in 1987. More than 400 more Nicaraguans had bypassed the embassy selection process and applied for refugee status upon arrival in Canada in the first three months of 1988 alone (*Globe and Mail*, April 12).

## Economic Summit

The Prime Minister was in Europe the week of May 23, and met with the leaders of Britain, West Germany, Italy and the European Community as part of the pre-economic summit round of consultations. He had previously met with Japanese Prime Minister Takeshita in Toronto in January of this year. The *Financial Post* editorial on April 28 observed that the summit, along with other international gatherings, was part of a total package of meetings which had a part to play in moving the participants toward better economic solutions. The *Toronto Star* on May 31 was disturbed that, while touring European capitals in preparation for the upcoming Toronto Summit, Prime Minister Brian Mulroney "barely mentioned Third World debt." It encouraged the discussion of the subject and suggested the solution was to write down the debt to levels that the Third World could afford. The *Globe and Mail* reported on May 24 that Prime Ministers Thatcher and Mulroney limited their conversation about Africa to ways of relieving the debt problem of black African nations, which were the poorest of the Third World debtor nations and whose loans came mostly from governments rather than commercial banks. The pageantry displayed by West German Chancellor Helmut Kohl for the Mulroneys was a colorful departure from a day earlier in London, when Prime Minister Margaret Thatcher came to the door of 10 Downing Street and posed stiffly for a moment with Mr. Mulroney before retreating inside (*Globe and Mail*, May 25). In Brussels, the Prime Minister became embroiled in a controversy over who was the bigger culprit in the subsidy war. (See *Subsidies*, Policy Section). In Paris, Mr. Mulroney met with the newly installed French Premier, Michel Rocard, and the two agreed to resume bilateral talks on the fisheries dispute. (See *France*, Bilateral section).

## Exchange Rate

The Canadian dollar was worth US\$.809 at the beginning of April and US\$.811 at the end of May.

## Iran-Iraq War

The *Ottawa Citizen* on April 20 advised against looking for any good sense in the naval warfare in the Persian Gulf since reason had always been badly outgunned — on sea just as on land. Six Iranian vessels were reportedly disabled or sunk and one US helicopter was lost when Iran pitted its "micro-navy" against the greatest naval power in the world. The editorial added that we were watching two bad policies colliding in the Gulf, with neither the United States nor Iran making nearly enough good sense. But the *Winnipeg Free Press* on May 20 suggested there were signs of a "major rethink" of political and military strategy in Iran because of economic hardship, defeat in Fao Peninsula, loss of half its navy to US gunfire and crisis in relations with its sole Arab ally, Syria.

## OAU

The Organization of African Unity (OAU) celebrated the twenty-fifth anniversary of its founding by holding a summit in its birthplace of Addis Ababa, and in Ottawa the Minister for External Relations, Monique Landry, attended a reception on Parliament Hill hosted by the Ottawa-based African diplomatic corps to mark the occasion on May 25. Minister Landry praised the Organization for having promoted peaceful solutions through dialogue. She also called on the international community "to concentrate all its efforts on the struggle to dismantle apartheid" and to bring to an end the acute suffering it had brought to its victims in South Africa and in the neighboring countries (*External Affairs Statement*, May 25).

The *Globe and Mail* editorial on May 27 observed that the OAU played a strong role in education, communications, social research and information services. In these, it had value. But, added the editorial, its political record was spotty and was riven by factionalism. The editorial identified the problem of debt but held out little hope that the OAU could coordinate a strategy to deal with the issue. The OAU had been unsuccessfully calling for an international conference on the debt since 1985. It was reported that Mauritius walked out after it was singled out as an economic ally of South Africa in a report by the OAU's Liberation Committee. The delegate called the charge unfair and hypocritical since many other African countries also traded actively with South Africa (*Globe and Mail*, May 30).

## United Nations

### FAO

Canada decided to retain its membership in the Food and Agriculture Organization (FAO). The Secretary of State for External Affairs referred to the decision as a gesture of Canadian commitment to the Organization. He added that the FAO was embarking on a process of revitalization for which trust and confidence were essential (*External Affairs News Release*, May 11). Canada had

been threatening to pull out of the agency since last fall, following the re-election of Edouard Saouma, a Lebanese national, to his third term as Director-General. And Canada was to pay its 1988 assessment of \$12 million which it had been withholding pending a decision on membership (*Ottawa Citizen*, May 12). (See International Canada, February and March). According to the *Winnipeg Free Press* on May 13, External Affairs Minister Joe Clark had made an error of judgment by deciding, without consulting widely in Canada, to retain Canadian membership in the "mis-managed mess" that the FAO had become. It had not been easy for the Canadian government to stay in the FAO, but in league with other reform oriented countries it at least had a chance to make the FAO more efficient and less corrupt, according to the *Ottawa Citizen* May 13.

### **Observer Group on Afghanistan**

If and when Canada was asked to send peacekeeping troops to Afghanistan, "the answer could be a fast, eager and emphatic 'No,'" advised the *Ottawa Citizen* on April 18. Chairman of the External Affairs and International Trade Committee, William Winegard (P.C., Guelph), told the Commons on April 19, "I cannot think of a more dangerous role for our armed forces to play than to be on site in Afghanistan before a complete ceasefire has been negotiated." Similarly, the *London Free Press* on April 20 stated it would be wise for Canada to reject any military in-

volvement in peacekeeping efforts in Afghanistan. But Canada agreed to a request by the United Nations to provide five military officers, for a period of twelve months, to the observer group set up to facilitate the implementation of the Geneva agreements signed on April 14 by the representatives of Pakistan, Afghanistan, the United States and the Soviet Union. The group known as the UN Good Offices Mission in Afghanistan and Pakistan (UNGOMAP) was to consist of fifty military officers, and was to begin operation on May 2. Canada had consistently called for the withdrawal of Soviet troops from Afghanistan, and participation in UNGOMAP provided concrete expression of Canada's commitment to achieving that objective (*External Affairs News Release*, April 28). Dave Nickerson (P.C., Western Arctic) told the Commons on May 2 that it was "a tribute to the professionalism and experience" of the Canadian Armed Forces that the United Nations had once again asked them to serve in a peace-keeping operation. But the *Ottawa Citizen* on May 3 pointed out that Canada had violated a long-held Canadian rule that this country would only take part when all combatants consented both to the UN force itself and to Canadian participation. The problem was that one key party — the anti-Communist guerrillas — was not a signatory and, far from accepting the peace treaty, had sworn to fight until it brought down the Soviet-installed government in Kabul.

# Policy

## Arctic

Canada was nearing completion of a review of the Soviet proposal for a bilateral treaty on Arctic cooperation and was expecting to respond in the near future, according to a Letter to the Editor in the *Globe and Mail* on April 6 by Secretary of State for External Affairs Joe Clark. He stressed that Soviet General Secretary Mikhail Gorbachev in fact had made no proposal for a draft treaty to "demilitarize the Arctic," but had proposed a broad range of maritime measures that were not particularly aimed at the Arctic as such. Mr. Clark challenged that if the Soviet Union was truly interested in "demilitarizing" the Arctic, it could start with its own overwhelming forces based there. Canada's military presence, he observed, was small, without nuclear weapons (which Canada does not possess) and was purely defensive in character.

The Group of 78, in a Letter to the Editor published in Kingston's *Whig-Standard* on April 20, noted that Canada could not secure the Arctic region by military means, either alone or in alliance with the US or NATO. Accordingly, it advised, no opportunity needed to be lost for it to be secured by political agreements in the interest of common security. The Group urged the government to enter into

negotiations with the Soviet Union and other northern nations so as to stop and reverse the militarization of the Arctic and create instead a zone of peaceful cooperation for the benefit of all. The *London Free Press* editorial on April 13 referred to the efforts of the Group of 78 and cautioned against bilateral negotiations with Moscow on security matters which risked friction with NATO allies, no doubt to the Soviet's satisfaction. Calling the Soviet proposals on Arctic demilitarization vague, the editorial noted that the collective approach had served the West well and it would not make sense for Canada to experiment with bilateralism.

A 12-member delegation from Environment Canada and their Soviet counterparts met in Tbilisi, capital of Georgia, to share information about pollution detection techniques and environmental problems. A member of the delegation, Howard Ferguson, was reported in the *Toronto Star* on April 18, as having told its correspondent in Tbilisi that air pollution from the north was potentially as great a problem for Canada as that from the United States, and that existing Arctic pollution was enough to reduce visibility for airplanes flying over the region. The conference represented a step toward an agreement to protect the vast polar region shared by Canada and the Soviet Union.

## Defence

### New Democratic Party

The New Democratic Party deferred indefinitely its controversial plan to pull Canada out of NATO. Party leader Ed Broadbent announced at the party's federal council meeting in Ottawa, April 15-17, that Canada's withdrawal from NATO would be a low priority for any future government led by him. But Mr. Broadbent rejected any suggestion that the move was timed to win voter support in the not-too-distant federal general election (*Toronto Star*, April 17). A national pollster, Angus Reid, had warned a few days earlier that the NDP was jeopardizing its electoral chances by sticking to its controversial plan to pull out of NATO, since a majority of Canadians were opposed to a unilateral withdrawal from the 16-member defence alliance (*Toronto Star*, April 6).

The new NDP policy on defence outlined at the weekend conference in Ottawa emphasized goals Canada could accomplish while still a NATO member. These included: a new Canadian-controlled surveillance and warning system to replace the existing NORAD (North American Aerospace Defence Command) arrangement with the United States; the redeployment of forces in Europe to other tasks at home and abroad; the purchase of helicopters, patrol aircraft, frigates, minesweepers and diesel submarines to boost conventional forces, and persuasion of NATO members to abandon their first-use policy on nuclear weapons (*Globe and Mail*, April 18). The Secretary of State for External Affairs reacted with charges of "naiveté", while Bob Hicks (P.C., Scarborough East) and chairman of the Conservative caucus committee on defence, called the NDP the "No Defence Party" and said it tried "to obfuscate an already unintelligible policy on NATO and NORAD" (*Hansard*, April 18). National Defence Minister Perrin Beatty termed the policy "confusing, selfish and self-defeating" (*Globe and Mail*, April 23). The NDP was wrong about NATO, for membership served Canadian interests in too many ways to be canceled, according to the *Ottawa Citizen* on April 19. But it added that it admired the readiness to re-examine the conventional wisdom of policies followed so slavishly for the last fifteen years by both the Liberals and the Conservatives. The *Toronto Star* on April 24 concluded that the new policy was both a "Yes" and a "No" to NATO — an apparent attempt to have it both ways. In a Letter to the Editor in the *Ottawa Citizen*, NDP External Affairs Critic Bill Blaikie wrote that his party had responded to the Canadian public's rejection of a cold war approach to defence. He argued that the issue was not Canadian membership in NATO, but the rationale for maintaining aggressively poised military blocs under NATO and the Warsaw Pact.

### Submarine Acquisition

Canada had not yet made a choice between the British Trafalgar and the French Rubis for its proposed \$8 billion nuclear-powered submarine acquisition project. Defence Minister Perrin Beatty stated that the Progressive Conser-

vative government would not sign an agreement with such heavy cancellation penalties that the next administration's hands would be tied (*Toronto Star*, April 7). Rear-Admiral John Anderson, chief of the Canadian submarine acquisition program, reported that difficulties with the US Navy were emerging over the British transfer of its 29-year-old US nuclear technology to Canada. The British admiralty had already drafted an agreement to transfer much of the nuclear technology in its Trafalgar-class submarines to Canada, but it had to await US approval. The US Navy's nuclear propulsion agency was reported raising objections to the transfer, and Virginia Senator and former Navy Secretary John Warner was considering demanding congressional hearings into the transfer. (*Toronto Star*, April 26). The *Toronto Sun* noted on April 29 that it was a bit like being a colony again. We might have wanted to buy British nuclear subs, but the crucial technology was controlled by Washington. So Canada needed a US go-ahead to buy British. The Washington-based correspondent of the *Globe and Mail* reported on April 28, that, citing a "special relationship" between the two countries, President Reagan had promised Prime Minister Brian Mulroney during a private session that the United States would not block the transfer of nuclear submarine technology to Canada.

As if to make their capabilities known, two British Trafalgar-class submarines travelled through Canada's Arctic and Ottawa did not seem to know they were there until they surfaced at the North Pole. The first photographs publicly released in Ottawa came from Vickers Shipbuilding and Engineering Ltd., the British builders of the submarines and one of the two bidders for the Canadian contract (*Globe and Mail*, May 31).

## Environment

The US Sierra Club, America's oldest and most famous national conservation organization, honored Canada's Environment Minister, Tom McMillan, with the club's highest award for service to the environment by a public official — the first time for a foreign government official. In his keynote address to about one thousand delegates at the award ceremony, Mr. McMillan called on the United States to impose tough restrictions on American sources of acid rain that he said were "destroying Canadian lakes, fish, trees, agriculture and heritage buildings." He added that the greatest threat to survival was not military aggression but environmental degradation, and that the United States and Canada could do much to help set the world on a genuinely secure course (*Environment Canada Release*, May 7).

## Immigration

### Jews

"We must do more to bring Soviet Jews to Canada," Employment and Immigration Minister Barbara McDougall told a brotherhood breakfast at Holy Blossom Temple in Toronto on May 15. She said that Immigration officials

were to meet in Rome with representatives of Jewish immigrant organizations to increase the flow of Soviet Jewish immigrants. According to the Minister, last year fewer than 100 — "just a dribble" — of the 8,000 Jews who emigrated from the Soviet Union came here. The *Edmonton Journal* editorial on May 24 endorsed the Minister's intention which it said was in keeping with the Canadian tradition of compassion and accommodation. It added that, "If large-scale emigration is allowed, the Western world must be ready to receive all who leave. That's why McDougall is wise to make plans now, in cooperation with settlement agencies, to encourage more Soviet Jews to settle in Canada." The editorial also observed that Arab Palestinians already were being admitted to Canada — but mostly as independent immigrants. The less affluent, however, languished "in the wretched refugee camps of Lebanon." The Minister was urged to send her department's officials "further afield," to accommodate as many refugees as we could, for the contribution they had made to this country was rich and substantial and there was always room for more. The *Toronto Star* on May 13, in an editorial titled "Rising xenophobia," observed that while our door to immigrants remained open, our fear of refugees also seemed to be increasing, if the two government bills before Parliament were any indication.

### Turks

Of the 2,000 Turks who came to Canada in 1986 on the advice of travel agents, five were deported from Canada on April 14. On arrival in Istanbul, one of the deportees charged that they had been treated as though they had been terrorists and were put on a plane and deported (*Toronto Star*, April 16). An estimated 400 had returned to Turkey voluntarily. The remaining 1,600 Turks facing deportation were claiming refugee status (*Ottawa Citizen*, April 15). On April 12, about 100 Turks had marched from Montreal to Ottawa's Parliament Hill to protest their deportation and to plead with the Immigration Minister to allow them to stay in the country. The Minister had earlier rejected the appeals and told the Commons on April 12 that these people were hopeful immigrants and not refugees. The Minister added that "if these people leave voluntarily and respect our laws, once they are in Turkey they can go through regular channels and make a new application for entry into Canada." The Minister noted that there were some 48,000 persons in Canada who had claimed refugee status and deserved attention and fairness, for Canada provided every protection for genuine refugees arriving at its borders.

Almost a month later it was reported that fewer than a dozen Turkish refugee claimants had been deported since the much publicized march on Parliament Hill (*Globe and Mail*, May 20). The Immigration Minister had shown both political sensitivity and firmness by deporting Turkish immigrants who had tried and failed to prove they were refugees from oppression, according to the *Winnipeg Free Press* editorial on April 16. Since very few bona fide "settlers" were allowed to enter Canada honestly because of

the xenophobia of the Immigration Act, it was therefore pointless, the editorial observed, for most of the people who wanted to move to Canada to try to do so honestly. The *Financial Post* on April 5 echoed the call for changes in immigration laws which would avoid frequent confrontations between authorities and groups claiming "refugee" status.

## Refugees

On May 11 the Senate committee on legal and constitutional affairs tabled its report on Bill C-55, the refugee determination legislation introduced almost a year ago. The report left the overall structure of the bill intact and made only about a dozen minor changes. Church groups and refugee aid organizations cried "foul" charging that churches and other organizations assisting refugees would be penalized, which the government denied. The refugee-assistance groups were geared up to fight the legislation through the courts and the Canadian Council of Churches announced that it was raising \$300,000 for legal challenges to the bills (*Toronto Star*, May 13). Bill C-55 was to allow Immigration Department officials to "screen" refugee claimants at the border and turn them away to a "safe country" of the government's choosing (*Globe and Mail*, May 12).

In a letter to the editor published in the *Edmonton Journal* on May 4, Secretary of State for External Affairs Joe Clark informed readers that the so-called B1 List had been abolished in February 1987, under which an embargo was placed on removal of any person to the eighteen countries on the list which had repressive regimes or severe exit controls, or were experiencing unrest, civil disorder or social strife. But, added Mr. Clark, "the existence of such a policy acted as a magnet to many nationals of these countries who were not suffering persecution and were not in any danger, but who saw a means to gain admission to Canada without going through normal immigration procedures. This applied to 152 Sri Lankan Tamils who had arrived in Newfoundland in August 1986, despite the fact this group had come to Canada from West Germany." The consent of the minister was now required prior to deportation of persons to any country formerly on the B1 List. Mr. Clark gave assurance that no person who was considered deserving of Canada's protection was to be returned to a country where his or her life was in danger.

The federal government planned an amnesty-style program to be called the Refugee Claimant Registration Program in order to eliminate the backlog of 48,000 refugee claimants, according to the *Toronto Star* on May 13. The backlog had been created in the past twenty-two months when 2,000 people had arrived every month claiming refugee status but only one in nine was really fleeing persecution. While thousands were waiting to immigrate legally, the system appeared to reward those who broke the law (*Toronto Star*, April 2).

Ag

C  
crea  
ing  
rone  
leac  
Pos  
was  
war  
mer  
mur  
Qua  
Jap  
stat  
sidie  
crea  
cally  
subs  
whil  
was  
plac  
GAT  
corr  
blun  
the c

H  
the J  
the l  
seve  
seve  
limit  
cultu  
rone  
his r  
Free  
Prim  
terp  
farm  
and  
jects  
nal,  
battl  
the l  
Brus  
shov  
Euro  
whe  
cial  
his r  
ques  
sam  
nor  
Nati  
repo  
farm  
glas  
fede  
of e  
for C

## Agricultural Subsidies

Controversy over agricultural subsidies received increased attention with the Economic Summit approaching, and was the major story linked to Prime Minister Mulroney's 5-nation European tour to consult with summit leaders. According to a CP Wire story in Regina's *Leader-Post* on April 18, International Trade Minister John Crosbie was hopeful that a cease-fire in the world agricultural trade war was still possible by year-end, despite open disagreement between the United States and the European Community (EC). Mr. Crosbie had just completed a meeting on Quadra Island, BC, with his counterparts from the US, Japan and the EC. The *Financial Post* editorial on April 19 stated that progress had been minimal. Agricultural subsidies, in particular those of the EC and the US, had helped create a huge grain glut and driven prices down drastically. But it cautioned that politicians would not remove subsidies unilaterally and watch their farmers go under, while those in other countries thrived. Canada, however, was working through the Cairns Group (named for the place in Australia where the countries first met) and at the GATT to try to end this lunacy. The *Western Producer* correspondent in Brussels wrote on May 12 that the bluntest criticism of EC agricultural programs came from the civil servants who administered those programs.

Hopes on progress to reduce the subsidies focused on the June Toronto Economic Summit. A report prepared for the Institute for Research on Public Policy by experts from seventeen different countries called on the leaders of the seven major industrial countries to agree to a freeze or limits on farm subsidies during the Toronto Summit. Agriculture Minister John Wise said that Prime Minister Mulroney was to make agricultural subsidies a major part of his message to the Economic Summit in June (*Winnipeg Free Press* May 5). However, in London on May 23, the Prime Minister stated that neither he nor his British counterpart "expected miracles" at the Toronto Summit on the farm subsidy issue. He described agricultural subsidies and the reduction of African debt as two emerging projects for the upcoming Economic Summit (*Edmonton Journal*, May 24). Mr. Mulroney received support in Bonn in the battle against subsidies from Chancellor Helmut Kohl. But the Prime Minister's "crusade lost some of its steam" in Brussels, when figures produced by Canadian officials showed that Canada was in the same league as the Europeans and the Americans — in per capita terms — when it came to pouring money into farm support (*Financial Post*, May 26). Mr. Mulroney told reporters, following his meeting with European Commission President Jacques Delors, "No one could seriously suggest we're in the same league as Europe and the US, neither in proportion nor increase.... We're in Junior B and the rest are in the National League" (*Globe & Mail*, May 26). The *Toronto Star* reported on May 27 that "Mulroney's verbal stones about farm subsidies crashed through the walls of Canada's glass house" because Canadian farmers could thank their federal and provincial governments for sixty-seven cents of every dollar they made last year. The Minister of State for Grains and Oilseeds entered the debate and insisted

that the whole story was not being told. He added that while a Canadian wheat producer received about \$80 per tonne, an EC producer received twice as much, about \$168 per tonne in direct and indirect subsidies (Minister of State Grains and Oilseeds *Information*, May 27).

## War Crimes

Criticism was levelled at Justice Minister Ray Hnatyshyn for continuing delay in evidence-gathering against suspected Nazi war criminals. The *Globe and Mail* reported on April 6 that, in a letter to the justice minister, Sol Littman, Canadian representative of the Friends of Simon Weisenthal Centre for Holocaust Studies, accused Canada of having chosen to "go on a cumbersome process of negotiations" to sign formal treaties with other countries to obtain evidence. Treaties enabling information in respective countries had been signed with the Soviet Union, Israel and the Netherlands. But, according to Mr. Littman, the same thing could have been achieved by drawing up letters of agreement with attorney generals in those countries. (See *International Canada* for February and March). And the third annual conference on the Holocaust and Human Rights Research Project at the Boston College Law School was told by Winnipeg lawyer and senior counsel for the B'Nai Brith, David Matas, that the Canadian government was delaying justice through a duplication of efforts and "an excess of caution" in its war crimes investigations (*Globe and Mail*, April 12). Finally, a delegation from the Canadian Jewish Congress met Justice Minister Hnatyshyn on April 18 to complain that there had been an "unreasonable delay" in bringing alleged Nazi war criminals to justice. The government had charged Imre Finta, a former Toronto restaurateur, with committing war crimes and had moved to take away the citizenship of alleged Nazi collaborator Jacob Luitjens in order for him to be deported to the Netherlands. Sixteen months ago a federal inquiry had identified twenty suspects living in Canada (*Toronto Star*, April 19). Mr. Jules Deschênes, the man who conducted Canada's Commission of Inquiry on War Criminals, was "justifiably impatient" with the federal government's failure to lay charges, according to the *Globe and Mail* editorial on April 11. Compiling a case against war criminals was a difficult process, the editorial conceded, and the federal government had not hesitated to provide resources to take up the challenge. A joint RCMP-Justice Department team of forty was working on the matter. The team concluded that it was important not to move too quickly on complicated legal cases such as war crimes. It was, however, equally important to move quickly enough.

# For the Record

(Supplied by External Affairs Canada)

## I. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

### Recent Books

- Aho, C. Michael et al.  
*U.S.-Canada free trade negotiations: multilateralism vs. bilateralism.* New York: Council on Foreign Relations, 1987.  
*The Canadian private sector and Third World development: summary and background papers of a Roundtable for business leaders, Toronto, Sept. 22 1987.* Ottawa: North-South Institute, 1987.
- Chircop, Aldo and Susan Rolston (eds.)  
*Canadian Arctic sovereignty: are Canadian and U.S. interests contradictory or complementary?* Halifax: International Insights, Dalhousie Law School, Dalhousie University, 1987.
- Conseil économique du Canada  
*Le tremplin commercial: une évaluation de l'accord canado-américain.* Ottawa: Conseil économique du Canada, 1988.
- DeMille, Dianne  
*Accidental nuclear war: reducing the risks.* Ottawa: Canadian Institute for International Peace and Security, 1988.  
*Limiter les risques d'une guerre nucléaire accidentelle.* Ottawa: Institut canadien pour la paix et la sécurité internationales, 1988.
- Economic Council of Canada  
*Venturing forth: an assessment of the Canada-U.S. trade agreement.* Ottawa: Economic Council of Canada, 1988.
- Feldman, Elliot J. and Priscilla Battis  
*New North American horizons: Conference and Survey Report of the Harvard Project on Canadian-United States Relations, October 1986.* Cambridge, Mass.: University Consortium for Research on North America, 1987.  
*Fighting different wars: Canadians speak out on foreign policy.* Ottawa: North-South Institute, 1988. (Review '87/Outlook '88)
- Globerman, Steven  
*Culture, governments and markets: public policy and the culture industries.* Vancouver: Fraser Institute, 1987.
- Goldblat, Jozef and David Cox  
*Nuclear weapon tests: prohibition or limitation?* Oxford: Oxford University Press, 1988.
- Lipsey, Richard G.  
*The Canada-U.S. free trade agreement and the great free trade debate.* Toronto: C.D. Howe Institute, 1987.
- Maslove, Allan M. and Stanley L. Winer (eds.)  
*Knocking on the back door: Canadian perspectives on the political economy of free trade with the United States.* Halifax: Institute for Research on Public Policy, 1987.
- Matta, Nicholas M. (ed.)  
*Arms control and disarmament in outer space vol. II.* Montreal: Centre for Research in Air and Space Law, McGill University, 1987.
- North, Liisa  
*Measures for peace in Central America: a conference report.* Roundtable on Interim and Confidence-building measures in Central America. Ottawa: Canadian Institute for International Peace and Security, 1987.  
*Vers l'instauration de la paix en Amérique centrale: rapport sur la conférence.* Ottawa: Institut canadien pour la paix et la sécurité internationales, 1987.  
*Nos grands fronts: les Canadiens se prononcent sur la politique étrangère.* Ottawa: l'Institut Nord-Sud, 1988.
- Percy, Michael B. and Christian Yoder  
*The softwood lumber dispute and Canada-U.S. trade in natural resources.* Halifax: Institute for Research on Public Policy, 1987.
- Radocchia, Dino  
*Windows of opportunity in Canadian-American energy relations.* Downsview, Ont.: Centre for International and Strategic Studies, 1987.
- Shragge, Eric, Ronald Babin and Jean-Guy Vaillancourt (eds.)  
*Roots of peace: the movement against militarism in Canada.* Toronto: Between the Lines, 1986.
- Ruiz, Wilson  
*Perspective du sud: relations économique Canada-Amérique latine.* Ottawa: L'Institut Nord-Sud, 1988.  
*A view from the south: Canadian Latin American links.* Ottawa: North-South Institute, 1988.
- Saunders, J. Owen (ed.)  
*Trading Canada's natural resources: essays from the 3rd Banff Conference on Natural Resources Law.* Toronto: Carswell, 1987.

Smith, Arnold

*Tisserands de l'histoire: le Commonwealth dans la politique mondiale*. Saint-Laurent: Editions du Trécarré, 1987.

Tugwell, Maurice

*A mythology of peace*. Toronto: Mackenzie Institute for the Study of Terrorism, Revolution and Propaganda, 1987.

**Recent Articles:**

Baker, James

"The geopolitical implications of the U.S.-Canada trade pact". *The International economy* (Jan./Feb. 1987) 34-41.

Barrett, John

"Arms control and Canada's security policy". *International journal* XLII (Autumn 1987) 731-768.

Carrington, The Rt. Hon. The Lord

"The Alliance [NATO] and Canada". *Canadian defence quarterly* v.17, special No.1 (Feb. 1988) 9-14.

Charlton, Mark W.

"The food aid conundrum and Canadian aid strategy: the issue of donor control". *International journal* XIII (Summer 1987) 487-508.

Cornell, Peter

"Security, not sellout" [on free trade]. *Policy options* v.9 (March 1988) 11-15.

Critchley, W. Harriet

"The Arctic". *International journal* XLII (Autumn 1987) 769-788.

Doran, Charles F., John Kirton et al.

[8 articles on Canada's foreign relations, defence policy, political scene, agriculture, energy development, economy and sovereignty.] *Current history* 87 (March 1988) entire issue.

Dosman, Edgar J.

"Points of departure: the security equation in Canadian-Commonwealth Caribbean relations". *International journal* XLII (Autumn 1987) 821-847.

Duquette, Michel

"Politiques canadiennes de l'énergie et libre-échange ou le sacrifice d'Iphigénie". *Etudes internationales* XIX (mars 1988) 5-32.

Durier-Copp, Martine

"Rethinking aid". *Policy Options* v.9 (April 1988) 34-36.

Fawcett, Brian

"Big deal!: what you won't get from Free Trade". *Canadian forum* (Feb./Mar. 1988) 14-18.

Fisher, Bruce H.

"The federal bureaucracy and free trade". *International insights* 4 (Spring 1988) 25-30.

Gladwell, Malcolm

"Rain, rain, go away" [on acid rain]. *Saturday night* (April 1988) 48-54.

Haglund, David G.

"The missing link: Canada's security interests and the Central American crisis". *International journal* XLII (Autumn 1987) 789-820.

Halil, Monica

"Lament for a nation revisited: an interview with George Grant". *International insights* (Spring 1988) 5-9.

Halstead, John G.H.

"Looking afresh at Canada's defence". *The world today* v.44 (April 1986) 61-64.

Hardy, J.E. Ghislain

"Le Canada et l'OTAN". *bout de papier* v.5 (hiver 1988) 10-11.

Haydon, Peter T.

"The strategic importance of the Arctic: understanding the military issues". *Canadian defence quarterly* v.17 (Spring 1988) 27-34.

Hazeldine, Tim and Ian Wigington

"Canadian auto policy". *Canadian public policy* XIII (December 1987) 490-501.

Hillmer, Anne

"Sport in diplomacy". *bout de papier* v.5 (winter 1988) 25-26.

Hurtig, Mel

"A fundamental reversal - Mulroney's trade deal". *Canadian forum* XLVII (Jan. 1988) 6-10.

Hutcheson, John et al.

"The strategy of Canadian culture in the 21st century". [Three articles on Canadian public policy, copyright, and free trade.] *Canadian forum* 776/7 (Feb./Mar. 1988) 119-135.

Johnston, Bruce

"Three ocean strategy: right for Canada, right for NATO". *Canadian defence quarterly* v.17, Special #1 (Feb. 1988) 32-39.

Kharas, Firdaus James

"Jobs for Canada's next U.N. Ambassador". *International Perspectives* (March/April 1988) 6-7.

Kirton, John

"Canada's new internationalism". *Current history* 87 (March 1988) 101-104, 134.

Kraft, David

"The NDP's defence policy". *Canadian dimension* 22 (Feb. 1988) 13-14.

Legault, Albert

"Les processus décisionnels en matière de politique de défense". *International journal* XLII (Autumn 1987) 645-674.

Lyon, Peyton

"Canada and Palestinian self-determination". *International Perspectives* (March/April 1988) 17-18.

Macdonald, George E.C.

"The Air Force programme: implementing the White Paper". *Canadian defence quarterly* v.17 (spring 1988) 35-39.

MacNeill, Jim

"Sustainable growth". [Calls for restructuring of GATT, IMF, UNCTAD, world Bank, etc. to sustain world economic growth and promote development.] *Policy options* 9 (Mar. 1988) 22-25.

Maginley, Douglas

"Upgrading the Navy". *Policy Options* v.9 (April 1988) 30-33.

Manore, Jack

"Pearson College: here, world brotherhood tops the curriculum". *Canadian geographic* 108 (April/May 1988) 12-19.

Manson, Paul D.

"Consolidation in Europe: implementing the White Paper". *Canadian defence quarterly* v.17, Special no.1 (Feb. 1988) 21-30.

Massoud, Habib

"End the Mideast straddle". *Policy options* 9 (Apr. 1988) 27-29.

Morici, Peter

"U.S.-Canadian trade relations in the 1980's". *American review of Canadian studies* XVII (summer 1987) 159-180.

Morton, Desmond

"Defending the indefensible: some historical perspectives on Canadian defence, 1867-1967". *International journal* XLII (Autumn 1987) 627-644.

Murphy, Brian K.

"The Pan-American game: Canada and Central America". *Canadian forum* 776/7 (Feb./Mar. 1988) 9-13.

Nossal, Kim Richard

"Mixed motives revisited: Canada's interest in development assistance". *Canadian journal of political science* XXI (March 1988) 35-56.

Owens, Richard C.

"For no one's benefit: Canada's use of foreign aid to subsidize exports". *University of Toronto Faculty of Law review* 46 (Winter 1988) 303-314.

Raymond Gregory A.

"Canada between the superpowers: reciprocity and conformity in foreign policy". *American review of Canadian studies* XVII (summer 1987) 221-236.

Richard, François

"Le comité militaire de l'OTAN". *Canadian defence quarterly* v.17, special no.1 (Feb. 1988) 41-48.

Rochlin, James

"Aspects of Canadian foreign policy towards Central America, 1979-1986". *Journal of Canadian studies* 22 (Winter 1987-88) 5-26.

Schacter, Mark and Arthur Menzies

"The Honours list: Sylvia Ostry and Genji Okubo". *bout de papier* v.5 (winter 1988) 23-24.

Shanahan, Daniel

"Canada, Quebec and the Third World: historical liabilities and improbable success". *American review of Canadian studies* XVII (Summer 1987) 207-219.

Smith, Gordon S.

"Canada on the Rhine: first line of defence". *Canadian defence quarterly* v.17, special no.1 1988 (Feb. 1988) 15-20

Sokolsky, Joel J.

"Trends in United States strategy and the 1987 White Paper on defence". *International journal* XLII (Autumn 1987) 675-706.

"Strengthening ties with Canada". *New Zealand foreign affairs review* 37 (Oct.-Dec. 1987) 5-10.

Taras, David and Daphne Gottlieb Taras

"The Canadian media, domestic interest groups and Middle East reporting: the effects of structural bias". *International journal* XLII (Summer 1987) 536-558.

Thakur, Ramesh

"Defence reviews in Australia, Canada and New Zealand". *International journal* XLII (Autumn 1987) 890-897.

Tracy, Nicholas

"NATO in Canadian defence policy". *Canadian defence quarterly* v.17, special no.1 1988 (Feb. 1988) 68-76.

Wigle, R.

"Between a rock and a hard place: the economies of Canada-U.S. freer trade". *Canadian public policy* XIV (Mar. 1988) 104-108.

Williams, Robert J.

"Canadian cultural agreements: 'essentially political documents'". *Journal of Canadian studies* (Winter 1987-88) 60-77.

Young, R.A.

"Breaking the Free Trade coils". *Policy options* (March 1988) 6-10.

ATEST  
DER  
NUP

LATEST ISSUE  
DERNIER  
NUMERO

September/October 1988

Vol. XVII, No. 5

\$4.50

NON - CIRCULATING /  
CONSULTEZ VOTRE PLACE

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

**Solving FTA trade disputes**

---

**John W. Holmes 1910-1988**

---

**NATO at 40**

---

**Canada and the *Intifadah***

---

**India in crisis**

---

0000204  
LIBRARY BFL  
DEPT. OF EXTERNAL AFFAIRS  
125 SUSSEX DRIVE  
OTTAWA ON  
K1A 0G2

88/6



# *THE AMERICAN REVIEW OF CANADIAN STUDIES*

Interdisciplinary quarterly journal published by the Association for Canadian Studies in the United States (ACSUS) is devoted to scholarly discussion of issues relating to Canada. Articles accessible to non-specialists share space with others more specialized in nature.

Extensive book review section keeps readers of all disciplines informed of recent publications in the field of Canadian Studies.

Editor: William M. Metcalfe  
University of Vermont

Associate Editor: Lee Briscoe Thompson  
University of Vermont

Book Review Editor: Robert W. Thacker  
St. Lawrence University

4 issues per year: \$30.00—individuals  
\$50.00—institutions

*The Review* is distributed free of charge to all members of ACSUS. Back issues are available.

For subscription and membership information, write:

ACSUS  
One Dupont Circle  
Suite 620  
Washington, D.C. 20036  
(202) 663-6375

---

ACSUS, a non-profit organization, encourages the study of Canada at all educational levels and in all disciplines. Through its national secretariat, ACSUS coordinates developments and activities in Canadian Studies and works closely with academics, business executives and government officials in striving for an improved understanding of issues affecting the bilateral relationship. The majority of ACSUS' 1,300 members are university professors engaged in research and teaching about Canada. A growing number represent the corporate sector, the legal community and government agencies in both the United States and in Canada. Institutional members include libraries, publishers and professional groups.

# ACSUS

NON-CIRCULATING ?  
 PASSE EN COURS

**Forty years of NATO**  
*by Escott Reid* 3

---

**The revolution called *Intifadah***  
*by Yusuf K. Umar and Rex Brynen* 6

---

**Much ado about tilting  
 Canada and the Palestinians**  
*by Aryn B. Sajoo* 9

---

**India at the edge**  
*by Gordon Boreham* 12

---

**Politics of FTA trade disputes**  
*by Bruce H. Fisher* 17

---

**Canada and disarmament**  
*by Fergus Watt* 21

---

**John W. Holmes 1910-1988**  
*by Robert W. Reford* 23

---

Letters to the Editor	23
-----------------------	----

Book Reviews	25
--------------	----

<p><b>International Canada</b>  <i>A supplement of reference material on Canada's foreign relations          presented by the Department of External Affairs.</i></p>
---

EXTERNAL AFFAIRS AFFAIRES EXTERIEURES OTTAWA
NOV 24 1988
LIBRARY / BIBLIOTHEQUE

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by Baxter Publishing.

President:  
W. H. Baxter

Vice President:  
Wolfgang Schmidt

Consultant:  
Alex Inglis

Editor:  
Gordon Cullingham

Editorial Associates  
Bhupinder Singh Liddar  
Stuart Vallance

Executive Director:  
Stuart Northrup

Publisher:  
David McClung

Advertising Production:  
Wendy McClung

Circulation:  
Guy Bolduc  
Irene Clark

Subscriptions:  
In Canada:  
One year (six issues): \$25  
Three years (eighteen issues): \$60

Other Countries:  
Same as above, in US funds.  
Additional charge for airmail  
delivery upon request.

Editorial and subscriptions:  
National Press Building  
150 Wellington Street, #302  
Ottawa, ON, Canada  
K1P 5A4  
Tel: (613) 238-2628  
Fax: (613) 234-2452

Advertising address:  
Baxter Publishing  
310 Dupont Street  
Toronto, ON, Canada  
M5R 1V9  
Tel: (416) 968-7252  
Telex: 065-28085  
Fax: (416) 968-2377

ISSN 0381-4874  
Copyright © 1988  
Second Class Mail  
Registration Number 4949

*International Perspectives* is indexed in the  
*Canadian Periodical Index*, *Current Content*  
and *PAIS Bulletin*, *ABC POL SCI*,  
*ABSTRACTS and AMERICA: HISTORY*  
*AND LIFE*.

A  Baxter Publication

## Editor's Note:

*Without the Middle East the world would be rich in problems; with it, there is never any running out of subjects that demand attention, defy solution and augur disaster. Many of them seem to be marked — not as the euphemizers would have us believe, by thwarted good will, but by bloody-mindedness of the most impacted sort. Or perhaps those societies are just too old to be mature. They need help, and they often ask for the wrong kind. But maybe that's the fault of us outsiders, because we're prouder of our guns than we are of our butter. And because injustice has a way of reminding us of its existence, we are now becoming more aware that the cycles in which history repeats itself are amazingly short. No wonder the Palestinians see themselves becoming the Jews of the later twentieth century. This number of *International Perspectives* has articles on two different aspects of the Israeli-Palestinian confrontation. Look to them for enlightenment, not deliverance.*

*Defensive arrangements need constant monitoring, NATO included. One of those watchers — Escott Reid, an original worker in the construction of the Atlantic Alliance — sees, after forty years, the possibility that NATO should soon yield to something as suited to 1989 as it was to 1949. The notion of disarming also requires periodic attention, and it got some at this June's third session of the United Nations Special Session. Fergus Watt of the World Federalists followed the proceedings of UNSSOD III, and has some observations on an issue that will come up again at this autumn's regular General Assembly session.*

*Another area — a single country — is showing us the kind of change that disturbs rather than reassures. That is India, where the progress we thought we were seeing a few years ago appears to be an illusion. Gordon Boreham of the University of Ottawa offers his informed dismay.*

*The Free Trade Agreement is counting itself down to birth. Not everything is yet understood about its mechanisms, especially the dispute-settling ones. There may be sleepers — or perhaps just exaggerated expectations of those mechanisms. Bruce Fisher of Halifax combs the Treaty. He finds, and tabulates, more complexity than advantage.*

*John Holmes died in August. No one working in this field of Canadian foreign relations can claim a lack of indebtedness to him. Not least this journal, which was the proud carrier of one of his last — if not his last — finely reasoned articles ("The future of the American empire" in the January/February issue). His rationality gleamed in a world of cant. We need that light. Few people will be missed by so many, and so deeply. One of those, Robert Reford of Toronto, writes here of John Holmes.*

*The previous issue of IP contained an error which I want to correct: in Donald Barry's review of Joseph Jockel's book on the origins of North American air-defence, Franklin Roosevelt is inadvertently called Theodore Roosevelt. Sorry Don, Joe, FDR, Teddy, readers.*

# Forty years of NATO

by Escott Reid

When I now look back over a gap of forty years to the conception and birth of the North Atlantic Treaty what impresses me most is how revolutionary was the change brought about by the Treaty. It created the first multilateral military alliance to span the North Atlantic ocean in time of peace. Great Britain had, for thirty years or more, been hoping to entangle the United States in a military alliance; it succeeded in 1949.

The Alliance is a monument to its three British progenitors, Clement Attlee, Ernest Bevin and Gladwyn Jebb, and to the two Canadians, Louis St. Laurent and Lester Pearson, who helped them overcome the opposition in the State Department to the idea of a treaty. It is a monument to the two "fifth columnists" in the State Department, J.D. Hickerson and T.C. Achilles, who fought for the treaty against the opposition of George Kennan and Charles Bohlen who were senior to them in the State Department hierarchy. Kennan's opposition was fortunately short-lived; by the end of May 1948 he was converted to the treaty, partly as the result of a speech by St. Laurent. Two months later the State Department was converted and then with the zeal of a convert it took the lead in selling the idea of a treaty to a reluctant Western Europe.

The obstacles to the successful outcome of the negotiations on the treaty were so great that its birth was a miracle. National politics has been defined as the art of the possible. The international politics which resulted in the Treaty is an example of the exercise of the art of the almost impossible.

## Happy partnerships

The miracle of the treaty could not have taken place if fortune had not smiled on the negotiations. I doubt, for example, that the negotiations could have succeeded if the State Department had not been headed for the first ten of the twelve months of negotiation by George Marshall and Robert Lovett. Dean Rusk has said of this partnership that Lovett was Marshall's alter ego and that the "combination of Marshall and Lovett at the leadership of the Department of State has never been equaled in our history and is not likely to be again." Marshall had the full confidence of President Truman and Lovett was a friend of Senator Vandenberg and persuaded Vandenberg to support the idea of a treaty. So once the Administration decided it wanted a treaty there was unity of purpose among the White House, the State Department, and the Chairman of the Senate Foreign Relations Committee.

Britain had a similarly fruitful combination of two strong, creative politicians (Attlee and Bevin), a forceful, wise adviser in the Foreign Office (Gladwyn Jebb), and two first-rate negotiators in Washington (Oliver Franks and Hoyer Millar). Canada, like the United States, had a partnership in foreign affairs between St. Laurent and Pearson never equaled in Canadian history and it had in Washington the formidable Hume Wrong who toiled forcefully and elegantly in the negotiations.

Fortune favored the treaty not only by the coincidence that

when it was negotiated from March 1948 to March 1949 the three key countries had exceptional teams in charge of their foreign policies, but also because just before the negotiations began Britain granted independence to India. During the negotiations Dean Rusk warned the British that if they were not more forthcoming on Palestine the feeling in the United States against Britain might make the conclusion of a treaty impossible. What would feeling in the United States against Britain have been if during the negotiations Britain had been suppressing the Indian independence movement and the American press had been full of stories of Britain imprisoning Gandhi, Nehru and other Congress leaders and of British troops and police brutally putting down demonstrations and riots? If Britain had not granted independence to India in 1947 there would have been no North Atlantic Treaty in 1949.

## Fearful and hopeful

The title which I gave my book on the making of the treaty was *Child of Fear and Hope*. The publisher thought that this sounded like the title of a novel and changed it to *Time of Fear and Hope*. Both of us were right. The treaty is a child of fear and hope conceived and born in a time of fear and hope. The British, the Americans and we in Canada wanted the treaty because we were frightened and because we were hopeful.

We were not frightened by the thought that the Soviet Union might invade Western Europe. In the spring of 1948 the Secretary of State of the United States believed that the Soviet government did "not want war at this time"; the British foreign minister, that it did not intend to push "things to the extreme of war"; and the French foreign minister, that there was "no clear indication that the USSR is now prepared to make war."

Today the belief that the Soviet Union does not intend to invade Western Europe is even more firmly held than in 1948.

## Forty years of diminishing fear

What then was the fear in 1948 which led to the North Atlantic Treaty and is there a comparable fear today? The fear in 1948 was that the Soviet Union would continue to expand its power in Western Europe by using the then powerful communist parties of Western Europe as its subservient agents, and by undermining one Western European government after another. Some of the terms used by the British at the time were "further encroachment of the Soviet tide" and "continued Russian infiltration." Hickerson said that the communist coup in Czechoslovakia had created "a certain bandwagon psychology, particularly in the crucial non-communist left" in Italy, France and Austria. The State Department in March 1948, seven weeks before the Italian elections, believed that a victory in the elections by the People's Bloc, "exploiting legitimate economic grievances, social unrest, and the pervading fear of vengeance, in the event of Communist

---

*Escott Reid is a retired Canadian diplomat and author of Time of Fear and Hope, a history of the negotiation of the North Atlantic Treaty. He lives near Ottawa.*

## At birth and in middle age

domination" would result in the communists getting hold of Italy and establishing a totalitarian police state subservient to Moscow. Kennan believed that this would have been followed by a sweep by the communists through the territories lying along the western Mediterranean, a sweep accomplished without the use of armed force by the Soviet Union.

An indication of the profound change in Western Europe since 1948 is that no Western foreign office today in an analysis of the situation in Western Europe would speak of strong communist parties exploiting economic grievances, social unrest and fear of vengeance in the event of communist domination.

The fear in 1948 was of the establishment in Western Europe of totalitarian police states subservient to Moscow which would in time become similar to the Soviet state under Stalin. Here too is a difference between 1948 and 1988. We would certainly view the establishment in Western Europe of states similar to the Soviet Union under Gorbachev as abhorrent, but the prospect of such a development is not so nightmarish and revolting as was the prospect in 1948 of the establishment of states similar to the Soviet Union under Stalin. There is today no fear of Soviet domination of Western Europe comparable to the fear in 1948 which led to the North Atlantic Treaty. If the situation which exists today had existed in 1948 and 1949 there would have been no North Atlantic Treaty.

### Forty years of restraining the ally

Fear of the Soviet Union was not the only fear which rallied support for the idea of a treaty in Britain, Canada and Western Europe. There was also the fear that the United States might pursue impatient or provocative policies in its relations with the Soviet Union. The hope was that common membership with the United States in an alliance would give the other members of the alliance opportunities to restrain the United States from pursuing impatient or provocative policies. In April 1948, the late John Holmes, then the Canadian chargé in Moscow, told Ottawa that it was desperately important to prevent the United States "from taking heady action" against the Soviet Union; the Western powers must not draw the Russians onto ground from which they could not retire "without a loss of face." A couple of weeks later Ernest Bevin said to Washington that the "motto of the United States and Britain must be moderation, patience and prudence combined with firmness and toughness."

At that time the French were hesitant and negative about the idea of a treaty, and Pearson, in an effort to encourage them to be more forthcoming, told them that one advantage for them of an alliance was that the consultative machinery it would establish would increase the ability of the Western European powers to exert a steady, constructive and moderating influence on Washington.

From 1980 to 1987, fears about United States policy towards the Soviet Union have been much greater than they were in 1948, and the argument that a North Atlantic alliance could be used to restrain the United States as well as the Soviet Union has been even more compelling than it was in 1948. Indeed the principal argument used in Canada in the eighties to justify continued Canadian membership in the Alliance has been that it increased Canada's capacity to influence United States foreign policy. The main reason Canada joined the Alliance in 1949 was that we believed it would restrain the Soviet Union. A subsidiary reason was our belief that it would restrain the United States. In 1988 the main reason for Canada continuing in the Alliance is that it

could be used to restrain the United States. Restraint of the Soviet Union is for us now a subsidiary reason.

So much for the fears in 1948 which helped to propel the North Atlantic countries into an alliance. What of the hopes of 1948 which likewise contributed to the success of the negotiations?

### The fate of hope

In the three countries which conceived the treaty — Britain, Canada and the United States — the hopes of many of those most influential in the negotiations were high. Pearson hoped that the North Atlantic community which would be given the beginnings of a constitution by a North Atlantic treaty would move towards what he called in September 1948 in a memorandum to Cabinet "political and economic unification." St. Laurent shared this hope. So did Hickerson, Achilles and Kennan. Gladwyn Jebb did not want a North Atlantic federation; he wanted the creation of what he called a "Middle Power" consisting of "Western Europe plus the bulk of Africa which, while remaining friendly with the USA, would no longer be economically dependent on that country and hence capable of pursuing an independent foreign policy." (Almost all of Africa at that time was still under the control of Western European powers.)

Of all the visions Jebb's has come nearest to fruition. A united Western Europe is emerging, no longer economically dependent on the United States as it was in 1948 and more capable of pursuing an independent foreign policy. We in Canada feared at the time of the negotiation of the treaty that increased unity of Western Europe which was not accompanied by increased unity of the North Atlantic community would result in the North Atlantic alliance becoming an organization resting on two pillars, one in Western Europe and one in the United States. Canada would be odd-man-out in the alliance and would have little influence. They feared, as Douglas Le Pan put it in September 1951 in a memorandum to Pearson, that Canada "would be left to deal with the United States on our own and almost inevitably would sink into a policy of simple continentalism." Our fears were unfortunately well founded.

### Political alliance

One fundamental difference between the Alliance of 1949 and the Alliance today is that the Alliance of today is heavily armed whereas the Alliance of 1949 was not and no one in 1949 contemplated a substantial increase in its armaments. In the first year of the Alliance its defence expenditures increased by only 7 percent over the previous year. The United States administration hoped at the time that there would be "some increase" in the defence expenditures of the Western European allies, but it also believed that "economic recovery must not be sacrificed to rearmament." It was not until the Korean War broke out in the summer of 1950 that the Alliance rearmed. In the following two years the Alliance tripled its expenditures on defence.

Canada when it joined the Alliance in 1949 did not consider that membership required it to increase its defence expenditures, much less to station armed forces in Europe. St. Laurent and Pearson in 1949 would have rejected as highly improbable the idea that Canada thirty-nine years later would be spending on defence in real terms five times what it was then spending, that Canada would be maintaining armed forces in Europe and, indeed, that the Alliance would still be in existence. Pearson in 1949 believed, or at least hoped, that the Alliance as a security organization was a temporary expedient. He looked forward to the time when the

relations between the Western world and the Soviet Union had so improved that the UN Security Council would become the effective security organization contemplated in the UN Charter.

### Soon to arms

It is normal for the nature of alliances to change as the years pass since their establishment. What is unusual in the North Atlantic Alliance is how soon the change occurred and how profound it was. The change was precipitated by the outbreak of the Korean War in June 1950 or, more accurately, by the United States response to the attack by North Korea on South Korea. Not only did the defence expenditures of the Alliance increase threefold from 1950 to 1952, but in those years the United States successfully insisted on the admission of Greece and Turkey to the Alliance, on the arming of West Germany, and on the appointment of a supreme commander.

Charles Bohlen, in his memoirs, terms these developments an unwise militarization of the Alliance. Pearson in July 1951 deplored the growing concentration on the military aspects of the Alliance which, he wrote in his diary, "would endanger the 'Article 2' idea of the Pact, the development of a North Atlantic community," and he cast about for a substitute for the Alliance as a starting point for the development of the community. In his diary he describes how on a visit to Western Europe in July 1951 he very tentatively put forward the idea that two treaties be substituted for the North Atlantic Treaty: one would be purely military and would be open to any member of the United Nations; the other would promote political, economic, social and cultural cooperation among countries which were in fact part of the North Atlantic community. The new organ of the North Atlantic community would not include Italy, Greece and Turkey but it would include the other countries which had been members of the North Atlantic Alliance plus Switzerland and Sweden. According to Pearson, the response of the foreign ministers of the Netherlands and Norway was encouraging but nothing came of this.

### Forgotten obligations

Institutions such as the North Atlantic Alliance which have existed over many decades have an immense capacity for survival; inertia protects them from dissolution. They can, however, gradually lose much of their content and one can argue that this is what has happened to the North Atlantic Alliance. Each ally, on joining the Alliance, contracted eight obligations set forth in the Treaty, two of them military, six of them non-military. All are equally binding. It is possible to maintain that some members of the Alliance, especially its leader United States, act as though the three most important of the non-military obligations had ceased to be binding: the obligation of each member to settle by peaceful means any international dispute in which it may be involved, to refrain in its international relations from the threat or use of force in any manner inconsistent with the purposes of the United Nations, and to consult with the other members of the Alliance whenever, in the opinion of any member, the territorial integrity, political independence or stability of a member is threatened in any part of the world by the actions of any country, whether potential adversary or ally.

The architects of the Treaty believed, and rightly believed, that the chances of a third world war would be reduced if the allies adhered strictly to both sets of obligations, the military and

the non-military. Adherence to the military obligations would deter the Soviet Union from running risks of precipitating a world war. Adherence to the non-military obligations would reduce the risk that the policy of an ally might increase the chance of a world war.

Some of the non-military obligations of the Alliance have lost much of their content. What about the two military obligations?

The first military obligation of the allies is to maintain and develop their individual and collective capacity to resist armed attack. The second obligation of each ally is to consider an armed attack against one or more of its allies in Europe or North America as an attack against it and, if such an attack occurs, to assist the ally or allies so attacked by taking, in accordance with its constitutional procedures, such action as it deems necessary, including the use of armed force, to restore and maintain the security of the North Atlantic area.

It seems to me that developments since the treaty was signed may have made the European members of the Alliance less willing to live up to the second military obligation. Western Europeans know that a conventional war with the Soviet Union would bring to them enormous devastation and loss of life and that recourse to short-range nuclear weapons, even if this did not lead to all-out nuclear war, would destroy much of Western Europe, especially West Germany.

### Successor to NATO?

It is a quarter of a century since I last lived in Western Europe so I do not know at first-hand how the minds of the Western Europeans are moving, but I do know that if I were living in West Germany and were faced with a choice between accepting defeat in a conventional war with the Soviet Union or embarking on the use of nuclear weapons I would choose defeat as the lesser evil. This might lead me to support the idea that the governments of Western Europe should now launch confidential discussions with the Soviet government on its willingness to work out with its allies and with Western Europe a comprehensive European settlement — a package deal, a trading of concessions. The comprehensive settlement might include the withdrawal of European countries from the Atlantic Alliance and the Warsaw Pact, the withdrawal of American, Canadian and Soviet armed forces from Europe to their homelands, the termination of the special rights of the United States, the Soviet Union, Britain and France in Berlin, the unification of Germany with its capital in Berlin, and making Europe up to the Soviet border an area free of nuclear weapons.

It is easy to dismiss such a proposal as unrealistic. In 1947 all or virtually all experts on foreign affairs would have dismissed as unrealistic a proposal to create a military alliance of the North Atlantic countries — the inertia, skepticism, doubts, hesitations, fears and opposition were too great to be overcome. From 1947 to 1949 politicians and civil servants who knew that international politics was the art of the almost impossible overcame these obstacles by two years of patient — and impatient — secret soundings and secret diplomacy accompanied by public statements to rally support for an alliance. They wrought a miracle — the birth of the Alliance.

May we not now plead that politicians and civil servants of vision and determination work another miracle. For the North Atlantic Alliance to give place to a comprehensive European settlement would be its crowning achievement. □

# The revolution called *Intifadah*

by Yusuf K. Umar and Rex Brynen

Since December 8, 1987, Palestinians in the West Bank and Gaza Strip have been in revolt — their most sustained revolt against Israeli occupation since Israel conquered the territories in the June 1967 Arab-Israeli War. Yet dramatic as events in the occupied territories have been, it is not in their tragic violence that their greatest significance lies. More important still, the Palestinian *intifadah* (uprising) has wrought deeper changes in the structure of the conflict — for the Palestinians themselves, Israel, the Arab world and the broader international community.

## Roots of the uprising

Several factors set the stage for the Palestinian uprising. The first and most obvious of these was the occupation itself. For Palestinians, Israel's "benevolent occupation" had never been seen as such, but rather as an oppressive denial of Palestinian political self-determination. Economic realities, coupled with continued Israeli expropriation of as much as one-half of the West Bank and one-third of the Gaza Strip, contributed to a widespread feeling (shared by 85 percent of Palestinians, according to a 1986 survey by the Palestinian newspaper *al-Fajr*) that living conditions in the territories were steadily deteriorating. In the same survey, nine of every ten Palestinian families under occupation reported incidents of arrest, detention, curfew or harassment by the Israeli authorities.

Nor, as 1987 came to a close, did the external situation appear to offer much hope of a change in this status quo. The Palestinian question seemed prominent only by its absence amidst improving East-West relations, a perception reinforced by the Gorbachev-Reagan summit in Washington, by signs of a limited thaw in Israeli-Soviet relations, and by US efforts to close the Palestine Liberation Organization's Washington and New York offices.

And, most alarmingly from a Palestinian perspective, the same appeared to hold true even in the Arab world. Evidence came in November 1987, when the leaders of the Arab world assembled in Amman to discuss the growing war in the Persian Gulf — a move which in itself seemed to relegate the Palestinian issue to secondary status. During the summit, Syria and Jordan put forward positions which, if adopted, would have marginalized the PLO and undermined the official Arab consensus (established at the Fez summit in 1982) in support of the establishment of an independent Palestinian state. In the end, the PLO was successful in securing reiteration of its status as the "sole legitimate representative of the Palestinian people," and a state-

---

*Yusuf Umar is a West Bank Palestinian and Lecturer in Political Science at the University of Calgary. Rex Brynen is Assistant Professor in the Department of Political Science at McGill University in Montreal.*

ment of Arab support for an international peace conference wherein the PLO would be represented on an equal footing with other parties. Nevertheless, the whole process only served to strengthen Palestinian disenchantment with the commitment of Arab regimes to their cause.

The continued weight of Israeli occupation, coupled with the absence of any solid progress towards resolving the Palestinian question, stoked rising levels of anger and frustration. When a local traffic accident on December 8 involving an Israeli truck left four Palestinians dead, Palestinians in Gaza considered it premeditated murder, possibly retaliation for the death of an Israeli there two days earlier. The accident, planned or not, provided the spark for demonstrations, first in Gaza and later in the West Bank. Very rapidly, the protests gained a momentum and a leadership of their own, mobilizing the bulk of the Palestinian population into a cohesive uprising against Israeli rule.

## Palestinian society under occupation

In many respects, the most important impact of the uprising has not been in the spheres of diplomacy or public relations — important as these are — but within the Palestinian community itself under occupation. The *intifadah* and the twenty-first year of occupation have signaled the coming-of-age of a new generation of Palestinians in the West Bank and Gaza. While all generations have been active in the uprising, it has been the youth — *al-shabab* — who have played the major role in daily street battles with the Israeli army. With some 60 percent of Palestinians under age nineteen (i.e., born under occupation), they represent a potent social force, one with little respect for even the vestiges of Israeli administrative authority and generally less responsive to Israeli coercive measures.

The uprising has also brought with it changes in the nationalist leadership in the West Bank and Gaza, bringing to the fore new Palestinian leaders and activists. In contrast to their predecessors, this new leadership is rooted not in traditional Palestinian "notable" politics, but in the social mechanisms and institutions that have developed in the territories since 1967: youth and women's groups, student unions, trade unions, professional organizations, together with Palestinian mosques and churches. In the past, the high profile and individualism of Palestinian leadership in the territories — the National Front of the early 1970s, the nationalist mayors, the National Guidance Committee of the late 1970s — rendered it acutely vulnerable to deportation, detention and other Israeli counter-measures. The current leadership of the *intifadah* is more diffuse, and hence more effective and more resilient, than its antecedents. That the arrest of over 10,000 Palestinians (of whom some 4,000 remain in detention) has failed to halt the uprising clearly illustrates that the *intifadah* draws its strength not from traditional patterns of patron-client

politics, but rather from a network of grassroots community organization and activism.

With this has come a considerable dislocation of the traditional structure of Israeli occupation within the Palestinian community. Traditional conservative Palestinian notables, who have been nurtured over the years in a joint Jordanian-Israeli sponsorship, have found their political power severely undermined. Palestinian police officers have resigned *en masse*; all forms of collaboration with the Israeli civilian-military administration in the occupied territories have been severely curtailed. In essence, then, the uprising has witnessed the development of a new political culture among the majority of Palestinians, one more conducive to sustained protest, civil disobedience, initiative and resistance.

### Intifadah and the PLO

The *intifadah* has also had its implications for the broader Palestinian movement. When the uprising first erupted, Israel was quick to lay blame on PLO incitement and direction. The PLO was just as quick to claim credit. Still others stressed the spontaneous nature of the initial protests. What then of the relationship between the *intifadah* and the PLO?

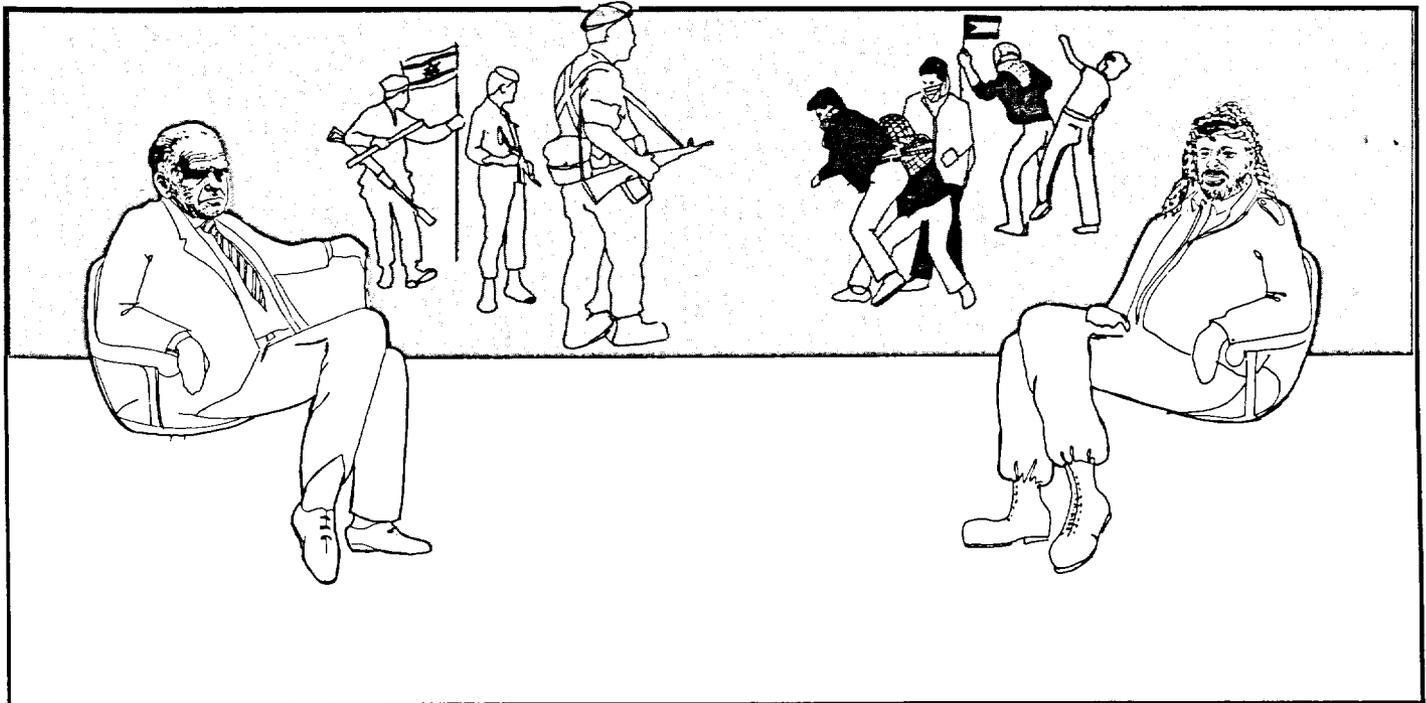
For most Palestinians, the question is meaningless; acceptance of the PLO as the sole legitimate representative of the Palestinian people is near universal (around 90 percent, in most opinion polls) within the occupied territories and throughout the Palestinian diaspora. As early as January, when the initial wave of demonstrations gave way to more sustained and organized protest, this became evident in the emergence and remarkable authority of the so-called "Unified National Leadership of the Uprising." The Leadership itself consists of local leaders affiliated with the most important PLO organizations. The regular underground pamphlets it has issued set forth the types of demonstrations to be held in a given week, the times shops should open and close, and so forth. These directions in turn have become the unquestioned agenda of the *intifadah*, obeyed with re-

markable unanimity by Palestinians throughout the West Bank and Gaza. In short, the *intifadah* has reaffirmed the PLO's legitimacy among Palestinians, and hence its status as the only Palestinian representative acceptable to the Palestinians themselves in any future negotiating process.

At the same time, the *intifadah* has undoubtedly also served to reinforce the relative political voice of West Bank and Gaza Palestinians within the PLO, and to spur a refocusing of PLO diplomatic and organizational energies on the occupied territories — a process that became evident in June with the publication of an essay on the PLO's views of prospects for a Palestinian-Israel settlement. Written by Bassam Abu Sharif, a senior aide to PLO Chairman Yasser Arafat, the statement explicitly recognized Israel's security interests, and stressed the PLO's acceptance of UN Security Council resolutions 242 and 338, contingent on other UN resolutions affirming the Palestinians' right to self-determination. It suggested a referendum in the occupied territories to resolve the question of Palestinian representation. Finally, the document called for direct PLO-Israeli negotiations, leading to the creation of a Palestinian state in the occupied territories, and including the deployment of UN forces there to promote peace and security.

### Implications for Israel

For Israel, the occupation has now become both more difficult and more costly. Until recently, the cost of the Israeli civilian-military administration in the territories was more than matched by the "occupation tax" placed on its inhabitants, resulting in a net gain to the Israeli treasury of some \$850 million since 1967. Additional economic benefits flowed to Israel in the form of water resources, trade, and Israeli access to a low-cost Palestinian reserve workforce. Now Israel confronts the problems of lower numbers of Palestinians working in Israel, a widespread civil disobedience campaign of non-payment of taxes, and the increased expenses of maintaining order amid the declining effectiveness of existing forms of social control. Already, the



## Politics of the uprising

direct costs of the uprising have been estimated by Israeli Minister of the Economy Gad Ya'acobi at some \$30 million per week, or the equivalent of over \$1.5 billion per year.

And it is a cost that is almost certain to rise, if for no other reason than the simple weight of demography. The Palestinian population in the territories is growing rapidly, at a rate in excess of 3 percent per year. Given this, Israel can expect to see the number of Palestinians under Israeli rule equal and then exceed the size of Israel's Jewish population sometime early next century (circa 2010).

Most immediately, then, the *intifadah* has thus served to heighten the growing policy debate within Israel regarding its "demographic dilemma." It has sharpened the contradictions between those who vow continued Israeli control or annexation of the territories (notably, current Israeli Prime Minister Yitzhak Shamir and the Likud), and those who would surrender some portions of the occupied territories and their population (Israeli Foreign Minister Shimon Peres and his Labour Party). It is a debate which cuts to the core of Israeli politics, and one which is unlikely to be resolved soon despite Israel's forthcoming parliamentary elections. The fact that some Israeli settlers in the territories have already threatened to resist any trading of "land for peace" to the point of "civil war" underlines how difficult the issue is.

Since the 1979 Egyptian-Israeli peace treaty, Israel has enjoyed a position of regional strategic superiority vis-à-vis its Arab neighbors. Unstable at best, that superiority did not erase the Palestinian question that has always been at the core of Arab-Israeli conflict, however much it may have obscured its immediate salience. Now, in light of the *intifadah*, Israel must ask itself — whether on humanitarian grounds, or on the narrower but often more persuasive grounds of national security — whether the indefinite denial of Palestinian civil and political rights truly lies within Israel's own long-term interests.

### Inter-Arab politics

The violence in the occupied territories has also had a significant impact on the Arab world. Many Arab mass media outlets, particularly television, have censored reportage of the *intifadah*. This seems to be an immediate effect of outbursts of mass emotional sympathy and solidarity with the Palestinians, often combined with criticism of Arab inaction. In Egypt, demonstrations have taken place protesting President Mubarak's lack of support for the Palestinian cause. In Jordan, similar concern has led the regime to increase its surveillance of Palestinian refugee camps, and to arrest a number of Palestinian activists for "conspiring to exploit Jordanians' emotions." At least one Palestinian journalist (Lamis Andoni, respected writer for *Middle East International* and the *New York Times*) has had her press credentials revoked and been threatened with imprisonment for her reporting on Jordanian policy — a move that, paradoxically, seems only to confirm the very impressions Amman is so anxious to dispel. Demonstrations of support for Palestinians in the territories have been broken up in Kuwait, Morocco (where at least one student was killed by police) and elsewhere.

This pressure of the *intifadah* has also been manifest in a flurry of Arab diplomatic activity, culminating with a full-scale Arab summit meeting in Algiers in June, at which nearly \$400 million was pledged in support of Palestinians in the occupied territories. The position of the PLO in inter-Arab politics has

been enhanced, and the Palestinian question returned to the top of the regional political agenda.

All this assumes particular importance in the case of Jordan's King Hussein. Under the Camp David process, the 1982 Reagan initiative, and the international conference proposals put forward (in slightly different versions) by Shimon Peres and US Secretary of State George Shultz, King Hussein was to act as the primary interlocutor on the Palestinians' behalf, and the custodian of any territories returned by Israel. It was an option predicated on the assumption that the Palestinian-Israeli conflict was amenable to solution through Arab-Israeli negotiations, Palestinian demands for self-representation and self-determination in an independent state notwithstanding.

Not surprisingly, none of this was ever very popular among Palestinians, many of whom have little affection for the Jordanian regime. With the *intifadah* — the resilience of popular Palestinian nationalist organization in the West Bank and Gaza, and the strong opposition of the Unified National Leadership to any Jordanian role at the PLO's expense — the so-called "Jordanian option" became a dead letter.

It was in this context that, on July 31, 1988, King Hussein made a dramatic announcement severing Jordanian claims to the West Bank and suspending the administrative role Jordan had played there since 1967. It remains to be seen what effect this will have, although for over 20,000 teachers and civil servants in the West Bank heretofore paid by Jordan, the immediate economic effect will be severe. In the longer term, Jordan's move places further pressure on the PLO, focusing the diplomatic spotlight on it while intensifying the social and political demands it bears within the occupied territories. The government of Israel (and of Jordan) may hope that the PLO fails to meet the challenge. For the Palestinian movement, however, the challenge itself is a victory, underlining the necessary centrality of the PLO's role in any Israeli-Palestinian peace process.

### International repercussions

A final repercussion of the *intifadah* has been felt in the broader international community. Violence in the occupied territories has kindled increased international attention to the Palestinian question, and considerable criticism of Israel's occupation and riot control policies. In Canada this was evident in External Affairs Minister Joe Clark's strong condemnation of Israeli actions as "totally unacceptable" violations of human rights and international law, in a speech before the annual conference of the Canada-Israel Committee in March. Many European governments, the European Parliament (which, as a result of the uprising, rejected a trade agreement between Israel and the European Community this summer), and a meeting of the international Socialist parties held in Madrid in May, have also voiced their objections to the Israeli policy. Within the broader Jewish community outside Israel — a group that has always had a tremendous moral and political influence over the state of Israel — serious concern has been expressed.

To date, the criticism that has been voiced has not, for the most part, been translated into new policies on the part of Western governments. It also remains to be seen whether changing public attitudes represent a permanent shift, or a transitory one subject to a television attention span. Still, the damage done Israel in international public opinion does suggest that long-term Israeli occupation of the West Bank and Gaza would entail growing diplomatic and political costs.

Conditions of future peace

Peace has its realistic prerequisites; good intentions alone are insufficient. Peace in the Middle East is not possible without the recognition of the Palestinian rights to self-determination and to an independent state of their own, whereby they will be made to feel that they have a stake in peace and political stability in the region as a whole. This, it is obvious, requires Israeli consent. And consent, in turn, will not be forthcoming unless Israel believes that the logic and security of such a solution provides a better alternative than continuation of the status quo.

Such conditions can only be achieved in a negotiating forum involving all concerned parties in the Middle East, but most directly the only two actors with the sufficient legitimacy to make an Israeli-Palestinian compromise work: the government of Israel, and the PLO. An international peace conference, under the auspices of the UN and the support of the superpowers, might then succeed in producing a workable formula that guarantees Israel its "security" and the Palestinians their rights.

Without full commitment to such a conference by the superpowers — particularly the United States — war, strife, bloodshed and wasted opportunities will continue. Yet to date US policy has found itself imprisoned in a Kafkaesque situation: Washington refuses to talk to the PLO until the PLO recognizes Israel's "right to exist," while Israeli leaders state they are uninterested in recognition by a "terrorist" organization. The US decries Palestinian intransigence, but seems unwilling or unable to deal with the intransigence of the Israeli government — half

of which refuses to consider "land for peace," and all of which refuses to speak to the Palestinians' chosen representative or recognize a Palestinian right of self-determination. As a result, US diplomatic efforts refocus their attention on processes (such as the Peres-supported Shultz initiative) centered not on the Palestinians, but on Jordan. Yet, as suggested earlier, this is a manifestly unworkable approach.

In the short term, Israel's massive military superiority may well succeed in suppressing the Palestinian uprising. But it will be much more difficult to suppress either the causes of the *intifadah* or the changes it has wrought. Palestinians are experiencing both physical loss and national tragedy. They are West Bankers and Gazans without a West Bank or Gaza, or are dispersed in a diaspora that is becoming gradually more unacceptable. In the present uprising, their demands for self-determination are voiced with protests and stones. Yet if the issue remains unresolved, subsequent *intifadahs* are unavoidable. And these are unlikely to be quite so restrained. Israeli violence will escalate too — General Aaron Yariv, for example, has reported an Israeli contingency plan to "transfer" (i.e., expel) close to a million Palestinians "in a war situation" — as it attempts to indefinitely and forcefully maintain its unwanted mastery over the people of the occupied territories.

The scenario is one of mutual disaster. Yet the *intifadah* also offers potential hope — if only by highlighting, with stark clarity and tragic cost, the instability and dangers of *not* reaching a mutually acceptable solution to the Palestinian question. □

Human rights in Palestine  
Canadian consistency lacking

# Much ado about tilting: Canada and the Palestinians

by Amyn B. Sajoo

Following a visit to the Middle East in November 1983, a Canadian Senate Sub-Committee reported on the acute political and socio-economic constraints endured by inhabitants of the Israeli-occupied territories, including the "legalistic" annexation of land by the authorities. However, the Sub-Committee declined "to apportion blame" for the resulting deprivation of elementary rights and freedoms for the "civil population." Stating otherwise would have embroiled the Senators in the "dichotomy of tilts" that has long characterized debate over Canadian policy towards the Palestinian question: whether we are pro-Israel or pro-Arab, anti-Palestinian or anti-Jewish. Typically, a soupçon of Canadian sympathy for prospective Palestinian self-determination (expressed obliquely, at long intervals) is reflexively seen as a drastic policy departure, usually requiring a restatement of the *status quo ante* from Sussex Drive.

Lost in this ritual to-and-fro about political bias is the essential matter of enhancing compliance with human rights stand-

ards, to which we have pledged solemn allegiance not only politically, but also in binding international treaties. Under the 1976 Covenant of Civil and Political Rights, for instance, Canada has reiterated its obligation to "promote universal respect for and observance of, human rights and freedoms." Similar and more specific undertakings are contained in agreements such as the 1969 Racial Discrimination Convention, the Covenant on Economic, Social and Cultural Rights of 1976, and the 1987 Convention on Torture, all of which we have ratified.

These commitments undergird our professed human rights foreign policy, and provide a conclusive answer to the routine

*Amyn B. Sajoo recently completed a doctorate in International Human Rights and Canadian Foreign Policy at the McGill Institute of Comparative Law in Montreal. He is currently engaged in research and writing in Ottawa.*

## Human rights in Palestine

charge of interference in the domestic affairs of countries that we accuse of gross and systematic violations of human rights. Matters that have been internationalized in treaties cannot remain exclusively within domestic jurisdiction anymore — hence justifying our policy concern as to their condition. But that concern, in a world of manifold sovereignties, will only have legitimacy insofar as it is limited to norm-violation in the human rights domain.

Canada's stand on South Africa is premised on the characterization of apartheid as "a crime against humanity," not merely an internal dispute between Pretoria and the people; we project ourselves not as pro-black or anti-white, but for justice. Likewise, our long-standing intercessions on behalf of those wishing to leave the Soviet Union are regarded not as pro-Jewish or anti-Soviet but simply as humanitarian, in accordance with internationally recognized principles. The same goes for Canada's stance in Central America, where we advocate compliance with fundamental norms of individual security and freedom enshrined in regional as well as global agreements, regardless of the countries' cultural or ideological variations.

### Palestinians treated differently

Canadian policy towards the Palestinian question, however, is virtually unique in its subordination of an array of basic human rights issues to the politics of "tilts." Nor is this obsession accidental. For those opposed to any policy measure that would affect Canada's traditional sympathy for Israel, obscuring the human rights core of the Mideast conflict effectively ensures the primacy of traditional determinants in our policy. Better the hackneyed arguments about "security" and "democracy" versus "terrorism" and "totalitarianism," that have served so well the protagonists of the status quo in Canadian policy.

It is seemingly overlooked that Western support for Israel in the first place was sought and granted on the basis of humanitarian norms, the very same ones invoked by the Palestinians today. Or that the security travails of by far the most powerful nation in the Middle East may stem from its own behavior. Or that calling oneself a democracy — as South Africa long did — while practising institutionalized racial and socio-cultural repression is somewhat dubious.

Strategic and economic factors have not prevented us from condemning harshly the misdeeds of a superpower such as the Soviet Union in the domain of human rights, but we restrain ourselves from acting on the arrant conduct of a "democratic ally" on "pragmatic" grounds. Skeptics may be forgiven for asking whether we have a human rights foreign policy worth the name, or whether we simply draw upon the rhetoric of human rights for reasons of political expediency. The evidence suggests an affirmative answer to both questions, at least when it comes to our policy towards the Palestinians.

### Birth of Canadian human rights policy

In the wake of the Soweto students' protests of 1976-77, the Trudeau government instituted for the first time a sizeable package of anti-apartheid measures affecting our relations with South Africa. Compared with the level of sanctions recommended by the majority at the United Nations, or even our own rhetoric over the issue, the package announced by then External Affairs Minister Don Jamieson was rather tame. Nevertheless, it was to evolve by 1984-85 into a comprehensive and far-reaching policy of economic and political sanctions under the present Canadian

government, surpassed in the West only by the Scandinavian countries.

By 1981, Canada had severed bilateral economic aid to El Salvador and Guatemala amidst an orgy of political killings, disappearances and repression in those countries; and we terminated our Ugandan aid program for the same reason. A more traditional area of human rights activism — pressure directed at the East bloc nations — was also gaining momentum. Canada took its responsibility of fostering compliance with the Helsinki Final Act's provision on family reunification very seriously, within the context of the Conference on Security and Cooperation in Europe (CSCE). By the time of the 1985 Ottawa review of the CSCE, devoted solely to human rights issues, we had firmly established ourselves as a major player in the Helsinki process, a role that has received much impetus from domestic Canadian groups such as Helsinki Watch, the Canadian Jewish Congress and Inter-Amicus.

Furthermore, we have served multiple terms of elective membership in the UN Committee on Human Rights and, more recently, earned a seat on the new Committee against Torture. When coupled with our vocal censure (accompanied by threatened or actual sanctions) vis-à-vis violations in Haiti, Nicaragua and Iran, for example, the foregoing represents a fairly rapid metamorphosis in Canadian commitment to a human rights foreign policy. But quite remarkably, until March 10 of this year when External Affairs Minister Joe Clark reaped the whirlwind by criticizing Israeli policies three months into the *intifadah* (uprising), we had made no comment on that country's systematic violation of virtually every article of the Universal Declaration over a period of at least two decades. Those violations have been documented by international and non-governmental organizations, as well as the news media, in graphic detail. The *intifadah* has compelled us to confront them head on.

### Impact of the *intifadah*

Since December 9, 1987, the events in the occupied territories have galvanized world attention to the plight of a people whose fate has been hostage to Israel's perception of its own destiny. More importantly, the uprising symbolizes a political and social awakening by the Palestinians — hence the aptness of the appellation *intifadah* — after twenty-one years under a degrading and often brutal occupation. While the timing of the protests was likely influenced by the pointed downgrading of the Palestinian question at the Arab and Soviet-American summits last December, there can be no doubt that the underlying causes lay in the burden of enduring a seemingly interminable occupation.

Reports of the use by Israeli security forces of live ammunition, rubber bullets (with metal cores), beatings, torture and tear gas, often indiscriminately, against an enemy armed with stones, burning tires and a reckless courage have become a daily routine. Dozens of Palestinians have been "deported" from the land of their birth, including the peace activist Mubarak Awad, in flagrant breach of international law. Food supplies to villages, towns, and even whole regions besieged by troops have been deliberately interfered with, as attested to by the Red Cross and other relief agencies. Over 3,000 Palestinians are under "administrative detention" for 6-month periods without the laying of charges, most in the notorious Ansar 3 camp in the Negev desert. Close to a thousand have been rendered homeless by house demolitions as a mass reprisal against individuals deemed to have violated state security.

These developments, which for the victims only cast an old reality in a new light, have shocked and confounded many in the West, and left Israel's lobbyists and apologists abroad grasping for explanations. After decades of selling that country's image as a moral exemplar victimized by senseless Arab aggression and terrorism, how does one rationalize such graphic evidence to the contrary? Could it be that the Palestinians, like South African blacks, were not simply pathological haters of the people who ruled over them, but rather had legitimate claims and grievances concerning their dignity and right to self-determination?

Like the 1976 Soweto uprising, the *intifadah* is a wholesale rejection of a system that has been tolerated with relative equanimity (compared with, say, the mujahideen resistance to the Soviets in Afghanistan) by its immediate victims, as well as the world at large. Fundamental change is required, not economic or political concessions. Most observers acknowledge that the longer the delay in finding negotiated solutions, in particular through an international peace conference under United Nations auspices, the greater the likelihood of a bloodbath. So far, the determination of the Israelis to avoid such negotiations is matched only by that of the Palestinians in continuing their protest against all odds.

### Canadian awakening?

While scholars and journalists in Canada have been encamping themselves for years in the dichotomy of tilts over Mideast policy, the public, according to a recent poll, shows far greater interest in the sanctity of human life and dignity in that region, irrespective of race or creed. A majority of 53 percent of Canadians told a Globe-Enviro-nics survey in March that they disapproved of Israel's behavior in Gaza and the West Bank, while 52 percent described themselves as neither pro-Israel nor pro-Arab. After accounting for the "don't knows," these represent overwhelming pluralities. In comparison, over 80 percent of Israelis advocate a *stronger* policy towards the Palestinians than the current "iron fist" approach adopted by the Likud-Labour coalition. Evidently Joe Clark is not the only Canadian whose view of the situation differs from that of most Israelis or their lobby groups in Canada.

One illustration of the media's chronic under-reporting of the human rights dimension to Canadian policy towards the conflict is provided by the coverage of Clark's March 10 speech to the Canada-Israel Committee (CIC), the content of which received minimal attention even in major newspapers. In focusing instead on the dramatic (and certainly insolent) walkout by some of his hosts from the CIC, news reports omitted any reference to the stated rationale for Canadian condemnation of the gross and systematic abuses by Israel in the occupied territories. "Canadians see these rights as being neither divisible nor negotiable," said Mr. Clark, and "We have spoken to them in many parts of the world." In other words, if Canada is to have a credible human rights foreign policy, Israel can hardly remain a permanent exception to it.

### Unequal reporting

We have also been told little, if anything, about last spring's hearings on the West Bank and Gaza conducted by the Commons Committee on Human Rights, at which a prominent Palestinian and an Israeli Knesset member testified at length. Hanna Seniora, the Palestinian witness, spoke from first-hand experience and observation of repression in his position as editor of the Jerusalem newspaper, *al-Fajr*. His testimony put into perspec-

tive the constant charge of terrorism leveled at the Palestinians, against the backdrop of brutality by the state.

Ehud Olmert, the Israeli witness, told the Human Rights Committee that his government's policies in the occupied territories were "entirely in line" with international human rights treaties, and dismissed every single investigative report to the contrary from Amnesty International, the Red Cross, the Physicians for Human Rights, and the United Nations. Reminding Canadians that Israel was a "democracy," Olmert questioned the "objectivity" of Clark's comments about excessive force by the army.

Surely that was no less worthy of extensive coverage than Clark's remarks to the CIC. What is especially intriguing in this connection is how media discussions about Mikhail Gorbachev's radical reforms in the Soviet Union manage to retain their focus on human rights and what Canada should be doing for refuseniks and other victims of that system, all that despite the "distractions" of Afghanistan and arms control. Part of the explanation must lie in the articulate activism of Canada's "Helsinki watchers," in reminding Ottawa and the public of their moral and legal responsibilities. One is entitled to ask why some of these activist concerns, especially over the exercise of the right to leave and to return, do not extend to the suppression in Israel.

### Back to basics

When the British exited Mandatory Palestine in 1947, saddling the United Nations with responsibility for the territory and its people, the Special Committee on Palestine (UNSCOP) recommended partition, with Jerusalem enjoying international status. Canada, represented by Judge Ivan Rand on the 11-nation UNSCOP, was a prime mover for that recommendation, which the majority of the Committee adopted. Later, in November 1947, we voted with the majority in the UN General Assembly that adopted the UNSCOP recommendation, envisaging self-determination for a Jewish and a Palestinian state.

Today, Canada is unwilling to recognize the Palestinian right to national self-determination that we endorsed forty years ago. We are also unwilling to support the proposal for an international peace conference in which the five permanent members of the Security Council would have an effective role in ensuring an equitable settlement of the conflict. Worst of all, we have not recognized the right of the Palestinians to choose their own representatives in matters concerning their fate: through the vicissitudes of two decades, they have overwhelmingly supported the PLO as their voice.

Instead, successive Canadian governments have issued vague pronouncements over the "legitimate rights" of the Palestinians, a phrase that ought, but in fact does not, equate with "self-determination," as confirmed at last year's Francophone Summit in Quebec City. Just as nebulous is our endorsement of a peace conference with no active role for the Security Council — hence guaranteeing an impasse — and no role at all for the PLO. Where does this leave Joe Clark's bold espousal in his March 10 address of the Palestinians' "right to participate fully in negotiations affecting their future?"

To support the exclusion of the PLO from negotiations over the future of the Palestinians is to replicate a critical aspect of the situation in 1947 (and earlier under the terms of the British mandate), namely, the absence of effective Palestinian representation in the disposition of their birthright. That is not the kind of consistency — or tilt — that we need in our foreign policy. □

# India at the edge

by Gordon Boreham

India is now in a state of profound crisis. It is not just that the government has drawn too many charges of corruption, or that the country has recently weathered one of the worst droughts of the century. Both of these things are true. But the problem lies deeper, at the level of ideology. Political leaders in India are adrift, without a theoretical framework to guide them, in a way which has not been true since the founding of the federal republic in 1947. Gone is the confidence which characterized policy-making in the halcyon days of the Planning Commission in the 1950s, 1960s and 1970s. Gone too, is the promise which Rajiv Gandhi, India's isolated and autocratic Prime Minister, offered in 1984 of providing a new framework for public policy. It is not enough to state, as Mr. Gandhi did in his inaugural address to the 19th world conference on *Poverty, Development and Collective Survival* in New Delhi in March 1988, that "India is totally committed to the eradication of poverty through planned self-reliant development." It is in this kind of context that a cynical reporter once remarked: "As a rule, Indians in positions of power think that once they have articulated a problem they have solved it, that once they have drawn up a plan they have carried it out." Because the gap between rhetoric and action has been fairly wide in the union of India during the past forty-one years, it is not yet fully ready to play a leading role in the world, notwithstanding its vast expanse and huge population of 817 million people.

Even so, India is often seen as one of the most powerful states in the world and described as the world's largest democracy. But both of these claims need to be modified by reality. We can best approach India's role as a major economic power by citing a recent article, in the popular Indian magazine *Genleman*. According to this article, which was entitled "The Making of a Superpower," "The Indian middle class, increasingly prosperous and already 100 million strong...will account for 300 million by 2025 A.D., and constitute the world's single biggest consumer market — double the size of America's and Japan's." What is more, the article predicted that "Giant multinationals — from General Motors to IBM — will queue up outside New Delhi seeking access on Indian terms, to this huge and lucrative market." But the facts do not square with these bold declarations.

## How big a market?

Although India does not publish figures on income distribution (this is a touchy subject with the central government), per capita income is less than US\$300 a year. That works out to roughly \$5.75 a week per person. Furthermore, over the years

1965-85, the average annual growth rate of GNP per capita was only 1.7 percent in India, compared with 2.6 percent in Pakistan, 2.9 percent in Sri Lanka, 4.0 percent in Thailand, and 4.8 percent in both Indonesia and China, according to the *World Development Report 1987*, published by the World Bank.

Some commentators point out that even if the upper and middle classes were only about 10 percent of the total Indian population, that would still amount to roughly eighty-two million people — more than triple the population of Canada. But no amount of positive thinking can obscure the fact that about 735 million people remain completely outside India's identifiable consumer class. This means that for marketing purposes they simply do not exist. What is even more disheartening is that recent estimates indicate that some 270 million Indians are chronically malnourished and that another 450 million live in acute poverty.

Apart from the question of disposable income, most foreign businessmen have always felt uneasy about India's commitment to strong central planning — greater than any other country not belonging to the Soviet bloc. Starting from the principles of scientific socialism, the Indian emphasis, which has been changing throughout the years, has been on detailed regulation and extensive control of private enterprise, a dominating state presence in all the key industrial sectors, the protection of local commercial and industrial enterprises, and the limitation of foreign investment and technology transfers. As one would expect, the diverse measures designed by Indian planners to promote a purely national economy has caused a perceptible fall in the country's participation in the world economy. Despite its size, India's share in world trade amounts to only 0.5 percent.

## Infrastructure deficiencies

Beyond the bureaucratic obstacles to private sector investments, economic activity in India is harassed by pronounced infrastructural problems in important areas such as electricity, communications and transport. It has been observed by the Reuter correspondent in New Delhi that: "Industry is crippled, angry consumers storm power stations and scientists talk of carving the country into time zones. All because India cannot meet its energy needs." As a result, the estimated cost of the current power shortage to industry is 140 billion rupees (Cdn \$12 billion) per year. It may be useful to add that India's energy is produced by twenty-five state companies, twenty-two of which are losing money. Moreover, private companies wanting to produce their own power may not seek funds from financial institutions, nor can they sell excess production. Although the government, in an effort to gain industrial support for its new economic policies, has promised to reduce obstacles to private power generation, there are no specific commitments.

---

*Gordon Boreham is Professor of Economics at the University of Ottawa. Earlier this year he made his fourth study visit to India. This article contains the findings and conclusions of his extensive interviews, traveling and observing there this year.*

It is now generally agreed that India's roads are unable to handle the normal flow of traffic. Because roads suitable for motorized transport are a rarity in much of rural India, "the bullock cart is still one of the biggest transporters of goods and people in India," according to the *New York Times*. In fact, India has a total of fifteen million animal-drawn carts — and only ten million trucks, buses and cars. Another difficulty is to be found in the Indian driver's well-known intolerance for the conventional "rules of the road." Thus, it is fair to say that India's highways are in a mess and are likely to remain so.

One of the lessons that has been learned about development is that telecommunications is as important as power, roads, water and agriculture. But in India, telephone users have come to expect wrong numbers, dead lines, crossed connections that drown out conversations and calls that do not go through. According to the *Christian Science Monitor*, "many companies hire employees just to make phone calls and keep long-distance lines open." Presently, there are only three million telephones in India, including 36,000 pay phones, for the country's 817 million people and 550,000 to 700,000 villages.

#### Water purity and quantity

Recent events also illustrate another obstacle to effective development — inadequate procedures for the management of water resources. To take a recent example, in June 1988 heavy rains sent rivers over their banks in eleven of India's twenty-five states. An estimated one million hectares of land was flooded. The rains overloaded the rivers with silt, and water seeping through garbage and sewage contaminated wells. Some 370 people died in northern India either by drowning, by being buried under landslides, or from diseases spread by contaminated water. In New Delhi, cholera and gastroenteritis reached epidemic proportions, overtaxed health services and prompted severe criticism of the city's handling of water and sewage. As a result, the lieutenant-governor of New Delhi, the city's chief executive, resigned and many health officials were replaced. The Press Trust of India news agency said about two million people were severely affected by the flooding in northern, eastern and western India, all severely buffeted by the seasonal monsoon winds and rain.

But the annual monsoon rains are only part of the story of water management in India. The three most important rivers — the Indus, the Brahmaputra and the Ganges — are fast becoming a network of gutters and drains. The Ganges, which has its source in the Himalayas and empties into the Bay of Bengal, drains 26 percent of India's land and carries a quarter of the country's water. But even Hindus, who venerate the river "as a goddess who secures salvation and rebirth for those whose remains are committed to her waters" (*South magazine*) admit that it has become one of the world's largest sewers; most of the 100 or more cities and towns along its banks have no treatment plants. According to the *World Development Forum*, a publication of The Hunger Project, researchers found that "in the Ganga basin one person dies every minute of diarrhea — most of them children." Because the situation is not much better on the other big rivers, it is not surprising that the central government has launched a 5-year river cleanup project. But many environmentalists contend that the government has neither the resources nor the organization capacity nor the manpower to take on such a massive project.

Such evidence indicates that the view that India will be the most important single consumer market in the world within forty years and that foreign firms will be competing with each other for entry into this lucrative market, has little foundation.

#### Agricultural illusion

There are several other mirages which can mislead the unwary about India's prospects as a leading nation. The "Green Revolution" — introduced to the subcontinent twenty years ago — provides a good example. India, once a regular importer of food grains, is now virtually self-sufficient and has become a modest exporter of wheat and rice. But this cannot disguise the fact that the agricultural revolution is not going the way it was supposed to. V.K.R.V. Rao, an eminent Indian economist, speaking at a seminar in 1986, put it this way: "Although the food surplus looks like a reality in physical terms, it becomes a myth when factors of lack of purchasing power of our countrymen are taken into account." Rao's argument is clear: because nearly 400 million people in his country do not have enough money to buy food, bumper crops can do little to abolish hunger and malnutrition in India. This, in itself, is of great importance to the global economy because the Hunger Project estimates that if poverty were to end in India, approximately one-third of the world's hunger would be eliminated.

Dr. Rao's observation about the impact of the green revolution in India is reinforced by the fact that more than 90 percent of food production increases in the last two decades has come from only two crops: wheat and rice, of which more than 75 percent comes from only five of India's twenty-five states and six united territories. Furthermore, the best agricultural returns have been obtained in the small states of Haryana and the Punjab which produce 32 percent of the country's wheat and 10 percent of its rice. The point is simply this: even within those states with the best results, only the large farms with assured irrigation participate in the country's improvement in agricultural yields. Since the entire strategy of the green revolution is based on the use of high value inputs, particularly fertilizers and pesticides, its impact on rain-fed areas (70 percent of the total cultivated area) has hardly been felt. Under these circumstances, the improvement in farm incomes has been unevenly distributed. Accordingly, a great difference separates the relatively prosperous states of the Punjab, Gujarat or Maharashtra from the desperately poor states of Bihar and Madhya Pradesh. Most economists agree that the "trickle down" theory has not worked well in India.

#### Industrial distortions

Conventional wisdom also has it that Indian industry is a development success story. After all, post-colonial India has advanced beyond textile and steel mills and railways to become the tenth-largest industrial country in the world in terms of value added by manufacture. It possesses capital-intensive, large-scale industry and is one of the few developing countries with an indigenous nuclear sector. Moreover, India's \$600 million space program is perhaps the most ambitious in Asia and it is one of only seven countries that has launched its own homemade satellites into orbit on locally-designed rockets.

But once again, appearances are deceptive. For one thing, the open-ended import substitution policies long followed by India have protected the industrial sector in general and state enterprises in particular from foreign competition. The result is a large number of inefficient industries in both the public and private

## Rampant regression

sectors. Equally worrisome are the huge subsidies India pays to "sick" businesses in the state sector, such as fertilizer enterprises. In addition, there is an over-supply of goods in many sectors of industry — the electronics and automobile manufacturing industries are good examples — and a growing trend towards a deceleration in the annual growth of business investment. From these circumstances, it is clear that the industrial sector in India is in the doldrums.

But a balanced view needs to recognize that industrial reform has begun, although timidly, to take shape in India. Recent liberalizing steps include the delicensing of a number of industrial sectors, among them machine tools, industrial machinery and agricultural tools; allowing manufacturers to have a broader choice with respect to their product mix (it is called the "broadbanding scheme"); eliminating the majority of export duties and reducing the tariffs on imported capital and goods for diverse export industries (computers and electronic equipment, leather, wool articles); encouraging foreign investment in key fields; enlarging the role of the private sector by opening areas previously reserved for the public sector such as power generation, transport, steel and petroleum; and reforming the tax system. The major objective of these relief measures was to stimulate the industrial sector of the economy by enlarging the scope for expansion of the private sector and opening the economy to foreign competition and multinational enterprises. However, there remains much more to be done before India's creaky industrial plant can meet the challenges of changing times and changing economic needs.

### Population growth

Notwithstanding its greater reliance on the market mechanism, the Indian economy is also becoming severely distorted. The population is growing at an alarming rate; "the latest projections suggest that India's population may surpass China's in less than 60 years, or before today's youngsters in both countries reach old age," the US Census Bureau reports in its new *World Population Profile 1987*. At the same time, the forces of inflation and unemployment are gathering momentum and investors have lost confidence in the capital market. And although poor housing is a leading cause of disease, the situation in the housing sector is worsening. Almost half of Bombay's nine million

inhabitants live in slums or on the streets. Calcutta needs an estimated ten new dwelling units per 1,000 population each year, but only about 10 percent of this basic need is being met. Fewer than 10 percent of all Indian dwellings possess even rudimentary plumbing and more than 100,000 villages lack clean drinking water. And these problems are compounded by the presence of corruption, which is endemic at nearly every level of Indian society and government.

### Rampant bureaucracy

The Indian economy is also harassed by a huge and unwieldy bureaucracy with great powers. In 1961 the central and state governments employed seven million people; by 1987 the figure was over seventeen million. Apart from the depressingly well-documented administrative problems involved in dealing with India's moribund bureaucracy, two decades of rising expenditures by the government sector have made businessmen and investors apprehensive about a further opening of the market to competition. The national budgetary deficit for the fiscal year ending in March 1989 is expected to reach seventy-five billion rupees (about Cdn \$6.4 billion), and the deficit in the balance of payments on current account is predicted to increase from a little over \$7 billion in 1988 to more than \$8 billion in 1989. Defence spending, which in the late 1970s and early 1980s fell to 3 percent of Gross National Product, now accounts for 4.6 percent. In this connection, it may be useful to add that India

has a standing army of 1.1 million regulars; it is now the fourth-largest armed force in the world, behind the Soviet Union, China and the United States. It should further be remarked that the Sri Lankan ethnic crisis, which is tying down at least 45,000 Indian troops on foreign soil, is rumored to be costing the Indian government more than \$2 million a day. Perhaps most important, the central government has taken to borrowing, both at home and abroad to pay for its current outlays as well as for its direct investments. The interest to be paid on this rising debt is now a growing burden which could eventually threaten India's future growth.

### Banking as social program

Before leaving the central government's management of the economy in recent years, a few words should be added concerning the Indian banking system. It may be helpful to start with an historical perspective. In 1955, the Indian government national-



ized the Imperial Bank of India — the largest bank in the country — and converted it into the State Bank of India. Subsequently seven state-associated banks were formed as subsidiaries of this bank. The extent of government control over the organized credit system was enlarged in July 1969 when the ownership of fourteen major commercial banks in the private sector was transferred to the central government, and again in April 1980 when six more banks were nationalized. These moves reinforced the control over the total financial system which the government had already acquired through the ownership of insurance companies and term-lending institutions.

Broadly speaking, the objectives that impelled the nationalization of these twenty-one banks, as stated by the ruling party, were to prevent a relatively small number of people from dominating the Indian economy; to ensure that the credit needs of productive efforts of diverse kinds irrespective of size and social status of the borrower and, in particular the needs of farmers, exporters, small-scale industries, and self-employed professional groups, were met in an increasing measure; to foster actively the growth of new and progressive entrepreneurs; to create fresh opportunities for backward areas in different parts of the country; to streamline bank management with a view to giving it a more professional character; and to provide adequate training as well as reasonable terms of service for bank staff.

The approaches used to achieve these broad aims are complicated and will not be discussed here, but some observations can be made. First, there has been a very substantial expansion in the number of commercial bank branches, especially in the much neglected rural and semi-urban areas, and a sizeable increase in the deposit base of the banks. Second, there has been a change in the style of banking operations from "wholesale" or "class banking" (which caters mainly to the needs of large urban industries and big business) to "retail" or "mass banking" (which tries to serve all segments of the community). Third, there has been a massive expansion in bank credit to small borrowers in agriculture, small businesses, cottage industries and small transportation ventures. In 1969, credit to these small-scale ventures accounted for less than 14 percent of total bank credit; such loans now account for 40 percent. Seen in this light, it would be correct to suggest that nationalization has extended the banking "habit" among the public and hastened the process of monetization in the rural and semi-urban areas. Simultaneously, it has produced a more effective mobilization of savings and a more equitable and purposeful distribution of credit.

These developments are consistent with the government's view that the commercial banks must involve themselves in programs for employment generation (through the promotion of small businesses) and poverty alleviation (through the provision of durable assets to the poorest families in the rural hinterland). On the negative side, however, the imposition of social functions on the banks has affected adversely their efficiency, profitability and viability. With high inflation rates and little or no competition, there is no incentive for Indian banks to be efficient. In consequence, banking service has badly deteriorated, especially in the urban and metropolitan areas. While the banks have broadened the range and magnitude of their services, their work rules, operating systems and administrative procedures have remained largely traditional and unchanged over the past twenty years. Also, the banking industry has become one of the high wage sectors in the economy. The proximate causes of the declining profitability of the banking system are therefore the high

administrative costs of lending to small farmers and small-scale industry, indiscriminate branching, and militant trade unions.

A further cause of the banks' difficulties, related but conceptually distinct, is the high default and delinquency rates. As a result of government policy to make the banks the main catalytic agent in initiating economic growth, bad debts and slow repayments have become a truly serious problem. But despite these high arrears, which also affect the recycling of their funds adversely, the Indian banks do not make adequate provision for loan losses. Although the problem of non-performing assets is often hidden by creative accounting, it has greatly increased the fragility of the Indian banking system. From these considerations it emerges that the Indian experiment in social banking has gravely impaired the financial efficiency of the banks, led to poor services, and contributed little to the overall development of the economy.

### Social and ethnic problems

At the political level India is threatened by deeply rooted racial, tribal, religious and caste differences. Indeed, the chief correspondent of *The Rising Nation*, India's Multiplex News Feature Magazine, has gone so far as to assert that "India is a cesspool of social tragedies." Evidence substantiating this conjecture may be found in recent examples of separatist violence. Militant Sikhs have been fighting for a separate state in Punjab since 1983, claiming discrimination by India's Hindu majority. Since the beginning of this year, Sikh separatists have killed more than 1,500 people, mostly Hindus and moderate Sikhs. This makes 1988 the worst year of violence since 1984, when Prime Minister Indira Gandhi was assassinated by her Sikh bodyguards following the Indian army's attack on the Sikhs' Golden Temple at Amritsar. Indiscriminate acts of arson and killing are also common in the north-eastern corner of India where separatists are demanding pieces of West Bengal, Assam, Mizoram and Nagaland. For completeness, one should also mention that the leader of the Gurka National Liberation front signed a peace accord on August 4, 1988, ending a 2-year campaign for a separate homeland for the Nepali-speaking people of West Bengal that cost more than 350 lives.

Another source of killing in India is religious division. In 1987, more than 100 people, mainly Muslims, died in communal riots in Uttar Pradesh. In Kashmir, India's only Moslem-majority state, young Kashmiri have been rioting in Srinagar against the Hindu-dominated central government, which, they say, fixed their state's election in March 1987. Large-scale murders, mayhem, looting and riots are taking place in the name of caste and communal groups in the states of Bihar and Andhra Pradesh. Since January 1983, communist extremists called Naxalites have killed over 200 people, including thirty-five policemen, in these two states.

While we are on the subject of racial division, it may be well to mention one more matter that is testing India's ability to hold together as a single nation — namely, the July 1987 Indo-Sri Lanka accord. There has been a spurt in fighting between Indian troops and Tamil rebels in northern and eastern Sri Lanka in recent months. Accordingly, the Indian government is worried that if violence becomes the only mode of social intercourse between Sri Lanka's Sinhalese majority and Tamil minority, it could send the Indian state of Tamil Nadu (which contains fifty million Tamils) bounding towards secession.

## Rampant regression

### Your best friends won't tell you

Given these economic, racial, tribal, religious, linguistic and caste differences, it is becoming increasingly clear that the Indian union is on the edge of a precipice, an accelerating slide into economic, political and social chaos. Yet hardly anyone will admit to this possibility, at least in public. As a consequence, a serious gap has emerged in the critical analysis of modern-day India. But, as a respected correspondent of the *Ottawa Citizen*, Ilya Gerol, rightly said "the West should finally break a taboo that doesn't allow us to say bad things about India" (May 20, 1988).

Thus Western critics must try to make it clear to the Indian leadership that India cannot be half in and half out of the global mainstream of economic and political life. Those who are really interested in a flourishing free and secure India must convince the policymakers in Delhi that: there is no purely national economy anymore, there is a world economy; economic problems can be dealt with only in an integrated comprehensive way; the first requisite of economic success is a stable political system; market-based economies regularly outperform those that are centrally planned, particularly in land, labor and energy productivity; corruption in the form of bribes, kickbacks and "speed payments" (to move things along) are not necessary to make a modern industrialized economy work; some traditional cultural practices can inhibit the speed and character of economic development.

It should be emphasized that to bridge the gap between the Third World and the First World many attitudinal changes are needed in India. Nowhere is this more true than in India's rural areas, where child wedlock is an everyday occurrence, families mortgage their futures to try to ensure their daughters' wedding prospects, the ancient practice of child labor continues unchanged, birth control measures such as sterilization cause more tension and mistrust than positive effects, millions of low-caste people (Harijans) remain pariahs, and where cases of suttee (widow burning) and dowry deaths (bride burning) are still reported in the daily newspapers.

### Political leadership the key

In the end, of course, no outside advice or assistance — however massive or generous or well-meaning — can substitute for bold, courageous and innovative leadership at the political level. But one is struck in retrospect by an absence of will in India to restructure and reform political institutions to render them relevant to the new economic realities and the new challenges of this interdependent world of today. While Prime Minister Rajiv Gandhi concedes that corruption in the authoritative bodies is on such a scale that it has major economic and social consequences, he does not seem to realize that twenty-four Cabinet shuffles in

forty-four months in office do not in themselves constitute a program of political reform. Such a comment is consistent with a June 1988 editorial in the Indian weekly newspaper, *The Sunday Observer*: "If the intention of these latest cabinet changes is to show strong and decisive leadership they have not achieved it. On the contrary, they are likely to be viewed as panic reactions to the setbacks suffered...in recent by-elections." Perhaps the most perceptive judgment of India's ruling clique is Winston Churchill's famous comment on the state of the British government in 1936: "Resolved to be irresolute, adamant for drift, all powerful to be impotent."

### Ingredients exist

While most Indians are now more cynical about public officials than they were under previous administrations and many see little reason for optimism with respect to their futures, it is certainly arguable that the basic ingredients for development are present in the country. Notwithstanding its administrative ineptitude, the Indian government is run on democratic lines. Despite the lack of purpose and dedication among public officials generally, the courts still uphold the laws which are intended to protect the poor and downtrodden. In the face of autocratic rulers (the dynastic Congress party or the Nehru-Gandhi family), India can pride itself on having a frank and free press, perhaps the best in the developing world. Though it is a question of getting there, people are also free to move anywhere within the country to distant educational institutions or jobs.

As well, India has one of the most highly advanced infrastructures among the less developed countries. Although its literacy rate is only 36 percent, this means that some 294 million Indians are literate. Furthermore, according to Indian officials, India has the third biggest pool of highly qualified scientists in the world (ranking only behind the United States and the Soviet Union). The fact that India has 166 major universities with a large number of arts, science, commerce and professional colleges and research institutes affiliated with them highlights the country's intellectual potential even more. Taken together, these factors suggest that India's mammoth problems are not insoluble. But it will take time and discipline and the cost of adjustment will probably be enormous.

There are some examples of success. The four newly industrializing countries of Asia (Hong Kong, Singapore, South Korea and Taiwan) have seen the future, and it works. While "what plays in Peoria will not necessarily play in Poona" (now called Pune), the inescapable fact is that now is the time for the national leadership in India to set in motion or accelerate the necessary economic and political reforms, while fundamental conditions are still reasonably favorable and the central government has not lost its room for maneuver. □

# Politics of FTA trade disputes

by Bruce H. Fisher

While the dispute settlement mechanism of the Canada-US Free Trade Agreement (FTA) has been widely claimed to be the solution to bilateral trade disputes, in reality it is a complex and one-sided system which may prove detrimental to Canadian interests.

The FTA creates four distinct types of dispute panels. Each is rife with loopholes, difficulties or the strong potential for the US administration to block the resolution of a dispute. The maximum time allotted for the resolution of disputes is excessively long. Two of the four panel types require a waiver of the right to request a GATT panel. Almost all panel decisions are unenforceable. The irony of the FTA is that it is more political, and less effective, than the dispute settlement mechanisms which currently exist.

The United States probably agreed to the inclusion of such a weak dispute settlement mechanism precisely because it would be ineffective in forcing the US to accept unpopular judgments. However, as Canada's exports are largely dependent on the US market, the latter might be able to use such a system to force concessions out of Canada on difficult bilateral disputes.

## Myths of international law

The differences between domestic and international law are fundamental to understanding the politics of trade disputes. The former is enforced through actions of the judicial system: those convicted of crimes are incarcerated or fined. As no global judiciary or police exist, international law is unenforceable. Consequently, trade law can only be administered through a compensation/retaliation system. GATT Contracting Parties can demand either the removal of measures which "impair benefits" or the awarding of trade-weighted compensation. For example, if the United States were to unjustly raise the tariff on "business machines" Canada could demand its removal or the lowering of tariffs on an equivalent volume of trade. Unfortunately, the US could refuse to offer adequate compensation. The only option remaining for the aggrieved is to take retaliation through increased tariffs on an equivalent volume of trade. Although this raises costs to the domestic consumer and is self-defeating, it remains the last resort of most "binding" dispute settlement mechanisms. It is an imperfect system, further distorting the economy, providing compensation only in a theoretical sense, and disadvantaging smaller, trade-dependent economies.

Despite the frequent exhortations of politicians and others, the spirit and intentions of an international agreement will rarely reinforce its legal provisions. Rather, international agreements approximate household mortgages: the fine print dictates the terms. Treaties are littered with coy phrases such as "best efforts," "consultation" and "standstill," which only create the illusion of con-

sensus. What drives economic treaties is the search for economic gain. Like lawyers, nations interpret legal agreements to their own advantage. As do lawyers, nations interpret legal agreements to their own advantage. Unlike lawyers, large and powerful nations have the capacity to openly influence due process, as evidenced by the Canada-US Softwood Lumber Agreement and the US-Japan Semi-Conductor Chip Agreement.

## Status quo: GATT panels

The GATT Council almost always accedes to requests for the establishment of a dispute panel. Panel membership is normally five trade experts, approved by both parties and — unlike the panels created by the FTA — rarely including nationals to the dispute. The panel receives evidence from both parties and from other nations wishing to make representation. Final judgments are based on legal interpretations of the GATT basic agreement and its codes.

What otherwise seems a just process contains a dark side. There is little doubt that political pressure has always played a role in GATT rulings, which are frequently restrained and diplomatic in tone. More importantly, a nation found guilty is free to ignore a GATT ruling. The plaintiff's only option becomes retaliation, which for smaller countries such as Canada is self-defeating. Equally disturbing is the increasing number of nations willing to pay compensation rather than conform to international rulings. Hence, the GATT panel system is an imperfect judiciary in a world of unequal trading partners. Regardless, it is better than no system, offering Canada a forum to apply peer pressure and the rule of law against other nations, such as the US, Japan and the EC.

## Status quo: US and Canadian courts

The GATT not only condones but provides a legal basis for the confusing labyrinth of laws which govern the flow of trade. Commonly referred to as "contingency protection," these laws include the three major types of trade litigation: countervail, anti-dumping and safeguard actions.

Nothing in the Canada-US free trade debate is less understood than countervailing duties. Such levies derive legitimacy from a belief that subsidized exports provide unfair competition to industries in the importing country. The GATT Subsidies and Countervail Code permits a countervailing duty to be applied where (1) an exporting country subsidizes production, and (2) that subsidy is a cause of "material injury." Hence, in 1986 the

---

*Bruce H. Fisher is on leave of absence in Halifax from the Department of Regional Economic Expansion where he was a policy analyst in the trade policy division.*

## **Feeble dispute settlement mechanism**

US government levied a countervailing duty of 5.825 percent on Canadian groundfish. That same year the Canadian government applied a countervailing duty on imports of US corn. Not surprisingly, the definitions of "subsidy" and "material injury" have become enormously controversial.

The GATT Anti-Dumping Code permits the application of a duty to goods (1) exported below "fair market price" and (2) causing "material injury" to domestic industries. Dumping has been a frequent complaint against US exporters by Canadian businesses.

In a safeguard or escape clause action tariffs can be raised if a domestic industry is threatened with "serious injury," regardless of whether dumping or subsidization has occurred. Unlike countervailing and anti-dumping duties, these levies are applied against all countries. For instance, a successful safeguard action against Brazilian steel would raise tariffs on all steel imports. This contrasts with countervail and anti-dumping duties which are applied against only the offending nation, or in many cases the offending company. One of the many fears of Canadian exporters has been US safeguard actions intended for other countries raising tariffs against Canadian goods — known as "sideswiping." Under the GATT, safeguard actions require the payment of trade-weighted compensation. The 1986 US shake and shingle case is an example of a safeguard action.

Both the US and Canada have written major sections of GATT contingency protection rules into their domestic statutes. Each has established systems to adjudicate complaints by industry. In Canada the Department of National Revenue and in the US the Department of Commerce determine the level or "margin" of subsidization or dumping. But the determination of injury is made by the Canadian Import Tribunal or the US International Trade Commission. Both are quasi-judicial bodies independent of the administration and have yet to be accused of political interference. The same is not true of the US Department of Commerce. Of note is the softwood lumber case of 1986 where the International Trade Administration (ITA) within the Commerce Department was widely suspected of fixing its preliminary ruling on subsidization solely for domestic political reasons.

A final determination in a contingency protection case may be appealed to the Canadian Federal Court or the US Court of International Trade on an error of domestic law. Simultaneously, a request for a GATT panel to review violations of GATT law can be made in Geneva by the company's home government.

### **Canada-US Trade Commission and its panels**

The FTA establishes a Commission to "supervise the implementation" of the agreement. It appears that it will not have permanent staff but it is required to convene at least once a year. The primary representatives on the Commission are the Canadian Minister of International Trade and the US Special Trade Representative. All decisions are to be taken by "consensus," which effectively provides each country with a veto over its operations and decisions. The Commission is responsible for the procedures for general dispute settlement and for binding arbitration. However, it has no authority over binational panels created under Chapter 19 of the FTA to review trade remedy legislation or countervail and anti-dumping determinations. These two panel types are created under a separate set of rules. (See TABLE for a comparison of the four panel types.)

### **Binding arbitration**

With the exception of safeguard actions, the Canada-US Trade Commission must approve the creation of a binding arbitration panel. (Each country has a veto over the creation of any such panel.) Consequently, serious cases involving political considerations are unlikely to go to binding arbitration. Each panel must consist of at least two Canadians and two Americans. The fifth panelist may be a foreigner. By requesting binding arbitration the aggrieved party waives its right to a GATT panel.

Fortunately, arbitration is required in all safeguard actions. These disputes have always presented a unique problem for Canada: "sideswiping." Under the FTA Canada can be exempted from US safeguard actions if its exports are "in the range of 5 percent to 10 percent or less of total [US] imports" of that product. The legal wording of this section is inexplicable. Clearly the two negotiating teams could not agree on whether to use 5 percent or 10 percent as a benchmark. Further, there are provisions to re-include Canada if its share of imports "surges" (the term is not adequately defined). There is an unlimited timeframe for the panel to reach its decision. If the US complies with panel decisions this may become a major advantage of the FTA. However, it should be remembered that only a small number of Canadian products would qualify for an exemption under the 5 percent or 10 percent rule. Should the US refuse to implement panel decisions Canada's only recourse would be to take trade-weighted compensation. This avenue is not only ineffective but already available to Canada under the GATT.

### **General dispute procedures**

The FTA provides for the creation of a general dispute panel to resolve disputes not covered by the other three panel types. (The sole exception is the financial services provisions, which are not subject to any dispute settlement procedures.) The requirements for panel membership are the same as those for binding arbitration. Similarly, recourse to such a panel would require Canada to waive its GATT panel rights.

Although automatically created upon request, the panel is empowered only to make recommendations and only to the Canada-US Trade Commission. Since the Commission can easily reject its findings the panel will likely tailor its judgments to ensure their acceptance. As with binding arbitration, success depends on good will and not the rule of law. It can be expected that political considerations will influence the more controversial cases. The entire panel process can require as long as 240 days. Even should the Commission ratify the panel's decision the recommendations can be safely ignored by the United States. Again, Canada's only recourse is trade-weighted compensation.

### **Review of trade remedy laws**

A "binational" panel is created upon the request of one party. Panelists — all of whom must be American or Canadian — are chosen from a permanent roster. The panel is empowered to review changes in countervail or anti-dumping statutes for violations of GATT laws. Although free to rule for or against either country, and with no waiver of GATT panel rights, the entire process can require as long as 195 days. Even then the offending party cannot be forced to enact changes. After an additional ninety days of "consultation" and a 9-month waiting period, the other country is free to retaliate or to terminate the FTA with sixty days written notice.

*Continued on page 20*

## TABLE

### DISPUTE SETTLEMENT PROCEDURE UNDER THE CANADA-US FREE TRADE AGREEMENT

<b>Binding Arbitration</b>	<b>General Dispute Procedures</b>	<b>Countervail and Anti-Dumping Laws Review</b>	<b>Countervail and Anti-Dumping Dispute Panels</b>
--------------------------------	---------------------------------------	---	--

(Article of Free Trade Agreement)

**Article 1808  
and Chapter 11**

**Article 1807**

**Article 1903**

**Article 1904**

	<b>Article 1808 and Chapter 11</b>	<b>Article 1807</b>	<b>Article 1903</b>	<b>Article 1904</b>
Purpose	To resolve all disputes, including Safeguard actions	To resolve all disputes except Safeguard actions	To review Countervail and Anti-Dumping laws for conformity to the GATT	To review final Countervail and Anti-Dumping determinations
Role of Dispute Panel	Panel writes Final decision	Panel refers final report to Commission	Panel writes final recommendation	Panel may uphold or remand final determination
Role of Canada-Us Trade Commission	Unanimous consent of the Commission is required to send disputes to arbitration, except for Safeguard actions	Final decision is prerogative of Commission	No role	No role
Maximum time allotted	Unlimited	Approximately 240 days	Approximately 615 days	315 days
Recourse to GATT Panel or Judicial Review	GATT Panel rights waived	GATT Panel rights waived	Unaffected	Right to judicial review waived
Method of rectification	Panel may recommend any course of action. If not enacted the party may "suspend the application of equivalent benefits" within 60 days	Normally, removal of measure or compensation. If unacceptable the party may "suspend the application of equivalent benefits" within 60 days	Remedial legislation. If not enacted the party may take remedial legislation, executive action, or terminate the agreement within 60 days	Panel may uphold or remand final determination. This decision may be appealed to an extraordinary challenge committee

## Feeble dispute settlement mechanism

None of this is of any great significance: the US is free to ignore Canadian concerns and Canada is free to retaliate. The FTA simply transfers all the flaws of the GATT panel into the new binational panel — without the advantage of peer pressure and with even less incentive for the speedy resolution of disputes. Termination of the FTA could become a standard US negotiating ploy in bilateral disputes.

### Trade remedy dispute panels

After a countervail or anti-dumping final determination is issued a binational panel may be requested to begin a reexamination of the case. (The requirements for binational panel membership are the same as those for the review of trade remedy laws.) Within 315 days it must remand or uphold the final determination. If the former occurs, the entire investigation must begin over again.

Both parties will have the right to appeal decisions of a binational panel to an "extraordinary challenge court" composed of US and Canadian judges selected from a permanent roster. This court is designed to insure impartiality but it also lengthens the time period for panel procedures. (This may "typically" require up to forty-five days.) Appeals to the Federal Court of Canada or the US Court of International Trade would still be allowed but only if a binational panel were not created. Hence, the panel is simply an alternative to the US Court of International Trade. But, unlike that process, the Canadian government may appeal contingency protection decisions to a binational panel and then an extraordinary challenge court. This may involve politicians more directly in trade disputes from which they would otherwise remain aloof. It is not clear what would happen if the industry wished to appeal a case and the government did not.

Unlike the other dispute panels created under the FTA this one is unique: decisions are enforceable through domestic law. While it may be novel it will not alleviate Canadian concerns with trade laws. The new process, composed of *ad hoc* panelists and an appeal court of judges, gives no promise of being more objective than the US Court of International Trade. Nor has the primacy of these laws been altered or frozen. All cases are to be reviewed in accordance with "the relevant statutes, legislative history, regulations, administrative practice, and judicial precedents." While Canadian exporters may be upset with the impact of such laws on their businesses, almost all judgments against Canadian firms have been in accordance with the technical wording of United States statutes.

With "harassment" the primary goal of many US plaintiffs the cost of litigation is almost as serious a problem as the actual trade remedy laws. (The Canadian lumber industry spent about \$11 million on legal and consulting fees during the 1986 softwood lumber case.) The modifications to the judicial system will not significantly shorten court time or lower legal costs. Prior to a binational appeal being launched, cases must run the full gamut of preliminary and final appeals. Successful binational panel rulings would only re-start this process from scratch, which in the US can require 300 days for countervail or 420 days for anti-dumping cases.

Nor will the new system prevent other types of nuisance trade problems. For example, in 1986 the powerful New England fish

lobby launched and won a countervail suit against imports of Canadian fresh groundfish. Yet their primary objective was to regain access to the George's Bank fishing grounds and the countervailing duty was chiefly meant to be a bargaining tool. Such legal blackmail will continue.

### The future: re-defining subsidies

Canada has committed itself to successfully negotiating a definition for "subsidy" within seven years. Otherwise, either party can terminate the FTA with six months notice. Within Canada this is seen as a long-term solution to "unfair" American complaints over subsidies. The US views these negotiations as ending Canada's extensive subsidy practices, including regional development. There is little room for compromise between the two viewpoints — despite the extensive use of subsidies in the American economy. As a strongly litigious society, the US will never cede its right to initiate trade remedy actions. Indeed, it would be almost impossible to redefine subsidies so as to exclude Canadian assistance programs. Using almost any definition the outcome of past countervail decisions would be unchanged. (Rather, if Canada is to avoid similar rulings in the future it should ignore the subsidy issue and negotiate a better definition of "injury.")

At the end of seven years a future US government could deliver an ultimatum: cease subsidization or face termination of the agreement. After seven years of industrial restructuring Canada would have little room to maneuver during the course of such negotiations. In a "best case scenario" a generous US administration would agree to a "best efforts" agreement that accomplishes little but does save face. In a "worst case scenario" the US government would force Canada into severely restricting its domestic subsidy programs or in making other trade concessions as compensation. Undoubtedly, Canada's trade negotiators saw the danger in this caveat. But, strongly anti-subsidy themselves, they saw little harm in its inclusion.

### The worst of the status quo

Ironically, the FTA magnifies the flaws and errors of the status quo. By moving from multilateral to bilateral panels the system may become more biased and political. Surprisingly, the US could easily obstruct either binding arbitration or general dispute panels through the Canada-US Trade Commission. Further, both require a waiver of the right to a GATT panel — even if an error of domestic law is being examined. The mechanisms for reviewing trade remedy laws are insignificant. Retaliation aside, panel decisions remain unenforceable except where countervail or anti-dumping determinations are being reviewed. In those cases panels are only empowered to remand rulings which are in violation of US or Canadian law. Many litigants could find their legal costs increased by the new system.

"Security of access" for Canadian exports to the United States remains as elusive as ever. Despite rhetoric to the contrary, Canada will continue to face severe, perhaps even more severe, problems in the settlement of trade disputes. The next ten years will establish that the changes to the status quo are marginal and probably damaging. □

# Canada and disarmament

by Fergus Watt

This past June, while the world basked in the glow of the successful Moscow summit and warmer US-Soviet relations, the United Nations hosted a month-long Special Session on Disarmament (UNSSOD III, May 29-June 25). UN observers and delegates could be forgiven for feeling upstaged by the superpower summit. Attending UNSSOD III was a bit like skipping a highbrow gala social event in order to attend a friend's party down the street: although the event was less noticed, all the regulars were there, the mood was friendly and cordial and, while nothing much happened, the discussions were more worthwhile.

UNSSOD III ended in the small hours of the morning of Sunday, June 26, following unsuccessful last-ditch efforts to hammer about a consensus on a final document. In the end, there was agreement on all but six paragraphs of a 67-paragraph draft final document. The topics remaining in contention were preventing an arms race in outer space, the relationship between disarmament and development, nuclear weapon-free zones, zones of peace, the nuclear weapons capability of South Africa and the possible acquisition of a nuclear-weapons capability by Israel. On the last two of these outstanding issues it was generally considered that compromise language would have been found if all other issues had been resolved. The other four paragraphs all contained wording unacceptable to the United States.

## No agreement on final document

Even if agreement on a final document had been achieved, little in terms of a program or agenda of action for the future would have emerged. The Chairman's draft final text was not a very exciting document since it essentially registered the status quo and broke little new ground.

Despite the lack of consensus, UNSSOD III was far from being a complete failure. In contrast to the second special disarmament session, held in 1982 when superpower relations were at a low ebb, the mood at UNSSOD III was upbeat and positive. Delegations' statements were generally free of unhelpful ideological rhetoric.

This positive mood was reflected in the number of new ideas and proposals which were presented on a variety of topics such as verification, conventional disarmament, an enlarged role for the UN, confidence-building measures and new programs of action emphasizing security. In pursuit of an elusive consensus, the draft final document incorporated little that was innovative. Delegations sought the lowest common denominator of agreement. Nevertheless, many of the new ideas which did not make it into the final document will be carried forward and form part of the agenda for the future.

In addition to catalyzing new ideas, UNSSOD III was also notable for the new language used by most delegations. Disarmament was understood as part of a broader, holistic concept of

"common security." Security in an interdependent nuclear age is seen as a global concern which includes non-military aspects and obliges nations to combine gradual demilitarization with a process of increasing international cooperation. As a result, there was a growing understanding of new concepts such as non-military threats to security and non-provocative defence, as well as increased emphasis on the future role of the UN.

## Common security replaces disarmament

This new emphasis on common security is in part a carry-over from last fall's International Conference on the Relationship between Disarmament and Development, where the international community agreed on a wider definition of security as consisting of "not only military, but also political, economic, social, humanitarian and human rights and ecological aspects."

The session was also buttressed by the parallel activities of a number of international non-governmental organizations (NGOs). Through a variety of conferences, vigils, an on-going coffee house and information service, weekly publications of *Disarmament Times* and meetings with UN delegates, NGOs kept the heat on national delegations. One hundred thousand persons participated in a June 10 rally at Central Park in New York. Many NGOs were permitted to address the Committee of the Whole during two days of the session set aside for this purpose. In total, 120 statements from NGOs (more than at the 1978 or 1982 special disarmament sessions) were submitted.

## Canada's mild effort

Canadian diplomacy at UNSSOD III was quite active, but in the end disappointing. The large Canadian delegation was led by External Affairs Minister Joe Clark. Given the prominent role played by Prime Minister Trudeau at UNSSOD I (1978) and UNSSOD II (1982), the absence of a Canadian Prime Minister at the podium (Mr. Mulroney was campaigning in Lac St. Jean the day of Canada's address) did not go unnoticed.

Clark's speech stressed the need for a practical, step-by-step approach to arms control and disarmament. Some traditional Canadian priorities were stressed, including gradual progress toward a Comprehensive Test Ban Treaty, strengthening the Non-Proliferation Treaty, negotiation of a convention banning chemical weapons, the achievement of deep reductions in nuclear weapons arsenals, the prevention of an arms race in outer space and the importance of confidence-building measures in the arms control and disarmament process.

*Fergus Watt is Executive Director of the World Federalists of Canada in Ottawa. He observed some of the UNSSOD III sessions.*

## UNSSOD III disappointment

Canada also submitted at least a half-dozen working papers during the course of the session. One on the role of women in the disarmament process formed the basis of a paragraph which made its way into the draft final document.

However, it was a paper put forward by Canada and The Netherlands on the topic of verification which was particularly disappointing. Canada has a leadership role within the UN on verification, by virtue of its co-sponsorship of a unanimously adopted resolution on the topic, as well as much useful work carried out by External Affairs' Verification Research Unit on the practical and technical aspects of ensuring compliance with arms control agreements. The Canada-Netherlands paper proposed that the Secretary General "undertake a study on the subject of existing and possible activities of the United Nations in the verification of multilateral arms control and disarmament agreements." The study would not begin until 1990.

The paper would have been a useful initiative at the last special session when there was much less interest in multilateral verification. However, this year there was support from a majority of nations for measures to empower the UN to monitor and verify present and future disarmament agreements. One would have expected a country such as Canada to support an initiative strengthening the role of the UN in the field of arms control and disarmament. But in the current context, the Canada-Netherlands paper was regressive.

### International monitoring

At UNSSOD III members of the Six Nation Peace Initiative (Sweden, Greece, Tanzania, Mexico, Argentina and India) introduced proposals for creation of a UN International Monitoring and Verification Organization (IMVO). Progress in satellite and other information-gathering technology has given industrial middle powers capability to gather information which had previously been available only to the superpowers. Allowing the UN to play a role providing objective third party monitoring and verification of arms control agreements would remove one of the major stumbling blocks which have often prevented conclusion of such agreements. A monitoring and verification organization could eventually strengthen the UN in other ways. It could improve UN peacekeeping operations; it could provide the UN with information (e.g., on troop movements) that would enable it

more effectively to take preventive action during crisis situations; and it might eventually be equipped to supply data (e.g., geological or meteorological information) to developing countries that are unable to afford satellites of their own.

The proposals of the Six were also supported by East Bloc and Non-aligned Nations, while the US was opposed. The Canada-Netherlands proposal, calling for UN experts to study the feasibility of a UN monitoring and verification role, opposed investing any significant authority in the UN for monitoring and verification, except when called for by specific arms control treaties. Such a study would have the effect of retarding progress on the issue. In future it would be difficult to forge a consensus for creation of an organization whose feasibility and practicability was the object of Experts' scrutiny. Perhaps this is what drafters of the proposal had in mind when they suggested that the study not begin until 1990.

Given US opposition, it was unlikely that we would have seen actual agreement on creation of a UN IMVO at UNSSOD III. A fair compromise, one sought by a number of countries at UNSSOD III, would have been to call for a UN Experts' study which accepted *a priori* the need to create a UN IMVO and examined the ways and means of implementation.

### Consensus constrains

The debate over a UN monitoring and verification organization, like other issues at UNSSOD III, left many wondering about the decision-making process at special sessions. Consensus may not always be the best course when one country is constantly a spoiler. Should the world consider moving on without the United States on some things, if necessary, in the hope that a future administration might be more open-minded and more prepared to join with other members of the world community?

It is a question which will come up again this fall at the UN's First Committee where many of the issues raised at UNSSOD III will be on the agenda. Disarmament Ambassador Doug Roche will be in the hot seat as Canada chairs the First Committee for the first time since Lester Pearson was Chairman in 1949. One should not expect any dramatic initiatives, however, as an inflexible US administration not friendly to the multilateral process rides out the final months of the Reagan era.



#302-National Press Building 150 Wellington Street, Ottawa, Canada K1P 5A4  
Please enter my order for *International Perspectives* as follows:

#### In Canada:

- Three years (18 issues) for \$60
- One year (6 issues) for \$25

#### Other Countries

- Three years (18 issues) for US\$60
- One year (6 issues) for US\$25

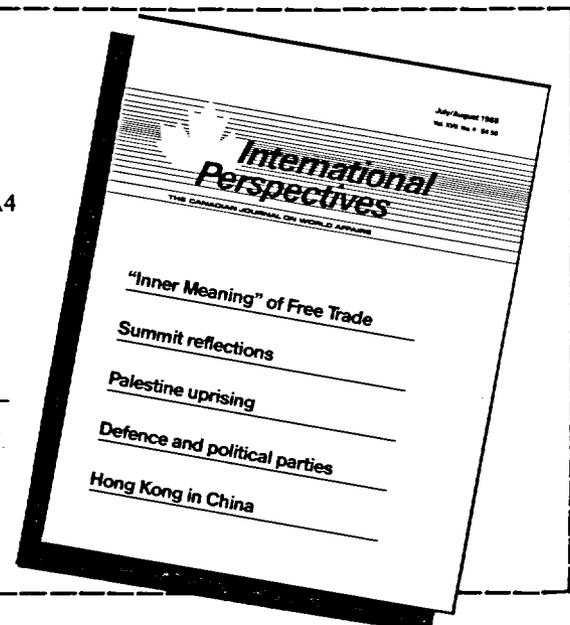
Name \_\_\_\_\_

Address \_\_\_\_\_

My cheque/money order payable to *International Perspectives* is enclosed

Please bill

Authorized Signature \_\_\_\_\_



# John W. Holmes 1910 - 1988

by Robert W. Reford

How can one do justice to John Holmes in two pages — or 200 pages, for that matter? He made such an enormous contribution to Canadian foreign policy, first as practitioner in what have become known as the golden years of the 1940s and 1950s, then as teacher, commentator and philosopher in the decades that followed. No one else has covered such a broad field over so long a period, and no one has done more to examine and explain Canada's role in the world.

If I had to use one word to describe him, it would be wise. (The French word *sage* would not be as appropriate. It can also mean well-behaved, and despite his impeccable manners, John at times verged on the *enfant terrible*.) He had the wisdom of experience, and he had the instinctive wisdom of when to act or not to act, when to speak and when to keep silent.

He absorbed information and, more important, he could analyze it. His writings and addresses would cut through the verbiage to expose the kernel. He could do so because he recognized what was truly significant.

John believed firmly that foreign policy was not an esoteric mystery. He was anxious to see that Canada's role was understood, and he was ready to help others understand it. I benefited from this in the 1950s as a journalist in Ottawa. To wider audiences, he would use language that was easy to understand, often with pungent phrases and current slang to illustrate a point. If he was ambiguous — and that was seldom — it was by deliberate decision not muddled thinking.

He leaves behind a small collection of writings that are classics. His two volumes on *The Shaping of Peace* are the definitive account of Canadian diplomacy from 1943 to 1957. There are two collections of articles and essays — the first, published in 1970, titled *The Better Part of Valor*, and the second, published six years later, called *Canada: a Middle-Aged Power*. There are the Bissell Lectures of 1980-81 on the Canadian-American relationship, titled *Life With Uncle*. And of course, there are contributions to other works including articles in this journal. The prose flows smoothly and the language is clear so that these writings are a pleasure to read.

They are based on personal experience, but they are not personal memoirs. One can glimpse every now and then his partic-

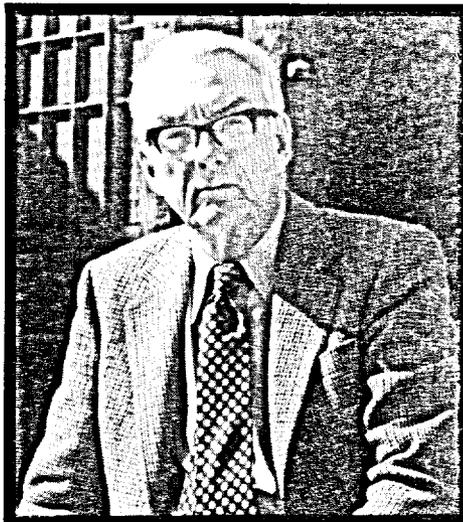
ular participation in the events about which he writes. In this sense, he is the model of civil service discretion, believing that the record should speak for itself. In any case, John was a very private person who would not claim credit for himself.

He was a superb teacher, as the hundreds of men and women who took his courses at the University of Toronto and at Glendon College will testify. He took a personal interest, always ready to give advice and assistance for a career. Many of his students became friends for life.

His teaching was based on case histories in Canadian foreign policy, each illustrating the position this country has taken on international issues. He would go beyond traditional crises like Suez of 1956, which led to the birth of UN peacekeeping (in which he was deeply involved), to discuss less well-known events such as the rupture of diplomatic relations with Gabon when that country invited Quebec to attend a conference as full participant without consulting Ottawa. (The issue of federal-provincial representation has now been resolved, with Quebec and New Brunswick full members of La Francophonie.)

John was a kind man. Yet he could be intolerant of inefficiency and wrong-headedness. I have seen letters of his that were devastating, and I have heard him chastise a speaker elegantly but exhaustively.

He was widely admired and respected by his professional colleagues, inside and outside government. He served on the board of governors of the International Institute of Strategic Studies and the United Nations Institute for Training and Research, to mention but two organizations outside Canada. In 1987, he was a member of the delegation from the Canadian Institute for In-



---

*Robert Reford lives in Toronto, where he is President of Reford-McCandless International Consultants Corporation. In 1961 John Holmes, then Director General of the Canadian Institute of International Affairs, asked him to develop and write what became and still is "International Canada," the monthly record of Canada in the world, which for the past six years has appeared in International Perspectives as a bimonthly supplement sponsored by the Department of External Affairs. Mr. Reford joined and later succeeded John Holmes at CIIA as the Executive Director in the seventies.*

## An appreciation

ternational Peace and Security which went to Moscow for meetings with Soviet scholars. For John, it was a sentimental return. He had served at the Embassy there during the Stalin years and had accompanied Lester B. Pearson when he was the first Western foreign minister to visit Moscow after Stalin's death.

He made another sentimental journey when he attended the fortieth anniversary celebrations of the United Nations. His perceptive account of the UN in perspective was published in the *Behind the Headlines* series of the Canadian Institute of International Affairs, and it was quickly out of print. He had accepted an invitation from External Affairs Minister Joe Clark to be a Special Adviser to the Canadian Delegation to the UN's Third Special Session on Disarmament (UNSSOD III) in June 1988, but he had to withdraw when his health broke down.

John had a puckish sense of humor. His feeling for the unusual was often reflected in his writing, the choice of words or the sequence of phrases. The first collection of essays was titled *The Better Part of Valour*, and his explanation of why he chose it is typical of the man and his style.

*"The better part of valour is discretion" — I realize that I invite calumny in citing Falstaff as a patron of Canadian diplomacy. To many critics Don Quixote would, no doubt, be more appropriate. The lusty English knight did, however, possess certain capacities essential to diplomats: to charm and to con. There was a credibility gap between his bold words and his discreet performance, whereas Canadian diplomatists are usually condemned for the quietness of their words as well as of their performance. Falstaff did, however, know enough to avoid getting killed when the fight was not worth it, and this unheroic preoccupation of good diplomats in the age of megamurder deserves more praise than it gets.*

To which I would add this quotation from Shakespeare as my personal recollection of John:

*He was a man, take him for all in all, I shall not look upon his like again.* □

## Letters to the Editor

Sir

Canadian political scientists who openly favor the Canada-US Free Trade Area (FTA) are about as rare as the economists who oppose. Mitchell Sharp ("Trying to debate Free Trade," May/June 1988) is correct in identifying me as one of the rarities. He might add Gil Winham of Dalhousie, but who else? Mr. Sharp did well to select Denis Stairs, also of Dalhousie, as the most persuasive of the gloomy prognosticators who constitute the mainstream of Canadian political science.

But both Sharp and Stairs are wrong to suggest that FTA advocates are indifferent to politics and culture. They are just as prone to cherish Canada's independence and identity as the self-appointed champions of these values, but have become weary of the repetitive and often hysterical nature of the argument. (Sharp and Stairs are honorable exceptions.) The debate has gone on fitfully for a century. During this time we have approached free trade, albeit without a comprehensive agreement, with few if any of the predicted misfortunes. Canada, indeed, is more independent vis-à-vis the US today than it has ever been. Cultural homogenization is harder to deny, but this is a global phenomenon, unlikely to be greatly accelerated or retarded by FTA. If we fail to maintain our social welfare and regional policies, the cause will be lack of will, not FTA. National sovereignty is chiefly invoked by "patriots" like Shirley Carr and

Robert White, whose self-interest is blatant. (White, indeed, would deny the rest of Canada the benefits his workers gained under the Auto Pact.)

Mr. Sharp, although now in more guarded language, still suggests that there is an inexorable progression from a FTA to a Customs Union, Common Market and finally Political Union. Instead of "always" happening, however, this has *never* happened, even when one partner far outweighed the other. If there is a slippery slope, it slopes upwards, not down, and economic integration becomes progressively more difficult. Mr. Sharp's preference for negotiating through GATT is admirable. But why not pursue both FTA and GATT?

My primary concern has always been with Canada's effectiveness and independence as an international actor. This, I am convinced, would be enhanced in FTA. As even the serious critics concede, Canada would probably be wealthier, and there is nothing like pennies in the pocket to boost one's sense of independence, or relative poverty to foster caution and meanness. A richer Canada could afford more of the instruments of influential diplomacy, such as modern arms, embassies, and a generous program of development assistance.

The greatest increase in Canada's independence would come through its diminished need to curry favor in Washington. Depending hugely on trade, and

selling three-quarters of our exports in one market, our dependence on the goodwill of the government of that market is as overwhelming as it is obvious.

Even without intending us harm, Washington can devastate entire Canadian industries through changes in trade related policies. Increasingly, we have been the intended target. Ottawa has repeatedly been obliged to seek exemptions from US global measures, or to head off moves by Congress directed more specifically against Canada. Although issue-linkage is supposedly illegitimate in Canada-US relations, the climate in Washington can be critical to Canada's economic interests, and seeking to keep it benign often inhibits forthright Canadian stands on such issues as Vietnam, Nicaragua or South Africa.

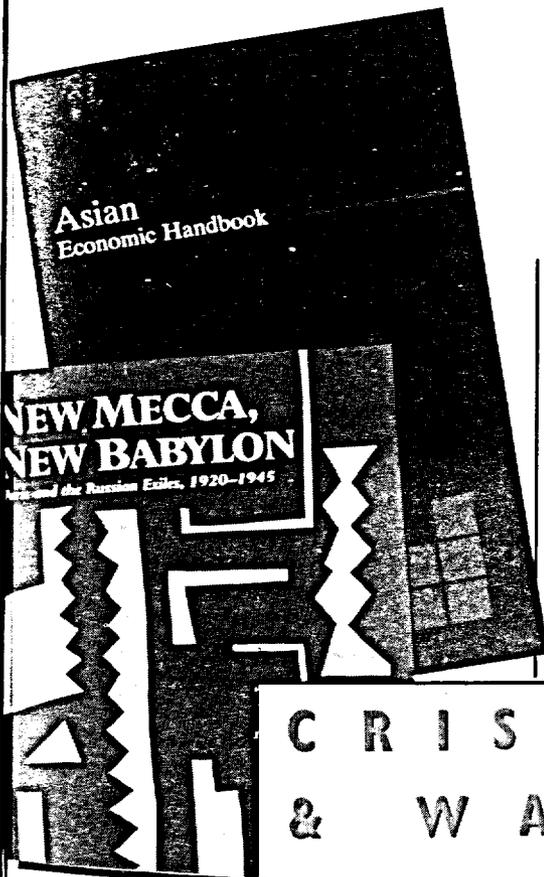
No mere treaty can eliminate the inherent imbalance in our relations. By giving us an assured entry for our exports, however, and new tribunals to partially depoliticize trade disputes, FTA is a giant step towards the liberation of Canadian foreign policy. The agreement imposes some limits on both parties; what treaty does not? But FTA does more to strengthen the independence of Canada than that of the United States.

More should be said, but perhaps the above will indicate that there are credible non-economic grounds to support FTA. The "patriots" are not all on the nay-saying side!

Peyton Lyon  
Appleton, Ontario

*Letters continued, Page 32*

# Book Reviews



## Crisis diplomacy research in Canada

by Michael Wallack

*New Issues in International Crisis Management* edited by Gilbert R. Winham. Boulder, Colorado: Westview Press, 1988, 258 pages, US\$32.50.

*Crisis & War* by Patrick James. Montreal: McGill-Queen's University Press, 1988, 202 pages, \$29.95.

Over the last twenty-five years, international relations specialists and diplomatic historians have amassed a vast collection of research on international crises. Several centers have produced data archives for the statistical analysis of hundreds of cases of conflict. Collective efforts in the comparative analysis of crises have been undertaken using the traditional methods of the historian. Policy-oriented investigations of decision making under stress and crisis diplomacy have resulted from the fruitful collaboration of psychologists, specialists on negotiation and political scientists. The effort

is evidence of an understandable concern shared by scholars and the general public, that in the nuclear age an international crisis anywhere may, through superpower involvement, precipitate the irreversible catastrophe of nuclear war.

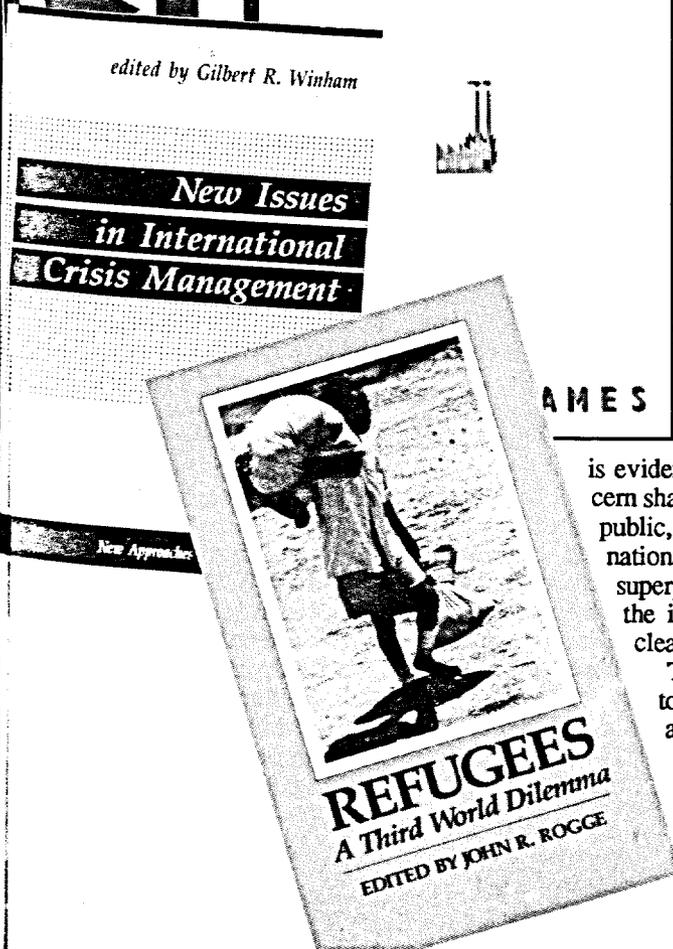
This common motivation helps to explain the rather remarkable agreement among the researchers on the central questions that need to be answered:

what circumstances engender crisis?; what distinguishes between crises that end in war and those that are settled short of war?; how do crises involving the potential use of nuclear weapons differ from those between non-nuclear states? Valuable research moves us closer to the answers to these questions.

These basic empirical and theoretical questions lead to policy issues and proposals concerning what to do to avert crisis and what to do once a crisis is underway. The notion of "crisis management" belongs to the last of these issues. It is the most action-oriented segment of the research area. Proposals made by its specialists are thus subject to a twin responsibility. They must be soundly based on the theoretical and empirical results of cumulative research, and they must be compatible with the real world of political leaders and bureaucrats.

We should remember that the idea of a crisis — a sudden threat to national interest requiring immediate response — was borrowed from medicine, where it was the term used to designate the crucial point in a fever which would be followed by recovery or by death. That was medicine in the early seventeenth century. It took more than 300 years for medical science to explain the mechanism involved and begin to actually contribute to the survival of the patient.

There are dangers in overconfidence in our ability to manage political crises, just as there were dangers in early attempts to intervene to avert the crisis of fevers. And it may take contemporary specialists in crisis management quite some time to move beyond the preliminaries in the diagnosis of the crisis to effective treatment. The most important of these dangers, it seems to me, is not overconfidence in the efficacy of any particular policy suggestion — policy advocates seldom omit disclaimers from their advice, just as researchers seldom claim to have arrived at the final form



## Book Reviews

of their results. The overconfidence that is most dangerous is the tacit assumption that underlies the nuclear war-fighting strategy of graduated response, and the militarization of diplomacy called "compellence" — bargaining with force. This assumption is that policy initiatives taken during crises can not only be managed — kept within bounds set by political objectives — but can be fine-tuned or modulated in a seamless extension of the techniques of traditional diplomacy. From this perspective, successful crisis management is not simply the avoidance of disastrous unanticipated consequences, it is the ability to create and shape crises to achieve international objectives. The cumulative evidence of research into international crises hold out little promise that the extended form of crisis management is attainable.

The two books reviewed here represent the two major types of crisis research. The Winham collection contains a cross section of current work in the historical and analytic school of policy-oriented research, while the study by James is an example of current aggregate data research.

*New Issues in International Crisis Management* edited by Gilbert Winham of Dalhousie University is a valuable addition to the literature on crisis management and coercive diplomacy. The volume contains a useful introduction and conclusion by the editor, eight essays on four topics and a valuable bibliography. In the first part there are two thoughtful essays to orient the reader to the subject. The first, a critical appraisal of the crisis management literature by James Richardson, examines the concept and summarizes the main lines of the consensus built during the last twenty years of analysis. Analysts agree that effective crisis decision-making requires multiple advocacy, limitation of objectives, control of policy by responsible political officials, flexibility, efforts to gain additional time for decision, the avoiding of stereotyping one's adversary and concern for effective communication to the other crisis participants. In his reflections on the weakness in the literature, Richardson suggests greater attention to the question of crisis avoidance and to the issue of the cumulative effect of crises. The second essay, an examination by Richard Ned Lebow of the problems associated with loss of control, finds that problem greatly magnified in contemporary crises as compared with 19th-century Europe.

Part Two of the book contains essays on superpower rivalry by Alexander George

and on the impact of strategic arms control on crisis stability by Karen MacGillivray and Gilbert Winham. George finds that tacit or generalized verbal commitments to avoid conflict are apt to be unstable because of ambiguity and lack of means to apply them to evolving circumstances of competition. In his view, areas of the world where the superpowers have strong but not vital interests are the most promising for the development of risk-reducing norms of conduct.

MacGillivray and Winham find that since the ABM treaty, arms control negotiations have not enhanced crisis stability. A major difficulty, in their view, is that arms control tends to discourage procurement of weapons that are difficult to count even though these may also add the greatest stability to the nuclear balance by their low vulnerability. They also note that the security of command and control, which is vital for crisis stability, should have a far higher priority in current negotiations.

Essays in Part Three by Charles Hermann and by Joseph Nye and William Ury continue the theme of nuclear risk reduction. These two essays suggest a variety of concrete proposals in a kind of diplomatic agenda for the superpowers.

Part Four contains two essays on regional crisis management. Janice Gross Stein, in an interesting and insightful essay, examines Soviet attempts to restrain Egypt and US attempts to restrain Israel in successive wars. In the four cases examined, the superpowers failed in their attempts and were able to compel a cessation of hostilities only when direct superpower confrontation seemed imminent. With crisis management of regional allies so deeply uncertain, Stein recommends greater attention to the underlying causes of conflict as a means to reducing the stakes in future conflicts. William Zartman examines a variety of conflicts to illustrate the degree to which crises arise from successive attempts by the parties to adjust relationships which have become unacceptable to one of them.

*Crisis & War* by Patrick James of McGill University is an examination of three theories which have been offered to explain the transition from crisis to war. The first part of the book, which is by far the most elaborate, tests propositions drawn from an "expected utility" theory of conflict. It is a replication of aspects of the study by Bruce Bueno de Mesquita called *The War Trap*. Data for this part of the study comes from the International Crisis Be-

havior Project data-set and from *The War Trap* study. The data used includes descriptive statistics on 132 international crises from the period 1948 to 1975.

The basic notion underlying the expected utility theory of conflict is that crisis actors can be expected to attempt to maximize their utility in deciding to engage in conflict. The utility calculation that is proposed takes account of the probability of winning the conflict and the expectation of gain from the expected victory, as well as the likely effects on the conflict in the event of participation by allies and multiple adversaries.

The measurement of key variables — the utility of the conflict to the participants, and the probability of victory of various sets of combatants — presents major difficulties. James relies on Bueno de Mesquita's data for utility scores. The assumption is that the utility (or disutility) of a state's foreign policy for another state is a function of the similarity of the two states alliance commitments. While Bueno de Mesquita uses the Correlates of War Project's National Capabilities Index to measure power, James uses GNP.

It is understandable that the task of aggregate analysis places constraints on the research, but the use of alliance memberships to measure expected utility neglects the fact that formal alliance membership frequently persists through dramatic changes in the foreign policy of alliance member governments. To suppose then that such memberships are a better indicator of the foreign policy perspectives than, say, the pronouncements of key foreign policy actors, is unwarranted. Similarly, GNP is undoubtedly a factor in the potential for success in war, but to use it as the sole measure weakens the credibility of the results.

James finds support for the contention that crises end in war when the initiator has a positive score for expected utility in the conflict. He also notes that, for the case studied, most were not begun by the stronger party, and most did not end in war.

The second part of the study tests the contention that international conflict often results from the externalization of domestic discord. Discord is measured in two ways. Latent discord is measured by changes in a nation's consumer price index. Manifest discord is data taken from the *World Handbook of Political and Social Indicators* which gives country statistics on demonstrations, political strikes and various forms of political violence. James

finds an association between both latent and manifest discord and crisis escalation.

The third part of the study attempts to assess the effects of system structure on the transition from crisis to war. According to balance of power theorists, war is a product of power disequilibrium. Using GNP as his measure of power, James finds this contention supported.

The strengths of this study are to be found in its commitment to the careful examination and extension of the cumulative background of empirical research and theorizing. Its major weakness follows from that commitment: the end product reflects not only what has been done, but also what has been left undone in the name of producing a result.

*Michael Wallack is Associate Professor of Political Science at Memorial University of Newfoundland in St. John's.*

## Terrorism at home

by Nicholas M. Poulantzas

*The Rise and Fall of Italian Terrorism by Leonard Weinberg and William Lee Eubank. Boulder, Colorado: Westview Press, 1987, 155 pages, US\$25.00.*

A great number of books have already been published on Italian terrorism. However, the large bibliography at the end of this book — which also reflects this fact — is not even complete. Thus, the 1978 book by Antonio Filippo Panzera, *Attività Terroristiche e Diritto Internazionale*, an academic work, is ignored. The same is true of some popularized works, e.g., *The Red Brigades; Italy's Agony* by John Caserta.

The question arises: does this belated case study on Italian terrorism make a real contribution to the lessons learned from this experience and to the means for effectively combating international terrorism, or is it merely an historical and statistical account of Italian terrorism and terrorists? The truth is that the authors (the contribution of co-author William Lee Eubank to the writing of this book remains a mystery) have adorned their work with numerous interesting tables and statistics. Moreover, the analysis of the facts by the writers is more historical and socio-political than

legal. Besides, the writers of this work insist in treating Italian terrorism as a domestic phenomenon and not as part of international terrorism, which in fact it is. This is one more reason why the contribution of the book under review to the means and methods of combating international terrorism is limited.

The authors take it for granted, as the title of the book also indicates, that urban guerrilla warfare in Italy is finished (why "Fall?"). However, quite recently the Italian police arrested nine members of the Fighting Communist Party (PCC), a dangerous offshoot of the Red Brigades, who last April murdered a prominent Italian Senator and adviser to the Prime Minister.

Assuming that the writers of this book have done solid research into their subject, one is surprised how basic facts, such as the aid requested by the Italian police and granted by Italy's ubiquitous Mafia in penetrating the terrorist cells, are overlooked. Finally, several minor errors in the Italian language references mar an otherwise well-edited work.

*Nicholas M. Poulantzas is the Director of the Canadian Institute for International Order in Ottawa, and author of the book International Terrorism 1970-1980.*

## Bolshevism's refugees

by J.L. Black

*New Mecca, New Babylon: Paris and the Russian Exiles, 1920-1945 by Robert H. Johnston. Montreal: McGill-Queen's University Press, 1988, 247 pages, \$29.95.*

As Professor Johnston (McMaster University) points out in his preface, "refugees are an overwhelming reality of our age." The political activities of some refugee groups regularly attract spectacular headlines which provide readers with subjects for vitriolic debate on current international questions.

By focusing upon the Russian Civil War exiles in Paris, 1920-45, that is, the first large 20th-century exodus with a nucleus unified (or seemingly so) by a political, social or cultural vision, Johnston provides us with a cumulation of experiences which may help to explain the nature of such phe-

nomena in other parts of the world in later years. Spanish Republicans from the late 1930s, and post-World War Two Poles — who still maintain a government-in-exile in London — are the groups most analogous to the Russians described by Johnston. But there are many other smaller groups in exile from East and East-Central Europe, the Balkans, Africa, the Middle East, Asia and Latin America who struggle with many of the dilemmas faced earlier by Russians.

After his introduction, Johnston divides his book into eight nicely organic chapters: In "Exodus" he grapples with the detail of the who, why, where and when of the first wave of emigration from Russia. He notes in "Elusive Unity" that the Russian diaspora was leaderless and disunited in its goals. Here he also outlines the nature of the exile press, its church organization (Orthodoxy), and its extensive cultural activities. In "Life in France" Johnston reveals the social, economic and political problems faced by the Russians as they lost diplomatic status and tried to find a comfortable mean between their desire actively to lobby the French government and confront their opponents in France, and at the same time to avoid alienating their hosts.

A turning point in the history of the exiles in Paris is treated in "Fathers and Sons in Exile," where dramatic events of the early 1930s (in both France and the USSR) and the émigrés' own recognition that a new generation of Russians in exile did not share their ideals, caused confusion. The processes of denationalization and assimilation, which were to confound all later refugee groups, took this first wave by surprise. In "Ordeals and Triumphs" the impact on the exile community of specific events is dealt with: the kidnapping of General Alexander Kutepov (1930); the assassination of the French president by a Russian in exile (1932); and the award of a Nobel Prize for literature to Ivan Bunin (1933).

The divergence in émigré political opinion is outlined in "Russia and Europe." In "Human Dust" the disintegration of the movement during the late 1930s is demonstrated, with special reference to the disappearance of General E.K. Miller (1937), and to the deepening crisis in Europe which led to war in 1939. In the final chapter, "Dissolution," Johnston reveals the effects of the war on the Russian diaspora.

The book is interesting, well-written, and thoroughly documented. The fact that his work is intended as a "collective biography" — which is one of its strengths — in-

## Book Reviews

evitably will prompt some readers to ask for more about their own favorite characters "Well, what about . . .?"

One could raise questions about the validity of the early Russian example for later exile groups. The makeup of subsequent migrations, even from "Russia" itself, included striking differences from their predecessors — for their life experiences had been in the USSR, not in Russia; and those migrations were peopled by Ukrainians, Balts and Soviet Jews, who would have ambitions quite different (especially about returning) from those of the Russians who left in 1918-21. There is also a body of theoretical literature from which the author might have profited, that is, several studies on the sociology of governments-in-exile.

But these points merely reflect this reviewer's own interests. Johnston has produced an admirable work, from which students of history can gain much. Equally important, however, is the author's analysis of a mass emigration and all its components. Observers of contemporary émigré/exile movements should turn to this type of study to force themselves beyond the compelling but simplistic newspaper headline manner in which such phenomena are treated today.

---

*J.L. Black is Director of the Institute of Soviet and East European Studies at Carleton University in Ottawa.*

## Canada to Gulag to Canada

by John Gellner

*A Soviet Odyssey by Suzanne Rosenberg. Toronto: Oxford University Press, 1988, 212 pages, \$24.95.*

As she appears in her memoirs, Suzanne Rosenberg was the typical modern woman, studious, energetic and practical, whose life would have been a successful one, but probably not unusual enough to warrant recounting to a wider audience — if, of course, she had lived in a free society. As it was, though, she spent close to four-fifths of her life in the Soviet Union, the greatest part in what victims of that country's dictatorial regime have called the "big zone" in which all citizens live under strict control but not actually in jail; and three years, in the "little zone" inhabited by the prisoners in the labor camps of the Gulag. The

book is about ordinary life in the two "zones," barely endurable in Stalinist times in the "big" one, horrifying in the "little," more livable under Nikita Khrushchev, and depressing again and dangerous for the free thinker she remained under Leonid Brezhnev.

Apart from the Soviet Union, Suzanne Rosenberg has stayed permanently only in one country, Canada. She spent her youth here, from age seven to fifteen, coming with her mother in 1922 to Montreal, where her paternal grandfather was a rabbi and head of the Orthodox Jewish community. They returned to the Soviet Union in 1931, mainly because her mother, who was a dedicated communist and worked for the cause in Canada, fell out with Tim Buck, who two years earlier had become leader of the Canadian Communist Party. Suzanne Rosenberg returned to Canada, this time for good, in 1980. Before that, in her Russian homeland, she had managed to stay in the "big zone" for most of the long period of Stalinist terror. But eventually she, too, and her immediate family with her, became its victim. She was arrested in 1950 and spent the next three years in Siberian labor camps. Her description of her life there — survival would be the more fitting word — is gripping. It is the story of a young woman who had committed no crime, surrounded by thousands of other prisoners who had also committed no crime, all confined under abominable conditions and ill-treated, confined only because a governmental system presided over by a paranoiac dictator was out to eliminate everybody who conceivably at one time or the other could become an oppositionist.

Suzanne Rosenberg was amnestied shortly after Stalin's death, in 1953. It was then that she learned that her husband and her mother — the latter a fighter for the victory of communism since before the Bolshevik revolution — had both perished in the Gulag. She did find her little daughter though, who had been taken in by some kind-hearted people. Vicky — that was her name — eventually married a Canadian, and this in the end brought her mother to Canada once again.

Reading this book, which is the story, simply told, of an ordinary person's life in a dictatorship, makes one realize once again how very lucky we are to live in freedom.

---

*John Gellner is Editor Emeritus of the Canadian Defence Quarterly in Toronto.*

## Pawns of war

by Carol MacIvor

*Anglo-American Perspectives on the Ukrainian Question, 1938-1951: A Documentary Collection by Lubomyr Y. Luciuk and Bohdan S. Kordan. Kingston, Ontario: The Limestone Press, 1987, 242 pages.*

Two young Ukrainian-Canadian scholars, Lubomyr Luciuk of the Civil Liberties Commission, Ukrainian Canadian Committee in Toronto, and Bohdan Kordan, have documented Ottawa's treatment of Ukrainian-Canadians. They started with internment operations in World War I and then unearthed a number of documents dating from before, during and after World War II. In these, the governments of Britain, Canada and the United States are shown to have coldly calculated the potential political and diplomatic impact of an independent Ukraine. As well, senior officials in all three nations — in memoranda published in the book — outline various theories on whether Ukrainian émigrés posed internal security threats, or how best to use the group for the Western alliance's political advantage.

While the three governments viewed Ukrainian nationalist aspirations as futile, all wanted to "harness" the economic and social influence wielded by Ukrainians living in the West. One particularly damning memo from J.A. McCordick (when he was Defence Liaison at External Affairs) to Jules Léger (under Secretary of State for External Affairs) in early May of 1951, outlines proposals on using foreign-born Canadians to carry out "psychological warfare operations overseas and anti-communist work within Canada." And that, it appears, was only the tip of the iceberg.

---

*Carol MacIvor is a freelance journalist in Ottawa.*

## Managing the displaced

by Arch MacKenzie

*Refugees: A Third World Dilemma*  
edited by John R. Rogge. Totowa,  
New Jersey: Rowman & Littlefield,  
1987, 370 pages, US\$43.50.

The world refugee problem is simply stated: there are far too many displaced human beings — fifteen million or more and rising by the hour. There are far too few countries of refuge. Access dwindles steadily. The plight of these refugees is complicated by the migrations of perhaps another sixty million or more humans seeking new economic homes.

Canada has been the latest to heighten barriers against this human tide drifting before the winds of famine, war, poverty and real or apprehended persecution on grounds of race, religion, politics or nationality. The new controversial refugee screening and deterrent machinery kicking in by January 1, represents the government's reaction to a record refugee claims backlog of more than 50,000 — a tiny trickle by global standards. But, as Toronto Rabbi Gunther Plaut recently observed: "It is a sad commentary on our times that the poorest countries in the world are the most generous to refugees while the richest do the least. It is a record of which we cannot be proud."

That is the context for the book called *Refugees: A Third World Dilemma*. Edited by John R. Rogge of the University of Manitoba, it contains more than many people will want to know about the dismal world of global refugees. The book offers contributions from thirty international refugee experts at a 1983 Manitoba symposium on the problems and consequences of refugee migrations in the developing world.

It does not really matter that the material is five years old in spots. The numbers continue upward while the conclusion enunciated by Plaut remains unchanged, as confirmed by the performance record in North America and Europe. Where the world including Canada reacted initially with compassion to the Vietnam boat people in the 1970s, the barriers have been raised in the West against the detritus of turmoil fleeing Kampuchea, Tibet, Sri Lanka and Afghanistan, as well as Iran, Lebanon, Africa and Central and South America.

The book, replete with charts and maps, is a learned insight into the machinery that exists to deal with overwhelming numbers. It outlines the weaknesses of the United Nations High Commission for Refugees, armed with the narrow refugee definition of the early 1950s. That is the kind of language that lets Canadian immigration appeal officers reject the case of a Guatemalan fleeing right-wing death squads because that is judged to be a civil war. Comparably, the United States in its alliances with quasi-fascist Central American allies, refuses to recognize virtually any refugee claims from El Salvador and Guatemala. Nicaraguans, on the other hand, gain easier access to Canada, despite that country's relatively good (by Central American standards) human rights record, and the consequent lower production of genuine refugees.

The book goes deeply into the realities of the efforts of the Third World itself to absorb its own refugees, country by country. The detail is impressive. John Everitt of Brandon University deals with the impact on the little Central American country of Belize, former British colony, of a large refugee influx. Rogge himself contributes on the Thai experience with Kampuchean refugees and Michael Lanphier of York University reviews the Canadian, American and French experience with Vietnamese refugees.

Gertrud Neuwirth of Carleton University gives an exhaustive analysis of the Vietnamese settlement in Canada — 60,000 between 1979 and 1980 alone and more than half privately accepted. Eyob Goitom writes of Eritrean refugee adjustment in Khartoum, and Doreen Indra of the University of Lethbridge about the need for more social science studies of the way that Southeast Asian refugees have managed to adapt to their new Canadian homes.

The title, however, is misleading in calling refugees a "Third World problem." Like it or not, it is increasingly becoming a developed nations' problem — one that they ignore at their peril, not just in terms of responsibilities to human kind, but as a trend as damaging in its own way as the greenhouse effect threatens to be.

*Arch MacKenzie is Chief of the Ottawa Bureau of the Toronto Star.*

## Asia watch

by Robert E. Bedeski

*The Changing Shape of Government in the Asia-Pacific Region.*  
edited by John W. Langford and K. Lorne Brownsey. Halifax, N.S.: The Institute for Research on Public Policy, 1988, 326 pages, \$22.00.

The book is a collection of essays written by researchers from ten Pacific rim countries and presented at a conference at the University of Victoria in 1987. The essays consider general questions of public policy, including institutional and social problems, and the extent to which problems and proposals are common or unique to the countries considered. Several themes are pursued, including the recognition that "All governments face similar questions about the 'correct' role of the state as an intervenor in the marketplace, as a coordinator of the country's international competitiveness, and as a builder of safety nets for economically and socially disadvantaged citizens."

Except for an introductory chapter which summarizes the essays and provides useful insights and comparisons, the whole of the book is devoted to single-country studies of the following: South Korea, Hong Kong, Thailand, Malaysia, Singapore, Bangladesh, Australia, the United States and Canada. Richard Simeon's essay, "Some Issues of Governance in Canada," is excellent, and emphasizes the contrast with the stronger executive governments in East Asia.

The essays are generally very good in providing an overview of questions of "governability" and the role of the state. The editors posit three types of states found in the Pacific basin: liberal-democratic, bureaucratic-authoritarian, and socialist. However, it is not clear why the particular countries were selected — Bangladesh in particular does not belong, except as an illustrative case of the problem of governability. Including the US, but not Japan or China, for example, does not provide an adequate view of the key powers in the region; and no socialist society is represented.

The book underlines the importance of state intervention in the rapid growth economies. The chapter on Hong Kong provides an excellent analysis of the British dilemma in its new type of decolonization — handing over sovereignty to a

## Book Reviews

country not noted for observing the rule of law.

\* \* \*

**Japan and Arms Control: Tokyo's Response to SDI and INF (Aurora Papers 6) by Peggy L. Falkenheim. Ottawa: The Canadian Centre for Arms Control and Disarmament, 1988, 31 pages, \$12.00.**

Professor Falkenheim has examined two case studies of how the Japanese government has handled the issue of arms control. The study explores Japan's arms control policy as well as the domestic and external parameters. She sees the SDI issue as more directly concerned with alliance politics with the US than as a question of arms control or national security. The issue was also related to Prime Minister Nakasone's bid for a third term of the LDP presidency as well as to other domestic considerations. US Congress and Defense Department reservations about awarding many contracts to foreign firms, the Toshiba scandal over sales of advanced technology to the USSR, and Japanese corporate reluctance to participate in a project with an uncertain future in the next administration are factors which will limit Japanese participation more than anticipated.

Regarding Intermediate Range Nuclear Force (INF) negotiations, the author concludes that Japan was "less concerned about the increased military threat from Soviet INFs in Asia and more about INF's impact on public perceptions of US intentions. They were afraid that if the INF negotiations produced a manifestly unequal outcome . . . it could have a negative impact on Japanese domestic support for security cooperation with the United States."

Both cases illustrate Japan's growing influence on arms issues — an influence which is likely to increase in the future. "Her growing economic and military power, her command of civilian high technology with military applications and her strategic location will make it hard for other powers to ignore her views."

The study relied on interviews, scholarly literature and press articles, and is recommended for its clear and concise writing.

\* \* \*

**Asian Economic Handbook by Euromonitor Publications Ltd. (London). Detroit: Gale Research Company, 1987, 272 pages, US\$80.00.**

The *Asian Economic Handbook* also looks at the Asian region from a different perspective. It is part of a series which has examined other countries and regions in the world, and so omissions from this volume are presumably covered in other *Handbooks*. The volume groups Asian countries into the regions of East Asia (excluding Japan and mainland China), ASEAN, Indochina, and the Indian sub-continent.

In a study which attempts to cover so much in so few pages, much abbreviation and summary is necessary. The regional chapters each provide an overview, and very briefly examine population, government policy, economic performance and structure, foreign trade and other topics. Many tables and statistics are included, gathered from official and other sources. Unfortunately, many tables do not go beyond 1984, and data is not always comparable. For example, the trading partners of most Asian countries are tabulated, but South Korean sources of imports is relegated to a general statement in the text, making comparisons of trends impossible. It would also have been helpful if the editors had included tables or charts on the distribution of wealth in these countries.

Much of the information is several years out of date, and several of the country evaluations tend to be superficial. A consistent misspelling of "Gandhi" in the text and index also tarnishes the credibility of the editing. Finally, the high price makes it an unlikely purchase.

*Robert E. Bedeski is Professor of Political Science at Carleton University in Ottawa.*

## Solving Third World debt

by W.A. Monaghan

**The Debt Matrix by Roy Culpeper. Ottawa: The North-South Institute, 1988, 54 pages, \$7.50.**

In this important study, Roy Culpeper, who is Program Director, International Finance,

at The North-South Institute, seeks to outline the Third World debt problem and how it is growing and how proposed solutions to the problem to date have been ineffective. The total amount of Third World debt as at the end of 1987 was US\$1.19 trillion and growing.

In order to highlight the complexity of the debt problem and, at the same time, to simplify it, Mr. Culpeper has devised an ingenious concept which he calls the "Debt Matrix" which, in reality, is a "Debt-Stock Matrix." He takes the \$1 trillion debt outstanding at the end of 1985 and divides it into twenty cells. Each cell represents the claim of a creditor group on a debtor group. He designates four main Creditor Groups as follows: (1) Official OECD Bilateral, (2) Official Multilateral, (3) Private (mostly banks), and (4) Non-OECD. These four Creditor Groups have loaned the outstanding \$1 trillion to five Debtor Groups as follows: (1) LISSA (thirty-two Low Income Sub-Saharan African Countries), (2) SPD (thirty-three Smaller Problem Debtors), (3) IPD (five Intermediate Problem Debtors), (4) LPD (six Largest Problem Debtors), and (5) NPD (eighty-three Non-Problem Debtors).

By rearranging the "Debt Matrix" in various forms, Mr. Culpeper can show at any one time how much money, in either absolute terms or percentage terms, each debtor group (or each country) owes to a particular Creditor Group or vice versa.

The development of the "Debt Matrix" has enabled Mr. Culpeper to put forward in fairly concrete terms how the debt problem might be solved. It shows how "debt-forgiveness" can and should be part — but only a part — of the solution, along with debt restructuring and, in some cases, additional new financing. But this must be done to a large extent on a case-by-case basis within each Debtor Group. This is an essential process because all groups or countries need not be treated equally. As Culpeper states: "new financial flows and debt restructuring can contribute towards new growth at least as much as 'forgiveness.'" In regard to "forgiveness" there is the question whether it should also be applied to the "Non-Problem Debtors," or should they be penalized because they are repaying their debts without any concessions being made.

Finally, debt reduction can also come about through the establishment of lower interest rates and the opening of export markets to Third World countries. To use Culpeper's phrase, a number of "menu-options" should be part of the whole process.

The author also comes out strongly in favor of using either the World Bank, or its affiliate, the International Center for the Settlement of Investment Disputes, or the International Monetary Fund, or some combination thereof, as the main institutions for solving the debt problem. He is against the establishment of a new international institution purely for this purpose. The institution chosen should be given power to arbitrate debt settlements between creditors and debtors and should let market forces play a major role in all settlements.

Mr. Culpeper also stresses the important role that "Creditor Country Governments" must play in order to bring about a solution to this problem since they can bring pressure on all groups involved in this process. It may also "be necessary to reach a series of trilateral agreements between creditor-country governments, debtor-country governments and multilateral agencies" to bring about solutions fair to each party.

For him "The question now confronting the world community is not whether but how to reduce outstanding debts and how to restore financial flows to the debtor countries." Culpeper has developed an ingenious concept with great potential and his book should be studied by all parties who are interested in finding a workable solution to the Third World debt problem.

*W.A. Monaghan is a former CIDA employee now retired in Ottawa.*

## Africa and Canada

by Georgina Wainwright

*Economic Effects of Sanctions on Southern Africa* by J.P. Hayes. Brookfield, Vermont: Gower Publishing (original publisher, Trade Policy Research Centre, London), 1987, 100 pages, US\$17.95.

This short book discusses economic sanctions against South Africa and the economic effects of those sanctions sustained by South Africa, the Frontline States (FLS) and the international community, particularly Britain. It does not look at the efficacy of economic sanctions as a tool of foreign policy and does not provide a concluding statement which emphatically sup-

ports or rejects economic sanctions as an instrument to encourage change in South Africa. However, it can be deduced that Hayes does not view sanctions favorably, since the FLS and the international community could suffer more than South Africa. This paper is a narrowly focused discourse which attempts to analyze the economic situation in South Africa apart from the political and social realities.

Hayes believes that the most important result of economic sanctions on South Africa to date has been the reduction in capital inflows because of declining confidence in the political, economic and social system. He predicts that FLS sanctions will encourage the government of South Africa (SAG) to respond in a "cat and mouse" fashion, and concludes that the costs of sanctions would be greater on the FLS than on South Africa. Also, Hayes disputes official British government estimates that 120,000 British jobs would be lost by sanctions and notes that since a minimal 0.06-0.32 percent of total British merchandise exports can be affected by sanctions, only 6,000 to 30,000 jobs might be affected. Hayes warns of the possibility that SAG could renege on its external debt payments, with severe consequences for the international community. However, he rejects this notion because of South Africa's desire to be viewed internationally as financially well-behaved. He also explains how international sanctions could lead to mounting pressure within South Africa for increased repressive measures.

Although this paper reveals few new facts and contains little provocative analysis, it does define the parameters of the debate well and could serve as a useful resource for students new to the subject.

\* \* \*

*Canadian Development Assistance to Senegal* by Réal Lavergne and E. Philip English. Ottawa: The North-South Institute, 1987, 173 pages, \$9.50.

This study is a balanced analysis of the merits, design and execution of Canadian aid projects in Senegal sponsored by the Canadian International Development Agency (CIDA) between 1962 and 1985. During this period the Canadian government spent \$179 million on project and non-project aid in a wide variety of sectors, from commercial development to food aid.

The study, however, focuses its analysis on the projects in the agricultural sector, including the failed fish marketing cooperative venture, and in the education sector, including the successful CESTI project which sought to develop skills for aspiring journalists in francophone west Africa. The analysis of the projects in these sectors is highly detailed, with much data and documentation provided.

Perhaps the most interesting part of the study is the discussion of CIDA's management and administration practices. The authors conducted a survey of former CIDA Senegal desk officers and much valuable information was gleaned. Problems inherent within large government-run aid agencies were identified. The authors do give credit where it is due, and also admonish CIDA and the Canadian government for things they could have done better.

Among a variety of conclusions drawn by the study, the authors note that the development impact of aid to Senegal was positive but limited, and that CIDA's administration and management style contributed to the uneven effectiveness of Canadian aid in Senegal. The perceptive analysis and logical conclusions drawn throughout the study ensure that this book will be a valuable resource for anyone interested in development anywhere in the world.

*Georgina Wainwright is a communications officer in the Department of External Affairs in Ottawa.*

## Arctic report

by Brian Meredith

*The North and Canada's International Relations, a report by a Working Group of the National Capital Branch of the Canadian Institute of International Affairs and the Canadian Arctic Resources Committee.* Ottawa, 1988, 76 pages, \$20.00.

Like it or not, Canada's North is a dimension of our country that some outsiders regard critically and that former Prime Minister Louis St. Laurent said we had hitherto regarded in an absent-minded fashion. This modest report updates and re-packages the

## Book Reviews

views of a selection of experienced and knowledgeable Canadians, under the chairmanship of Gordon Robertson. He writes in his foreword that his group is of the view that if there is to be a northern dimension to Canadian foreign policy "its fundamental basis must be the presence in our Arctic generally of a self-reliant resident population [which] may well be preponderantly aboriginal in the future." He concludes that his group hopes that the report may be a useful contribution to the development of a coherent set of policies. It should in fact do this, and the initiative of the CIIA branch should help in keeping our concern alive, and in shaping our thinking.

Under security and defence the report notes the government's intention to "fulfill current and evolving surveillance and control arrangements by acquiring a fleet of some ten or twelve nuclear powered submarines...capable of sustained operation under ice." The group urges "the achievement and maintenance of a secure and powerful . . . Arctic in which the aboriginal inhabitants can preserve the essentials of their cultures while living in association with Canadians of other origins." This Arctic world would require the preservation of the physical environment and also the encouragement of such economic development as is consistent with it and would provide a self-supporting economy. The report is timely and informative.

*Brian Meredith is a retired international public servant living in Ottawa.*

### Canadians and arms control

by Tony Rogers

*From the Canadian Centre for Arms Control and Disarmament in Ottawa, 1987:*

*Women and Arms Control in Canada (Issue Brief No. 8) by Maude Barlow and Shannon Selin. 24 pages, \$4.00.*

*Nuclear Weapon-Free Zones: A Comparative Analysis of Theory and Practice (Aurora Papers 5) by Arlene Idol Broadhurst. 53 pages.*

The Canadian Centre for Arms Control and Disarmament (CCACD) was established in 1983 to encourage "informed debate" through publications which seek to provide

a Canadian perspective on current arms control and disarmament topics. The Centre's publications are usually informed by assumptions which prefer arms control over disarmament and development goals. Happily, the CCACD's focus — and one hopes, its audience — is widening with the release of these two monographs.

Barlow's piece is a readable but analytical inquiry into why women are not part of the "inner circles" of the arms control process, and whether attempts to increase their representation would make any difference. Any suggestion that the "feminine perspective" is uniform prompts a temptation to respond with three names: Helen Caldicott, Margaret Thatcher and Gro Harlem Brundtland. But Barlow steers clear of polemics, carefully laying out instead the assumptions of each argument, and reaching conclusions which are not necessarily mutually exclusive. While she fails to explain how women who choose to contribute to a more secure and peaceful world from outside the system will be granted legitimacy and influence from those who occupy the "inner circles," she does contribute to clarifying an important debate.

Broadhurst's essay compares an existing Latin American Nuclear Weapons-Free Zone (NWFZ) — the 1967 Treaty of Tlatelolco — with proposals for a Nordic zone. The author chronicles a shift in the objectives of NWFZ advocates, and the consequent problems of definition, enforcement and verification. NWFZ advocates, she warns, have inadequately thought through the concept, and must realize that the success of such zones turns on their underlying aims: what may work in Latin American may fail in the Nordic region (or, one imagines, in Canada?).

Meticulous in detail, and scholarly in tone, this paper will likely be passed over by many in the public; but because it deals with difficult questions, it deserves to be read by both peace activists and the policy makers they seek to influence. Yet detail is also the essay's weakness. Like much of the NWFZ literature, it is predictable. Those who prefer the status quo will find what they are looking for; peace activists will complain that it is easier to locate weaknesses in proposals than to suggest alternatives; and the arms race will continue.

This begs the question of whether NWFZ advocacy is even the best course for the goal of reducing the threat of nuclear war, or whether it should be preceded by initiatives to challenge and dismantle the

most dangerous catalyst of the nuclear arms race: the assumption that nuclear weapons must not only deter nuclear wars, but also have the capability to fight and win them. This approach would not solve all the problems of the nuclear age, but it would undermine rationales for many of the existing obstacles which Broadhurst so thoroughly catalogues.

For readers who are aware of the CCACD's starting assumptions, both papers illustrate that the Centre's biggest problem is not substance as much as sales. Unfortunately, too few Canadians who seek to inform themselves about the arms race are even aware CCACD exists.

*Tony Rogers is a graduate student at the University of British Columbia in Vancouver.*

## Letters to the Editor

Sir:

In his helpful article, "The Palestinian Uprising" (*International Perspectives*, July/August 1988), John Sigler incorrectly says that only the non-Zionist Arab-Jewish Progressive List and the Communist-based Democratic Front are supporters of a 2-state solution and negotiations with the PLO. The small dovish-Zionist Ratz party, led by long-time Israeli parliamentarian Shulamit Aloni, clearly advocates a solution based upon an independent Palestinian state alongside Israel and negotiations with Palestinian representatives including the PLO. And current Israeli polls indicate that Ratz will get between five and eight seats in the Knesset after the November Israeli elections.

Indeed the principles of mutual recognition and self-determination have been increasingly making headway amongst Israeli liberals. This is not only true within the Peace Now movement and the intelligentsia but also in military circles. Unfortunately, this is more than offset by an alarming shift to more hawkish annexationist views by Israeli hardliners. Israel is a society in transition. The outcome of the November elections will determine whether the dovish camp will have any room to maneuver and expand or whether the region, as John Sigler fears, is back on the road to war.

Simon Rosenblum  
Co-chair, Canadian Friends of Peace Now  
Ottawa Chapter

# The events of June and July 1988

# internationalcanada

## CONTENTS

### Bilateral Relations

USA	34
Other countries (alphabetically)	
Angola	38
Britain	38
Ethiopia	39
France	39
Haiti	39
Hungary	40
Iran	40
South Africa	40
Thailand	40
USSR	41

### Multilateral Relations

ASEAN	42
Cairns Group	43
Central America	43
Economic Summit	43
Exchange Rate	43
Iran-Iraq War	43
Quadilateral Group	44

### Policy

Defence	44
Disarmament	45
Environment	46
Refugees	46

For the Record	47
----------------	----

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

The Free Trade Agreement (FTA) continued to dominate relations between Canada and the United States for the June/July period. Implementing legislation was introduced in both countries and the FTA debate coincided with the Toronto Economic Summit of the leaders of the seven industrialized democracies.

### Free Trade Agreement

The House of Commons sent the implementing legislation — Bill C130 — to a legislative committee on July 6. The Committee of fifteen members included two each from the Liberal and New Democratic parties and the rest were Progressive Conservatives.

International Trade Minister John Crosbie launched a series of conferences across Canada which provided detailed information to exporters who wished to prepare themselves for "the new opportunities in the US market which would flow from the Free Trade Agreement." Each conference provided specific information on sectors identified in recent research as well as on government services to assist exporters (*External Affairs News Release*, June 13).

The Consumers for World Trade presented an award to the Prime Minister which was accepted by the Minister for International Trade at a formal dinner in Washington, DC. The Prime Minister was the first foreign recipient of the award which he shared with President Reagan "for distinguished service in the cause of open and competitive world trade" and to honor the signing of the Canada-United States Free Trade Agreement (*External Affairs News Release*, June 15).

### Water

The unusually hot summer in Canada and the threat of large-scale sale or possible diversion of water from Canada to the United States contributed to a lively and lengthy debate on the issue. It washed away only when the government agreed to add a clause to the legislation forbidding any such undertakings. In response to a question from the Leader of the Opposition, John Turner, in the House of Commons on June 15, the Minister for Inter-

national Trade John Crosbie said, "The US-Canada Agreement does not commit Canada, does not force Canada, does not compel Canada, and does not impel Canada in any way to permit the export of water as a natural resource to the United States of America, or to anyone else. This is the plain state of the facts in connection with the US-Canada Free Trade Agreement." The Minister wondered, "Why this continual effort by the members of the Liberal caucus and the *Toronto Star* to convince the public that somehow all Canadian water is going to go to the United States of America under this agreement? It's pitiful and it's wrong." But Frank Quinn, a senior federal official with the Inland Water Directorate, said water was discussed in the trade talks because Canada wanted to have it excluded but failed (*Toronto Star*, June 11). The *Toronto Star* editorial on June 7 cautioned against being "fooled by Crosbie's hair-splitting oratory." It added that Crosbie was right when he said that there was no specific section of the deal that obliged Canada to sell water in the US market. What he conveniently forgot, charged the editorial, was tariff item 22.01, where water was included as just another good on which tariffs were to be eliminated. The item applied to "waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavored ice or snow."

In a Letter to the Editor published in the *Toronto Star* on June 17, John Crosbie stated, among other things, that nothing in the Agreement obligated Canada to approve projects for the diversion of Canadian waters for export and added that the federal policy announced on November 5, 1987, prohibited large-scale water exports and interbasin diversion projects for this purpose. But Donald Gamble, executive director of the Ottawa-based Rawson Academy for Aquatic Science, and Mel Clark, former Canadian negotiator for the General Agreement on Tariffs and Trade, told the Ontario legislature's finance and economic affairs committee's final hearing into the proposed Free Trade Agreement that water was included in the Free Trade Agreement, despite Ottawa's repeated denials (*Toronto Star*, June 17).

Ontario's Minister of Natural Resources, Vincent Kerrio, stated that the proposed Free Trade Agreement placed

control of Canada's "water supply at risk" and on June 29 introduced the Water Transfer Control Act thereby asserting provincial control over any future sales of water (*Financial Post*, June 30). However, Ontario's Premier David Peterson, said outside the Legislature that the Bill would control only water transfers within Canada. Former Ontario natural resources minister and Progressive Conservative critic, Alan Pope said that rather than preventing the sale of Ontario water, the bill established a procedure for sale (*Globe and Mail*, June 30).

The widespread concern flowed in part from the proposal by Governor Thompson of Illinois to divert more water from Lake Michigan at the Chicago diversion point to the Illinois and Mississippi rivers. Mr. Thompson was under pressure from the barge operators who have had to run their vessels half-full because of low water levels (*Globe and Mail*, July 8). The diversion would have had "a serious impact on water levels in Lake Huron, Lake Erie and Lake St. Clair, and would affect all the communities along the Canadian side of those lakes" (*Hansard*, July 7).

Canada's Minister of the Environment, Tom McMillan, told the Commons on July 7 that the proposal had met with opposition not only from Canada but from Ohio, Wisconsin and Minnesota. Canada had made its concern known to the US administration in the "strongest possible terms", Mr. McMillan said.

In the Commons on July 12 both the Liberal environment critic Charles Caccia (Davenport) and the New Democratic Party's trade critic Steven Langdon (Essex—Windsor) called on the government to introduce specific legislation to ban water exports. In a statement issued on July 28, International Trade Minister Crosbie announced that "legislation incorporating the prohibition against exports of water by interbasin transfers would be tabled in Parliament in the near future" (*External Affairs Statement*, July 28). And in Washington, Robert Page, the US Army's Assistant Secretary for Civil Works told a Senate commerce committee hearing on river navigation problems caused by the shortage of rain that the US Army Corps of Engineers had rejected a proposal to divert water south from Lake Michigan as "not necessary" despite historic low river levels (*Globe and Mail*, July 15).

The water issue subsided when on July 28 the Minister for International Trade announced that the government would accept amendments relating to water in Bill C-130. The statement noted that there had been a great deal of "hullabaloo" in recent weeks about the alleged impact of the Canada-US Free Trade Agreement on Canada's water resources. For greater clarity, however, the government would support an amendment to Bill C-130 to state expressly that the Free Trade Agreement did not apply to water, except for provisions for removal of existing tariffs on import of water by Canadians from the United States. In the statement, "water" was defined to mean "natural surface and ground water in liquid, gaseous or solid state, but does not include water packaged as a beverage or in tanks." No other provision of the Agreement, whether it would be the national treatment article or the proportional access article, would apply to water. The statement concluded that the amendments would make clear that

Canada's only obligation regarding water was to eliminate existing tariffs on Canadian imports of US water (*External Affairs Statement*, July 28).

### Energy

Ontario introduced amendments to the provincial Power Corporation Act requiring Ontario Hydro to ensure that any sale of electrical power proposed under an export contract was surplus to the requirements of Ontario, and other customers in Canada, according to province's Energy Minister Robert Wong. Calling the trade pact a "real threat to our future energy security," Wong added that the provincially owned utility would be required to ensure that the export price was higher than the price charged to Canadian customers for equivalent service." Ontario Hydro sold \$196 million worth of electricity to the United States in 1987, down from sales of \$448 million five years ago. The bulk of the utility's power exports came from thermal generating stations that burned coal imported from the US (*Financial Post*, June 28). Further west, Manitoba's Energy Minister Harold Neufeld stated that in times of an energy shortage, Manitoba would be able to reduce hydroelectric exports to the United States unless it was bound by active contracts. The Minister was responding to a discussion paper commissioned by the former NDP government and released to the press in mid-July which warned that the "proportionality provision", which required that the United States continued to receive the same proportion of the reduced pie as it enjoyed during the previous thirty-six months, would tie Manitoba's hands in case of an energy crisis. It stated that the provision prevented Canada from phasing out exports to ensure domestic supply.

John McDermid, Parliamentary Secretary to the Minister for International Trade, told the House on July 12 that nothing in the Agreement prevented Quebec, Ontario or Manitoba from selling hydro for the highest price they could receive. And nothing in the Agreement stated that residents of any province would have to pay the same price as Americans. He added that according to the Constitution the provinces owned the resources and the Free Trade Agreement did not prevent them from managing their resources.

While the battle over water exports was going on in Ottawa, British Columbia was negotiating one of its biggest deals with the United States. Preliminary talks were scheduled to start this fall to decide whether British Columbia would keep and use its share of the US-generated power or sell it back to the Americans. The value of long-term sale of the power estimated at 1,000 megawatts would be worth as much as \$5 billion to British Columbia when the sales agreement expired. The 60-year Columbia Treaty was signed in 1961.

### Health Care

Ontario's Health Minister Elinor Caplan tabled the Independent Health Facilities Act on June 2 which would give preference to Canadian firms applying for licences to operate health-care clinics. Article 1402 of the Free Trade

Agreement guaranteed that US firms, including "health-care facilities management services," would be treated the same as Canadian companies in the commercial-service sector. Caplan's legislation, however, would give preference to Canadian companies applying for licences to operate health-care clinics "despite any international treaty or obligation to which Canada is a partner or any law implementing such a treaty or obligation" (*Ottawa Citizen*, June 3). Ontario Conservative House Leader Mike Harris said the government was being "irresponsible" if it was trying to thwart the FTA. And according to Ontario NDP Leader Bob Rae, if the provincial government was really serious about preventing American firms from entering Ontario, it would have banned them from the province (*Ottawa Citizen*, June 3). The *Gazette* (Montreal) observed in its editorial on June 4 that health care was unquestioned provincial jurisdiction; if the free trade deal did prevent Ontario from doing what it was doing, it would be a "truly massive intrusion on provincial rights." The editorial added that "the last thing Canada needed was an influx of US health care firms — the firms that made their shareholders rich while providing the most costly, least equitable health care in the industrial world."

### Social Programs

The *Gazette* (Montreal) sounded a warning in its editorial on July 9 about the danger posed to Canada's social programs by the FTA. It stated that although the Agreement itself did not "prohibit any of Canada's existing social programs, such as medicare, unemployment insurance or family allowances," some Americans would argue that many of Canada's social and regional development programs were subsidies. An agreement about what a subsidy was should have been part of the deal itself, according to the editorial. It added that according to the trade deal, Ottawa and Washington had seven years to reach a common definition of a "subsidy."

Meanwhile the Manitoba Red Cross sounded its own alarm over fears that the FTA would force the agency to compete with Americans for blood donors on Canadian soil. Yvette Diepenbrok, national spokesperson for the agency, was quoted in the *Winnipeg Free Press* on July 17 saying that the Red Cross lawyers were examining the FTA and its possible impact. Diepenbrok revealed that Canada bought up to 70 percent of its blood products from the United States and Europe at prices the Red Cross kept confidential to protect its tender bidders. Federal Health Minister Jake Epp confirmed that commercial US blood banks would be entitled to operate in Canada under FTA.

Judith Maxwell, Chairperson of the Economic Council of Canada, told the annual meeting of the Canadian Manufacturers' Association in Quebec City that pressures to harmonize taxes and social programs (in the two countries, under free trade) existed regardless of free trade. She added, "Look at the European Economic Community: it is a common market, yet you find wide differences in the generosity of social programs" (*Globe and Mail*, June 4). Similarly the *Financial Post* editorial on July 20 quoted a study by the C.D. Howe Institute, "If it is true that liberaliz-

ing trade causes policy harmonization, then Canadian and US policies should have been 80 percent harmonized already. The evidence from Canadian history is clear: Canada can establish and maintain its own distinctive social policies, while liberalizing its trading arrangements with other countries."

### Culture

The Cultural Industries Alliance of thirteen associations and unions spanning book publishing, record, film and television production, freelance writing and the performing arts was formed in late July. According to a press release quoted in the *Toronto Star* on July 28, the group came together because of the importance of this FTA issue and the members' convictions that the "so called 'exemption'" for culture included in the FTA would actually discourage Canadian governments in future from taking measures to assist the development of independent cultural industries by Canadians for Canadian audiences. Opposition to the FTA was also expressed by the Association of Canadian Publishers representing 130 Canadian-owned firms across the country. According to the Association Canadian-owned companies accounted for an estimated 80 percent of the Canadian-authored titles published. The Association called for the rejection of the Free Trade Agreement for it did nothing to protect Canada's cultural sovereignty (*Toronto Star*, July 26).

### Lumber

Forestry and Mines Minister Gerald Merrithew told about 400 delegates to the annual meeting of the Maritime Lumber Bureau in Moncton that the growth of the protectionist movement south of the border in the early 1980s made it apparent to the Canadian government that it must secure a better trading relationship with its biggest trading partner. In 1987, the forest industry trade earned Canada more than \$21 billion, of which \$15 billion came from sales to the United States. With most of the trade barriers removed under the Free Trade Agreement, said Merrithew, the benefits accruing to the lumber industry from expanded markets would be immense. In fact, in 1987 Canadian sawmills shipped about the same volume to the United States as the record shipments of \$14 billion board feet in 1985 — even though Canada's share of the US market slipped in 1987 to 29.3 percent from a peak of 32.8 percent in 1985 (*Moncton Times-Transcript*, June 2).

On the west coast, concern was being expressed in Vancouver by the Council of Forest Industries about American dissatisfaction over the refusal of Canada Mortgage and Housing Corporation (CMHC) to allow US low-grade plywood for use in CMHC-approved housing. The Canadian plywood industry is worth about \$525 million or is about one-tenth the size of the US industry. More than 80 percent of Canadian production was used for domestic consumption and the balance was exported offshore — mainly to Europe, but with some shipments to Japan and Australia. US mills produced about twenty-two million square feet of plywood compared with Canada's two million. Although the plywood industry had never been in-

volved in any countervailing duties, the Free Trade Agreement did not guarantee that it would remain that way. Canadian plywood producers would like greater access to the US markets and retain their overseas markets (*Financial Post*, July 13).

### Manufacturing

A study released by the Canadian Manufacturers' Association revealed that more than three out of four manufacturers believe the FTA would help their companies. The survey, one of the largest yet carried out on Canadian industry's attitude toward free trade, found only 9 percent of those polled believed the deal would hurt their companies while 13 percent had no comment. Prime Minister Mulroney, who spoke at the luncheon marking the opening of the convention in Quebec City, praised "enlightened Ontario industrialists" for being overwhelmingly in favor of the FTA despite the adamant opposition of their provincial government. In his speech to 250 industrialists, Mr. Mulroney predicted that "the tremendous industrial powerhouse of Ontario would be made even more powerful" by the proposed agreement with the United States (*Globe and Mail*, June 3). Members of the Association expressed concern though that they would be at a competitive disadvantage if the dollar climbed above eighty-five cents US (*Toronto Star*, June 3). Financial analysts believed the Agreement was one reason why money traders had flocked to the Canadian dollar, driving it higher against its US counterpart. But political uncertainty stemming from an election on free trade could prompt money traders to sell Canadian dollars (*Toronto Star*, July 23). Charles Barrett of the Conference Board of Canada told the Canadian Manufacturers Association annual meeting that comparing wage and benefit rates, productivity and the exchange rate, Canadian manufacturers now were in better shape to compete with their counterparts in the United States than in the 1970s and 1980s (*Globe and Mail*, June 4).

### Wine

Concern continued to be expressed by grape growers about the adverse impact of the FTA on their livelihood and survival. According to the *Financial Times* on June 6, Ontario's Niagara region, which produced most of the country's grapes and half of its wine, faced a potential depression. Since the agreement had been signed last October, at least fifteen grape growers in the Niagara region had gone bankrupt — unable to obtain adequate financing. Others who had hoped to sell said their properties were worth half their value a year ago. European wines alone commanded 50 percent of the market although they were marked up 65 percent over the domestic wines, added the *Financial Times* report. Opposition agriculture critic, Maurice Foster (Lib., Algoma) said he had obtained a copy of the proposed compensation program of \$70 million for Ontario grape growers to be paid by the federal and Ontario government. A spokesman for federal Agriculture Minister John Wise said the announcement of the federal program would be made soon, but he did not know when. The federal government had started consultations

in December with provincial governments and grape-growers about a program to help farmers switch to other crops or quit agriculture (*Globe and Mail*, July 6). The wine industry faced a double-barreled threat, according to the *Financial Post* on July 6. First the FTA would compel provincial authorities to give US wines equal treatment in liquor store listings. The second blow would be that the price markups on wines imported from the US would have to be cut 25 percent when the pact took effect on January 1, 1989, and another 25 percent a year later.

### Legislative Agenda

**CANADA:** International Trade Minister John Crosbie was reported in the *Toronto Star* on July 27 as having told reporters in Ottawa that the January 1 deadline for approval of the Canada-US FTA was flexible. The Progressive Conservative majority on the committee rejected the proposal to hold hearings across Canada. Instead, briefs were to be presented to the committee in Ottawa. The committee was to present its report by August 10 after which the Commons would give third reading to the bill and send it to the Senate. The bill was passed by the Commons at second reading on July 6 by a vote of 114 to 51. As the Progressive Conservative members voted for the bill, New Democrats broke into singing and later humming the US national anthem in the chamber. The New Democrats sang *O Canada* when casting their votes against the bill (*Globe and Mail*, July 7).

**USA:** The *New York Times* reported on July 26 that Marlin Fitzwater, President Reagan's spokesman, had said there was good likelihood of approval before Congress recessed for the Republican National Convention in mid-August. Similar sentiment was reflected by the *Globe and Mail's* Washington correspondent on July 29, who reported that the Congressional approval of the accord was almost a foregone conclusion, possibly by mid-August. The bilateral trade pact had raised neither wild enthusiasm nor much controversy in Congress, according to the correspondent. Similarly, the *New York Times* noted on July 18 that Canada and the United States were "fast forging a colossal continental economy of nearly 260 million consumers. And they are doing this quietly, almost without noticing it themselves." The Senate Finance Committee and the House Ways and Means Committee unanimously approved on July 14 a package of legislative proposals to implement the Free Trade Agreement.

### The Senate

On Wednesday, July 20, following the weekly caucus meeting, Liberal leader John Turner announced at an Ottawa press conference that he had asked the Liberal dominated Senate to block the FTA legislation until after a federal election had been held by the Progressive Conservatives. The *Kingston Whig-Standard* on July 26 called it a "welcome move" while the *Financial Post* on July 23 said it was "sad perversion of Senate's role." Liberal Senator George Van Roggen resigned as chairman of the Senate Foreign Affairs Committee, a position he had held for fourteen years, because "As someone who supports the Free

Trade Agreement...I wish to be free to speak out in favor of the Canada-US Free Trade Agreement." The Senator said he saw no need for a general election on the issue (*Winnipeg Free Press*, July 26).

The four western province's trade ministers were meeting in Vancouver to discuss Canada's role in international trade and expressed concern about John Turner's tactic in using the Senate to force an election on the Canada-US Free Trade Agreement (*Globe and Mail*, July 27).

### **Liberals**

Liberal leader John Turner unveiled a 26-page report in Ottawa which outlined an alternative plan to the FTA. A Liberal government would focus on new new global trade rules aimed to strengthen the rules and dispute-settling mechanisms of the General Agreement on Tariffs and Trade, establishing a trade ministry separate from external affairs and inaugurating a novel Third World export financing scheme. The Liberal Party plan also envisioned focusing on the rich Asian market (*Toronto Star*, June 14).

At the Liberal nomination meeting in Vancouver-Quadra where John Turner won by acclamation, he said the trade deal threatened Canadian sovereignty and would fundamentally change the way Canadians lived and were governed (*The Sun* [Vancouver], July 28).

### **Angola**

As a result of a series of meetings in June, Angola, Cuba, South Africa and the United States came to an agreement to end the 13-year-old fighting in Angola and Namibia. The *Ottawa Citizen* in its editorial on July 18 said it would reserve its celebration until the troops and mercenaries actually did what the diplomats had said they would do. The editorial observed that it was in Moscow that both superpowers agreed that neither had much more interest in the pointless Angolan war. With that understood, it was only left to convince their respective clients to stop the fighting. The *Winnipeg Free Press* editorial on July 27 stated that the agreement ignored one crucial factor in the southern African equation — how to solve the problem of the well-disciplined, well-armed and well-organized army of UNITA — the Union for Total Independence of Angola, which under Jonas Savimbi's guidance, had been at war with the Angolan government ever since the Portuguese left in 1975. But the editorial conceded that the agreement held out the prospect of independence for Namibia and would permit "graceful withdrawal" of Cuban and South African soldiers, and an opportunity for the Angolans to at last settle the war by themselves. The editorial stressed that free and fair elections ought to be held in Namibia. Similarly Mr. Savimbi should continue to be supported until the Angolan government agreed to accept UNITA into a coalition government and legitimate elections were held. *The Gazette* (Montreal) editorial on June 6 warned that for Angola it would be suicide to send the Cubans home while American and South African support for UNITA continued, and, indeed, while a few thousand South African troops remained in Angola.

## **Britain**

### **Fur Industry**

The House of Commons held an emergency debate on the motion by John MacDougall, (P.C., Timiskaming) on June 1 to discuss the "action of anti-fur lobbyists in Europe and the intentions of the British government" (*Hansard*, June 1). The British government was considering legislation which would require fur products to be labeled as probably having been caught using leg-hold traps. (See "International Canada," April and May). Mr. MacDougall said, "what the British and European parliamentarians and public must recognize about our fur industry is that it is the responsible harvesting of a renewable resource....What the elected representatives are being told through the animal rights lobbying groups are distortions and manipulations of fact" (*Hansard*, June 1). George Baker (Lib., Gander(197)—willingate) told the Commons that the Secretary of State for External Affairs and the Prime Minister should have told their British counterparts in their recent meetings "to forget their submarine contracts if they go ahead with this resolution before the British House." External Affairs Minister Joe Clark said that he had personally raised the matter with his British counterpart, Sir Geoffrey Howe. Clark added that, "after these meetings, it was clear to all concerned that unjustified action that could be seriously damaging to Canadian communities could not but have a disastrous impact on our relations. The External Affairs Minister reaffirmed Canada's proposal to establish an international humane-trapping standards committee (*Hansard*, June 1).

In a subsequent debate speakers on a motion to reaffirm support for the fur industry welcomed the move by the British government on June 18 to scrap the legislation but expressed concern about a similar motion before the European Economic Community. Regina's *Leader-Post* on June 21 stated that it would be a mistake to believe that this was an open-and-shut case. It warned that the anti-fur lobby had considerable clout and it was far from ready to give up the struggle. The June 21 *Ottawa Citizen* editorial observed that "Thatcher (or her advisers) had removed the threat of a frosty reception in Canada" while attending the Economic Summit. The editorial added that the British labeling rule was an assault against northern trappers, their families and their way of life and advised it was upto Canadians to protect themselves from the next wrong-headed British offensive.

### **Prime Minister Thatcher's Speech**

On her way back from the Toronto Summit, Prime Minister Margaret Thatcher addressed a joint session of Parliament of June 22. Mrs. Thatcher said that Canada and the United States were pointing the way with a Canada-United States Free Trade Agreement and added, "On the basis of Britain's experience of joining the European Community, you need have no fear that Canada's national personality will be in any way diminished. Fifteen years of European Community membership have left our people no less British and no less proud of their history and inde-

pendence" (*Text of speech*, June 22).

The British Prime Minister paid tribute to Canada for its contribution to NATO; for allowing cruise missile tests and for its intention to modernize the navy "by acquiring nuclear-powered submarines — we very much hope from Britain" (*Text of speech*, June 22). Progressive Conservative Members of Parliament applauded enthusiastically while the opposition howled or sat stone-faced. "I thought I was listening to a meeting of the Conservative Party International," complained New Democratic Party leader Ed Broadbent, who, outside the House, described the speech as "a very partisan, divisive and aggressive politics" (*Globe and Mail*, June 23). Later in the day during Question Period in the Commons, Leader of the Opposition John Turner stated that Canadians no longer needed the advice or approval of any foreign power as to how we would conduct our external and trade relations. Turner added that if any Prime Minister of Canada, fifteen years ago, had showed up at Westminster and delivered a speech recommending to Great Britain, whether or not to join the Common Market, he or she would have been thrown out of Westminster (*Hansard*, June 22).

## Ethiopia

On June 1 the *Globe and Mail's* correspondent reported from Addis Ababa that, during a 6-hour news conference, Ethiopian President Mengistu Haile Mariam said foreign-sponsored terrorists were almost entirely responsible for Ethiopia's nightmares — which included two brutal wars, a famine and an unfolding ecological disaster. Referring to the two insurgent armies — one each in the provinces of Tigré and Eritrea — that had been fighting for years for greater autonomy or outright independence, Mengistu said "It is the terrorists in the north that have been at the root of all the troubles, natural and man-made, that we have had in the north" (*Globe and Mail*, June 1).

Meanwhile the *Edmonton Sun* reported on June 2 that Canadian Armed Forces crews had taken off from Edmonton the day before on an emergency mission to airlift food to starving Ethiopians isolated by war. More Forces personnel and equipment from Trenton and Winnipeg joined the airlift of wheat to the African nation as part of the \$6.4 million Operation Nile. The 3-month operation was to have two C-130 Hercules aircraft fly 18,000 kilograms of wheat per load making at least five trips per day to the war-battered provinces of Tigré and Eritrea. About 3.2 million people in northern Ethiopia were believed to be in need of emergency food supplies as a result of the almost total failure of last year's harvest. Millions more in other parts of the country were hungry, but their needs could largely be supplied by truck (*Globe and Mail*, June 4).

In a Letter to the Editor in the *Financial Post* on June 22, Minister for External Relations and International Development Monique Landry wrote, "It is true that human right abuses have taken place in the implementation of the Ethiopian resettlement program. We have strongly condemned these abuses." She added that the government

of Ethiopia had itself recognized the existence of serious problems in the implementation of the resettlement program and had suspended it in 1986.

## France

A scientific council of the Northwest Atlantic Fisheries Organization (NAFO) issued a report based on data collected earlier this year which indicated that the cod stock in the disputed 3PS zone was in danger of depletion. The same story in the St. John's *Evening Telegram* on July 8 quoted John Crosbie as saying that the stock was not in imminent danger of total collapse, however, if it were managed properly. He added that although the French were asked to catch 6,400 tonnes in 1987, their fleets took closer to 24,000 tonnes. The total catch for Canada this year was 41,000 tonnes. Mr. Crosbie hoped the results of the survey would alert France and its islands of St. Pierre — Miquelon that overfishing ought to be stopped in the interests of maintaining a healthy stock. He added this was also to become a focal point during negotiations with France over jurisdiction in 3PS.

The *Financial Post* on June 27 raised the possibility that the fish talks were linked to the choice of the nuclear-propelled submarine between Britain and France. The story said the Department of National Defence appeared ready to recommend the French submarine design over the more expensive British option, but it probably would not send that recommendation to cabinet until Trade Minister and Newfoundland MP John Crosbie had produced some assurance of headway in the fish talks.

Canada's fisheries negotiator, Yves Fortier, told a news conference in Halifax on July 22 that he had met with the French negotiator in Paris earlier in July and discussed the implications of the scientific report prepared by NAFO, which included both Canadian and French scientists. Although there had been a definite change of attitude and the approach of the French to these negotiations had been much more positive since the defeat of Prime Minister Jacques Chirac's government in May, Mr. Fortier noted, however, that no agreement had yet been reached. After months of negotiations, the two main bones of contention — quotas and international boundaries — remained unresolved (*Halifax Chronicle-Herald*, July 23).

## Haiti

Haiti suffered yet another setback when Lieutenant-General Henri Namphy declared himself President of Haiti on June 20, after troops had stormed the national palace and deposed civilian President Leslie Manigat. The coup came one week after Manigat had fired Namphy and tried to reorganize the military (*Ottawa Citizen*, June 21). External Affairs Minister Joe Clark issued a statement which said that though Canada had expressed serious reservations about the process which put Mr. Manigat in power, nonetheless Canada deplored this move to undermine civilian government. Clark added that Canada favored the

establishment of genuine democracy in Haiti, which had implications for bilateral relationship between the two countries (External Affairs News Release, June 20).

## Hungary

Hungarian Prime Minister Karoly Grosz began a 2-day visit to Canada on July 28 designed to forge stronger commercial ties and raise the profile of his country in the West. Mr. Grosz visited Toronto at the end of his 9-day visit to the US. The *Financial Post* reported on July 28 that less than 1 percent of Hungary's total imports in 1986 were from Canada, and less than 0.4 percent of its exports were to Canada. In Canada, the Hungarian Prime Minister was the guest of financier Andrew Sarlos, who organized a series of meetings with Canadian business people.

## Iran

### **Iran Air Flight 655**

On Sunday, July 3, an Iran Air airliner was downed by US Navy warship *Vincennes* over the Persian Gulf killing all 290 people aboard. The Government of Canada said it "learned with shock and profound regret of loss of life aboard the Iranian airliner" and extended to the bereaved its deepest sympathies (Government of Canada News Release, July 4).

### **Diplomatic Relations**

Canada resumed normal diplomatic relations with Iran with effect from July 18. Accordingly the two sides would exchange ambassadors (External Affairs News Release, July 18). Iran had reduced its representation in Ottawa to the chargé d'affaires level while Canada closed its embassy in Teheran in 1980. Since then the Danish Embassy in Teheran had looked after Canadian interests there. External Affairs Minister Joe Clark told reporters outside the Commons on July 18 that it was too early to predict what the normalization of relations would bring. "But it's important for Canada, a country that's active in international affairs, to have relations with a country that's important, not only in the gulf region, but outside it. There were commercial considerations as well," Mr. Clark added (*Globe and Mail*, July 19).

## South Africa

### **Commonwealth**

The federal government made several announcements relating to preparations for the second meeting of the Commonwealth Committee of Foreign Ministers on Southern Africa held in Toronto on August 2 and 3 under the chairmanship of External Affairs Minister Joe Clark. Announcement was made that a parallel forum on South African Censorship and Propaganda would be held in Toronto City Hall Council Chambers on August 2 and the Minister of Communications announced that over thirty events

would be featured in a festival under the theme "Rekindle the Light." The Commonwealth conference in Vancouver in October had "agreed that the Commonwealth should give high priority to counteracting South African propaganda and censorship" (External Affairs News Release, July 11).

### **Code of Conduct**

The Government tabled in the House of Commons on July 6 the Third Annual Code of Conduct for Canadian Companies Operating in South Africa. Nine companies and the Canadian Embassy had reported under the Code. External Affairs Minister Joe Clark expressed the hope that the annual reports would continue to indicate that Canadian businesses in South Africa were setting suitably high standards in employment conditions (External Affairs News Release, July 6). John Small, the Code's administrator, said the Canadian enterprises still represented in South Africa could be commended generally for their efforts to comply with the voluntary code of conduct setting out wage scales and social benefits for non-white workers. The nine reporting companies, along with the Canadian embassy, employed a total of 3,084 non-whites, down from 20,000 working for Canadian-owned firms in 1985. Last year was marked by significant divestment by Canadian companies. Mr. Small estimated current total Canadian investment in South Africa at about \$100 million, which employed one-twentieth of 1 percent of the labor force (*Globe and Mail*, July 8).

### **Sports Links**

External Affairs Minister Joe Clark told the Commons on July 27 that he planned to close the gap that would have allowed two South African tennis players to compete in a tournament in Toronto in August. Because they did not officially represent the country of South Africa, professionals had been able to enter as private businessmen. An External Affairs official said he had expected the ban would be administered by denying visas to South African athletes seeking to play here. But South Africa's ambassador to Canada, Johannes Hendrik de Klerk, responded that "isolating individual South African sportsmen and women can make no positive contribution towards change in South Africa" (*Globe and Mail*, July 29).

The Metro Toronto anti-apartheid groups had called on the government to close the policy "loophole" which had allowed South Africans to compete in Canadian sporting events. The president of York University, Harry Arthurs, had written to Tennis Canada opposing the participation of South Africans on the campus in the Player's International tennis tournament (*Globe and Mail*, July 26).

## Thailand

External Affairs Minister Joe Clark was on an official visit to Thailand from July 9 to 11. The Minister participated in the official opening of the Lad Krabang Remote Sensing Station and signed agreements which implemented four

development projects with the Royal Thai Government. The Memorandum of Understanding dealt with four projects to help develop sectors of priority in Thailand's Sixth Five-year Plan and to help plan the Seventh. The sectors were industrialization, energy policy formulation, the environment and overall government policy research.

The Canada-Thailand Treaty on the Transfer of Sentenced Persons was ratified and entered into force on July 11. Under the Agreement, an inmate would be able to apply to serve the sentence in the country of his or her nationality. The transfer of inmates could take place only after all rights of appeal had been exhausted in the sentencing country. No transfer would take place without the consent of the individual concerned and approved by both countries (External Affairs News Release, July 11).

Foreign Minister Joe Clark also signed a Canada-Thai Economic Cooperation Agreement aimed at expanding the bilateral economic relationship through increased trade and investment. Mr. Clark expressed his pleasure with the remarkable growth in Canada-Thai commercial relations in recent years and stated that the Agreement also underscored Canada's commitment to increasing its trade and economic links with the Asia-Pacific region, particularly Southeast Asia (External Affairs, News Release, July 11). (Also see Multilateral, ASEAN). Petro-Canada International Assistance Corporation announced a 2-year, \$4 million extension of its Technical Cooperation Project in Thailand. The purpose of the project has been to enhance operational capabilities in Thailand's petroleum sector, to improve the country's prospects for developing its hydrocarbon potential (Petro-Canada International Assistance Corporation *Communiqué*, June 30).

## USSR

### *Espionage*

External Affairs Minister Joe Clark informed the House of Commons on June 22 that seven Soviet officials had been ordered out of Canada and that one official, who was then outside Canada, was not to be allowed to return to this country. The Minister said that the seven had been given notice on June 15 to leave Canada within forty-eight hours and the order was complied with. Mr. Clark also revealed that a further nine Soviet officials, who had already left Canada following completion of their assignments, were declared *persona non grata* and would not be permitted to return to Canada. A list of the Soviet officials concerned and the Soviet establishments in Canada where each worked was tabled in the House. The list showed that five of the nine had not been in Canada since 1986 and one left as long ago as 1977. Mr. Clark informed the House that the seventeen Soviet officials were not engaged in a single large conspiracy, but in several unrelated Soviet operations and that investigations were complex and occurred over time. The Soviets' activities were designed to secure clandestine access to classified information or sensitive technology with commercial or military application. Another operation had intended to penetrate the RCMP Security Service and, subsequently, the Canadian Secu-

urity Intelligence Service. The government was confident that Canadian security had not been compromised.

The *Toronto Star* speculated that Montreal-based Paramax Electronics Inc., a highly classified company that developed naval combat and electronics systems, was believed to have been the target of a Soviet infiltration plot. A subsidiary of American Unisys Corporation, Paramax had a \$1.25 billion contract to design, integrate, test and install electronic and combat systems in the Canadian navy's new patrol frigates. Defence Minister Perrin Beatty, however, said he knew of no connection between the frigate program and the barring from Canada of nineteen Soviet officials.

The *Globe and Mail's* Moscow correspondent reported on June 23 that the news of the expulsions had rocked the Canadian community in Moscow and came at a time when Canadian ambassador Turner was negotiating with the Soviets on dates for a possible visit by Prime Minister Brian Mulroney. The correspondent added that in a statement read at a news briefing, Soviet Foreign Ministry spokesman Gennady Gerasimov called the Canadian decision to expel Soviet diplomats "an apparent planned-in-advance provocation which has nothing to do with the nature of activity of the Soviet people in Canada." And in Ottawa, Viatcheslav Bogdanov, Second Secretary at the Soviet embassy, called the ouster of the seventeen "an act of provocation." Alan McLaine, External Director General of Soviet and Eastern European Affairs, said there was "little reaction" from the Soviets when the expulsion order was communicated, a week before the event became public. But afterwards retaliation was swift (*Toronto Star*, July 17). The Soviet Union retaliated by ousting five Canadian diplomats from Moscow and withdrawing the services of twenty-five of the thirty-nine Soviet support staff from the Canadian embassy. The official Soviet news agency Tass reported that Soviet Deputy Foreign Minister Alexander Bessmertynkh informed Canadian ambassador Vernon Turner of the expulsion order against the Canadians and called the Canadian government's move "a rude, antagonistic act" (*Toronto Star*, June 23). The withdrawal of Soviet personnel was only going to "inconvenience Soviet citizens going to Canada, including official delegations," according to ambassador Turner. The cutbacks affected every area of embassy operations, ranging from maintenance of vehicles to secretarial assistance (*Toronto Star*, June 30).

External Affairs Minister Joe Clark characterized the Soviet action against Canadian diplomats as "totally without justification" and emphasized that there were "no Canadians engaged in improper activities in the Soviet Union." In the next round the Canadian government responded to the Soviet retaliation by expelling the Soviet military attaché, declaring *persona non grata* a former second secretary at the Soviet Embassy in Ottawa and cutting by three the total number of Soviet officials that could be assigned to Canada (External Affairs News Release, June 23).

After a 25-minute meeting on June 27 between Mr. Clark and Soviet ambassador Alexei Rodionov at External Affairs headquarters in Ottawa, a freeze was placed on

further expulsions of diplomats and a call made for resumption of good relations between the two countries. The Soviet ambassador declared he was satisfied that the "misunderstanding" was over and declared that "both sides intended to develop and keep a mutually beneficial relationship" in all fields of endeavor (*Globe and Mail*, June 28).

### Asylum

In his remarks in the House on June 22, Secretary of State Joe Clark also mentioned that a Soviet national, who had formerly worked at the secretariat of the International Civil Aviation Organization in Montreal, had applied to remain in Canada, together with his wife and daughter. Mr. Clark said that he had been advised "that Mr. Smurov gave our security services useful information" but did not intend to "elaborate on the kind of information provided."

Canadians had not yet heard the truth and did not expect to, according to the *Ottawa Citizen* editorial on June 24. The *Saskatoon Star-Phoenix* editorial on June 29 observed that "Canadians are left to take everything on faith, theoretically leaving the banished Soviet diplomats knowing more about us and our state secrets than we know about ourselves."

### Arrest

In a somewhat related development, a man with identification papers indicating he was 25-year-old Stephen Joseph Ratkai was arrested in St. John's on June 11. He was charged under Section 3(1)(c) of the Official Secrets Act that makes it illegal to gather or pass classified documents that could be to use to a foreign power or harm the interests of Canada and its allies. The *Globe and Mail* reported on June 14 that Solicitor General James Kelleher told reporters outside the Commons that the arrest stymied an attempt to transfer classified US military documents to Warsaw Pact countries. The documents involved in the alleged espionage would have been of value to the Soviet Union. It was not clear whether any actual security breach

occurred or whether any classified documents reached Warsaw Pact capitals. The arrest followed a two-and-a-half year investigation by the Canadian Security Intelligence Service in cooperation with the US Naval Investigative Service. George Baker (Lib., Gander—Twillingate) said the alleged spying "had to do with the installation that the Americans have at Argentia," a former fishing village on the west coast of the Avalon peninsula and leased to the United States Navy in 1940 (*Globe and Mail*, June 14). The accused was formally charged on June 14 in the Newfoundland Provincial Court. It was alleged that on three separate occasions, beginning May 17 to 24 of last year, Mr. Ratkai "did unlawfully obtain or collect documents and information...useful to a foreign power, namely the Union of Soviet Socialist Republics." The other occasions on which Mr. Ratkai was alleged to have attempted to obtain the classified documents were December 19 and June 11, the latter being the day he was arrested outside the Hotel Newfoundland in St. John's. Mr. Ratkai, who was born in Antigonish, Nova Scotia, was believed to have spent some time in Hungary with his Hungarian-born father, appeared in St. John's Provincial Court on June 28 and was charged with three counts of espionage under the Official Secrets Act. The maximum penalty on each count was fourteen years in jail (St. John's *Evening Telegram*, June 29).

### Cattle

Rowntree Farms Ltd. of Brampton, Ontario, concluded a contract through the Canadian Commercial Corporation with "Skotoimport", an import/export agency of the USSR, to sell pedigree Holstein and Santa Gertrudas bulls at an estimated value of \$1.3 million. International Trade Minister John Crosbie noted that this was the fourth such contract between Rowntree Farms and the USSR for pedigree cattle supported by the Canadian Commercial Corporation, a federal Crown corporation which contracts on behalf of Canadian suppliers with foreign governments and international agencies (Canadian Commercial Corporation *News Release*, June 2).

## Multilateral Relations

### ASEAN

Secretary of State for External Affairs Joe Clark attended the annual meeting with the foreign ministers of the Association of Southeast Asian Nations (ASEAN, made up of Brunei Darussalam, Indonesia, Malaysia, Philippines, Singapore and Thailand), in Bangkok, Thailand, July 7 to 9. During the visit Mr. Clark announced that the Canada-ASEAN Centre would be located in Singapore and would provide a regional base for Canada's development cooperation program with ASEAN, and facilitate the creation of linkages between Canadian educational institutions

and business associations and those of ASEAN countries (External Affairs *News Release*, July 8).

Secretary of State for External Affairs Joe Clark also announced that Canada would contribute \$3.54 million to ASEAN which would enable farmers and small entrepreneurs to improve the quality of their crops, reduce post-harvest losses and raise their incomes. Within this program, national research and development institutions in the individual ASEAN countries research projects would be undertaken, appropriate technology developed, and specialists and extension workers trained in post-harvest technology (External Affairs *News Release*, July 8).

## Central America

The Special Committee of the House of Commons on the Peace Process in Central America tabled a report in the House on July 5. Among the twenty-three recommendations the government was asked to: consider participation in a verification force, provided none of the five countries formally opposed Canada's participation; contribute to the greater effectiveness of the National Reconciliation Commissions and help develop the region's own mechanisms and standards for the conduct of free elections; assist in the economic development of Central America; and support the peace process in the region.

While the pecking that Central America was not a place where Canada was to have more than marginal effect, the *Ottawa Citizen* on July 8 nevertheless commended the report of the special committee. It observed that "keeping in mind that the United States considered Central America as its own Balkans, the best Canadian course was to work in Central America within the constraints of the overriding US influence, in part to mitigate the worst effects of that influence by promoting prosperity and political autonomy. Even a marginal influence could make a difference when the time was right." On the other hand, the *Winnipeg Free Press* in its editorial on July 11, thought the committee had gone "overboard" in recommending an extensive and expensive Canadian involvement well beyond what was justified by Canadian foreign policy interests. What possessed the committee to propose an "open-ended storm of Canadian activity in the region," the editorial asked, when the fact was that "Central America is peripheral to Canadian interests."

## Economic Summit

The fourteenth annual Economic Summit of the Heads of State or Government of seven industrial democracies and the President of the Commission of the European Communities took place in Toronto from June 19 to 21. At the conclusion of the Summit an 8-page Economic Declaration, a 3-page political declaration and a 2-page Chairman's Summary of Political Issues were issued on June 20.

The *Economic Declaration* dealt with, among others, the issues of structural reforms, multilateral trading and international debt. The *Political Declaration* highlighted East-West relations, terrorism and narcotics trade while the *Chairman's Summary* specifically made mention of discussions on such subjects as the Middle East, South Africa and Cambodia. Canada played an active role in the decision to provide relief to the poorest countries facing mounting international debt repayments and sought agreement on the agricultural subsidy war. (See also *Bilateral, USA, Economic Summit*.)

## Cairns Group

Canada, in an attempt to avoid having to slash subsi-

dies to dairy farmers, broke ranks with the Cairns group of small and medium-sized agricultural producers over a proposal to reduce farm support payments. The *Financial Times* (London) wrote on July 21 that it was becoming evident that the expectations placed on the ability of the Cairns group, a coalition of thirteen industrialized and developing countries coordinated by Australia, to bridge the gap between the US and the European Community were over-optimistic. International Trade Minister John Crosbie, on a visit to the General Agreement on Tariffs and Trade (GATT) in Geneva, acknowledged that the Cabinet had some difficulty with the Cairns proposals. "We're not going to accept any settlement of the GATT round that is going to endanger our dairy farmers. They are not the cause of the world's agricultural problems," Crosbie said (*Globe and Mail*, July 23).

The latest compromise proposal by the Cairns group called for 10 percent reductions in farm subsidies in each of the next two years. While generally supporting the cuts, Canadian officials refused to put their names on several clauses in the document outlining how the reductions might be achieved. Canadian officials confirmed that the major difficulty with the Cairns document was its possible impact on the dairy industry. By calling for a 10 percent reduction in "administered prices" paid to farmers and for lowering of barriers to entry of imported products, the Cairns proposal threatened a recent formula for setting support to the Canadian dairy industry. There were mixed reviews in Geneva on how the episode had affected Canada's relations with fellow advocates of agricultural reform such as Australia, New Zealand, Argentina and Brazil. (See also "International Canada," February and March.)

## Exchange Rate

The Canadian dollar was worth US\$.797 at the beginning of June and US\$.813 at the end of July.

## Iran-Iraq War

The surprise news of cessation of hostilities between Iran and Iraq was received favorably and coincided with the announcement by Canada on July 18 of normalization of relations with Iran. (See also "International Canada," *Bilateral, Iran*.) After nearly eight years of war in the Persian Gulf, Iran announced that it had accepted the terms of the United Nations resolution 598 calling for a ceasefire with Iraq. The acceptance came in a letter from the Iranian President Ali J. Khamenei, to the UN Secretary General Javier Pérez de Cuéllar (*Ottawa Citizen*, July 19).

The *Financial Post* editorial on July 19 stated that the 8-year-old war between Iran and Iraq ranked as the longest active war between nations in the twentieth century. But, it added, "a mere statistic could not convey the horrors of a battle in which Iran had sent its children to the front lines as cannon fodder and Iraq had annihilated Kurds with poison gas." It asked, who would not welcome an end to this

madness? With a million deaths between them and now virtually no change in their borders, the torments of war had stripped away Iran's last enthusiasm for its 8-year war with Iraq. The *Leader-Post* in its editorial on July 19 stated that apart from the UN pressure, Teheran had been nudged toward peace by France, with whom it recently re-established diplomatic relations, and by Britain, which was seeking renewed ties. It added that, not mentioned in the news stories, but with obvious bearing on the cease-fire, had been the struggle within Iran. A dissident force known as the National Liberation Army of Iran, under Mas-soud Rajavi, had been taking advantage of the Iranian forces' preoccupation with Iraq to score gains, first in minor skirmishes of a few dozen raiders and, recently, in engagements involving full brigades. Rajavi seemed to have had at least tacit American support, according to the editorial.

*The Gazette* (Montreal) on July 19 stated that Iran's apparent decision to accept the UN call showed one value of the much-maligned body. There was little the UN could do to end wars, other than to keep diplomatic channels open. But once the time was ripe, the nations could seek

peace without appearing to give in to their enemies. It added that the importance of face-saving should not be underestimated.

## Quadilateral Trade Ministers

Ministers responsible for International Trade of Canada, the United States, the European Community and Japan had met on a regular basis (two or three times a year) since 1982. The last Quadilateral meeting took place at April Point, British Columbia, in April 1988 (Government of Canada *News Release*, June 21). The four trade ministers met again on June 23 and 24 in Brainerd, Minnesota. The meeting demonstrated a strong commitment to strengthening the multilateral trading system, and to ensuring that the Mid-Term Review Conference being held in Montreal in December would serve as a solid basis for the successful completion of the Uruguay Round of the General Agreement on Tariffs and Trade negotiations (External Affairs *News Release*, June 29).

# Policy

## Defence

### **Reserve Forces**

The Commons Standing Committee on National Defence presented its report on the Reserves on June 7. It urged the Department of National Defence "to reexamine its overall manpower targets with the aim of providing the necessary human and material infrastructure to sustain our Forces for at least the first 120 days from the outbreak of hostilities" and suggested a 50:50 ratio of Regulars to Reservists (*Report of the Standing Committee on National Defence*, Issue No.39, June 7). The Committee also wanted the Reservists to be provided with opportunities to serve with Canadian Forces in Europe and Canadian peacekeeping forces in the Middle East.

The Committee noted that the purpose of the Reserve system was "to provide an economical wartime mobilization capability — the men and women, equipment and organizational structure that would be sufficient to meet the perceived threat for an adequate period of time." On March 31, 1988, the Primary Reserves numbered 21,777. With seasonal fluctuations, the actual numbers were about 25,000. Most Primary Reservists were students, teachers, seasonal workers and the unemployed. There were 4,100 women in the Primary Reserve in 1987, or 17 percent of the total strength. In terms of costs the Report on the Reserves noted that the Reserve component provided about 23 percent of Canada's military manpower. Reservists were indeed part-time soldiers, but given the cost of

\$39,000 a year for each full-time Regular, compared with about \$6,500 for a Reservist, the cost-saving benefit of a much larger Reserve force was a potent argument in an era of huge defence costs.

### **Minesweepers**

National Defence Minister Perrin Beatty announced a \$550 million program to build twelve large coastal patrol vessels equipped for minesweeping. The 1,000-tonne, corvette-size vessels would patrol Canada's Atlantic and Pacific coasts. They would be designed and built in Canada and based in several ports on both coasts as well as Quebec City, so reservists could train year-round. The new minesweepers "will play a crucial role in our coastal security and sovereignty. Without minesweeping, Canada's ports could be shut down by hostile mining activity," Mr. Beatty added (*Globe and Mail*, July 26). Canada had the longest coastline in the world and it was vitally dependent on water transportation, both oceanic and inland.

### **Submarine Acquisition Project**

The period June and July witnessed continued intense debate on the government's decision to acquire the nuclear-powered submarines and on the wisdom of spending about \$8 billion on them. Speculation too continued on the date of the final decision on the granting of the contract to purchase ten or twelve of the British *Trafalgar* or French *Rubis* nuclear-propelled submarines with no reason advanced by any official source for the delay in the

announcement. National Defence Minister Perrin Beatty, in his address to the Empire Club on June 2 in Toronto said, "I hope, this summer, to recommend the design that best meets Canadian requirements to my Cabinet colleagues" (National Defence Address, June 2). (See also "International Canada," February and March, April and May.)

Vickers Shipbuilding Limited, representing the British consortium's bid for Canada's \$8 billion nuclear-propelled submarine program, was making slow progress because of difficulties in acquiring US release of confidential nuclear technology which the US had not yet approved for release to Canada. US and Canadian lawyers met in Ottawa in an effort to free the British bid from procedural entanglements (*Globe and Mail*, June 2). A Southam News report in *The Gazette* on June 23 stated that the US had put tight limits on the nuclear technology it would allow Canada. The news story added that a well-placed Washington source had confirmed that the US negotiators had refused to offer Canada access to any future improvements or updates of their reactor technology. Canada would only get the existing reactor design for the British submarines. The US also held firm on two issues concerning fuel. Canada did not have the capacity to make the highly enriched nuclear fuel necessary for the British submarines; it was to have come from the US and US negotiators refused to guarantee Canada a long-term fuel supply for the Trafalgar submarines. Because the US was having problems making enough enriched fuel for its own needs, it agreed to only a 5-year contract. The submarines needed refuelling roughly every five years.

Lawrence Herman, President of SNA Canada Inc., representing the French consortium, said it hoped to win the multi-billion dollar defence contract and told businessmen in Dartmouth, Nova Scotia, that building twelve Amethyste submarines would cost between \$7.3 billion and \$7.8 billion — just under the \$8 billion estimated by the Defence Department (*Ottawa Citizen*, June 3).

As if to respond to the critics of the submarine project, a special press briefing was arranged in Ottawa with Eldon Healey, an Assistant Deputy Minister in the Department of National Defence. Healey, responsible for material, told journalists that studies of the British and French costs had proven with "a high degree of confidence" that the project could be kept within the estimate of \$8 billion (*Globe and Mail*, June 9). But the *Winnipeg Free Press* editorial on June 15 observed that it was not enough to juggle the cost of the components, or to drag national security front and center whenever the figures were questioned. It added that Canadians still needed to be convinced that this particular expenditure was so important that it could overshadow other pressing defence requirements. The *Edmonton Sun* editorial on June 27 asked, "Canadians were prepared to pay for an adequate defence for the second largest country on earth? Or were they content to take a free ride on the coattails of their allies, and to heck with the consequences for our sovereignty — not to mention our self-respect?"

While there was discussion on the cost of the project,

others were equally concerned about the fierce competition between the two bidders. The *Calgary Herald* reported on June 5 that the French appeared to be pulling ahead of the British in the race for the \$8 billion contract, "the largest investment ever contemplated by the federal government for a single weapon of war." And the paper added that it was certain that no announcement would be made before British Prime Minister Margaret Thatcher's state visit to Ottawa on June 22. And Prime Thatcher in her address to the joint session of Parliament said she wanted to pay particular tribute to Canada's "intention to modernize her navy by acquiring nuclear powered submarines, we very much hope from Britain" (*Hansard*, June 22). (See also, *Bilateral*, Britain.) Prime Minister Brian Mulroney and French President François Mitterrand met for a 30-minute discussion the focus of which was reported to be the purchase of nuclear submarines (*Globe and Mail*, June 22). The federal government's decision to purchase nuclear-powered submarines would not be affected by lobbying, fishing, furs, unfavorable polls and non-governmental cost estimates, Defence Minister Perrin Beatty told reporters in Halifax while attending a Federation of Canadian Municipalities meeting (*Halifax Herald*, June 7). The *Edmonton Sun* concluded in its editorial on June 22 that "if we go French...there's no ducking the fact it gives us an \$8 billion lever in our fisheries dispute with Paris."

Meanwhile the *Toronto Star's* Moscow correspondent wrote on June 15 that an article in *Krasnaya Zvezda* (Red Star), the official organ of the Soviet army, charged that there was every reason to believe that according to NATO strategy, the main task of Canadian submarines would be to hunt for Soviet missile-carrying submarines in the vicinity of the Soviet coast. It added that what was really alarming was that the US was being joined in the polar arms race by its NATO partners, together with Great Britain and the governing circles in Canada." At home the *Globe and Mail* editorial on June 21 supported the purchase of the nuclear-powered submarines.

### Tanks

The Department of National Defence also announced plans to purchase 300 new tanks by early 1990s at a cost of more than \$2 billion. The White Paper on Defence released in 1987 had argued that new tanks were needed to match improvements in Soviet equipment. John Thompson, research officer with the Toronto-based Canadian Institute for Strategic Studies, was reported by the *Ottawa Citizen* on July 26 as saying that the new tanks were very expensive but were needed because the 105 mm. gun on the Leopard C1s was unable to penetrate the armor of the Soviet T-80 and T-72M tanks.

### Disarmament

External Affairs Minister Joe Clark headed a delegation of fifteen parliamentarians and nineteen non-governmental representatives to the Third United Nations Special Session on Disarmament (UNSSOD III) which took place

in New York from May 31 to June 25. Mr. Clark addressed the conference on June 13 and observed that "the landmark INF Agreement signed in Washington last December and the agreement in principle to reduce strategic nuclear arms by 50 percent" presented the Special Session with both the opportunity and the stimulus to pursue other avenues leading to greater international security and stability. The Foreign Minister added that Canada saw confidence-building as essential to arms control and disarmament, and in this regard urged members of the United Nations to comply with the General Assembly recommendation on reporting annual military expenditures, since only twenty or so countries regularly complied with this recommendation. Mr. Clark also called for "deep and verifiable" reductions in the arsenals of nuclear weapons in the hope of achieving a comprehensive Test Ban Treaty which remained "a fundamental and enduring objective for Canada." No measure demonstrated the commitment of a nation to nuclear disarmament more effectively than adherence to the Non-Proliferation Treaty. Canada, therefore, strongly urged any nation that had not done so to accede to this essential arms control treaty (External Affairs Statement, June 13). Some of these governments might well have found it laughable that the Canadian non-proliferation hit-squad knocking at their doors represented a government dedicated to spending more than \$8 billion on nuclear-propelled submarines, according to the *Edmonton Journal* editorial on June 16.

Secretary of State for External Affairs Joe Clark reaffirmed Canada's "abiding support for the Non-Proliferation Treaty (NPT)" in July on the twentieth anniversary of the signing of the Treaty. While recognizing that deep reductions in nuclear arsenals remained a central Canadian objective, the Minister reaffirmed that efforts to prevent the proliferation of nuclear weapons were equally important. Towards this end Mr. Clark hoped significant progress would have been made before the 1990 NPT Review Conference where the operation of the NPT, which is scheduled for renewal in 1995, would be discussed (External Affairs News Release, July 28).

## Environment

Over 350 experts from over forty countries, including Prime Minister Brundtland of Norway, heard Prime Minister Mulroney address the International Conference on the Changing Atmosphere in Toronto on June 27. Mr. Mulroney said Canada wanted to "immediately reduce and eventually eliminate the scourge of acid rain" and pledged support for the Montreal Protocol on the reduction of ozone-depleting chemicals. The Prime Minister endorsed the Brundtland Report on Environment and Development and added that the world had come to recognize that "our economic activity must be increasingly compatible with today's environmental facts of life." He observed that, "We

are faced with climate shifts, desertification, flooding, drought, ozone depletion and acidification — these are major global issues" (Office of the Prime Minister, *Notes for an address*, June 27).

## Refugees

The Senate relented in its opposition to two pieces of refugee-related legislation. Consequently, Bills C-55 and C-84 received Royal Assent on July 20. Bill C-55 established a new refugee determination system, and Bill C-84 would impose fines and penalties on those who organized trips for bogus refugees. The Immigration Minister bowed to the Senate demand and abandoned the provision in the legislation which would have authorized the Minister to turn back ships trying to land illegal immigrants on Canada's shores. The power to turn back ships would be limited to vessels caught with illegal immigrants outside Canada's 12-mile limit (*The Sun* [Toronto], July 13). The decision to remove this "most contentious clause of the Mulroney's government's refugee policy" was welcomed by the *Edmonton Journal* editorial on July 15.

Gordon Fairweather, Chairman of the proposed Immigration and Refugee Board, was quoted as saying that November 15 was the target and January 1 the very limit by when the the new organization would be operational. The new board would have between 120 and 140 members located in Ottawa, Vancouver, Winnipeg, Toronto and Montreal (*Globe and Mail*, July 26). The same source reported that Ian Sadinsky, a spokesman for Employment and Immigration Minister Barbara McDougall, had said that the Minister had ruled out an amnesty but was looking at a number of options to deal with the backlog of refugee claimants. *The Gazette* (Montreal), on July 23 agreed that "a *de facto* amnesty to opportunists would be grossly unfair to all those who had waited in immigration queues."

Under the new legislation, about 40 percent of refugee claimants would be sent back to the countries where they could have sought haven before coming to Canada, according to a study by the Immigration Department. Based on a sample of 1,440 claimants who arrived at major Canadian ports of entry last August and September, the study found 80 percent of claimants did not come directly to Canada from the countries in which they claimed persecution. The department predicted that about 17,000 people would claim refugee status in the first year that C-55 would be in operation (*Ottawa Citizen*, July 20). But those who entered the United States from Central America were refused even temporary shelter there on their way to Canada, and by denying them an opportunity to stay here while their appeals were being heard, Canada would be forcing these refugee claimants to return to the very people they had sought to escape (*Edmonton Journal*, July 15).

# For the Record

(Supplied by External Affairs Canada)

## I. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

- Ahmad, Jaleel  
*Trade-related, sector-specific industrial adjustment policies in Canada: an analysis of textile, clothing and footwear industries.* Ottawa: Economic Council of Canada, 1988.
- Brodhead, Tim et al.  
*Bridges of hope?: Canadian voluntary agencies and the third world.* Ottawa: North-South Institute, 1988.  
*Canadian Institute of International Affairs The North and Canada's international relations.* Ottawa: Canadian Arctic Resources Committee, 1988.
- Crispo, John (ed.)  
*Free trade: the real story.* Toronto: Gage, 1988.
- Krause, Keith  
*Le commerce international des armes: problèmes et perspectives.* Ottawa: Institut canadien pour la paix et la sécurité internationales, 1988.
- Krause, Keith  
*The international trade in arms: problems and prospects.* Ottawa: Canadian Institute for International Peace and Security, 1988.
- Mace, Gordon  
*Une politique étrangère régionale du Canada en Amérique latine?.* Québec: Laboratoire d'études politiques et administratives, Université Laval, 1987.
- Mace, Gordon  
*Les relations du Canada avec l'Amérique latine et les Caraïbes.* Québec: Laboratoire d'études politiques et administratives, Université Laval, 1987.
- Magun, Sunder et al.  
*Open borders: an assessment of the Canada-U.S. free trade agreement.* Ottawa: Economic Council of Canada, 1988.
- McMillan, Charles J.  
*Bridge across the Pacific: Canada and Japan in the 1990's.* Ottawa: Canada Japan Trade Council, 1988.
- Miner, William M. and Dale E. Hathaway (eds.)  
*World agricultural trade: building a consensus.* Halifax: Institute for Research on Public Policy, 1988.
- O'Meara, Dan  
*La déstabilisation des états de la "ligne de front" en Afrique australe, 1980-1987.* Ottawa: Institut canadien pour la paix et la sécurité internationales, 1988.
- O'Meara, Dan  
*Destabilization of the frontline states of southern Africa, 1980-1987.* Ottawa: Canadian Institute for International Peace and Security, 1988.
- Purver, Ronald G.  
*Arctic arms control: constraints and opportunities.* Ottawa: Canadian Institute for International Peace and Security, 1988.
- Purver, Ronald G.  
*La limitation des armements dans l'Arctique.* Ottawa: Institut canadien pour la paix et la sécurité internationales, 1988.
- Rudner, Martin (ed.)  
*Canada Malaysia: towards the 1990s.* Kingston, Ont.: Frye, 1988.
- Smith, Denis  
*Diplomacy of fear: Canada and the Cold War, 1941-1948.* Toronto: University of Toronto Press, 1988.
- Smith, Murray G. and Frank Stone (eds.)  
*Assessing the Canada-U.S. free trade agreement.* Halifax, N.S.: Institute for Research on Public Policy, 1987.
- White, Randall  
*Fur trade to free trade: putting the Canada-U.S. trade agreement in historical perspective.* Toronto: Dundurn Press, 1988.
- Anderson, F.J. and Robert D. Cairns  
*"The softwood lumber agreement and resource politics". Canadian public policy XIV (June 1988) 186-196.*

- Beatty, Perrin  
"Obtenir le soutien du public pour une intensification des efforts de défense - une tâche herculéenne". *Revue de l'OTAN* v.36 (avril 1988) 1-6.
- Bruk, John  
"Le défi Pacifique". *Enjeux* v.3 (printemps 1988) 1-8.
- Bruk, John  
"The Pacific challenge". *Issues* v.3 (spring 1988) 1-8.
- Caron, Jean-Paul  
"How Free Trade will affect the banks". *Canadian banker* v.95 (July/Aug. 1988) 41-43.
- Charlton, Mark W.  
"Les besoins alimentaires de l'Afrique et la réponse du Canada: les limites de l'aide alimentaire au développement". *Études internationales* XIX (juin 1988) 221-244.
- Dirks, Gerald E.  
"World refugees: the Canadian response". *Behind the headlines* v.45 (May/June 1988) 1-18.
- Doran, Charles F. and James P. Sewell  
"Anti-Americanism in Canada?" *Annals of the American academy of political and social science* v.497 (May 1988) 105-119.
- Downs, André  
"Here comes the Free Trade Agreement". *Canadian banker* v.95 (July/Aug. 1988) 36-40.
- Frank, James G.  
"Who will buy our wheat?: the next agricultural crisis". *Canadian business review* v.15 (summer 1988) 16-19.
- Gordon, Lincoln  
"Recollections of a Marshall Planner". *Journal of international affairs* v.41 (summer 1988) 233-245. [One of seven articles in issue devoted to Marshall Plan heritage in Europe.]
- Haglund, David G.  
"Les missiles de croisière soviétiques aéroportés et la géopolitique de la défense aérienne de l'Amérique du nord: une nouvelle perspective du nord canadien". *Études internationales* XIX (juin 1988) 245-272.
- Halpern, Sylvie  
"Les otages de la morue" [St.Pierre-et-Miquelon]. *L'Actualité* v.14 (juin 1988) 42-48.
- Havet, José  
"Third World studies in Canada". *International perspectives* (May/June 1988) 20-22.
- Hazledine, Tim  
"Canada-U.S. Free Trade? Not so elementary, Watson". [Reply to William Watson]. *Canadian public policy* XIV (June 1988) 204-213.
- Litvak, Isaiah A.  
"Small business, competition and freer trade: the Canadian-U.S. case". *Journal of world trade* v.22 (Feb. 1988) 33-46.
- MacIntosh, Robert M.  
"Farm subsidies: who wins?". *Canadian business review* v.15 (summer 1988) 23-25.
- Moore, A. Milton  
"The case for tariffs" [Free trade debate]. *Policy options* v.9 (July/Aug.1988) 38-43.
- Osbaldeston, Gordon  
"Dear Minister: an open letter to an old friend who has just been appointed to the federal cabinet." *Policy options* v.9 (June 1988) 3-11.
- "Quadrangular Forum"  
Views and articles by Canadian, European, Japanese and American leaders meeting in their private capacities prior to the Economic Summit of 1988. *Policy options* v.9 (July/Aug. 1988) 3-34.
- Rabeau, Yves  
"Le défi du libre-échange." *Options politiques* v.9 (July/Aug. 1988) 44-46.
- Sharp, Mitchell  
"Trying to debate Free Trade." *International perspectives* (May/June 1988) 23-24.
- Watson, William G.  
"The case of disputed benefit: a reply to Tim Hazledine." *Canadian public policy* XIV (June 1988) 214- 221.
- Watt, D. Cameron  
"Fall-out from treachery: Peter Wright and the 'Spy-catcher' case." *Political quarterly* v.59 (April- June 1988) 206-218.
- Webster, Henry H. and Jan J. Hacker  
"Don't ape Uncle Sam" [Comparison of Canadian and American forest policy]. *Policy options* v.9 (July/Aug. 1988) 35-37.

November/December 1988

Vol. XVII, No. 6

\$4.50

LATEST ISSUE  
DERNIER  
NUMERO

NON - CIRCULATING /  
CONSULTEZ SUR PLACE

# *International Perspectives*

THE CANADIAN JOURNAL ON WORLD AFFAIRS

**The new Mercantilism**

---

**Canada in US election**

---

**India-Pakistan relations**

---

**Canada and South Africa**

---

**Hope for Lebanon**

---

0001266 8875  
DEPARTMENT OF EXTERNAL AFFAIRS  
LIBRARY - BFL  
125 SUSSEX DRIVE  
OTTAWA ON  
K1A 0G2

# PUBLISHERS' SHOWCASE

## King's War

Mackenzie King and the Politics of War 1939-1945

Brian Nolan

## King's War

by Brian Nolan

An extraordinary chronicle of raw politics and ruthless courage; of Mackenzie King's "divine mission" to save Canada from dismembering itself over controversial issues

such as conscription, Japanese internment, the "Zombie" army, and the many battles fought by Canadian soldiers. **\$21.95**

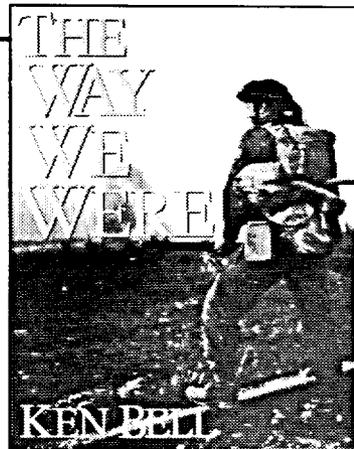
**RANDOM HOUSE**  
OF CANADA LIMITED



1265 Aerowood Drive, Mississauga, Ontario L4W 1B9  
(416) 624-0672 Fax: 416-624-6217

## THE WAY WE WERE

Ken Bell



A stunning record of war's terrible cost and the peace it paid for. Some 340 dramatic wartime photographs of the Second World War are juxtaposed with more than 250 colour photographs of the same sites, and often the same faces, as they appear today.

\$39.95

**UNIVERSITY OF TORONTO PRESS**

63A St George Street, Toronto, Ontario M5S 1A6

## SOUTH TO JAVA

A NOVEL

Wm. P. Mack  
Wm. P. Mack, Jr.

## SOUTH TO JAVA

by William P. Mack and William P. Mack, Jr

A novel by a Vice Admiral who fought in the battle of the Java Sea. Read the story of a young naval

officer caught up in the war against Japan on an old 4-stacker. Full of insight, definitely entertaining. **US\$19.95**

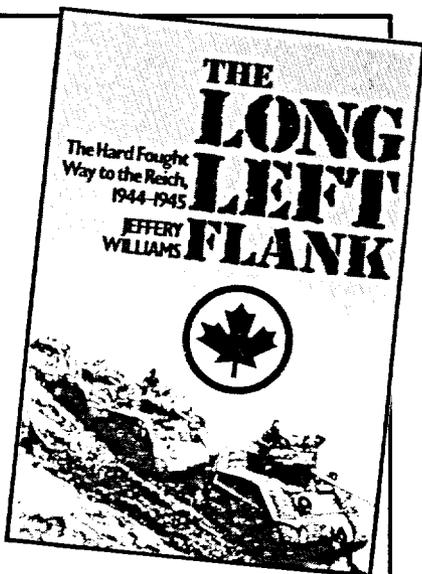


**N&A Military Publishing Services, Inc.**  
101 W. Read St., Suite 314  
Baltimore, MD 21201-4906

## The LONG LEFT FLANK

Jeffery Williams

A lively and fast moving account of the First Canadian Army's campaign to clear the Channel Coast, liberate Holland and thrust into northern Germany in 1944 and 1945. **\$29.95**



Stoddart

**STODDART PUBLISHING CO. LIMITED**  
34 LESMILL ROAD DON MILLS  
ONTARIO M3B 2T6 CANADA

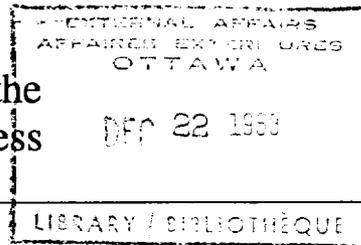
The new Mercantilism  
*by Michael Henderson*

NOT PUBLISHED IN  
CONJUNCTION WITH PAGE 3

Issues of interest to Canada in the US election  
*by B.H. Barlow*

6

Images of Canada in the  
British and French press  
*by T.A. Keenleyside*



9

Out of steam? Mulroney and sanctions  
*by Kim Richard Nossal*

13

India-Pakistan normalization  
*by Ashok Kapur*

16

Is there hope for Lebanon?  
*by Camille H. Habib*

19

Cutting refugee production  
*by David A. Lenarcic*

22

Book Reviews

25

**International Canada**

*A supplement of reference material on Canada's foreign relations  
presented by the Department of External Affairs.*

G  
T  
K

# International Perspectives

THE CANADIAN JOURNAL ON WORLD AFFAIRS

*International Perspectives* is a journal of independent opinion on world affairs. It takes no editorial position. The opinions expressed are those of the authors. It is published in Canada six times a year by Baxter Publishing.

President:  
W. H. Baxter

Vice President:  
Wolfgang Schmidt

Consultant:  
Alex Inglis

Editor:  
Gordon Cullingham

Editorial Associates  
Bhupinder Singh Liddar  
Stuart Vallance

Executive Director:  
Stuart Northrup

Publisher:  
David McClung

Advertising Production:  
Wendy McClung

Circulation:  
Guy Bolduc  
Irene Clark

Subscriptions:  
In Canada:  
One year (six issues): \$25  
Three years (eighteen issues): \$60

Other Countries:  
Same as above, in US funds.  
Additional charge for airmail  
delivery upon request.

Editorial and subscriptions:  
National Press Building  
150 Wellington Street, #302  
Ottawa, ON, Canada  
K1P 5A4  
Tel: (613) 238-2628  
Fax: (613) 234-2452

Advertising address:  
Baxter Publishing  
310 Dupont Street  
Toronto, ON, Canada  
M5R 1V9  
Tel: (416) 968-7252  
Telex: 065-28085  
Fax: (416) 968-2377

ISSN 0381-4874  
Copyright ©1988  
Second Class Mail  
Registration Number 4949

*International Perspectives* is indexed in the  
*Canadian Periodical Index, Current Content*  
and *PAIS Bulletin, ABC POL SCI,*  
*ABSTRACTS and AMERICA: HISTORY*  
*AND LIFE.*

A  Baxter Publication

## Editor's Note:

*Not many articles in International Perspectives are unrelated to Canada. This issue we have three. One gives us a look at how the practical urge to create jobs and to trade has compromised the doctrinal urge to deregulate and to privatize. Michael Henderson of York University sees here a curious revival of mercantilism. Another article with no Canadian center offers an update on relations between India and Pakistan. Ashok Kapur of Waterloo University finds that those two countries are gradually moving less far apart. The third entry is an engaged prescription by Camille Habib of Dalhousie University for a solution to Lebanon's self-destructive bent — the idea of federation, until recently not an eligible option.*

*Other writings here delve into our self image — how we think we are seen — and are seen — by some of the outside world's press. Terrence Keenleyside of the University of Windsor does that, and B.H. Barlow of the University of Regina takes us back to the US election campaign, and shows us what it revealed of the place of Canada in America's consciousness.*

*Then there are the ways we try to do right — or at least good. South Africa is a universal testing ground for the battle between intentions and deeds, and enables us to find out how well we do in delivering on our fine words. Kim Nossal of McMaster records a problem of managing the momentum of good intentions.*

*Disasters and mean governments breed refugees. That affects Canada, because we find ourselves having to decide whether we want to receive them. Some of that problem might be avoided if we got involved in more preventive action, something in which the UN could also be a principal. David Lenarcic of Toronto has a proposal.*

# The new Mercantilism

by Michael Henderson

Despite themselves the governments of the advanced market economy countries (AMECs) are becoming ever more deeply involved in the active management of the world economy. This has occurred despite the propensity, during what we might call the Reagan-Thatcher years, for governments increasingly to let market mechanisms decide matters economic. In national economic affairs there has been a strong emphasis on privatization and deregulation, and conscious attempts have been made to decrease the role of governments. Paradoxically there has been a tremendous increase during the same period in the degree of state management of international economic affairs reminiscent in many ways of 17th-century Mercantilism.

Two well documented developments illustrate this trend. Since the conclusion of the Plaza Accord on September 22, 1985, the Members of G5/G7 have consistently intervened both directly and indirectly in foreign currency markets in order to affect the relative value of their national currencies. Their expressed purpose has been to try to rectify, through coordinated monetary and financial policies, serious trade and balance of payments disequilibria. Moreover, there has been a significant increase in "managed trade," or government interference of a non-tariff nature with free market forces, in order to affect the volume and direction of trade. The late Jan Timlur, former Director of Research at GATT, estimated that by 1985 managed trade accounted for 40-45 percent of total world trade.

## **Ideology versus reality**

How do we explain this contradiction between ideological predisposition on one hand and government actions in international economic affairs on the other? The answer seems to be that the governments of the AMECs are trying to cope with numerous practical problems arising out of a conjunction of political and economic events which have made, and doubtless will continue to make, a massive expansion of the role of governments in the management of their countries' international economic affairs seem imperative. These factors include: (1) the rapid relative decline of US economic power in the last decade; (2) the logic of dealing with an increasing economic interdependence; (3) a quantum leap in global productive capacities; and (4) the consequences of the increasing interface between the market and the command economies (managed economies). Let us briefly consider how each development has contributed to great state involvement in the world economy.

## **US no longer alone at top**

There is no need to enter the largely semantic debate as to whether the United States remains the hegemonic or dominant power in the world market economy. Analysts do agree on two points: first, the US remains far and away the strongest economic actor in the global market economy; and second, there has been a tremendous decline in US economic power relative to Japan and the rapidly expanding European Communities (EC). A

greater pluralism in economic power means that the US can no longer be rule-maker, rule-enforcer, and even rule-breaker, in the world market economy system. The loss of one power dominance means that US leadership on economic issues no longer leads to automatic compliance. The three so-called Triad Powers — the US, Japan, and the EC — now have serious disagreements, which are at times made public, over macro-economic questions such as appropriate currency levels, appropriate demand management policies, and appropriate national fiscal policies. Protracted frictions, particularly on bilateral trade matters, are now common.

This new economic pluralism necessitates more process in inter-governmental affairs. For example, if the US government wants the West German government to stimulate domestic demand at a greater rate, it must make its views known not only through bilateral contacts, but press its case in international economic forums such as the IMF and the OECD. Bilateral persuasion and even bilateral pressures need to be buttressed by informal alliances of convenience with the governments of other AMECs on the issue, and, if possible, by the favorable prescriptive opinions of international experts. Such action requires a great deal of inter-governmental information sharing, consultation, negotiation, and the monitoring of events and policies. Such "process" activity is an essential pragmatic response to changed conditions.

## **Growing interdependence**

This need for closer inter-governmental cooperation on economic matters is heightened by the acknowledged fact that economic interdependence among the AMECs has increased dramatically. All governments have become more sensitive, if not more vulnerable, to external policy initiatives. Given this new reality, both game theory and complex econometric models have demonstrated that in an economically interdependent world maximizing behavior demands the coordination of international economic policy.

State managers, however, are naturally more impressed by events than by theory. On this count, the financial crisis of October 19, 1987, provided them with an invaluable lesson. The crisis demonstrated how a relatively minor unilateral government action could destabilize the total financial system. On October 18, US Treasury Secretary James Baker in an informal aside to the press criticized the West German government for unilaterally raising its interest rates. The next day the Dow Jones Industrial Index experienced a massive 508 point decline, which in turn triggered huge losses on the Tokyo, London and Frankfurt exchanges. Mr. Baker's implication that the West German government had reneged on the Louvre Accord of February 1987, had undermined the confidence of the international finan-

*Michael Henderson is Associate Professor of Political Science at York University in Toronto.*

## Managed trade

cial community that the G7 governments could continue to manage successfully the devaluation of the US dollar relative to the yen and D-mark. The fear of a precipitous collapse of the US dollar in turn fueled fears of inflation, a possible increase in US interest rates and an abrupt end to the short business upturn.

The G7 governments had to restore confidence in their ability to manage currency levels and they did so with amazing speed and effectiveness. Mr. Baker immediately recanted on his criticism of Bonn, and appropriate statements were made by all parties as to their continued adherence to the Louvre Accord. The central banks of the G7 countries all immediately moved to provide greater liquidity for the international monetary system. Within days, a number of interest rate cuts were announced in Bonn, Tokyo, London and Paris. Although the details are still unclear, there is evidence that these cuts were carefully coordinated and had been arranged by telephone contacts among Finance Ministers. The G7 did not meet; it did not have to meet. The situation was assessed and joint action taken with marginal transaction costs.

While caution must be exercised in drawing conclusions from a crisis situation, one lesson clearly emerges from these events. The international business community expects the G7 governments not only to coordinate their macro-economic policies, but to be seen to be cooperating with each other even if this entails modifications to "national" policy. Governments seeking to ensure acceptable levels of national economic growth and employment have no option but to respond to this expectation. Active intervention in international currency markets is thus seen as a matter of necessity not of volition.

### Growing excess capacity

The nature and extent of government intervention in the global market economy is being determined by another problem, just now emerging, of a chronic surplus capacity in many traditional and new industries. There is now considerable evidence that the unprecedented rate in the application of technology to production has produced a quantum leap in productive capacity, and in many product areas global demand is insufficient to absorb production at prices high enough to maintain both employment and profitability. Naturally, there has always been a cyclical problem in maintaining supply/demand equilibrium, but many experts now believe that the problem has become structural.

Governments that want to retain political power have no choice but to respond to problems of large, well organized, well financed and articulate domestic constituencies. Chronic surplus capacity is a political as well as an economic problem. As the latter, it has been experienced over several short business cycles in a number of important "traditional" industries such as shipbuilding, steel, autos, motorcycles, textiles, civilian aircraft, ball bearings, shoes and consumer electronics. Even "new" product lines such as semiconductors, numerically controlled machine tools, personal computers and video cassette recorders are already competing in saturated markets. Excess capacity soon leads to fierce competition on a global basis. It almost invariably results in downward pressure on wages, employment and profits. Both organized labor and the corporations concerned demand that their government take action to protect jobs and profits if it is to retain their political support. As such support is often regarded as critical to retaining political power, governments feel compelled to accommodate such demands.

### Manage trade or fail

One way in which governments have reacted to their domestic pressures is to play an enhanced role in the management of international trade. Whatever may be their ideological predisposition in favor of more liberalized trade, governments feel constrained to indulge in protection. The gap between rhetoric and reality on trade matters has become wide. S.A.B. Page in her seminal work on the subject conservatively estimated that managed trade grew from 40.1 percent of world trade in 1974 to 47.8 percent by 1980. The instruments of the new protectionism include cartelization, the negotiation of voluntary export restraint agreements (orderly marketing arrangements), quotas, direct or indirect subsidization of exports, and "administrative" protection using national trade remedy laws.

As the problem of surplus capacity grows, so will the tendency to conclude informal market-sharing agreements negotiated through governments. The advantages of managed trade for both the private sector and governments have been well documented. First and foremost, market-sharing enhances profits. For example, a recent study concluded for the IMF estimates that in the first four years of US restraints on foreign auto imports, an additional US\$12.25 billion was reaped by US auto corporations. Moreover, export restraint agreements tend to favor the larger and well established exporting firms rather than small exporters and newcomers. As for governments, the conclusion of export restraints allows them to demonstrate to specific pressure groups that they are protecting domestic industries and jobs. The considerable costs to the consumer of the new protectionism are largely invisible, and thus politically palatable. Also, because most arrangements such as voluntary export restraint agreements are "non-agreements" in a legal sense, they can usually be concluded by the executive branch of government in secrecy and without legislative review or public scrutiny. Political benefits are thus maximized and risks minimized. To expect governments to resist the practical political efficacies of this new protectionism in favor of a theoretical commitment to giving freer play to market forces appears, in light of recent global developments, to be quite unrealistic.

### East-West trade issues

Yet another development pressing the governments of the AMECs toward an even more active role in managing the world economy is the growing interface between the market and "command" (state managed) economies. Recent years have seen a significant growth in East-West commerce, principally in two forms of commercial activity, namely, joint ventures and countertrade, both of which tend to involve a major input by governments. For their part, the governments of the command economies will want to ensure that this commerce can be legitimized in terms of official ideology, that the element of class dominance can be regulated, that joint ventures and countertrade conform to overall state economic plans, and that economic benefits be maximized at minimal political cost.

On the other side, the governments of the AMECs also have grave political concerns about the nature and extent of East-West commerce. The most pressing concern relates to technological transfers. The Coordinating Committee for Multilateral Export Controls (COCOM, a group of NATO countries) continues to seek to exclude the export by them of technologies of potential strategic value to COMECON states.

However, there are also political opportunities in East-West trade. Western governments quite naturally hope to capitalize politically on the needs of the command economy countries for Western technology. This results in the establishment of a nexus between foreign and commercial policies. For example, Western governments have tried to make transfers of technology to COMECON countries dependent on progress in such issues as arms limitation, the protection of human rights and the containment of various "wars of liberation." There is also a temptation to use commercial policy as a means of creating divisions within the socialist camp. For example, some COMECON countries have been admitted to the IMF and the GATT while others have been denied admission on the grounds that they are not market economies. Such a position may be logically inconsistent, but one suspects that it is politically sound.

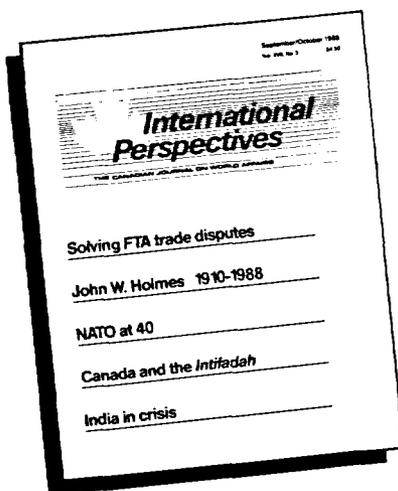
**Government involvement grows**

The economic responsibilities of Western governments in East-West commerce are also considerable. Naturally, they have had to expand normal commercial and consular activities to service and protect the economic interests of nationals in the command economy countries. Moreover, the AMECs feel compelled to monitor East-West trade closely in order to ensure that the governments of the command economy countries do not attempt to destabilize the world market economy either through debt non-payment or default, through the dumping of commodities on world markets, or through the export of cheap consumer goods from state subsidized industries. Thus, as interaction between the command and market economies continues to grow — a development which the problem of surplus capacity seems to

make inevitable — the range of government services and regulations governing the nature and extent of that interaction can also be expected to expand.

Thus we see that pragmatic responses to new political and economic developments have meant that the governments of the AMECs have been compelled by events to adopt a more activist management role in their international economic affairs. When you consider recent events in issue areas such as currency realignment, the regulation of trade, the coordination of macro-economic policies, and the monitoring of East-West commercial contacts, it becomes clear that a new Mercantilism is emerging.

However, it is apparent that this phenomenon will vary considerably from various forms of historical Mercantilism. At least two important distinctions should be made. First, the new Mercantilism entails much more than simply pursuing a current account surplus. Governments are being forced to pursue a comprehensive set of external economic policies which include external demand management, the regulation of the nature and directions of trade, and the coordination of national macro-economic policies. Second, in commercial terms the pursuit of power has been transformed from a zero-sum to a positive-sum game, that is to say, to the extent that the power of each state is in large part dependent on the stability and growth of the world market economy as a whole, each state must seek national advantage in large measure through mutual advantage. The traditional Colbertian notion that in commerce what one country gains another must lose has been superseded. What these new historical circumstances appear to require is nothing less than the cartelization of their foreign economic policies by the governments of the major market economy countries. □



The Canadian journal of independent opinion on world affairs. Published six times a year. A must for students, scholars and informed executives.

**International Perspectives**

#302-National Press Building 150 Wellington Street, Ottawa, Canada K1P 5A4

Please enter my order for *International Perspectives* as follows:

**In Canada:**

- Three years (18 issues) for \$60
- One year (6 issues) for \$25

**Other countries**

- Three years (18 issues) for US-\$60
- One year (6 issues) for US-\$25

Name \_\_\_\_\_

Address \_\_\_\_\_

My cheque/money order payable to *International Perspectives* is enclosed

Please bill

Authorized Signature \_\_\_\_\_

# Issues of interest to Canada in the US election

by B.H. Barlow

Among the large number of potential issues in the 1988 elections in the United States, which ones were particularly important for our country? How were they treated in the campaign, and why were they particularly important? What finally will the victory of George Bush mean for Canada as these issues get translated into policy? Canadians, undoubtedly, will not completely agree on what is crucial for Canada in the US political arena, but let us look at how the parties and candidates approached four broad issues that have received much attention in Canada in recent years.

These subjects are foreign policy, particularly with respect to Central America; military and NATO policy; trade policy; and policies toward the environment, especially the festering matter of acid rain. Some of these choices are obvious, some perhaps less so, for example, US foreign policy, which often affects Canada. It affects us if we send our peace-keeping troops to hot-spots where the big powers have been involved. We have not yet sent such troops to Central America, but such a development is wholly possible; what has taken place in Canada in the last decade is a tidal wave of interest in a region of which we had known little or nothing. Revolutionary movements in Nicaragua and El Salvador, and the US counterrevolutionary response of "low intensity conflict," have spurred one of the largest volumes of mail in history to Parliament Hill as well as of reports from parliamentary committees, most recently from the Bosley subcommittee.

## Defence and trade

With respect to NATO and military policy, besides the fact of Canada's membership in the alliance — which was also an issue in our own election campaign — the Progressive Conservative government has set out on a massive armaments purchase program, highlighted by plans to buy nuclear-powered submarines at a cost of several billion dollars. How, therefore, did the US political leaders see the arms race and the NATO-Soviet bloc confrontation?

As for trade, it was the main issue in the Canadian election; for the United States the debate over protectionism versus free trade naturally extends beyond the Canada-US Free Trade Agreement and involves not only other countries but also (as in Canada) domestic economic well-being. Even more than trade, environmental policy may appear to Americans as a domestic issue, but few subjects have aroused as much concern in Canada in the last decade as acid rain, the major but not the only environmental problem between the countries.

---

*B.H. Barlow is Associate Professor of Political Science at the University of Regina in Saskatchewan. He spent the autumn of 1988 in the United States observing the election campaign.*

Just as the other issues, this one points up two combined factors in Canada's relations with the US: the latter's power and its nearness. Did the campaign indicate that the United States would use this power in the conservative context of the last eight years? Three places to search for an answer were the two parties' platforms, the approaches of the two tickets, and some recent actions of the Congress.

Looking briefly at each of these, party platforms are not and cannot be binding on the elected members of the parties because of the loose and undisciplined nature of the US party system; few sanctions exist to punish a wayward member who enjoys the support of powerful special interests and constituents. The platforms, however, give some sense of party views, as do the campaign speeches and strategies. Congressional actions offer a clue as to whether these proposals will ever be policy.

## Foreign policy

What sort of policies, first of all, were put forward in relation to Central America? Neither of the parties' platform planks on the subject provided much of a surprise. The Republicans, as they have done since the 1980 convention, denounced Nicaragua as a "Soviet client state," warned of the threat to democratic progress from the "Soviet military machine and armed subversion exported from Nicaragua, Cuba, and the USSR," and stood "shoulder to shoulder" with the Contras.

In the case of the Democrats, the plank and its adoption offered a bit more interesting story. The original version of their foreign policy position denounced "undefined missions to Lebanon and Honduras" and the "consistent undermining" by the Reagan administration of the peace process set in motion by the Arias peace plan. The party's left, however, led by Jesse Jackson, got the convention to strengthen the plank by calling for an "end to support for irregular forces" (the Contras, of course) and to US efforts to get Central American governments to cease destabilizing other countries in the region. The Democrats stressed the importance of negotiations and elections over military solutions, and they denounced deals with drug smugglers, a vague reference to the financing of the Contras through such channels.

In the campaign itself, interestingly, the candidates all but ignored the subject. The best examples were the two presidential debates which almost wholly avoided the issues affecting Canada. On the somewhat related topic of the 1985 invasion of Grenada, George Bush attacked Michael Dukakis for being vague on whether or not he supported that action.

## Central America

It is not hard to understand this lack of attention. As in other countries, foreign policy rarely grabs the public interest in the

United States, except during crisis years such as Korea in the 1952 campaign, Vietnam in 1968 and 1972, and the Iran hostage-taking episode in 1980.

Besides the public attention to domestic issues, both candidates had reasons to downplay the Central America issue. In 1988 Dukakis's main concern lay in winning back the so-called "Reagan Democrats" from their 1980 and 1984 allegiances. But stressing Central America could lead to red-baiting by the Republicans; a Dukakis adviser, for example, observed that for these conservative Democrats, "It's all economy, jobs, and being tough with the Russians. Nothing else has much credibility."

On the Republican side, however, the conservative House member Henry Hyde agreed that the issue of Contra aid was "not a winner" with the public. During the last days of September the Congress showed the same reluctance to rehash the issue by passing without argument the appropriation bill for the military with only "humanitarian" aid for the Contras, leaving the problem for the new administration and Congress.

### Security questions

In the field of policy on military spending and NATO, what may turn out to be of greatest interest to Canada was a growing belief in the United States from Jesse Jackson to Secretary of Defense Frank Carlucci that the European allies have not carried their fair share in money or troops in the alliance. No reference was made to Canada, perhaps because of the Progressive Conservative government's armament plans. On the topic of NATO the Democrats have been more outspoken, enough for Carlucci to warn of "isolationism" in the United States in approaching the issue of Europe.

On the question of superpower negotiations, Bush, if anything, placed himself to the right of Reagan, arguing after the Moscow summit that the President might be going "too far" and that "The Cold War is not over." Such statements put Dukakis in the surprising position of being able to claim, in a speech on September 13, that his strong but flexible policy of dealing with the Soviets resembled Reagan's more than Bush's; the latter, however, spoke of the need to grab "opportunities for change."

### Free Trade

Shifting to subjects that Americans mostly see as domestic issues, but which Canadians closely watch, the legislation implementing the Canada-US Free Trade Agreement in the United States was signed by the President on September 28. What gained headlines, however, was a Presidential veto the same day of a bill severely restricting textile imports. Always looking for a way to make a point, the Great Communicator cleverly dealt with the two bills together to stress his ideological opposition to protectionism (modified several times in practice during the Reagan years).

More than any recent American trade legislation, including the Free Trade Agreement which finally passed with large majorities in both houses, the textile bill has pointed up the divisions in the country on trade. The problem was bigger for the Democrats. The Republican ticket and most Congressional Republicans opposed the bill. Most Congressional Democrats, however, responsive to the textile industry and to workers' fears of lost jobs, supported it, including Vice-Presidential candidate Lloyd Bentsen. Dukakis, however, took no position on the bill, reflecting the fears of some Democrats that consumers might resent higher clothing prices and that protectionism mainly protected certain business owners.

For Canada, of course, the trade issue then came to depend on the results of their own election on November 21. The continuation of the Mulroney Conservative government means that implementation will proceed as planned in early 1989.

### Environment

Canadians will want to know, finally, how the environment fared as an issue. Let us start with the most prominent issue, acid rain. In contrast to the policies of the Reagan administration, both candidates clearly stated that they would seek reductions in coal-burning emissions. In Bush's case, this position represented one of his few breaks with his predecessor. (His mild criticism of the ethics of many in the administration was another.) To bring about his goal, the president-elect promoted the development of clean coal technology that would eliminate acidic side effects. Canadians, however, should note with dismay that he refused to mention specific goals for reducing emissions.

As a Governor of a state hit by acid rain, and in response to political pressure from around the country, Dukakis put forward more specific targets. He said he would cut sulfur dioxide emissions by twelve million tons a year and nitrogen oxides by four million tons. Furthermore, he promised to cooperate more with Canada on this matter. For Canadians the differences on this issue between the tickets may have been the most important and substantial of all, with the possible exception of Central American policy.

For Canada, environmental issues in the United States go beyond acid rain. Important to us, for example, is the dispute between fishermen and oil companies over the shared and rich east coast fishery of Georges Bank. Again, as the Governor of Massachusetts, Dukakis has so far refused permission for drilling.

In the United States, of course, the environmental issue also goes far beyond acid rain; other types of air and water pollution, global warming, and toxic waste cleanups, if anything, get more publicity. Since Canada suffers from these problems too, sometimes because of American actions, we should know what the candidates proposed to do. On nuclear power Bush was more supportive; Dukakis did not forthrightly reject this controversial energy source, but stressed the role of regulation by the states and questioned the economic feasibility of many plants.

On the "greenhouse effect" and the danger to the ozone layer, both favored an international conference and reduction of offending gases. With respect to pesticides, Bush favored more development of biotechnology and a review of current regulations; Dukakis would increase the testing of pesticides, which he argued has fallen behind in the Reagan administration.

From their past actions and current positions, therefore, US environmentalists in groups such as the League of Conservation Voters preferred Dukakis to Bush, giving them grades of B and D respectively. Dukakis may have delayed too long in starting the massive cleanup of Boston Harbor (a shortcoming greatly played up by Bush), but the Vice President in 1981 angered environmentalists by supporting, as chair of the Commission on Regulatory Relief, the weakening of a number of environmental regulations, a role which Dukakis pointed out during the campaign.

### Rising above the issue

What implications can we draw from the way these issues emerged in the campaign? In the context of the 1988 election we can start with the much ballyhooed subject of image politics. In campaign speeches and appearances the candidates must raise

## What to expect

issues, however superficially, but the focus is on careful marketing of personalities. Bush, therefore, thoughtfully proclaimed himself an environmentalist as he stood before Lake Erie or Boston Harbor, as well as in the debates.

What is significant is the way in which image marketing on television, fed by money from special interest political action committees over the last fifteen years, has further weakened an already undisciplined party system; if anything, politicians in the United States now are even more dependent on such powerful interests. Even federal funding of presidential candidates has weakened the party structures by focusing on aid to particular candidates, not to the parties. (These developments, ironically, grew out of reforms designed to combat the corruption surrounding large individual contributions to politicians that pervaded the Nixon administration.)

For Canadians this development means that we must realize that, even more than in the past, the intentions of any presidential candidate, however forcefully stated or meant, can easily be ambushed by Senators and Representatives dependent on Political Action Committee money and influence. Acid rain and trade protectionism are outstanding examples of issues where such

groups can do much to shape policy.

What, then, can Canadians expect from the Bush administration over the next four years? On foreign policy issues it is a good bet that Bush will continue the confrontational, military-based policies of his predecessor in Central America. With respect to the Soviet Union, he may be even more skeptical than Reagan about the possibility of making deals. The Bush administration may put a little pressure on the European NATO allies to step up their military expenditures, and it will be pleased if the Canadian government pursues its military build-up. On trade the crucial event for Canada was the return of the Conservative government. The Bush administration would have been appalled by a defeat for the free trade agreement here.

Finally, on the environment most Canadians will probably be unhappy over Bush's vague statements on acid rain reductions and his role in the Reagan administration in weakening environmental regulations. It is true, however, that in carrying out these policies Bush must contend with a Democratic Congress; But many of those Democrats are conservative on some issues, reflecting the party's general move in that direction in the last fifteen years. □

## Those who demand first class fly BWIA.

Dignitaries. Celebrities, CEOs. Truly demanding Caribbean travelers consistently choose BWIA.

For so many reasons. On time performance. Extraordinary cuisine. Fine wines carefully selected by BWIA's sommelier. Soothing sleeperette seats with foot rests on all L1011-500 services, and adept baggage handling.

*But most importantly, BWIA builds first class passenger loyalty because of our service. Our staff anticipates passengers' needs by giving unparalleled attention to detail.*

Special attention that truly satisfies our passengers.

For reservations call your travel agent or BWIA International toll-free in Canada (except Toronto) 1-800-327-7401. Toronto (416) 283-2942.

**BWIA**  
TRINIDAD & TOBAGO AIRWAYS CORPORATION

Trinidad & Tobago · Antigua · Barbados · St. Lucia  
St. Kitts · Georgetown · Kingston · San Juan  
Caracas · Curacao · St. Maarten · Grenada

# Images of Canada in the British and French press

by T.A. Keenleyside

It has become fashionable among Canadian scholars and statesmen over the last decade or so to ascribe to Canada a status close to or the equivalent of that of a great power. Terms such as "largest of the small powers," "foremost nation" and "principal power" have been employed in this redefining of Canada's location on the spectrum of international power. In an article last year in *The Globe and Mail*, Alan Gottlieb, Canada's ambassador to the United States, carried this process still further, contending that not only is Canada by objective measure a great power, but that it "has come to be seen...as a major power with the international interests and capabilities such a term implies." While most Canadians were "very comfortable thinking of themselves as a middle power," Gottlieb was not convinced that this was any longer appropriate or desirable. Rather, he contended, it was important that we "see ourselves as others see us," as a major power (*Globe and Mail*, October 29, 1987).

## More power than "power"

Comfortable with the appellation "middle power," and recently returned from one of many lengthy sojourns abroad, this author read the above assertion of our distinguished ambassador with characteristic Canadian diffidence and skepticism. Following Canadian affairs through the French press over the preceding year had been a vexing and not very time-consuming preoccupation, and it had not yielded anything to suggest that we were seen by this one of our mother countries as anything other than a rather plodding middle power. A casual perusal for several weeks of a regional daily, *Nice-Matin*, turned up two references to Canada. One was merely a paragraph buried in a story on the annual commemoration of the liberation of the border town of Menton referring to a French-Canadian lieutenant who had given his life in the liberation and was now honored by the annual laying of a wreath at the City Hall. The other was a photograph of a proud, roguish-looking Ontarian standing beside his own personal Stonehenge, constructed from the carcasses of wrecked automobiles stood on end in a farmer's field. "Yes," the French reader could say affirmatively of Canada, "it played its dutiful part in the Second World War," and "Yes, like every other country, it has its share of kooks." Not a blank, perhaps, but a rather opaque canvas.

Conversations with the French of the area not surprisingly almost invariably disclosed an ignorance of Canada that matched this neglect in the media. Like the skis on the rooftop of the carload of Americans in August, there were many observations to gloat over — reaffirmations of the comfortable, old images of how others see us:

"D'où venez-vous? Montreal?"

"Non. Windsor."

Rien.

"C'est près de Toronto."

Rien.

"Dans la province d'Ontario."

Rien.

"A côté de Québec."

"Ah! Oui."

"Un métro à Toronto? Non!"

"Si, il y a un métro!"

"Mais, non!"

There was one proposal near the end of the year that was meant to be complimentary: a suggestion that one now write a book of French recipes to introduce English-speaking Canadians to the culinary delights of France!

## British stereotypes

Previous, protracted periods spent in Britain had been marked by a similar difficulty in following Canadian affairs in the media, a plethora of stereotypical images at the popular level and patronizing observations by elites. There were, it is true, at one time two exceptions to neglect of Canada in the British media and to concomitant ignorance, if not to negative images, of the country at the mass level. In the seventies the media assiduously followed the exploits of the former Maggie Trudeau, and every Briton seemed informed on the subject of the seal hunt — it marked Canadians as a primitive, barbarous people, too unrefined to see that the seal hunt was sin and the foxhunt sport. Arrogant dismissal has always tended to be the rule at the elite level. "You Americans come here thinking you know everything," an English professor told his appropriately modest Canadian student many years ago. "But I'm afraid that we have to prick that bubble." And when an argument was on the verge of being lost a defensive don resorted to his last winning weapon: "The problem with you is that you're not English, are you?"

These are admittedly random, subjective judgments of how Canada is viewed in its mother countries. What empirically is the perception? Does the objective record show that the media of Britain and France accord Canada both the frequency and character of coverage due one of the great powers of the international system? Or does the evidence confirm the traditional, comfortable image Canadians have of themselves as neglected and misunderstood by their mother countries? Answering these questions is important in assessing Canada's actual power, for power is contingent in part upon perceptions. The responsiveness of other countries to Canadian goals and objectives is determined to a degree by their assessments of its relative capacity to protect and advance its interests. Those assessments are also to

---

T.A. Keenleyside is Professor of Political Science at the University of Windsor in Ontario.

## Principal Power, eh?

a degree influenced by the picture of Canada disseminated by their media.

### Watching *The Times* and *Le Monde*

In an attempt to establish the contemporary images of Canada in its mother countries over the first six months of 1987, the author systematically analyzed on a daily basis *The Times* of London and *Le Monde* of Paris, not only for their coverage of Canada, but of all states in the international system. These papers were selected on the grounds that as capital city, elite newspapers, they could be expected to provide as full or fuller coverage of Canadian affairs as any other dailies within the two countries. For the purposes of comparing coverage of Canada with the rest of the world, the front and back pages and the inside foreign news pages of each issue were examined and a country was counted as a subject in a story when at least one paragraph of the item dealt with that particular state.

Over the study period, there were 5,594 stories in *The Times* and 4,502 in *Le Monde* dealing with the affairs of other countries. Of these, 66 (or 1.18 percent) dealt with Canada in *The Times* and 49 (1.09 percent) in *Le Monde*. This meant that Canada ranked 29th (tied with New Zealand and Turkey) in frequency of coverage in *The Times* and 35th in *Le Monde*. In *The Times* Canada fell just behind Zimbabwe (79 stories), Belgium (73) and Bangladesh (68), and just ahead of Argentina (63), Fiji (63) and Egypt (61), while in *Le Monde* it was behind Austria (54), Chile (52) and Sri Lanka (52), and just ahead of Vietnam (48), Ireland (45) and Peru (44). Clearly, in both papers Canada tended to be clustered with small or middle powers. By comparison, the United States, the most frequently discussed country in each paper, appeared in 1,326 stories in *The Times* (23.7 percent) and 893 (19.8 percent) in *Le Monde*, and the Soviet Union, the second most commonly reported country, in 717 stories in the former (12.8 percent) and 757 (16.8 percent) in the latter. West Germany ranked third in *The Times* (379 stories or 6.8 percent) and Iran in *Le Monde* (326 or 7.2 percent).

The frequency with which a state is discussed in the press is, of course, not alone an adequate measure of how its power and status are seen, for there is a natural tendency to focus on those countries, small or powerful, that are at the center of international controversy and to give less space to stable states not embroiled in conflict. That it received sparse attention is to some degree to Canada's credit, and the fact that countries such as Iran, Iraq, Israel, Lebanon, Libya and South Africa were accorded substantially greater coverage in both papers probably does not indicate so much that they were deemed more powerful or more important than Canada, but simply that they were seen as more newsworthy by a press preoccupied with violence and political conflict.

### Curious discrimination

Nevertheless, even allowing for this characteristic of the press, Canada was relatively neglected, for a number of states, by any objective measure less powerful than Canada and at the same time not noted for being enmeshed in major domestic and international conflicts, obtained greater attention. In the case of *The Times*, these countries included: Spain (196 stories), Italy (151), Australia (132), Greece (92), the Vatican (81), Zimbabwe (79) and Belgium (73), and in *Le Monde*: Italy (129), Spain (127), Poland (107), Algeria (94), the Vatican (80), Tunisia (77), Turkey (70), Argentina (59), Morocco (55) and Austria (54).

Another way of highlighting Canada's under-representation is to compare its coverage with that of the other members of the Group of Seven Western economic powers, since Canada's participation in that club is often cited as evidence of its great power status. In fact, in both papers, it received only about one-twentieth the coverage of the United States, one-sixth that of West Germany, one-fifth the coverage of France in *The Times*, one-quarter that of Britain in *Le Monde* and less than half the coverage of Italy and Japan in both papers.

Looking at Canada in the context of NATO powers, in *The Times* it ranked eighth in frequency of treatment and in *Le Monde* seventh. While both papers exhibited a general tendency to report the affairs of their countries' former colonies, Canada was once again relatively overlooked when coverage was compared from this angle. In *The Times*, seven former British colonies received more extensive coverage than Canada (South Africa, India, Australia, Pakistan, Sri Lanka, Zimbabwe and Bangladesh), as did four former French possessions in *Le Monde* (Chad, Algeria, Tunisia and Morocco). From a variety of perspectives, then, it is clear that in terms of frequency of coverage Canada was placed with middle and small powers rather than with the major players in the international system.

### Story content

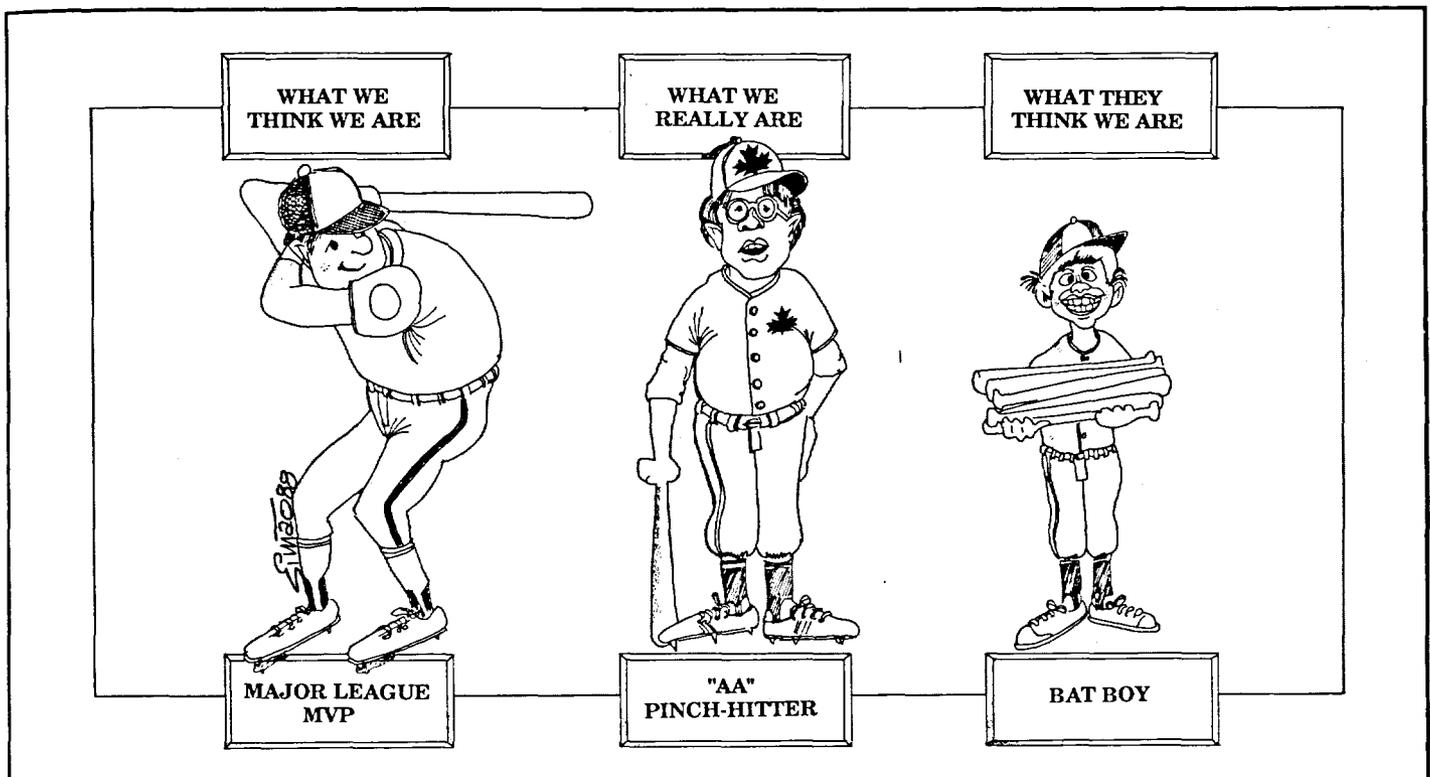
An examination of the items in *The Times* and *Le Monde* dealing specifically with Canada provides supporting evidence for the view that the press of the two mother countries has a conservative conception of Canada's position in the world and a tendency to reinforce traditional, often negative, images of the country.

When all pages of each paper were analyzed for items pertaining to Canada, 121 stories were compiled from *The Times* and 105 from *Le Monde*. While this might at first appear to indicate relatively satisfactory coverage (on average one item roughly every one-and-a-half days), it is noteworthy that over 50 percent of the items in both papers were brief (i.e., between one and five paragraphs in length) and less than 7 and 8 percent respectively were long (over fifteen paragraphs), analytical (as opposed to factual, hard news) stories. Further, items on Canada were rarely located prominently in either paper. Only three stories made it to the front page of *The Times*. One pertained to the discovery of an unidentified stash of \$3 million in three suitcases in the waiting-room of a British Columbia hospital, another to the engagement of the Earl of St. Andrews to a Canadian, and the third was a 3-paragraph reference (in a much longer article on the G-7 meeting in Venice) to Prime Minister Mulroney's hope for a separate statement from the conference on the South African situation. *Le Monde* had only four front page items, but they were more serious and detailed. Two pertained to President François Mitterrand's 1977 official visit to Canada, and two to the conclusion of the Meech Lake constitutional accord. Neither paper had a single editorial or Letter to the Editor related to Canada.

Stories were predominantly in the inside foreign news pages, although a good deal of *The Times'* Canadian coverage (19.8 percent) was in its sports section. Curiously, more of these stories pertained to rugby than anything else — reports (largely of defeats) of touring Canadian teams, an odd image of Canada's place in international sport. Hockey, skiing, the impending Calgary Olympics and the snooker exploits of Cliff Thorburn — probably the best known Canadian in Britain — were, however,

not ig  
dece  
nine  
pape  
telling  
Can  
A  
tende  
ment  
great  
balan

Mos  
In  
dom  
igna  
the  
Lak  
com  
othe  
whil  
disc  
to th  
nine  
Wh  
rela  
tion  
reas  
tem  
pow  
(  
nati  
nur  
mo



not ignored. Next to jocks, *The Times* was most interested in the deceased. Over the 6-month period, there were no fewer than nine obituaries on prominent Canadians. Could this illustrious paper, a paranoid skeptical Canadian naturally asks, possibly be telling its readers that the only good Canadian is a dead Canadian?!

After inside foreign news, coverage of Canada in *Le Monde* tended to be in the business/economic, travel and arts/entertainment pages. In all three sections, its coverage was substantially greater than that found in *The Times*, reflecting its generally more balanced and serious treatment.

#### Mostly domestic

In both newspapers, the stories on Canada tended to be domestic in nature. The scandals leading to the dismissals or resignations of various cabinet ministers, the declining fortunes of the Progressive Conservative party in the polls and the Meech Lake talks were the dominant subjects. Quebec politics were also commented upon fairly frequently by both papers, but events in other provinces received scant attention. Even in *The Times*, while fifteen pieces dealt at least in part with Quebec, only three discussed developments in Ontario. This orientation carried over to the municipal level as well; Montreal appeared as a subject in nine items altogether in the two papers and Toronto in only two! While *Le Monde* devoted fuller attention to economic subjects related to Canada than *The Times*, neither gave the sort of attention to Canadian business and financial affairs that one might reasonably have expected were Canada perceived to have an international economic status even approaching that of the great powers.

Only about half as many items dealt with Canada in an international context as in a domestic one, and in each paper a large number pertained to Canada's relations with that particular mother country. In the case of *Le Monde*, 76 percent of its cover-

age of Canada internationally was in terms of the Canada-France relationship, with the fisheries/territorial dispute off St. Pierre and Miquelon and the Mitterrand visit to Canada being the dominant themes. Canada-US issues arose on eight occasions in *The Times* and three in *Le Monde*. In so far as Canada's wider international role is concerned, there was very little treatment in either paper. There were four references in *The Times* and one in *Le Monde* to Canadian human rights preoccupations, mostly with respect to South Africa, and one piece in *The Times* and three in *Le Monde* touched on Canada's role in Third World development or in the provision of credit to other states. An additional six articles in *Le Monde* discussed Canada's role in la Francophonie, mostly with respect to the impending francophone summit in Canada in the autumn of 1987.

#### Canada in international stories

In so far as the major international conflicts of the day were concerned, the subject of Canada arose only peripherally — never in terms of its playing a significant role, as a mediator, peacekeeper or otherwise. Each paper recorded Canada's refusal to give diplomatic accreditation to an Israeli general associated with the 1982 massacre in the Palestinian refugee camps in Lebanon and the apparent killing of a Canadian freelance reporter while accompanying Contra forces in Nicaragua. *The Times* noted the presence of demonstrators on Parliament Hill, concerned about Central American and other issues, during a visit by President Reagan, and *Le Monde* of pro-Armenian demonstrators at the same location and outside the Turkish embassy in Ottawa. *The Times* also discussed the case of the Canadian reporter who fell to his death from the roof of a government-run guest house in Tripoli, overcome by depression, according to Libyan authorities, after seeing pictures of the injured survivors of the US bombing raid on Tripoli. Such was the view presented to the readers of the two

## Principal Power, eh?

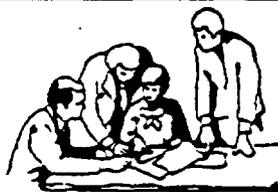
papers of Canada's place in the major international conflicts of the day!

No items addressed directly the question of Canada's international status, but there were a number of passing comments that suggested its position was seen as a modest one. For instance, the subject of Canada's challenging problem of managing its relationship with its "powerful neighbor" arose on several occasions, as did the importance to Canada of its relations with the European states as counterweights to the United States. There was also some discussion, in the context of the release of the defence White Paper, of Canada's limited military capability, including its inability to protect its sovereignty in the Arctic against potential Soviet and American encroachments. On a more positive note, *The Times*, on one occasion, pointed out that while Canada had only half the population of the United Kingdom, its economy was 80 percent the size of Britain's, while *Le Monde* applauded the increasingly active role of Canada in la Francophonie, observing that along with France and Belgium, it was one of the principal financial supporters of the various projects of the francophone states.

*Le Monde* also exhibited a penchant for pointing to areas where Canada ranked first worldwide. A careful and thorough reader of its pages daily would thus have learned that Canada had the longest coastline of any country; was going to build the largest icebreaker in the world; was the home of the No.1 producer of spirits (Seagram); the biggest hydroelectric company (Quebec Hydro); the largest rodeo (the Calgary Stampede); and the grandest of all skating rinks (the Rideau Canal). At the municipal level, lower finishes were also reported in both papers. Readers were told that Montreal was No.2 in the fur industry after Frankfurt, and No.3 in port traffic on the east coast of North America, while Toronto ranked as the third financial center of North America and had one of the world's best collections of the works of Henry Moore! Overall, the two papers' coverage of Canada certainly did not suggest that it was regarded as playing a particularly prominent role on the world stage.

### Ouch!

The old, stereotypical and negative images of Canada also abounded. There were frequent references to youth, size, the cold, wilderness and desolation. *The Times* started one generally laudatory piece on Canada with the comment "Canada is far more widely known for its Mounties, mountains and moose than it is for its arts."



**NOTTAWASAGA INN**

When great minds meet they choose the  
Nottawasaga Inn Convention Centre  
and Golf Course . . . Naturally  
Box 1110, Alliston, Ont. L0M 1A0  
Book Your Convention Now!  
Call (416) 364-5068

Altogether, ice hockey featured in seven articles in the two papers. *Le Monde* published two lengthy pieces which emphasized the passion of all Canadians for the sport; one of them discussed hockey violence and asserted that the game had suffered a certain decline due to its bad reputation. *The Times*, for its part, on two occasions informed Britons of the brawl between Canadian and Soviet players in the world junior championship in January and of the surprising defeat of Canada by West Germany at the world championships in April.

### Serious politics

While the Meech Lake accord led to articles discussing the political reconciliation of Quebec with the rest of Canada, Canadian disunity remained a persisting theme. *The Times*, for example, pointed to the vast regional differences within Canada and the separate ties of each area to the United States. It was remarkable, the paper opined, how, whenever the crunch came, the country managed to hold together. The risk of further splintering of the country as a result of the Meech Lake agreement was also discussed in both papers with emphasis placed on the opting-out provisions that could affect the unity of economic and social programs across the country. The January 1987 court decision upholding the right of shopkeepers in Quebec to display signs in English as well as in French was reported first as sparking violence in Quebec and later as giving a new life to hard core separatists. In April the emergence of a new separatist party in Quebec was announced, and in June the Parti Québécois convention was seen as signaling a return to a harder line, as the PQ rededicated itself to the goal of separating Quebec from the rest of Canada.

### And culture too

In what would seem a departure from traditional images of Canada, both papers had some positive things to say about Canadian culture, especially about writers. However, these were offset in *The Times* by other, equally negative, observations. Two reviews of opening night performances of Les Grands Ballets Canadiens in London provoked such comments as a "ragbag of steps" and "this nonsense," while the critic concluded his second piece with the haughty remark, "On this week's evidence, Canada is not the home of great costume design." Margaret Laurence, Alice Munro, Margaret Atwood and Robertson Davies were all lauded for their literary accomplishments, but still, in discussing their work, well-worn and unflattering images of Canada were portrayed. In its obituary of Margaret Laurence, for instance, *The Times* declared, "She wrote before her time, while Canada was still culturally provincial" and her heroines reflected "the great country that has so long been in search of a national identity. It is not surprising that provincial Canadians found her disturbing." Similarly, in describing Alice Munro's characters, *The Times*' reviewer resorted to the stereotypical observation, "They are very ordinary, very provincial, very Canadian people."

In sum, a 6-month, systematic analysis of British and French press coverage of Canada did disclose, as the above description indicates, the presence of some thoughtful and informed articles, written largely by the two papers' correspondents located in Canada and principally about domestic Canadian developments. Rarely, however, were these pieces located prominently in either paper and they were overwhelmed in numbers by short, relatively trivial items. Only an assiduous daily reader of either paper from the front to the back page would have uncovered them all and thus developed even the incomplete picture of Canada which each paper offered its readers. □

# Out of steam? Mulroney and sanctions

by Kim Richard Nossal

One of the most dramatic changes in foreign policy since the Progressive Conservative government of Brian Mulroney came to power in September 1984 has been in Ottawa's approach to South Africa. Even staunch critics of Canada's South African policies seem to agree that the policies embraced by Mulroney overturned or abandoned the cautious and anti-sanctionist approach that had been the mark of each postwar government down to 1984. Instead, the Conservative government engaged in an active attempt to put pressure on the South African government, an approach that had at its core the embrace of sanctions. However, after two years of anti-apartheid diplomacy, it seemed to many analysts and activists that the government's momentum had been lost, that it no longer was taking the initiative, that it was backpedaling on its earlier promises to break all relations with South Africa, that, in short, it had run "out of steam" (to use the cliché of choice for describing Ottawa's present policies towards South Africa). Significantly, even Stephen Lewis, who as Canada's permanent representative to the United Nations had played an important part in the Mulroney government's diplomacy, would complain publicly on his retirement in August 1988 that the issue appeared to have lost the importance to the government that it had had in 1985.

Is it accurate to portray the Mulroney government as "out of steam" on the South African issue? On the one hand, there can be little doubt that after the Commonwealth Heads of Government meetings in Vancouver in 1987, there have been few new Canadian initiatives, and the issue has appeared of only sporadic interest to the Prime Minister and his Secretary of State for External Affairs, Joe Clark. On the other hand, it is not clear that this represents a loss of interest or impetus on the South African issue. Rather, it can be argued that by 1988 the government had indeed slackened the pace, not for lack of interest, but because of a recognition that maintaining the logic of increasing pressure on South Africa would have led the Mulroney government into policies that would be, for Canada, quite radical, involving implications well beyond the willingness of the Prime Minister to countenance.

## Loss of steam?

To assess the "loss of steam" argument, one must begin with an examination of the changes to Canadian policy introduced by the Mulroney government in the summer of 1985 and the assumptions that underlay them. These changes, beginning with the economic and other sanctions introduced by Joe Clark on July 6, marked a substantial shift from the traditional Canadian approach to apartheid, which had been rhetorical denunciation of the institutionalized racism in South Africa, but with a commitment to maintain normal diplomatic and commercial relations with Pretoria. If previous governments had placed a premium on

what has been called a "business as usual" approach, the Mulroney government left us in little doubt in the summer of 1985 that it had no commitment to maintaining such ties. Following the imposition of the state of emergency in South Africa in July, the government invoked further measures in September, promising that if an end to apartheid were not forthcoming, Canada would invoke "total sanctions" and "end our relations absolutely." Indeed, there is widespread agreement among observers and officials in Ottawa that the prime minister and his external affairs minister have a personal, almost visceral, antipathy for apartheid and a disdain for the "business as usual" approach that in its essence involves an acceptance of institutionalized racism. Likewise, if previous governments had been willing to let others take the lead on the South African issue in multilateral forums, that Mulroney government adopted a highly active role at the biennial Commonwealth meetings and the annual Economic Summits in an attempt to rally multilateral support to put pressure on Pretoria.

If this approach marked a significant change in how a succession of Canadian governments prior to 1984 approached the South African issue, it was nonetheless based on a particular logic that would doom it to appear to "lose steam" the longer that it was in place. For the Mulroney government's policies towards South Africa since the summer of 1985 have been premised on one key assumption: that South Africa can be coerced or forced by non-violent means, into abandoning apartheid. The attachment to the logic of coercion can be seen in the government's rejection of the primary alternative to the status quo, that is, symbolic statecraft. However much it was dissatisfied with the cautious policies of its predecessors, the cabinet rejected what might be thought of as the "fire all of your guns at once" approach to relations with South Africa.

## Single grand gesture?

This view, advocated by many anti-apartheid activists and both opposition parties, holds that Canada should embrace the single grand gesture, terminating diplomatic relations, and imposing a unilateral total ban on the movement between the two countries of anything that could be directly controlled by Ottawa — goods, services, capital, technology, communications and people. Of course, such a single-shot blast, however satisfying emotionally, and however important it would be in terms of the signal sent to the non-whites in South Africa and to other states, has symbolic but little instrumental value as far as apartheid is

---

*Kim Richard Nossal is a Professor of Political Science at McMaster University in Hamilton, and the author of **The Politics of Canadian Foreign Policy** and a number of articles on economic sanctions.*

## Easing the pace

concerned. In other words, such Canadian measures would have no concrete — or instrumental — effect on the structures of institutionalized racism. They would not cause those in South Africa committed to the maintenance of those structures to abandon them, and would be unlikely to cause other governments whose concrete interests commit them to normal relations with Pretoria to adopt sanctionist positions. Moreover, the single grand gesture, eliminating as it does all the non-violent tools of coercion from one's repertoire in one stroke, reduces Canadian options considerably, for the only other guns left to fire are the real variety.

The Mulroney government rejected this approach in 1985, and in the years since. It opted instead for a coercive approach to sanctions that was marked by a step-by-step, gradualist policy of both applying hurtful or disruptive measures, and threatening to increase the hurts if South African behavior did not change. In particular, both Mulroney and Clark held out the "grand gestures" — terminating diplomatic relations and imposing a total trade ban — as threats that they would have no difficulty im-

plementing at some point in the future. The government also proceeded on the assumption that Canada, acting alone, has less capacity to hurt South Africa economically than if the actions were multilateral. Thus emphasis was placed on trying to secure multilateral support for the threat, or imposition, of such hurtful measures, particularly in the Commonwealth and at the Economic Summit.

### When it doesn't work

However, embracing the instrumental purposes of sanctions against South Africa, and thereby rejecting the symbolic approach, brings with it a particular logic that forces the sanctioner to confront the consequences of his sanctions on the behavior of the target. In particular, what happens when the hurtful measures imposed — and those other hurts promised for the future — do not have the intended effect of changing South African behavior? The logic of gradualist coercion requires new sanctions and new threats. In other words, faced with intransigence, the logic suggests a 3-fold response: (1) the maintenance of the original measures; (2) the imposition of previously threatened measures; and (3) threats of new hurtful measures that would follow if the target failed to comply. If one starts the sanctioning process with a large number of possible hurtful measures, one can go through this cycle several times against a strong or intransigent adversary who refuses to change his behavior. And indeed this is precisely what the Mulroney government has been through, as each attempt to use hurts, imposed or threatened, to move Pretoria has met with little but scorn and intransigence.

There are, however, limits to the gradualist cycle. The first is that one's repertoire of hurtful but non-violent measures is in fact finite. Between 1985 and 1988, Canada invoked well over twenty-five different measures designed either to hurt South Africa or to weaken the structures of apartheid, the last one being a tightening of the ban on sports contacts in August 1988. To be sure, the bag of possible hurtful measures is not yet empty. For example, Ottawa could impose a complete ban on travel by Canadian citizens to South Africa and a concomitant ban on the admission of South Africans to Canada, or an embargo on all telephone, mail and telecommunications traffic to and from South Africa over which Ottawa has control. It could pass legislation requiring any public institution receiving federal funds, directly or indirectly, to adhere to the same internal purchasing rules now applied to the federal government; or refuse to engage in contract work of any sort with Canadian firms or multinationals with indirect holdings in South Africa. Or, using the well-worn Canadian technique of imposing taxes on things considered sinful, Ottawa could institute a special "anti-apartheid" surtax, levied through the personal income tax system, on dividends received from Canadian (and even foreign) firms operating directly or indirectly in South Africa (the proceeds from which would be directly added to the embassy-administered Canada Fund in Pretoria).

It could also make good on its promise to embrace the "grand gestures" — the termination of diplomatic relations or total trade sanctions. But if the South African government remained steadfast in the face of these or other Canadian measures — and there is no evidence to suggest that it would not — eventually Canada would simply run out of hurtful measures that did not involve the encouragement of violence or the use of force itself. The logic of coercion draws the sanctionist inexorably to violent measures when non-violent measures fail to coerce.

For us flying to South America is an  
everyday experience

For your passengers  
it's an unexpected pleasure

We depart for Santiago every Monday and Saturday from Montreal. Daily from Miami. Six days a week from New York. And direct from Los Angeles every Friday. So for us flying to South America is nothing unusual.

But for your passengers, any Lan Chile flight is a special occasion. Because unlike other airlines, we never skimp on service. Regardless of the class of service they use.

In Coach, Business or First Class, they'll enjoy complimentary Chilean wines and cocktails. Free movies. And inflight personnel who treat them like travelling dignitaries.

If your clients are heading for Chile or other major South American destinations, book them Lan Chile.

For information and reservations  
call Lan Chile Airlines.



DRI: 11960

TEL.: (514) 397-0079

### Powerful sanctions work

The second limit to gradualist coercion is the position taken by other states. If sanctions are to have instrumental effects, then it is necessary to gather appropriate support. The notion that economic sanctions do not "work" is pervasive, but entirely unwarranted. South Africans themselves understand only too well how economic tools of statecraft can be used to bend others to your will — the present government in Lesotho is testament to the "effectiveness" of economic sanctions. Likewise, the impoverished condition of Vietnam at the end of the 1980s, and Hanoi's evident eagerness to end those sanctions, demonstrates nicely how sanctions can "work." What is needed for "successful" sanctions is power, and in the case of South Africa, it is commonly thought that if only those states with substantial economic stakes in South Africa were on side, the power to bend Pretoria to the outside world's will would be there. Thus, the Canadian government has moved to gather that power by seeking the support of Britain in the context of the Commonwealth, and the United States, Japan, Germany, France and Britain in the context of the Economic Summit. This aspect of Canadian policy has not been successful, though certainly not for lack of trying: the economic great powers have proved singularly unresponsive to Canadian entreaties, and Mulroney himself has now been rebuffed twice at the Commonwealth and most recently at the Toronto Summit in June 1988. The other leaders remain adamant: sanctions do not work, or sanctions hurt the blacks, or sanctions would be inappropriate in the circumstances. From this general line, the leaders of the great powers have not moved since Mulroney's first summits in 1985. (Indeed, judging from her demeanor at press conferences, Margaret Thatcher takes great personal delight in being able to brush off the importunities of others for stiffer British sanctions.)

### "What do I do after I do...?"

Graduated coercion is thus increasingly blunted as time passes. With each new measure there are increasing costs to any government which imposes them. A ban on the sale of Krugerrands, for example, is easy to impose, with few external or domestic costs; the same could not be said of a complete travel ban, a surtax on South African-tainted dividends, or a disruption of mail and telecommunications. Each of these measures could be expected to generate significant opposition, both within Canada and in the international community. More importantly, however, with each partial measure, Ottawa creeps closer and closer to the penultimate policy dictated by this logic of coercion — the "grand gestures" of a "total break" in diplomatic and economic relations. And once those are embraced, and produce no result, the logic of coercion suggests that the only other option left is to threaten to use the ultimate weapon — armed force. And while Mulroney and Clark have taken a line completely unlike all their predecessors on the use of force as a means of ending apartheid in general, they are extremely unlikely to embrace it as a realistic option for Canadian statecraft against South Africa — at least not under present circumstances. In short, it appears that as the number of non-violent options dwindles, Ottawa's enthusiasm for proceeding at full steam diminishes correspondingly.

### Alone and impotent

But the second limitation — the attitudes of other states in the international community — also causes a loss of ardor. Mulroney's activism, and his government's willingness to embrace concrete sanctions, have been well received by all Common-

wealth countries but one (Britain), and by black African states generally. But in other circles, notably among the other members of the Economic Summit, Canadian activism on the South African issue is less well regarded, and puts the maintenance of Mulroney's influence in summit circles in some jeopardy. First, there is the general problem of keeping the South African issue alive at the Summit year after year. Only very small children delight in playing the same song again and again...and yet again. Most others grow tired of repetition, particularly when they do not like the song in the first place. As the cases of Korea, Vietnam and Central America demonstrate, Canadian governments have tended to recognize that a small power's general influence diminishes in direct proportion to the number of times it expresses a specific objection to a greater power's policy, and that there is wisdom in not playing an unpalatable tune *ad nauseam*.

At the economic summit, Canada's position on South Africa is well known, and has been basically rejected by the other members. There is thus little mileage for Mulroney, who has other concerns to press at these meetings, to sermonize and push Canada's position on South Africa on the other members. Second, there is the related problem of what impact Canada's policies on South Africa have on others' perceptions of Canadian "dependability" and "soundness." According to some officials, Mulroney's willingness in 1985 to espouse a total break with South Africa as a means of levering Pretoria into accelerating the abandonment of apartheid created the impression among other leaders that Mulroney was diplomatically immature and unrealistic. If indeed Canada unilaterally embraced a total ban, it is argued, Mulroney would merely confirm that suspicion, with the result that at future summits he would be dismissed more readily as a lightweight, and lose the capacity for exercising influence in other areas of concern. According to these officials, it is this concern, more than any other, that has deterred the Mulroney government from making the "grand gesture" and carrying through on the threat to break all relations with South Africa.

### Losing ardor

Viewed in this way, it can be argued that what we have seen since the Vancouver meetings has not been a loss of steam but rather a slowing in the pace of Canada's sanctionist policies. Such a slowing is the result neither of "sanctions weariness," as some have suggested, nor of a change of heart by either Mulroney or Clark about the appropriateness of the coercive approach. Indeed, there is little evidence that the prime minister and his external affairs minister are any less committed to sanctions as a means of bringing apartheid to an end, or any less visceral in their attitudes towards South Africa, than they were in the summer of 1985 when they launched themselves into this issue. Rather, I have argued here that such a slowing is the result of the original set of instrumental assumptions that appear to have been employed at the outset, and the dwindling ardor that will set in as one's potential instruments are increasingly narrowed to exceedingly costly — and eventually bloody — techniques of statecraft. Such a slowing, I have argued, is also the result of the attitudes of others, and the importance that any Canadian prime minister must attach to how he is regarded by others. In sum, given the negative effects that "ratcheting up" Canadian sanctions would have on Mulroney's influence in summit circles, and given the increasing costs of the dwindling number of coercive measures available to the government, it is little surprise that Ottawa has sought to ease the pace of sanctions at this point. □

# India-Pakistan normalization

by Ashok Kapur

The Indo-Pakistani diplomatic and military rivalry is one of the most intense in modern international relations. It has led to four wars: Kashmir (1948); Rann of Kutch (1965); Kashmir and the India-Pakistan front (1965); and Bangladesh (1971). Since 1984 the two countries have clashed repeatedly in the Siachen glacier at 6,000-7,000 meters. Both are diplomatic rivals on the world stage and they clash on disarmament, nonproliferation, Gulf security and Afghanistan policy issues. Both are rivals in South Asia as well. They disagree on issues about India's relations with its neighbors and about small states' security. Both continue to arms race the other. Their visions of regional order clash. India seeks an Indocentric order based on secularism, democracy, nonalignment and acknowledgment of Indian primacy. Pakistan seeks an Islamic order that is based on opposition to "Hindu imperialism" and "Soviet expansion."

With a terrible legacy of military, diplomatic and cultural conflict which spans almost sixty years, is it realistic to speak of Indo-Pakistan normalization? My contention is that out of the crucible of military and cultural conflict, consciousness of the need to normalize bilateral relations has emerged. The policy constituencies on both sides are moving incrementally towards normalization because evolving interests and changing attitudes are driving the normalization process. What are the elements in terms of mental outlooks of the elites, the domestic and external circumstances on both countries, the motives and the methods which are creating a trend towards normalization? What has been the pattern of development of Indo-Pakistan relations in the last 40-odd years? What are the current issues on the policy agenda? Finally, what are the prospects of normalization in a post-Zia Pakistan and in Rajiv Gandhi's or post-Rajiv India?

## To become normal

To "normalize" means (1) to act according to established norm, not to deviate from established rule or principle, and (2) to destroy the coarseness and strains in a relationship. The established norm in modern, say in East-West, relations as well as in Indo-Pakistan relations has been to use war, war preparation, military threats, economic measures, intrigue, cultural propaganda, alliance activity, diplomatic talks and peace offensives in inter-state relations. Specifically in the Indo-Pakistan context, the established norm has been to go to war, have a cease-fire, then go through a cold war and prepare for the next war. Thus, there were seventeen years of cold war after the 1948 Kashmir campaign; there were six years of cold war after the 1965 encounters; and finally, another seventeen years after the 1971 war. In the first meaning of "normalization" the ups and downs in Indo-Pakistan relations are normal.

*Ashok Kapur is Professor of Political Science at the University of Waterloo in Ontario.*

However, it is in the second meaning of "normalization" that my analysis is developed. Indo-Pakistan normalization is now intended to reduce the strains in the relationship and to develop positive and institutional links at the inter-governmental and societal levels. But the history and the process which has developed thus far has nothing to do with the situation and thinking back in 1953 about Indo-Pakistan affairs. In August and September of that year Indian Prime Minister Nehru was willing to agree to a plebiscite in Kashmir and to risk losing the Kashmir valley to Pakistan or to allow it to acquire an independent or buffer status. At that time this approach was frustrated by US arms aid to Pakistan. This is the view of diplomatic practitioners as revealed by Escott Reid in his 1981 book *Envoy to Nehru*. Here normalization required a major Indian concession to Pakistan and to world public opinion. Here the judgment was that such a concession would have led to an Indo-Pakistan "settlement," for in this sense a settlement was the measure of normalization. After the failure of this move, from 1953 to 1971 Indo-Pakistan relations moved in a cycle of war to cease-fire to cold war to war. It meant a relationship of conflict and expectation of perpetual conflict rather than an expectation that strains in the relationship could be eliminated.

## Seventeen years of progress

Indo-Pakistan normalization moves have gained ground since 1971. They do not look to the 1953 solution and they reject the premises of North American thinking of the 1950s about Indian foreign policy and Indo-Pakistan affairs. Escott Reid, Canadian High Commissioner to India from 1952 to 1957, contends that Indian foreign policy had failed "since India had failed to achieve the most important goal of any realistic Indian foreign policy, the establishment of good relations with Pakistan." Reid also asserts that "It is reasonable to place the greater share of the responsibility for failure on India, since India is about five times as important as Pakistan" and it had a stable and popular government under a "leader of genius" (Nehru). Finally, says Reid, the stumbling block to "good" Indo-Pakistan relations was Kashmir.

In Indian thinking the most important Indian aim was not "good" Indo-Pakistan relations. Rather the central aims were, first, to strengthen Indian *territorial unity* by bringing border areas under effective government control and by defeating secessionist pressures; second, to maintain the *integrity of India's political system* by strengthening the democratic institutions and by repudiating the religious coloring given to politics in Kashmir and in Pakistan; third, to develop Indian economic and military strength, as these were the prerequisites for successful diplomacy in modern times, that is, to negotiate from a position of strength and to make no unilateral concessions. Here the prem-

## A will to end hostility

ise was that Kashmir was a symptom, not the cause of Indo-Pakistan conflict. The conflict was the result of historical and cultural conditions and interests that preceded Kashmir. Unless these causes were understood and settled, Indian concessions to resolve the Kashmir controversy would induce demands for further concessions on other issues in the future.

A fourth Indian aim was to defeat foreign intrigues which were calculated to contain Indian power. Here the premise was that the creation of Pakistan itself was the result of British intrigue; and Pakistan's hand in Kashmir and in Indo-Pakistan affairs was being strengthened by the USA after 1949. Finally, India sought a meeting of minds between Indians and Pakistanis so that a bilateral dialogue could emerge and the growth of peace thinking in the two countries could pave the way to eventual *reciprocal concessions* in the future.

### New elements

Today the Indo-Pakistan normalization process is still driven by these elements in Indian thinking and by a number of changed circumstances and developments at the international, regional and domestic levels which affect Indo-Pakistan affairs. I shall deal with four of them.

1. Indian conceptions of an Indocentric regional order crystallized after the 1962 debacle and especially after Nehru's death. Nehru ran Indian foreign policy as a one-man show. His approach to unilateral concession to Pakistan on the Kashmir issue was vulnerable to internal political vetoes, especially from the Indian right. Since Nehru died, a national consensus on foreign and military affairs has taken shape and it has accommodated the views of the Indian right. Such a consensus is a necessary but not a sufficient condition for Indo-Pakistan negotiations. As India's strength has demonstrably grown, Indian elites are better able to consider accommodating Pakistani concerns.

2. Since 1971 Pakistan has gradually abandoned the military option to wrest Kashmir by force and to equal India militarily. This is a sea change in the Pakistan government's policy and Pakistani experts continue to urge more re-thinking in Pakistan along these lines. The 1948 Kashmir campaign was launched by M.A. Jinnah in the belief that military force and Western diplomatic pressure could change the Kashmir status quo. The move failed but Pakistani elites learned nothing positive from the experience. On the contrary, the lesson was that "next time" the military option would succeed. The Ayub Khan/Z.A. Bhutto approach in 1965 led to another attempt to change the situation by force. It too failed. It dented Pakistani self-confidence because Indian Prime Minister L.B. Shastri changed Indian military behavior by ordering Indian forces to attack Pakistan so as to relieve the pressure on Kashmir. But 1965 was also seen as a draw by Pakistanis, and their faith in the military option and the prospect of Hindu defeat remained alive. In 1971 Pakistan again exercised the military option against East Pakistani Bengalis and it took the 1971 war to change their faith in the military option. It had taken three wars to change Pakistani thinking. Now fear of future punishment induced caution.

### Cooler superpowers

3. The relations among the great powers have relaxed into détente, a non-interventionist mode with a reluctance to expand their presence in South Asia. (The exception was the Soviet invasion of Afghanistan in 1979.) This pattern emerged after 1965,



the last time the superpowers tried their hand at concerted action to keep Indo-Pakistan peace. Furthermore, since the 1970s there has been a reluctance on the part of USA, USSR and China to take on regional powers such as India, Iran, Israel, Vietnam and South Africa. Partly this reflects the international trend of US-Soviet, Sino-Soviet and Sino-US normalization activities. Partly it reflects a recognition by China that if it is seen as exerting military pressure on the subcontinent, countervailing action by the other powers is likely, as in the 1962 India-China fight. Partly there is a belated recognition by US elites that they can arm Pakistan but they cannot balance India because it has other outside help. Finally, there is a sense that South Asia and the Indian Ocean are peripheral to international security concerns which center on Europe and the Northeast Asia/Pacific zone. The changed international and regional context means that international rivalries and pressures have a minimal role in South Asia and South Asia is less integrated into East-West relations (except on the Afghanistan issue). There is also a greater acceptance of the regional reality of India's ascendancy over Pakistan.

4. The fear (except by Pakistan) of India's fragmentation into small South Asian states reveals a convergence of interests and thinking among India and its smaller neighbors. This fear is parallel to their concern about Indian insensitivity about small states' interests in the region. The common ground here is that if India breaks up, the future of Sri Lanka and Nepal would be bleak. This fear was the point of convergence between India and Sri Lanka in the 1987 Accords and the peacekeeping mission.

**No longer close to war**

These changes are subtle and fundamental in style and substance. The Indo-Pakistan relationship now is *not* one of fighting, followed by cease-fire followed by preparation for another war. The history is no longer cyclical. Rather each military crisis has induced re-thinking on both sides and a change in the bilateral power relationship. Since 1971, despite the controversies about US arms to Pakistan, Pakistani and Indian Afghanistan policies, Pakistan's clandestine nuclear program, Siachen fighting, Indian subversion of Sind, Pakistani subversion of Punjab and aid to Sikh terrorists, "Indian hegemony" and so on, the two sides have never been close to a war. It must go to the late President Zia-ul-Haq's lasting credit that despite his military background, his anti-India actions on Kashmir and Punjab and his constant quest for US arms against India, he was never tempted to exercise the military option. The contrast between General Zia-ul-Haq and his predecessors — M.A. Jinnah in 1948, Ayub Khan and Bhutto in 1965, and General Yahya Khan in 1971 — could not be more revealing. General Zia-ul-Haq was cautious and understood Indo-Pakistan military realities. And India knew that he did.

The important point to consider is that despite serious Indo-Pakistan controversies the normalization dialogue has never been lost since 1971. Its principle was laid out in the Simla agreement (1972) which requires conflict management and resolution on a bilateral and a peaceful basis. Neither country has repudiated the Simla accord, despite changes in leaders on both sides. In 1985 they even came close to developing positive linkages in economic, political and military affairs. On December of that year, Rajiv's India and Zia's Pakistan agreed on a time-bound program of action. This had eight components: (1), Indian and Pakistani finance ministers were to meet in January 1986 in Islamabad to consider agreements on the expansion of trade and economic relations; (2), the foreign ministers of the two sides were to meet in Islamabad in January 1986 to continue discussion on a comprehensive treaty of peace and friendship and other bilateral issues; (3), four subcommissions were to meet in early 1986 to finalize their work, and this was to lead to a meeting of the full subcommission by February 1986; (4), both sides agreed to work out the agreement on the non-attack of nuclear installations; (5), a cultural agreement was to be signed by the two countries; (6), as the culmination of the normalization process the Indian Prime Minister was to visit Pakistan; (7), the defence ministers of the two sides were to meet in Pakistan in January 1986 to discuss the Siachen issue; and (8), President Zia-ul-Haq indicated that the Kashmir issue would be put on the backburner.

**Trying trade**

This time-bound program failed, but the discussions on these issues have continued. In India's approach the key device for normalization was trade, and Pakistan's attitude to Indo-Pakistan trade revealed its political attitude to India and to Indo-Pakistan normalization. India's approach to economic relations with Pakistan was also politically motivated rather than governed by commercial considerations. With this in mind India granted most favored nation treatment to Pakistan and argued that since Pakistan gave this status to Japan, and since India was a lesser commercial threat to Pakistan than was Japan, India should receive reciprocal treatment.

Pakistan balked on the trade question and instead gave negative political signals. In early 1986 the Pakistan Muslim League,

whose President was Prime Minister Junejo, then a Zia man, passed a resolution with two requirements. The first was that there was to be no normalization in Indo-Pakistan relations until the Kashmir issue had been settled (this contradicted President Zia-ul-Haq's stand with Prime Minister Rajiv Gandhi in Delhi on December 17, 1985). The second was that Pakistan should wait and not open up trade with India because it would swamp the Pakistan market. (Here apparently Pakistani business middlemen preferred to sell higher cost imports rather than cheaper Indian imports because their fee was higher.) A few days after the December meeting the Kashmir issue was raised in international meetings. Many of the proposed meetings were held but without any political drive, and hence no agreements were reached or signed. But the framework of negotiations remained intact.

In mid-1988 Pakistan's approach to the critical trade issue crystallized. Pakistan's finance minister agreed to imports of Indian raw materials and semi-manufactured goods but did not accept trade in Indian manufactured goods. This was a slight improvement in Pakistan's attitude but it was not enough to cause a breakthrough. But the dialogue is still on, not only between India and Pakistan, but more importantly within Pakistan government and society. It concerns the need to build the peace constituency in that country which would aid the cause of Pakistani social, economic and political development, as well as stabilize external relations with its neighbors.

**Cloudy and fragile**

What about the future? With uncertainty in Pakistan's politics after President Zia-ul-Haq's death and uncertainty in Indian politics as Prime Minister Rajiv Gandhi faces general elections in 1989, the question mark over Indo-Pakistan normalization is likely to persist. If Pakistani support for Sikh terror in Punjab continues, Rajiv Gandhi cannot risk normalization with Pakistan because Indian public opinion is uneasy about Pakistan (even though strategically China is the bigger problem for India). Furthermore, as the hold of the Pakistan army and intelligence communities on Pakistani politics has continued after President Zia's death, a point may come when these communities will have to make up their minds whether they will share power with civilians. If they feel threatened they may find it necessary to find ways to sabotage party-based elections or to re-declare martial law or to start a military adventure. None of this is expected, but were it to happen the future of normalization would be dim.

Indo-Pakistan normalization prospects depend in part on the balance of power within Pakistan. The Pakistan finance and foreign ministries are the key players in the normalization process, but the key players inside Pakistan are the army and the intelligence authorities; in the upper layers of domestic politics the foreign and finance ministers are peripheral actors. Nonetheless, President Zia's death may have increased the prospects for normalization if the following requirements are met: first, the current debate in Pakistan on Afghanistan policy leads to a softer line on support for a fundamentalist-dominated Afghanistan. Second, the commitment of the post-Zia government in Pakistan to cut aid to Sikh terrorists remains in place (the present signs are encouraging). Third, the Pakistan Army continues to follow the constitutional path that it has thus far since President Zia's death. In sum, the groundwork for Indo-Pakistan normalization has been laid and now it is a matter of energizing the political constituencies on both sides to turn the final screws in their minds to make a deal. □

Is  
fc

by C

Li  
the L  
dictic  
than  
comi  
First  
cient  
Mosl  
and c  
depe  
mark  
main  
ciatic  
gove  
terna  
lapse  
V  
sive  
ment  
bano  
local  
cont  
othe  
inter  
East  
H  
meth  
ation  
mea  
imp  
port  
tion  
ing  
Inte  
C  
Leb  
con  
as h  
rese  
tion  
tion  
ma  
of t  
of p  
tial  
Mc  
fur  
cau

# Is there hope for Lebanon?

by Camille H. Habib

Like The Netherlands, Belgium, Austria and similar states, the Lebanese republic is a conjunction of paradoxes and contradictions. As a country, Lebanon was created by accident rather than by design — at least not by the design of its people in becoming a French zone of influence in the era that followed the First World War. As a polity, Lebanon was and is archaic, inefficient and divided. It was and is Western and Arab, Christian and Moslem, modern and traditional. Despite these inherent contrasts and contradictions, Lebanon — from the time it obtained its independence from France in 1943 until 1975 — had shown a remarkable ability to survive. Many claim that its survival was due mainly to the politics of accommodation, known also as consociation, which the Lebanese had adopted as their approach to government. Only when this approach failed to adapt to the external and internal changes of 1975 did the Lebanese system collapse and civil war erupt.

Visibly, the war has brought great losses in human life, massive physical destruction, the reduction of the Lebanese government's control to a small part of Beirut, and the division of Lebanon's territory among external forces (Israel and Syria) and local baronies. Yet the war continues and shows no sign of being contained. At one level, the crisis is an ethno-religious one. At others it is military, political and socioeconomic; and all these internal problems are linked to the overall situation in the Middle East.

Historically, policy analysts have listed three "ideal-type" methods of conflict management in a plural society: consociational adjustment; partition; and integration. Almost all of these measures have been tried during the twelve years of the Lebanese impasse. Unfortunately, none of them ever acquired enough support from all factions for its success. Nevertheless, an examination of the failure of these reforms can prove helpful in developing a new formula for future efforts.

## Internal initiatives

On February 14, 1976, Sleiman Franjeh, then President of Lebanon, announced a reform package that would update the consociation formula of 1943. The "Constitutional Document," as his reforms proposals are known, provided for the equal representation in parliament of Christians and Moslems, the abolition of confessionalism in civil service appointments, the selection of the Sunni prime minister by parliament and the maintenance of confessional distribution within the main offices of the state (the presidency, the premiership and the speakership of parliament). Although the Document required that the Christians concede some of their prerogatives, it did not satisfy the Moslems. They were demanding full political participation in the functions of government and now rejected Franjeh's reforms because they left the presidential powers intact and maintained the

presidency as a Maronite (Christian) preserve. As one Moslem leader complained: "The Constitutional Document does not provide a fundamental solution to the Lebanese crisis and the reforms it proposes are not commensurate with the sacrifice that has been made."

What consociational adjustments would the Moslems accept? During the conference of national dialogue in Lausanne, Switzerland, in March 1984, their leaders called for the creation of an Upper House or Senate in which the major religious communities would be represented equally. They also demanded: the abolition of confessionalism from the civil service only after the rights of the under-represented communities were met; the adoption of a non-confessional system in parliamentary elections by taking the whole country as a single constituency; a shift in power from the president to the prime minister; and the constant involvement of religious laws in the citizens' personal affairs (e.g., marriage, inheritance and divorce). This formula quickly was rejected by the Christians on the grounds that it was a sectarian demand for sectarian gain in the form of transferring certain powers from the president to the prime minister, that the numerical majority was political rather than confessional, and that the rights of all communities could only be guaranteed by a structured power-sharing formula.

The second alternative for conflict management in a plural society is partition — or, in this case, repartition. It suggests that such a "solution" might come about at the cost of human suffering and material loss. This proposal was rejected by the majority of Lebanese, Moslems and Christians alike, on the ground that partition would eliminate tension in Lebanon by eliminating Lebanon, and it would not necessarily eliminate tension in the region. They argued that a mountainous Christian mini-state would not be economically viable and that the coexistence of Christianity and Islam in Lebanon gave the country its unique role in forging an understanding between the two monotheistic religions.

Finally, the third option is integration, that is, reunification on the basis of secularization. This formula is rejected in Lebanon on the ground that secularization can survive only in a homogeneous society, not in a sectarian one; that the rule of numerical democracy can be applied only when the majority is political rather than confessional; and that Islam and secularization are mutually exclusive. This is not to suggest that the Moslem Lebanese are set on establishing an Islamic state. Rather, their stand on the issue of a secular Lebanon underlies their rejection of any change in the present system that does not consider their numeri-

---

*Camille H. Habib is a doctoral candidate in Political Science at Dalhousie University in Halifax.*

## Chance for a federation

cal advantage. In short, confessional Lebanon is not ready for secularization.

### Enter Egypt

The process of conflict resolution has not been limited to the Lebanese initiatives outlined above. Instead, developments within Lebanon also have drawn in, and then defied, all those who attempted to "help," namely, Egypt, Israel and Syria. Each of these countries has played its role in intra-Lebanese politics, each has manipulated the strife in ways they thought would serve their interest, and each has decided to solve the crisis on its own terms.

With the rise of pan-Arabism in the mid-1950s, Egypt emerged as a key player on the Lebanese political scene and served as a "catalyst" in that country's body politic. Between 1958 and 1970 the Egyptian ambassador in Beirut reportedly acted as a high commissioner who intervened in the details of the Lebanese political process to keep the country strictly in line with Nasser's policies. This was manifested clearly by the Cairo Agreement which was brokered by Nasser and signed by the government of Lebanon and the PLO on October 3, 1969. Although this was intended to accommodate Lebanese autonomy with Palestinian interests, in reality it was an unwarranted violation of the former's sovereignty. In effect, the accord legitimized the Palestinian military presence and allowed the Resistance to use Lebanese territory for commando activities against Israel. Worse still, it permitted the PLO to exercise a certain extraterritorial right over the refugee camps.

In retrospect, the agreement did little to protect Lebanon's interests. Rather, it injected the PLO as a destabilizing element into the country's delicate internal equilibrium and polarized the Lebanese along confessional lines. Moreover, since the PLO behaved as though the road to Palestine led through Beirut, the Christians became convinced that their prerogatives could not be preserved without terminating the terms of the Cairo Agreement and eradicating the PLO military presence. This required abandoning the Egyptian initiative and opting instead for collaboration with the Israelis, especially during and after their invasion of Lebanon in 1982.

### Enter Israel

In the absence of national or Arab military forces, President Amin Gemayel became convinced that negotiations with Israel were the only available way to secure his state's liberation. So on May 17, 1983, the Lebanese negotiator signed the first accord between the two countries since 1948. The accord, which was brokered by the United States, called for normalizing relations between Tel Aviv and Beirut, a complete Israeli withdrawal and the establishment of a Joint Liaison Committee to inspect security measures along the Israeli-Lebanese frontier. In retrospect, it also provided additional Arab recognition of the legitimacy of Israel's existence and so secured the disengagement of Lebanon from the Arab-Israeli conflict. In this way the agreement met Israel's overriding demand for the security of its northern settlements. Nevertheless, optimism over the implementation of the accord was shattered quickly when Israel refused to withdraw unless the Syrians did so simultaneously — a measure Damascus has simply ignored.

### Enter Syria

The Syrians naturally denounced the Accord of May 17, on the basis that it infringed on Lebanese sovereignty, turned the

country into an Israeli protectorate and rewarded Israel for its invasion. In essence, the agreement confirmed Syrian President Assad's belief that his country must retain its influence over Lebanon and also must prevent Israel from establishing or retaining any form of hold there. To this end, Syria gathered its Lebanese allies into the so-called National Salvation Front, which encompassed Walid Jumblatt (a Druze), Nabih Barri (a Shiite), Rashid Karami (a Sunni) and Slieman Franjeh (a Maronite). This body's basic aim was to force the abandonment of the Accord. Such a polarization of forces left President Gemayel in an untenable position. He could not ratify the Accord and expect Lebanon to remain united, but he could not reject it and expect full support from the Israelis and the Christian forces. Yet as assaults by Syrian-backed militias on the Lebanese government increased, President Gemayel made the difficult decision to drop the Accord on February 23, 1984. As he stated it, the rationale was as follows: "When negotiating with Israel was the only imperative option to regain the land, we did not hesitate before this option, and when the abrogation of the May 17 Agreement became the only imperative option to unite the people, we did not hesitate to abrogate." Implicit in this explanation was recognition of the fact that the "Israelization" of Lebanon had failed and that Syria now had a key role in shaping the country's future.

Even so, the failure of the Lebanese-Israeli Accord neither enhanced national unity nor convinced Syria to withdraw its troops. Instead, Syria continued its policy of "freezing the conflict" by opposing the emergence of any single, strongly-based local force in Lebanon. By maintaining the fragility of the intra-Lebanese balance, Syria hoped to become an indispensable factor in Lebanese affairs and to begin slowly "digesting" Lebanon. This became clear on December 28, 1985, when the Christian forces (headed by Elie Hobeika), the Druze (represented by Walid Jumblatt) and the Shiites (led by Nabih Barri) signed the Tripartite Agreement in Damascus. *Inter alia*, this agreement represented a trade-off between Syrian hegemony and Lebanon's internal peace. It stipulated the "Syrianization" of Lebanon in military, economic and education aspects as well as in foreign affairs. But this accord, too, was never ratified. President Gemayel rejected its terms, and on January 15, 1985, Elie Hobeika was replaced by Samir Geagea — an enemy of Syria — as the head of Christian militia. Since then sporadic fighting, car bombs, kidnappings and the shelling of residential areas have become daily rituals.

### A way to hope

Optimism about a peaceful solution to the Lebanese crisis can be seen along the following lines: although the Lebanese criticize each other and their political system, they all seek to preserve Lebanon while changing it. The evidence suggests that the highest shared value among Lebanese communities is the belief in preserving the country's independence, unity and territorial integrity. All have rejected, although interchangeably, that state's balkanization or its incorporation into another state. All agree as well in viewing the present system as an inaccurate reflection of the interests, expectations and aspirations of all Lebanese. It thus seems that any formula designed to restore peace must recognize the fundamental crisis of identity, the sectarian divisions, the Arab-Israeli conflict and the various external challenges to sovereignty. To this end, federalism seems to be the only conceivable solution which could encompass Lebanon's interests, and set the country on the road to peace.

In this regard, it is important to note that the demographic dimension has changed during the bloodshed of the last twelve years. Indeed, the existing religious hatred and fanaticism were manifested in the "identity card killings." Individuals were kidnaped or arrested at roadblocks and executed if the religion designated on their identity cards was not the same as that of their captors. This led Christians and Moslems to flee from isolated and besieged areas to places where their communities predominated. In the case of Christians, the sectarian character of the war was accentuated by the fact that many Greek Orthodox and Greek Catholics, who for years had followed the politics of accommodation in Lebanon and the Arab world, came to accept the hegemony of the Maronites and their militia as effective protectors of the the Christian community at large.

**Religious territoriality**

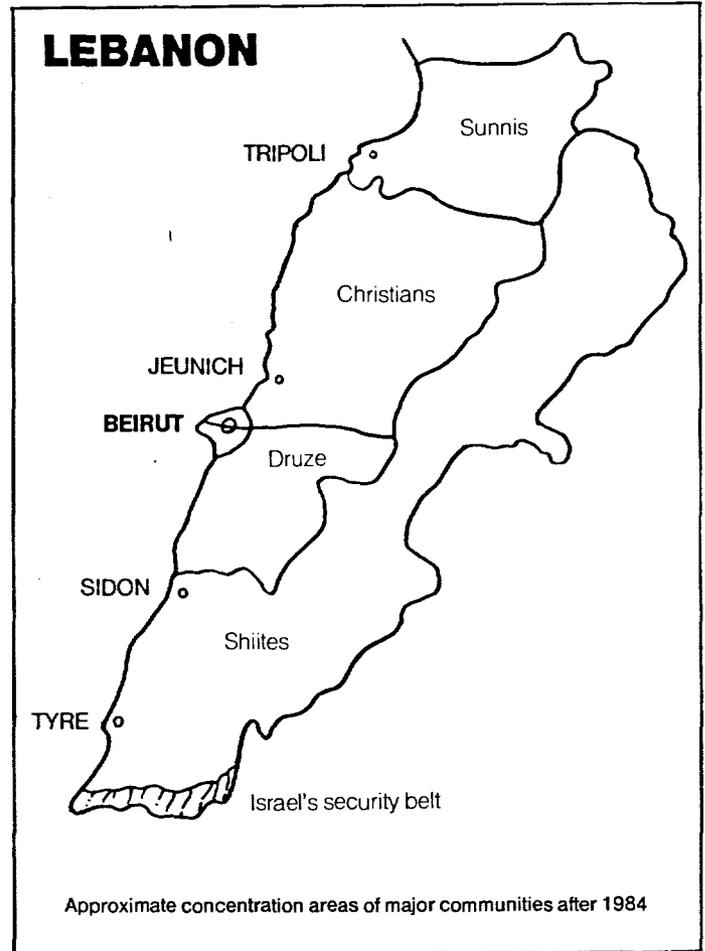
All of this has resulted in Lebanon's territory finally being divided along religious lines. An autonomous Christian community has developed, with its capital in Jounieh, or East Beirut, and a comparable Druze mini-state or canton has become established in the Shouf mountains. Meanwhile, the Shiites now dominate and control directly the larger part of West Beirut, eastern and southern Lebanon. Sunni political bosses and their militia maintain control over the far north along the Syrian border (see map). Most significant of all is the fact that in order to protect and articulate their peculiar qualities, all factions have hastened to establish their own social and medical services, broadcast communications, educational systems and internal security networks.

This general pattern of such *de facto* confessional and territorially-based divisions has produced a situation in which Lebanon may avoid either a total partition or the complete restoration of the old system. Therein lies the importance of federalism as a reconciliatory device between the forces of unification and partition. The fact that Lebanese communities now are geographically based might pave the way for a federal society.

**Federalism could work**

The points needing emphasis here are that federalism is a function not of constitutions but of societies, that it is a reflection of territorial interests, and that it is a means of accommodating diversity within the context of unity. This means that only under conditions in which the federal authority is delegated on a territorial basis can the diverse elements within a plural society be protected effectively. This does not necessarily undermine consociationalism as a solution to pluralism. Above all consociational and federal elements may and do coexist within a single plural society. In a way, a consociational structure is more like a community-based federation. But in a federation, territorial communities are its basic components. Accordingly, a federal Lebanon could be expected to offer the following advantages. First, federalism would allow each territorial community to be autonomous within its own boundaries without having a majority dominate a minority or a minority exploit a majority. Second, federalism would give every unit an equal incentive to preserve, support and share in the benefits of the union. And, finally, federalism could be expected to enhance the individual's participation in local politics, reduce his or her dependency on traditional leadership and abolish the need for communal endorsement.

A federal Lebanon could be based on the following premises: first, the country is composed of diverse religious and cultural communities, each of which has its own character and history;



second, the present Lebanese state is unitary in form, which is appropriate for a homogeneous society, while that of Lebanon is diverse and pluralist; third, federalism is a viable alternative to partition and a unifying force because it would prevent confessional friction; and, finally, decentralization would promote the development of local life in all areas and so help promote prosperity in underdeveloped areas.

**Some federal institutions**

What determines the federal nature of a government, however, is not only the constitution that draws the lines of compromise, but the whole pattern of instrumentalities that are employed as a result of these demands. To this end, a federal system in Lebanon might be set along liberal-democratic principles. These include, to mention a few, the election of the president by a popular vote; the constitutional entrenchment of a national Bill of Rights to prevent abuse of power at all levels; and the arrangement of inter-federal relations on the notion of the "compact theory," according to which the central government ought to regard itself as a creature of the cantons. Inherent in this is the notion that every federal unit is sovereign within its appointed jur-

## Chance for a federation

isdiction and that each unit must assent before the constitutional compact can be changed.

On balance the advantages of such a federal system outweigh its disadvantages. In the main, federalism appears to be more rational than the existing consociational system. First, federalism guarantees the country's unity while allowing citizens to participate directly in the development of all regions equitably and comprehensively. Second, federalism shifts the public demands from national to the communal level. The issue would not be that of dominance but one of accepting religious diversity and coexistence. Third, a federal arrangement might encourage both Moslems and Christians to be confessional and secular, Arab and Lebanese, without creating any danger of their opting for isolation or compromising Lebanon's sovereignty to any party in the Arab-Israeli conflict. Federalism thus offers the possible benefit of enabling Lebanon to secure its neutrality in dealing with regional disputes. This in turn requires a national consensus as well as an international agreement as a prerequisite.

### Some conditions

Admittedly, there is no *trouble-free solution* to the problem in Lebanon. A federal Lebanon requires fulfillment of a number of conditions. To begin with, it requires a transition period during which all communities should engage in measures to build confidence and reduce tensions. For this to occur, the Christian

forces must realize that — given the Moslem demographic power — political/military development is not on their side; they must adopt a more flexible approach towards the Moslem demand for an equal share of power; and they must recognize the impossibility of translating a "Christian Lebanon" into a reality. For their part, the Moslems must realize that their extremist millennium has no chance of realization, that Lebanon is a land of rival sects, and that that country is not an ideal site for a great "movement of redemption." Second, a federal Lebanon requires either the disengagement or the disappearance of all external actors from the scene. For this to happen, Israel and Syria must refrain from the use of military force and terminate their interference in Lebanon's affairs; they must realize that Lebanon is not the best place to settle their differences; and they must learn that their occupations of that country have only the potential of crippling peace efforts in the entire region. For instance, Syria's recent failure to secure the election of former President Franjieh on August 18, 1988, was but another indication of the fact that Damascus is unable to bring about the "Syrianization" of Lebanon.

Finally, it seems unlikely that Lebanon's political personality will be restored unless territorially-based communities are recognized. In other words, unless federalism is regarded as an optional formula to Lebanon's multidimensional problems and becomes a tangible reality, the "terrible beauty" of the Middle East will become yet more terrible. □

---

## Coping with breakdown

### Humanitarian assistance and disaster relief

# Cutting refugee production

by David A. Lenarcic

One of the more salient features of the global scene today is the extent to which natural and man-made disasters are intertwined. Drought, famine and floods exist side by side with civil and interstate conflict. More than this, each feeds off the other: war is a breeding ground for impoverishment, destitution a filip to hostilities. The relationship is fully reciprocal, mutually exacerbating, and increasingly widespread.

The result may be a breakdown of political and social order requiring special emergency assistance. Inevitably, then, emer-

gency relief becomes inextricably bound up in the fundamental political issues of war. In 1971, attempts at furnishing aid to millions of Bengali refugees were complicated by, and entangled in, first a civil war within that country and later full-scale hostilities between Pakistan and India. Similarly, during the height of the recent African famine, the Ethiopian government strove to prevent relief from reaching rebel-held areas in that country in a move calculated to starve the opposition into submission. The possibility of emergency operations fulfilling their ultimate purpose — to provide succor and sustenance to suffering populations — is often directly proportional to the severity of a conflict raging simultaneously.

---

*David A. Lenarcic is a doctoral candidate in history at York University in Toronto.*

### Canada's record

One of the primary by-products of this state of affairs is the refugee. The 1980s have witnessed an astronomical inflation in the numbers of displaced persons and no country seems immune to their desperate quest for respite from persecution and natural calamity. Canadian assistance in the area of direct aid to refugees takes four major forms: supplying selected countries with direct food aid; supporting directly or through international parent bodies, refugee-related projects launched by volunteer agencies in Canada; bolstering international aid efforts carried out through the United Nations; and presenting refugees with the opportunity to settle in Canada. The commendable record Canada possesses generally in rendering service and protection to the stateless and homeless was formally acknowledged by the United Nations High Commission for Refugees when it awarded the 1986 Nansen Medal to the people of Canada, "in recognition of the major and sustained contribution made to the cause of refugees in their country and throughout the world over the years."

If anything, though, the refugee crisis currently displays tendencies only of deteriorating further for both Canada and the international community as a whole. Canadians have always felt secure in the belief that geography armed them with a barrier against a sizable influx of uninvited immigrants. The relatively new phenomenon of refugees appearing on Canada's doorstep has begun to reveal cracks in this myth. It has at the same time put to the test Canada's commitment to upholding its liberal humanitarian tradition of the generous acceptance of refugees. Indeed, Canada's refugee system has been under assault for the last three years. Large groups of Latin Americans, together with the sensational arrival of Tamils and the role of Canadian Sikhs in their people's dispute with the government of India, have placed enormous strains on what was an already backlogged refugee determination system. Perhaps more distressingly, those conditions have caused a public backlash that threatens genuine refugees, not to mention fomenting divisions among Canadians themselves. In short, refugee policy has emerged as a particularly contentious issue in Canada.

### Refugees and foreign policy

Not surprisingly, all this has brought the resettlement component of Canadian refugee policy under concentrated scrutiny. Yet refugees carry with them policy implications which encompass more than purely domestic considerations. It is not solely the mechanics of the inland refugee status determination process that these troubles of the moment have called into question. The very principles which underlie Canada's overall refugee policy have been subjected to closer inspection. Altogether, the ongoing controversy regarding what the appropriate response to the refugee conundrum should be has focused attention on the broader themes of Canadian refugee policy, especially its relationship to foreign policy.

Working multilaterally in conjunction with other nations — in existing international organizations or via some new mechanisms — not only to strike at the roots of the refugee predicament but also to deal fairly and humanely with the refugees themselves, would seem essential. Yet, more and more countries are joining in closing their doors to refugees and in choosing to ignore their plight. At the same time, humanitarian needs cannot be divorced from politics. Refugees are used as pawns, food as a weapon in intra- and interstate wars. Yet ironically, this quan-

dary holds within it the prospect of stemming the refugee overflow. This conclusion rests on the theory that there exists a connection between emergency operations on the one hand and conflict management or prevention on the other.

As has been noted elsewhere, humanitarian assistance and disaster relief (HA/DR) activities effectively carried on in a theater of war can, at the very least, perform a crucial confidence-building function. In other words, while a failed relief effort might very well compound an already turbulent situation, a fruitful one could, by aiding all victims, produce confidence between opposing groups. In fact, by intervening on behalf of afflicted populations on both sides, HA/DR missions can reduce tensions, redress grievances, and de-escalate violence, thus generating a climate favorable to negotiation. The basis for political conciliation may be laid by humanitarian efforts, the chances for political agreement increased through "humanitarian mediation."

### Canada's chance

Undoubtedly, Canada could stake out a role here. It has experience, expertise, a long tradition, and generally speaking, a high degree of credibility as well as a good reputation when it comes to both emergency operations and mediation/negotiation initiatives undertaken in regional conflicts. Moreover, its muscles stretch not only into the United Nations, but into the Commonwealth, la Francophonie, and G-7 too. For these reasons, Canada appears superbly qualified to act as a catalyst in establishing a framework for dovetailing emergency operations with conflict management/prevention.

More specifically, Canada could take advantage of the recent resurgence in the fortunes of the UN by using that organization as a vehicle for preparing and supporting programs that would combine HA/DR operations directly with conflict management/prevention. As one commentator has pointed out, the UN remains the only international actor which has the capacity, universal character, moral authority and "humanitarian right of access" to respond to large-scale breakdowns. Naturally, the UN would not be appropriate as a lead agency in every instance. Nonetheless, as past experience in Bangladesh, Kampuchea, Bolivia, Ethiopia and The Sudan demonstrates, there is no option to dealing with such catastrophes. Plainly, as the international community's belief that collective action is imperative becomes reinforced by the seriousness of crises in various regions, the "comparative advantage" of the UN in certain issue and geographic areas grows.

Canada could play a part by examining how exactly it, as well as other "like-minded" powers, could best assist the UN in fulfilling such a function, and by studying the ways in which they could mesh their peacemaking and HA/DR activities. It could contribute to pinpointing the obstacles which must be surmounted and the conditions which must obtain for such operations to augment the chances for conflict management, and to recommending how those obstacles could be overcome, those conditions created, and "humanitarian mediation" made attractive to opposing parties. It could also work toward facilitating superpower and regional power cooperation.

### Involve the UN

Canada has always striven in the past to buttress the world's multilateral institutions, especially the UN, in the well-founded conviction that these offer the most solid guarantee of international cooperation, of exercising Canadian influence, and of safeguarding Canadian interests. In the last three years, the Ex-

## Coping with breakdown

ternal Affairs Green Paper, the report of the Joint Parliamentary Committee on Canada's international relations, and the government's response to the latter, have each reaffirmed this objective. Clearly, then, there are substantial incentives for Canada to seek a leadership position in such an initiative. Simply the reality that humanitarian assistance, conflict, and peace and security are all interrelated means that Canada's interests are directly involved. The fact is that the majority of conflicts which flare up in the Third World engage Canadian humanitarian interests, and some, in so far as they touch the concerns of the superpowers, affect Canada's security interests as well.

One beneficial spin-off of working through the UN would be improvement in the efficiency of UN-led HA/DR endeavors themselves. Here, Canada would contribute to the formulation of a framework, methodology, and procedures for enhancing their effectiveness and assist in identifying the political, organizational, bureaucratic and training requirements necessary for assuming this task. It could help rectify the intra-UN problems associated with HA/DR activities and ascertain how the responses of UN agencies, donor governments, and non-governmental organizations could be more profitably integrated, and rivalry and duplication avoided. Canada could lend a hand in fashioning a strategy to ensure that in a conflict situation victims on both sides were reached and, since it participates in both types of operations, propose ways in which HA/DR relief and long-term development through reconstruction and rehabilitation could be linked.

### Cut refugee production at source

Yet refugee pressures are the central reason why it would serve Canada's interests to associate itself with attempts devised to help determine the comparative advantages of UN HA/DR operations as a device for conflict management/prevention at both the intra-state and international levels. The two bills recently passed by Parliament, one designed to institute new ref-

ugee claims procedures, the other to deter illegal migrants, themselves the object of intense internal debate, basically seek domestic answers to domestic problems. What seems to have been lost sight of in all the tumult which they have occasioned is that refugees are a *foreign* policy question too. Above all, it should not be forgotten that the state of the refugee status determination process in Canada is intimately tied to the country's ability to combat the refugee problem diplomatically/internationally — be it multilaterally or through independent action. Nothing the Canadian government does at home, however magnanimous, to mitigate its refugee impasse will accomplish much toward grappling decisively with the basic issue: that there are refugees in the first place and that there will continue to be more and more of them. The problem will not be cured simply by turning them away.

Providing resettlement opportunities and extending financial aid are certainly not inconsiderable contributions. However, the most effective method of tackling the domestic refugee crisis, indeed the most potent means by which Canada could be a world leader in refugee policy, is to confront the problem at its source — the countries of origin and the political, economic and environmental problems plaguing them. Two of the greatest producers of refugees are political chaos and natural disaster. When they coexist the aftermath is a massive exodus of displaced persons. No doubt, then, an attempt by Canada framed to twin HA/DR operations with conflict management/prevention would be in its short- and long-term interests since, if successfully prosecuted, such a scheme would go a long way toward eradicating the suffering and violence which directly yield refugees. As far as Canada's, and the world's, swelling refugee dilemma is concerned, such a policy holds the potential to be a panacea, not just a stopgap measure. All in all, Canada is well-equipped to inject some impetus into evolving more trenchant tactics for coping with refugees. But ideally, and for optimum effect, such an initiative should consist of a 2-pronged offensive — abroad as well as at home.

### Conclusion

Canada, then, appears well-suited to performing a role that would couple emergency operations with conflict management, with the UN employed as the means to achieve this. It is equally evident that this is a role that needs filling. The outlook for several developing regions is bleak. Africa especially seems destined to remain perilously unstable for some time. Not only is there the ever-present menace of recurring droughts and famine, but political volatility within and between states continues to run at ominously high levels. Yet the danger of a breakdown of political and social harmony is by no means confined to that continent. In other areas the international narcotics trade, for example, poses the most important threat to such stability. And perhaps most notably, refugee flows show no signs of abatement.

There are only two certainties: that more emergencies entailing humanitarian assistance on a large scale will erupt, and that conflict situations will persist. Thus, given the relationship between regional conflict and international order, it is apparent that an urgent need has arisen for the discovery of durable solutions to the riddle of emergency operations conducted amidst regional turmoil, and for the development of strategies for more effective humanitarian assistance/disaster relief operations. This is the challenge and the opportunity facing Canada and all other nations worried about the burgeoning ranks of refugees. □

**It's a revelation!**  
**GLASNOST - PERESTROIKA**  
 read all about the revolutionary changes in the USSR.  
 Only \$20.00 for 12 issues!

**MOSCOW NEWS**

The English language weekly that presents news and opinions of the people of the world's largest country!

Send the coupon below, and receive directly from Moscow this fascinating, topical news weekly for a full year.

Free to first 200 subscribers: Moscow News 1987 in book format

Periodica Inc.  
 C.P. 444 Outremont  
 Montreal (Quebec) H2V 4R6

Da! I want to keep abreast of things in the USSR. Please enter my subscription to Moscow News

NAME \_\_\_\_\_  
 ADDRESS \_\_\_\_\_  
 CITY \_\_\_\_\_ PROV \_\_\_\_\_ CODE \_\_\_\_\_

Enclose \$20.00 (cheque or money order)  
 Charge to  Visa  Master Card

Account Number \_\_\_\_\_  
 Expiry Date \_\_\_\_\_ Signature \_\_\_\_\_

PHONE ORDERS (514) 274-5468 or 1-800-361-1431

# Book Reviews

## New generation of anti-terrorists

by William M. Kelly

*Beyond the Iran-Contra Crisis: The shape of US Anti-Terrorism Policy in the Post-Reagan Era* edited by Neil C. Livingston & Terrell E. Arnold. Toronto: D.C. Heath and Company (original publisher Lexington Books of Lexington, Mass.), 1988, 340 pages, US\$16.95.

Since much of the terrorist focus worldwide is on the US, particularly on its citizens, personnel and installations abroad, the US will continue to be something of a fulcrum around which other countries' anti-terrorism efforts revolve. The sale of weapons to Iran and the clandestine transfer of funds to the Nicaraguan Contras have called into question the true depth of the US commitment to international cooperation and the US fidelity to clear, long-term and effective anti-terrorism policies and strategies, especially when they conflict with short-term domestic political exigencies. The thirteen essays in this book examine the impact of Iran-Contra on US counter-terrorism, now and for the future, and the lessons that were — or should have been — learned. The book concludes that Iran-Contra, in retrospect, was but a blip on the US counter-terrorism front and has not seriously undermined or changed the essential policies and strategies.

Much progress has been made in the last two or three years in the worldwide fight against terrorism. The US administration would have us believe that this is due largely to the US's evident willingness to resort to military force (be it against Libya or via the presence of warships in the Gulf of Sidra). The successes are probably more due to enhanced resolve by the allies to prosecute and jail terrorists and to enhanced international cooperation (particularly intelligence gathering and sharing). According to Parker Borg in the first essay, the universality of terrorism and the need for bilateral and multilateral cooperation — as opposed to unilateral US action — is belatedly being recognized by US policymakers. Given the importance of intelligence sharing, Canadians should be more

mindful of the effectiveness and credibility of our own intelligence capability, particularly CSIS, lest we be left on the sidelines as a bit player to be consulted or involved only at others' convenience.

Because terrorism as it impacts on the US is quantitatively and qualitatively different from the Canadian brand of terrorism, there is much in this book that, although interesting, has little direct application to Canada. It is unrealistic, for example, for Canadians to spend much time worrying about a special operations capability to rescue hostages worldwide, or to consider the pros and cons of preemptive or retaliatory military strikes on terrorist sanctuaries. What the reader will find intriguing — and what the Canadian Senate Committee found dismaying in the Canadian context — is the tangle of bureaucratic organizations involved in US counter-terrorism. Notwithstanding how well it appears to be coordinated on paper, one legitimately wonders how effective the structure is in practice, particularly during a crisis.

The role of the media is examined in an essay by W.D. Livingstone. This was an area our Senate Committee examined in some detail and concluded that the media needed to engage in some serious introspection on how it handled coverage of terrorist threats and incidents. The essay — while being very critical of the media and its handling by government — raises the old bugbear of media forbearance: if the media refuse to cover a terrorist incident, terrorists will simply ratchet up the level of violence until they force media attention. The Senate Committee disputed this logic. Terrorists have to walk a fine line between enough violence to communicate terror and attract media attention on one hand and, on the other, too much violence that risks alienating supporters and legitimizing massive retaliation by government.

When faced with the constitutional "freedom of the press," the practical power of the media and the political and practical difficulties in trying to curtail or influence its coverage of terrorism, Livingstone turns (as did the Canadian Senate Committee) to "Voluntary guidelines" worked out by the press, perhaps in consultation with law enforcement and government officials. One wonders how long it will take the media to

come to grips with the extent to which it is used by terrorists; and come to grips with the wider "public" responsibility it has in covering terrorism.

P.J. Brown and T.E. Arnold review counter-terrorism as enterprise: the huge industry growing up in the private sector around "risk analysis," physical security, terrorist profiling and so on. I had hoped to read more about the other side of the coin, "terrorism as enterprise." The days when most of the sophisticated terrorist groups were motivated only by ideology or some cause are gone (if they ever existed). Leadership of the large groups is now motivated at least as much by power, money and prestige as by altruism. Even if their causes are resolved, these groups will not likely disband. Instead, to maintain their status they will make themselves available to other causes and grievances. That is why trying to get at and resolve the root causes of terrorism is often a fruitless exercise. My experience in the Middle East taught me how quickly the techniques and strategies of terrorism spread and I am convinced that it is not solely through imitation. "Terrorists for hire" and "terrorism as an industry" already exist and will constitute an increasing threat for the future, as the tactics of terrorism supersede the causes.

*Senator W.M. Kelly chaired the Senate Special Committee on Terrorism and Public Safety (November 1986-July 1987).*

## Canadian post-revisionism?

by David Farr

*Diplomacy of Fear: Canada and the Cold War, 1941-1948* by Denis Smith. Toronto: University of Toronto Press, 1988, 289 pages, \$15.95 paper, \$35.00 cloth.

This is a well-written account of the attitudes of Canada's foreign policy makers towards the Soviet Union and the drift into hostility between East and West in the immediate aftermath of the Second World War. As the book's title suggests, the author believes that Canada's policy towards the USSR during these years was based to a

large extent on fear of the expansionist designs of the Soviet Union. It was heavily influenced, he is convinced, by the deeper forebodings felt in United States government departments, in Congress and in the White House. The Canadian response to the emerging Cold War and the subsequent association with NATO enhanced our sense of "psychological dependence" upon the United States, Denis Smith asserts. He regards this condition as a major Canadian weakness. He was led to this conclusion, he confesses, by his 1973 biography of Walter Gordon, *Gentle Patriot*. Smith describes his study of Canada and the Cold War as "post-revisionist" history. Fortunately it does not exhibit the polemical and hysterical strain that marked so many of the earlier studies in this genre. Its shading is more subtle, even if its conclusions are no less damaging to received views on the subject. These have been largely, Smith says, the "satisfied rationalization" of the diplomats who participated in the events and then wrote about them.

This is a curious judgment. The standard interpretation of Canada and the Cold War has not been derived solely from the memoirs of the diplomats. As long ago as 1959, when there were few diplomatic recollections available, Robert Spencer wrote a balanced study in the *Canada in World Affairs* series. Later R.D. Cuff and J.L. Granatstein (1978) and James Eayrs (1980) looked into the topic. The conclusions of these writers are not different in essentials from those of the best account available, Escott Reid's *Time of Fear and Hope* (1977).

These earlier works did not see, as Smith does, that British influence, especially coming from Winston Churchill, was decisive in persuading the nervous Mackenzie King to enter into the negotiations for a North Atlantic security treaty in March 1948. They all emphasized the importance of the "crusade" carried on by St. Laurent, Pearson and Reid to sell the Atlantic defence concept, both to Canadians and to Americans. Smith does not see this effort as important. He tends to downplay the Canadian role in arguing and working for NATO, although strong evidence suggest that Canadian politicians and diplomats were among the first to put forward publicly, and the most active in promoting, the idea of a security alliance. Where *Diplomacy of Fear* breaks new ground is in its careful analysis of appreciations of Soviet intentions, made by Canadian and American observers. Six of its seven chapters are devoted to this task; the final chap-

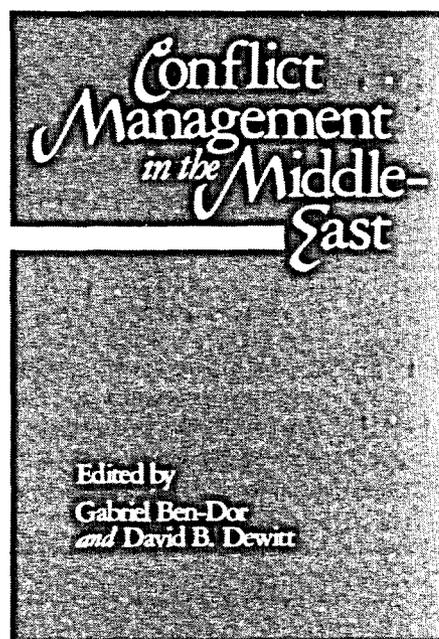
ter contains the author's conclusions, put forward in a rather detached manner.

Were there alternative policies to military ones which Canada might have followed in meeting the Soviet threat to Western interests? Smith does not have much to say on this point. He commends R.A. MacKay and R.M. Macdonnell of the Department of External Affairs for suggesting in 1947 that Canada should undertake air reconnaissance and interception in the Canadian Arctic on her own, thus increasing her influence in Washington. He believes R.A.D. Ford was on the right track when he proposed that Canada give priority to training experts in Russian language, history and politics to develop a home-grown capacity to judge Soviet actions. Denis Smith feels we should have taken the same step to improve our understanding of the United States!

Two comments appear relevant in assessing this study. The first is an observation made by Marcel Cadieux when he attended a Canadian Institute of International Affairs conference in 1948 at which Canada's involvement in the Atlantic security pact was under discussion. A number of the academics present were critical. The discussions, concluded Cadieux, "had been top-heavy with theorists to the exclusion of practical men of affairs" (quoted by James Eayrs in *In Defence of Canada*). Another is the better-known complaint of Charles Ritchie, head of the First Political Division in Ottawa in 1945. "All morning a stream of interesting and informative telegrams and dispatches from missions abroad comes pouring across my desk....I must skim through everything with my mind concentrated on immediate practical implications....Will the Prime Minister sign this?....This is the way policy is made on a hand-to-mouth basis out of an overworked official" (*The Siren Years: A Canadian Diplomat Abroad, 1937-1945*).

Smith's judgments are inclined to be olympian, the conclusions of the scholar in his study, with all the documents from all the interested parties spread out before him. They show little understanding of the problems of the harassed official, dealing not only with the Soviet Union but with the creation of Israel, the re-shaping of the Commonwealth and the foreign exchange crisis with the United States. Whether they add anything to the testimony of the harassed officials is open to doubt.

*David Farr is Professor Emeritus of History at Carleton University in Ottawa.*



### To manage or to solve crises?

by Peyton V. Lyon

*Conflict Management in the Middle East* edited by Gabriel Ben-Dor and David B. Dewitt. Toronto: D.C. Heath and Co., 1987, 323 pages, \$55.95.

The editors, and several of the fifteen contributors, share a "profound conviction" that scholars should "change the emphasis from studying... origins of conflicts... and conflict resolution" to studying "the way conflicts are actually managed." "Many conflicts," they explain, "are here to stay... for a lengthy time."

This plausible contention is of course easy to accept if one is tolerably content with the *status quo*. Most of the contributors to this largely Canadian-Israeli volume appear to be in this category, and a few of them demonstrate that following the prescribed approach can be worthwhile; the most notable example is the brilliant study by Janice Stein of regime creation by Israel and Egypt.

Only one chapter, the one by the Canadian co-editor, suffers from a strong pro-Israel bias. Most of the authors show considerable awareness of the instability in the area, and, had they written some months later, after the outbreak of the teenagers' uprising in the occupied territories, might well have shown less confidence in conflict management and greater

eagerness to promote change through serious negotiation. As it is, several authors are clearly and admirably more concerned with resolving than with managing the conflict; these include Rod Byers, William Zartman, and, surprisingly, the Israeli co-editor, Gabriel Ben-Dor. Also indifferent to the management motif, and political science jargon, are a number of excellent studies of the bilateral relations of pairs of Middle East countries, notably Iran-Iraq by Mark Heller, Libya-Egypt by Haim Shaked and Yehudit Ronen, and Syria-Israel by Itamar Rabinowich. These authors rely heavily on the personal idiosyncrasies of the leaders to explain the interactions of the regional actors.

In contrast, Michael Brecher and Patrick James make a valiant effort to explain Middle East crises by rigorous political science and quantitative data. The results are unexciting, even though they examine about fifty cases. Moreover, as the authors concede that the data analysis is "exploratory," and the "basis for aggregation largely intuitive," it comes as a surprise to read in the conclusion that "we have acquired a reliable basis for anticipating the profile of future crises."

Edward Azar and Renée Marlin also employ quantitative data, this time to establish the not surprising conclusion that the social cost of protracted conflict in Lebanon is appallingly high. The book's particular purpose might have been better served if Azar had contributed a report from his imaginative workshops on Middle East negotiation.

Although Steven Speigel ignores the weight of domestic inputs in explaining US policies in the Middle East, his chapter is informative and balanced. So too is Neil MacFarlane's study of the role of the USSR. It has often, he shows, promoted restraint in the area, especially in its relations with Syria.

The excellent chapter on arms transfers by Keith Krause suggests that these have had little impact on the behavior of the Middle East recipients. Krause supports MacFarlane's conclusion that the USSR must have a prominent seat at the table when serious peace negotiations are undertaken.

Is it too much to hope that this will happen soon after the fall elections in the world's strongest democracy? And also after this fall's election in Israel, the little country whose excessively democratic constitution has until now greatly impeded its ability to take tough decisions?

Crisis management does occur in the real world, and its study can be rewarding both for understanding and for improving policies. It may even, as the editors argue, enhance the prospects for permanent solutions, but conflict resolution can too easily become a cover for perpetuating an unstable state of affairs. Scholars should still give first priority to conflict resolution.

*Peyton V. Lyon is Professor of Political Science at Carleton University in Ottawa*

## Before the White Paper

by David Lord

*The Canadian Strategic Review 1985-1986* edited by R.B. Byers and Michael Slack. Toronto: The Canadian Institute of Strategic Studies, 1988, 199 Pages.

Better late than never for *The Canadian Strategic Review 1985-1986*, which finally emerged this summer. Editors R.B. Byers, senior fellow at York University's Centre for International and Strategic Studies, and Michael Slack, the Centre's research and administrative coordinator, have assembled the book in two parts — a readable, fairly detailed and informative section titled, "The International Security Environment," as well as a briefer but still substantial section titled "Canadian National Security Issues." The complete *Review* is a valuable reference work for the period in question, particularly the portion on Canadian developments.

For the world strategic overview, James MacIntosh, a senior research associate with the Centre, has produced two chapters on Soviet-American relations and arms control developments. Co-editor Slack and John Willis, a Centre research associate, provide chapters on alliance issues and defence economic trends. NATO developments are presented by country, clearly and concisely.

Opening the section on Canadian issues, Byers contributes a chapter reviewing the failure of the Conservative government in meeting election promises of substantially increased defence spending and a speedy White Paper examination of the country's defence policy. The main reason for the lack of action in pursuing new directions in defence policy is evident in the record of

the rapid turnover of ministers and associate ministers in the first twenty-two months after the 1984 election. By the end of 1986, the fourth ministerial appointee, Perrin Beatty, was still more than five months away from publishing the long-awaited White Paper.

As for the examination of foreign policy, Byers gives high marks to parliamentarians for hearing and synthesizing a wide range of divergent views on Canada's role in the world, but takes the government to task for not carrying out a consolidated "security review" that would have produced a comprehensive outline of the country's economic, foreign policy and defence goals. He also suggests that despite the success of the Special Joint Committee of the Senate and the House of Commons on Canada's International Relations in dealing with such contentious issues as Canada's relations with the US, the Strategic Defense Initiative, trade liberalization, development aid and human rights in its report (*Independence and Internationalism*), the necessity of an overriding "security policy" apparently was not accepted by the bureaucracy or the cabinet.

In reviewing specific Canadian defence developments for the 2-year period, Martin Shadwick yields a more readable and pertinent commentary than the Department of National Defence has managed to do in its annual reviews. Of particular interest is a detailed section on the substantial but frequently overlooked search-and-rescue activities of the Canadian Armed Forces.

In the final chapter, on defence economics, Willis argues that in 1985 and 1986, despite election campaign promises of 5 percent real growth in defence expenditures, the fledgling Conservative government apparently put the "deficit cart before the defence policy horse," allowing only a 1.2 percent real increase in estimated defence spending for 1986-87. On defence production policy, Willis points out that despite the government's "declaratory rhetoric," little desire had been shown to develop a domestic defence capacity.

Unfortunately for those who keep a close watch on strategic and defence developments, reading the 1985-86 review may seem like plowing old ground; an at-times irritating exercise when one comes across contemporary speculation — "When will the government produce its White Paper on Defence?" "Will the superpowers be able to come to an agreement on intermediate range nuclear forces?" (That one has been answered since 1986)

## Book Reviews

Another shortcoming is the Review's dual-track approach to world developments and Canadian events. No effort has been made to draw out the Canadian role and the relative impact of Canada in such forums as multilateral arms control negotiations, the United Nations or the North Atlantic Treaty Organization. Nor is a separate focus given to Canada-United States defence relations. Such a bridging chapter would be a worthwhile addition in future editions.

*David Lord is an Associate at the Parliamentary Centre for Foreign Affairs and Foreign Trade in Ottawa*

### Thinking about defence

by George Lindsey

*Strategic Defense and the Western Alliance* edited by Sanford Lakoff and Randy Willoughby. Toronto: D.C. Heath and Company (original publisher Lexington Books of Lexington, Mass.), 1987, 218 pages, US\$44.75.

Although the material in this book predates the Reykjavik summit and the INF Treaty, most of the analyses are still very relevant to the prospects for strategic defence and its probable significance for the Western alliance.

Two of the papers discuss the impact of strategic defences on superpower relations. Herbert York believes that while offence will always overcome defence, the radical reduction in the total megatonnage of the US strategic forces (by 80 percent between 1965 and 1985) is due in part to Soviet air defences. These have motivated the US to transfer payload from big free-fall bombs to standoff missiles, electronic countermeasures and extra fuel. The feature which worries York is the short warning time and rapid action associated with the use of space weapons against either offensive ballistic missiles in their-boost phase or against defensive space vehicles, as contrasted to the half-hour or several hours inherent in ballistic and airborne weapons separated from their targets by intercontinental distances. John Holdren also fears the employment of space-based weapons against the opponent's defences, a capability that could encourage hair-trigger action and a destabilizing first strike

strategy. He is convinced that the ABM Treaty should be augmented by an Anti-Satellite (ASAT) agreement.

Two papers describe conceivable deployments for the European theater. Gregory Canavan considers interception of ballistic missiles of theater range to be easier than for intercontinental range, and advocates introduction of Ballistic Missile Defence (BMD) as stabilizing. François Heisbourg investigates the possibility of extending ground-based air defence systems to make them able to intercept conventionally-armed theater missiles.

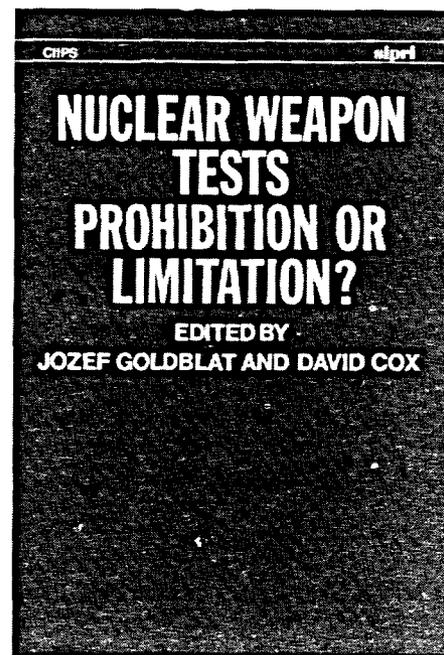
David Yost and Pierre Lellouche offer different analyses of the impact of SDI on alliance strategy. Both are apprehensive that the USSR is developing the capability for rapid deployment ("breakout") of BMD, including defence against tactical ballistic missiles. Added to their strong air defences, this could neutralize NATO's strategy of flexible response and escalation control, diminish the credibility of the British and French deterrents, and increase the probability that a war starting in Europe would remain conventional and confined to Europe, where the Warsaw Pact has the advantage. Yost warns of a Soviet "creepout" from the restrictions of the ABM Treaty, and argues that a countervailing program for BMD by the European members of NATO would be stabilizing. Lellouche, who is more concerned with political than military aspects, believes that deployment of BMD by both sides would do more harm than good to Western Europe, probably motivating Britain and France to strengthen their offensive nuclear forces for a counter-city role.

Trevor Taylor does not believe that Soviet BMD can neutralize the independent British and French deterrents. He remarks that Trident is under more immediate threat from UK politics than it is from SDI. Another judgment, relevant to Canada, is that "The United States seems more likely to be swayed by those who support SDI in principle, as a research program, than by those who oppose it outright." Ernst-Otto Czempel describes German concerns over the American propensity to act without consultation. The FRG relies on flexible response, arms control and equal security for each ally. They do not oppose SDI as a research program, but fear the consequences of any deployment beyond point defence.

This rather diverse collection of essays demonstrates that the questions associated with strategic defence have very compli-

cated political, technological and economic as well as strategic aspects, especially when the defence of Europe is taken into consideration as well as that of the two superpowers.

*George Lindsey is former Chief of Operational Research and Analysis in the Department of National Defence. He is now associated with the Canadian Institute of Strategic Studies, and lives in Ottawa.*



### To ban — or to limit?

by Simon Rosenblum

*Nuclear Weapon Tests: Prohibition or Limitation?* edited by Jozef Goldblat and David Cox. Toronto: Oxford University Press (original publisher Oxford University Press of New York), 1988, 423 pages, \$100.00.

A comprehensive test ban (CTB) has been high on arms control agenda since the atomic age began. No other measure of nuclear weapons control has been sought for so long, so persistently and with so much dedication by the non-nuclear nations, both aligned and non-aligned. It is regarded by most of them as the single most important first step towards halting and then reversing the nuclear arms race. This collection — although outrageously expensive — is by far the best source on the current prospects for a CTB. The book is

the product of an international symposium jointly convened by the Stockholm International Peace Research Institute (SIPRI) and the Canadian Institute for International Peace and Security (CIIPS) in October 1986 at Montebello, Quebec. Among the twenty-six contributors are prominent seismologists, senior officials of both the Los Alamos and Lawrence Livermore weapon laboratories, and former chief US arms negotiator Paul Warnke.

The declared aim of this publication is "to give an analytical review of the complex technical and political issues involved in a possible cessation or limitation of these tests, and to present a wide range of authoritative opinions on this subject." The book succeeds well in presenting full discussions on such issues as the role of nuclear explosive testing in nuclear weapon modernization and weapons reliability, nuclear proliferation, recent breakthroughs in explosive tests verification and both the sorry history of CTB negotiations and the current prospects for such an agreement.

While it is not the editors' intention to state conclusions directly from the varied contributions, a number of clear patterns emerge. On the verification issue — which has generally been the primary line of defence taken by CTB opponents — scientists have recently developed numerous discriminants based on the relative amounts of energy in different types of sound waves produced by earthquakes and nuclear explosions, as well as the frequencies of the waves produced. As a result, nuclear explosions can now be confidently detected — by means of seismic stations equipped with high-frequency seismometers — at very low explosive yields. The remaining dispute has one group of scientists confident of verification at 1-kiloton yields while others believe that detection is only certain in the 5- to 10-kiloton range.

The difference is significant, as nuclear weapons development would be much more severely constrained at the lower 1-kiloton threshold than at the higher range. Many of the contributors — including the editors — may indeed be overselling a CTB as a protection against nuclear weapons modernization. A CTB would not put an absolute end to the qualitative development of the nuclear arms buildup. Curtailing the development of nuclear warheads would not inhibit the development of new and more threatening delivery systems for existing weapons. A flight-test ban would be necessary in order to halt advances in reentry vehicle technology,

which promises significant — and destabilizing — advances in missile accuracy.

At the same time it would be wrong to dismiss the importance of a CTB on constraining nuclear weapons modernization and war-fighting strategies. The United States, for example, is investigating a directed electromagnetic pulse (EMP) warhead that could disable Soviet command, control and communications systems during a nuclear conflict. Warhead testing is also used to develop warheads with varying combinations of blast and radiation effects — as in the neutron bomb — and to improve yield-to-weight ratios. Pursuit of these new directions in nuclear weaponry, far from enhancing security deterrence, is more likely to erode nuclear stability by fostering the illusion that a nuclear war could be fought, controlled and "won." Similarly, a CTB would pose enormous obstacles to Star Wars.

The United States, of course, remains a staunch opponent of a CTB. In one of the book's most interesting chapters, Carl Jacobsen (formerly of SIPRI and now at CIIPS and Carleton University) argues that the current disagreements between the US and the USSR over a test ban reflect the difference between the Soviets' current acceptance of the deterrent doctrine of mutually assured destruction (MAD) and US reliance on counterforce doctrines which stress the military utility of nuclear weapons.

As regards the prospects for a CTB, the book is not overly optimistic. A former US Defense Department official is quoted as saying: "I'm confident that there won't be a halt to testing as long as Ronald Reagan is President," but adding, "That is not to say that a future administration won't see things differently." The editors themselves, recognizing the obstacles, cautiously endorse a very-low-threshold test ban (VLTTB) — that is, an agreement to conduct a very limited number of tests with a yield higher than 1-kiloton but not exceeding 5-kilotons. However, they argue that "any partial arrangement should be seen as transitional and contain an explicit, unequivocal commitment to achieving a complete prohibition of tests by all states."

Sound advice; the editors deserve our appreciation for a most valuable collection. Read — not buy — this book!

*Simon Rosenblum is Political Affairs Coordinator for Project Ploughshares in Ottawa, and Co-editor of the 1988 Lorimer book The Road to Peace.*

## Over there

by John Gellner

*The Half-Million: The Canadians in Britain, 1939-1946* by C.P. Stacey and Barbara M. Wilson. Toronto: University of Toronto Press, 1987, 198 pages, \$24.95.

There are other aspects to a war than just the politics that bring it about and then put an end to it, and the military operations in between. This is particularly so in the case of a country such as Canada which, for one-and-three-quarter centuries now, has been engaged only in *foreign* wars. This alone brings in special problems of motivation and adjustment.

This was certainly so in the case of the half-million Canadians, close to 10 percent of the then total population of the country, and virtually a whole generation of Canadian males (there were service women too, but their numbers were comparatively small) who served overseas in the Second World War. C.P. Stacey, author among other books of the *Official History of the Canadian Army in the Second World War*, and Barbara Wilson, an archivist at the National Archives of Canada, tackle this subject in this remarkable volume which presents the human side of the direct Canadian involvement in the war. They do it with deep understanding, thoroughly as behooves professional historians, but in an engaging and readable manner.

The main problem for the young Canadians who came to be stationed in Britain was to fit into a new environment, and to be accepted by the local people. It was greatest for the Canadian Army men and women, 370,000 all told, a good many of whom were based in Britain for as long as three-and-a-half years. The 1st Canadian Infantry Division began to deploy there in mid-December 1939, and got into battle for the first time in Sicily in July 1943. The beginnings were the worst. The Canadians had trouble adjusting to local customs, which some of them found outright repugnant. The welcome they sometimes got was frigid, to say the least. They themselves were often bored, what with training exercises going on one after the other and hardly ever any excitement. No wonder then that they tended toward making too much use of the unaccustomed (to them — there was still partial prohibition in Canada) virtually unrestricted access to alcoholic beverages

## Book Reviews

They could indulge themselves because they were well paid, better in any case than their British comrades-in-arms, a fact that was also resented.

The 94,000 Royal Canadian Air Force personnel who served overseas generally did not encounter such difficulties. They were in action from the beginning, at first mainly in RAF units, later in their own. There certainly was no boredom, and no lack of recognition from the local people. The more than 30,000 Royal Canadian Navy men had no problems of adjustment at all, and they caused none. The great majority of them were, after all, transients who spent just a few days at a time in an overseas port.

Still, things improved as time went on. Resentments disappeared. Real friendships developed, and more than that, deep affections. By the time their friendly invasion of Britain was over, 45,000 or so Canadian servicemen had married local girls and had fathered more than 21,000 children. Thus, as the authors put it, "the war left behind it as a legacy a network of affectionate transatlantic connections whose extent is quite impossible to assess in figures but whose existence is beyond doubt." To have achieved this was also a victory.

*John Gellner is Editor Emeritus of the Canadian Defence Quarterly in Toronto.*

### Restoring the balance of payments

by Christopher J. Maule

***Beyond Adjustment: The Asian Experience* edited by Paul Streeten. Washington, D.C.: International Monetary Fund, 1988, 274 pages, US\$15.00.**

This collection of articles not only examines the adjustment experience of selected Asian countries in the 1980s but compares Asia to Latin America's less satisfactory adjustment record. Although it is too early to write history, some lessons can be drawn from this period to test certain economic and political theories of development, as well as to suggest revised explanations.

The study of adjustment by countries to restore balance of payments equilibrium, a fiscal balance, higher growth rates and lower inflation is the study of both economics and politics. It is not surprising therefore that one conference provides only shafts of light on how balance might be restored and why adjustment was needed.

The reader can pick from a menu of interesting articles. My choice included Paul Streeten's roll call of changes in the world economy that call for adjustments by developing countries. He lists these problems in need of solution:

- (1) growing debt service, combined with fewer loans and higher interest rates;
- (2) deteriorating terms of trade, whether resulting from rises in import prices, such as that of oil, or drops in export prices, such as those of major export crops;
- (3) high levels of inflation in the world;
- (4) slower growth in the OECD countries; and
- (5) technical innovations, such as those in electronics, that change the location of industries;
- (6) continuing high rates of population growth;
- (7) urbanization;
- (8) scarcities of land and certain raw materials;
- (9) scarcities of foodgrains;
- (10) policies adopted by the developed countries to protect their industry, agriculture and services;
- (11) environmental pollution;
- (12) international migration;
- (13) natural disasters, such as prolonged droughts; and
- (14) man-made disasters, such as the arms race and wars.

If the other papers had addressed these issues explicitly, the book would have provided comprehensive coverage of the adjustment process. As it is, there are interesting papers on the role of public enterprises by Bhatt and Kim, which raise questions about the desirability of revising management procedures rather than privatizing the firms. Other papers stress the importance of export promotion and the extent to which the market-oriented economies of Korea and Taiwan are supported "by the highly visible and strong arm of the state." And finally my choice included discussion of the study of the political economy of development, by drawing attention to the strength of pressure groups

to oppose both freer trade and the interests of importer and consumer groups.

Like the search for a cancer cure, our understanding of what makes development, and in this case adjustment, work is only partial. The contributions in these papers aid our understanding. Further analysis of the 1980s is likely to be rewarding because our knowledge of the process has improved, the statistics needed to test the theories are more readily available and computers can reduce the drudgery of analysis.

*Christopher Maule is Professor of Economics and Director of the Norman Paterson School of International Affairs at Carleton University in Ottawa.*

### Foreigners welcome

by Gertrud Neuwirth

***Coming Canadians: An Introduction to a History of Canada's Peoples* by Jean R. Burnet. Toronto: McClelland & Stewart, 1988, 253 pages, \$12.95.**

*Coming Canadians* is the latest volume in the series *Generations: A History of Canada's Peoples*, in which fourteen histories of ethnic groups of non-British and non-French origin have previously been published under the joint sponsorship of the Multicultural Directorate, Department of the Secretary of State, and McClelland & Stewart. The book's sub-title as an "Introduction" to the series is, therefore, somewhat misleading as it does not fully convey what Jean Burnet has accomplished in writing it. By building upon and incorporating the historical research and findings of the earlier volumes as well as of other scholars Jean Burnet has in fact given us a formidable synthesis not only of the history of all "coming Canadians," but also of Canada's development into a multicultural society.

The book is divided into three parts. The first part deals with immigration and settlement of members of the various ethnic groups from the early days up to 1980. In the second and major part, with Howard Palmer as co-author of Chapter 6 (Education), and assisting in the revisions to Chapter 8 (Ethnicity and Politics), Burnet traces

*Continued on Page 32*

# PUBLISHERS' SHOWCASE

## Peace With Freedom

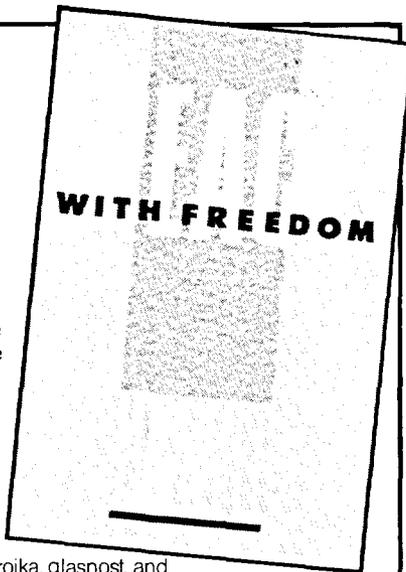
MAURICE TUGWELL

PEACE WITH FREEDOM, the challenging and provocative study of peace in Canada examines the role of the mainstream peace movement in Canada, and the pivotal role of deterrence in maintaining peace with freedom. Tugwell also considers the real meaning of perestroika, glasnost, and "new thinking" in terms of the Soviet propaganda machine. Tugwell's message is that peace with freedom implies support for the western democratic tradition and a determination to defend it from external and internal threats.



Key Porter Books Limited

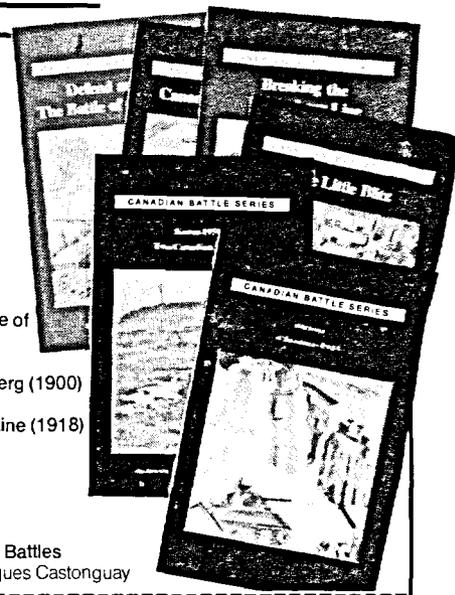
70 The Esplanade Toronto, Ontario Canada, M5E 1R2 Telephone: 416-862-7777 Telex: 06-218092 Key Porter Tor Fax: 416-662-2304



## SIX VALUABLE ADDITIONS TO YOUR MILITARY LIBRARY

Prepared by the Canadian War Museum, each volume of the Canadian Battle Series is succinctly written by a qualified historian.

- (1) **Defend and Hold: The Battle of Chateauguay (1813)** by Victor Sutren
- (2) **The Canadians at Paardeberg (1900)** by Desmond Morton
- (3) **Breaking the Hindenburg Line (1918)** by John Swettenham
- (4) **The Little Blitz (1944)** by Hugh A. Halliday
- (5) **Ortona: Christmas (1943)** by Fred Gaffen
- (6) **Korea 1951: Two Canadian Battles** by James R. Stone and Jacques Castonguay



Balmuir Book Publishing Ltd.  
P.O. Box 160, Station 'B', Toronto, Ontario M5T 2T3

Please send  Vol. 1  Vol. 2  Vol. 3  Vol. 4  Vol. 5  Vol. 6  
(First 4 vols: \$5.95 each/\$15.00 set. Postage extra.  
Vols 5 and 6; \$7.95 each/\$15.00 set. Postage extra.)

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City \_\_\_\_\_ Province \_\_\_\_\_ Postal Code \_\_\_\_\_

CDO A/88

## CANADIAN VANGUARD AT VANWELL PUBLISHING

### ONCE A PATRICIA

C. Sydney Frost

In a riveting autobiographical account of his World War II service, Colonel Frost makes his reader an eye witness to the shocking reality of a fighting soldier's life during the battles of the almost forgotten Italian campaign. The book is also a revealing memoir of his beloved Regiment, The Princess Patricia's Canadian Light Infantry, and the Royal Military College of Canada.

564 pp, b/w photographs \$29.95  
ISBN 0-920277-19-5



### TRAFALGAR AND THE SPANISH NAVY

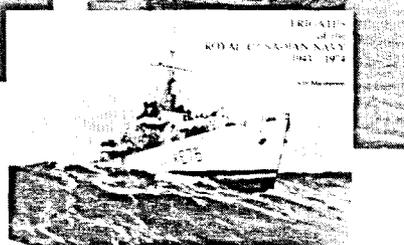
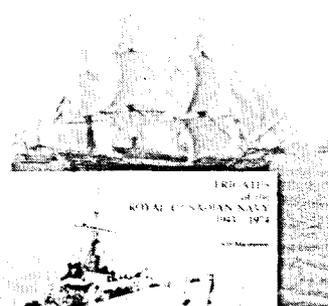
John D. Harbron

### TRAFALGAR AND THE SPANISH NAVY

John D. Harbron

Little known facts about the once prevalent Spanish naval presence on Canada's west coast during the eighteenth century are presented in the first untold story in English of the many roles of Spain at sea. A dramatic re-evaluation of the Spanish Navy and its defeat by the British at Trafalgar in 1805, the book disproves many long-held beliefs about the incompetence of the Spanish fleet and reassesses its principal maritime accomplishments.

208 pp, 125 photographs, b/w and colour \$39.95  
ISBN 0-87021-695-3



### FRIGATES OF THE ROYAL CANADIAN NAVY, 1943-1974

Ken Macpherson

It is extraordinary that one seldom hears of the finest anti-submarine vessels built in Canada during the entire Second World War. Frigates proved their worth as ocean escorts and were important contributors to victory over the U-boats. Used as training ships in postwar years, the remaining ships underwent extensive renovations between 1953 and 1958 and emerged as members of the Prestonian class. Each frigate is represented before and after the Prestonian class configuration.

112 pp, 160 b/w photographs, diagrams, fold-out \$27.95  
ISBN 0-920277-22-5

These titles available from **Vanwell Publishing Limited**

1 Northrup Cres., P.O. Box 2131, Stn. B, St. Catharines, Ont. L2M 6P5  
(416) 937-3100, Fax: (416) 937-1760

Vanwell Publishing Limited is also a leading Canadian distributor of international defence publications, including titles by JANE'S Publishing Group and U.S. Naval Institute Press.

## Book Reviews

the participation of ethnic groups in Canada's major institutions such as the economic structure, education and politics. Other chapters include the changes in the immigrants' own institutional practices in regard to kinship, marriage and the family, and religious institutions. The third part is primarily devoted to a discussion of maintenance of ethnic identity through voluntary association, the media and multicultural policy.

The hardships, prejudices and discriminatory practices are vividly portrayed which ethnic groups, "non-visible" as well as "visible minorities," had to endure at different times in the different provinces in their struggle to attain a foothold in the economic structure, to exercise at least some political influence, and to resist pressures of assimilation. In reading the book one cannot help but be impressed by the progress which, since the pre-World War I period, ethnic groups have been able to make in their structural integration. In 1971 the proclamation of multiculturalism within a bilingual framework officially recognized Canada's ethnic diversity and thus lessened the pressure toward cultural assimilation which ethnic groups had previously faced.

Burnet reminds us that neither the multicultural policy nor the human rights legislation has ended the unequal treatment to which particularly newly arrived and racially defined ethnic groups are still subjected. However, as she points out, multicultural policy "has made symbolic ethnicity a matter of pride, and it has given victims of discrimination arms with which to fight." It is a pity, therefore, that the last chapter on Multicultural Canada did not delve further into a critical assessment of the debate to which the policy of multiculturalism has given rise and to which Burnet also contributed. The debate has focused on the divergent, if not contradictory, assumptions, and hence, different emphases, which underlie the two policy objectives of promoting ethnic diversity on the one hand, and of removing cultural barriers against full participation of Canadians on the other. The debate continues to be relevant today despite the recent proclamation of a new Multiculturalism Act and the upgrading of Multiculturalism to a full ministry by the Progressive Conservative government.

Free of sociological jargon, *Coming Canadians* is extremely well written and a pleasure to read. It will be welcome by readers who are interested in Canadian so-

cial history. It should be assigned in social sciences courses at the high school level and in ethnic studies courses at colleges or universities. The book is also a valuable resource for social scientists specializing in the field of ethnic studies.

---

*Gertrud Neuwirth is Professor of Sociology and Director of the Research Resource Division for Refugees, Centre for Immigration and Ethno-Cultural Studies, at Carleton University in Ottawa.*

## Sandinista II

by Tom Sloan

*A People in Arms by Marie Jakober. Vancouver: New Star, 1987, 303 pages, \$8.95.*

In the years of turmoil that have marked the recent history of Nicaragua, there has arisen among many Canadians a certain spirit of sympathy and solidarity for that embattled people and its controversial government. The sympathy has been shown through visits of friendly delegations, through economic aid efforts by churches and other groups, through constant pressures on the Canadian government to do more to help, and especially through the ongoing activities of non-governmental organizations and individual volunteers working within Nicaragua itself.

Canadian writers have also had their words to say, and one of the most effective of them has been Marie Jakober, a Calgary author, who spent long periods in Nicaragua in the early 1980s studying the country and its people. The first result was the appearance in 1985 of a novel, *Sandinista*, the story of an upper class Nicaraguan family caught in the vise of terror, oppression and struggle that marked the early and middle periods of the revolution against Anastasio Somoza and his cronies at home and abroad.

That book, which won the 1985 Writers' Guild of Alberta novel award, has now been followed by a sequel, focusing on the same family in the final days of the conflict, culminating in the success of the Sandinistas in 1979. The depiction is still one of days full of terror and violence, but also of hope and elation for some, and of increas-

ing fear and despair for others. The Zelaya family is a microcosm of the larger conflict, split asunder by differing responses to it. The patriarch, Alvaro, with one married daughter and her husband, are staunch supporters of Somoza. Another daughter is fighting with the Sandinistas, while Alvaro's wife and teenage son are confused and uncertain. The cast of characters of course goes far beyond the Zelaya family, including guerrilla fighters, journalists, government officials, an American cousin who tries to remain neutral in a medical clinic, and a Canadian medical priest who is murdered by death squads. The common factor is that they are all relations, lovers, friends or acquaintances of the Zelayas.

Jakober paints a sharp, accurate picture of Managua, a city ravaged by earthquake in the early 1970s, a place of ugliness and squalor, as it still is, with, near its center, an oasis of activity and intrigue in the form of the pyramid-shaped Inter-continental Hotel.

Amidst all the action, including ambushes, murders and hostage taking, there are also political debates. The author makes no pretense to being dispassionate, but neither does she simply set up straw men or straw arguments. Her Somocistas are real people, and their thoughts and arguments ring true. They considered the revolutionaries as barbarians, and certainly as enemies of the privileged world they had long known. We hardly meet the real villains — the torturers and murderers; we hear of their deeds, which is enough.

While the novel ends on the very day of the Sandinista triumph, Ms. Jakober's interest in the country is obviously a continuing thing. Her brief Afterword concludes:

Nicaragua's determination to shape its own destiny has won friendship and solidarity throughout the world....And most of the governments of Latin America, including some which have little in common with the politics of the Sandinistas, are striving to end the war, recognizing that Nicaragua's right to live is not separable from their own.

Nor is it separable from ours.

While the sheer number of characters may sometimes be a little overwhelming to the reader, this is both an entertaining novel and a valuable evocation of recent history, done from a Canadian perspective. As such, it is well worth reading.

---

*Tom Sloan is an Ottawa writer who has lived in Central America.*

## CONTENTS

### Bilateral Relations

USA	34
Other countries (alphabetically)	
Australia	38
Burma	38
Burundi	38
China	39
France	39
Haiti	39
India	39
Jamaica	40
Morocco	40
Nepal	40
Pakistan	40
Saudi Arabia	41
South Africa	41

### Multilateral

Central America	42
Commonwealth	42
Exchange Rate	42
OAU	42
United Nations	42

### Policy

Chemical Weapons	44
Human Rights	44
Peacekeeping	44
Development Projects Protection	45
War Crimes	45

For the Record	46
----------------	----

"International Canada" is a paid supplement to **International Perspectives** sponsored by External Affairs Canada. Each supplement covers two months and provides a comprehensive summary of Canadian government statements and political discussion on Canada's position in international affairs. It also records Canadian adherence to international agreements and participation in international programs. The text is prepared by **International Perspectives**.

# Bilateral Relations

## USA

The proposed Canada-United States Free Trade Agreement continued to be the predominant factor in relations between the two countries during the period August/September.

### **Acid Rain**

US Secretary of State George Shultz responded with a firm "no" to External Affairs Minister Joe Clark's one last plea for a bilateral acid rain pact. Mr. Clark was in Washington in mid-September for the quarterly bilateral meeting with his US counterpart (*Financial Post*, September 17). After his 4-hour meeting with Secretary Shultz, Mr. Clark told reporters in Washington that the US administration refused to budge from its opposition to the type of acid-rain agreement sought by Canada. He added that there had been no movement on the "basic question" of setting firm targets and a firm timetable for reducing US emissions of sulphur dioxide and nitrogen oxide, the two key ingredients of acid rain (*Ottawa Citizen*, September 15).

A committee of the Pennsylvania state legislature headed by Representative John Broujos, held hearings on a bill that would radically cut the state's sulphur dioxide emissions, which are considered the second highest of any US state. David Schindler, a biologist who had worked for years near Kenora adding acid to lakes as a controlled way of doing what acid rain does elsewhere, appeared as a witness before the committee and supplied technical data concerning the impact of acid deposition on aquatic life in lakes (*Toronto Star*, September 23).

### **Free Trade Agreement**

The House of Commons passed the Canada-United States Free Trade Agreement (FTA) enabling legislation, Bill C-130, on August 31 by a vote of 177 to 64. Canadian legislation, Bill C-130, was awaiting Senate approval at the end of September (*External Affairs News Release*, September 19).

The implementing legislation also passed in the US Senate by a vote of 83 to 9 on September 19. Democratic Senator Daniel Moynihan of New York warned that relations between Canada and the United States might deteriorate if a new government in Ottawa tore up the agreement (*Toronto Star*, September 20). The Senate passage followed the approval by a margin of 366 to 40 in the House of Representatives on August 9. US Trade Representative Clayton Yeutter said he was delighted with the overwhelming endorsement and added, "This historic economic pact will...spur economic growth, generate more jobs and lower consumer prices as well as provide more choices for consumers on both sides of the border" (*Globe and Mail*, August 10).

### **Agriculture**

A delegation of the Canadian Federation of Agriculture (CFA) met with International Trade Minister John Crosbie on September 15 in Ottawa to express concern that Canadian food processors felt vulnerable to cheap American imports. The Minister told the group that the government would not impose import controls until there was evidence of a problem (*The Western Producer*, September 22).

The Canadian Federation of Agriculture was also withholding support from the FTA unless members' fears about the impact on supply management boards, the Canadian Wheat Board and other farm policies were alleviated. The *Western Producer* on September 1 reported that the CFA had issued a statement stating "CFA cannot support the implementation of the FTA in its current form."

Agriculture Minister John Wise issued a public statement detailing actions the government had taken to safeguard the interests of Canadian agriculture under the bilateral trade agreement. "The agreement will provide significant economic benefit to Canadian agriculture and ensure more secure and predictable access to our largest agricultural export market," claimed the Minister (*Agriculture Canada News Release*, August 24). The *Saskatoon Star-Phoenix* reported on August 26 that both the

Canadian Federation of Agriculture and the Saskatchewan Wheat Pool refused to endorse the trade agreement until Ottawa addressed specific concerns and said they were not impressed by the statement issued by Agriculture Minister John Wise.

The Canadian Agriculture Policy Alliance (CAPA) issued a statement calling the CFA position into question. CAPA, an informal alliance representing grain, oilseed, hog and beef cattle organizations from across the country, stated that "Contrary to the view expressed by the Canadian Federation of Agriculture, it is clear that the large majority of farmers would welcome freer access to the large and prosperous US market" (Canadian Agricultural Policy Alliance *News Release*, August 24). The informal alliance had been organized several years ago to counter what it considered the protectionist tendency of other farm groups influenced by the supply management philosophy. Bob Porter (PC, Medicine Hat), told the Commons that CAPA strongly endorsed the trade agreement with the United States. He added, "This group, which represents farmers all across Canada, has expressed strong support for the free trade agreement.... The United States is already Canada's largest market for farm commodities, and it is becoming more important as other countries reduce their purchases" (*Hansard*, August 26).

The US complained against Canada's move earlier this year for inclusion of ice cream, yogurt and other dairy products on the Import Control List. The Halifax *Chronicle-Herald* reported on August 27 that Richard Doyle, Executive Director of the Dairy Farmers of Canada, had said in a telephone interview that the complaint was only proposed for discussion, the first step in settling a trade dispute between two countries. If discussion failed to resolve the dispute, it would go to a panel of the General Agreement on Tariffs and Trade (GATT). Kempton Matte, President of the National Dairy Council in Toronto said "These things could have happened anyway, but they were spurred on by the Free Trade Agreement." But Ontario's Agriculture Minister Jack Riddell said he had little faith in Ottawa's ability to protect existing marketing boards once the Free Trade Agreement was signed. He added there was no assurance that products added to the import list would remain on that list in future (*Chronicle-Herald*, August 27). The leading farmers' association in Quebec with 47,000 members — Union des producteurs agricoles (UPA) — stated that about 90 percent of its members opposed the Free Trade Agreement. Jean-Yves Duthel, the UPA's communications adviser was quoted as saying that "Free trade means that, eventually, Canada will no longer have its own agricultural policy. There will be a single type of agriculture in all of North America and Canada will have to conform to it." He added that farmers were particularly concerned about sections in the deal that specifically named egg, poultry and turkey marketing boards and were apprehensive about these becoming targets of the free trade deal (*Globe and Mail*, August 30). Quebec's Agriculture Minister Michel Pagé told reporters that free trade with the United States would open up a market of seventy million people for Quebec food products (*Globe and Mail*, August 26, 1988).

### **Grape Growers**

Ontario and the federal government announced a \$100 million federal-provincial program "to improve the international competitiveness of the Ontario grape and wine industry" (Canada/Ontario *News Release*, August 30). Apart from the anticipated adverse impact of the Free Trade Agreement on the wine industry, a recent GATT ruling had obliged Canada to take measures to provide more equitable access for foreign wines. The Ontario Grape Growers's Marketing Board, representing 900 growers, had demanded \$156 million to compensate for losses expected under free trade (*Toronto Star*, August 9). Meanwhile the federal government and the province of British Columbia announced details of a 6-year \$28 million grape and wine adjustment assistance program. BC Grape Marketing Board Chairman Alan Brock said the agreement allowed growers to adjust to the accelerated market changes they faced. Growers leaving the industry were to receive needed financial assistance, while growers with premium grape varieties would be able to adjust to a new, more competitive environment (Canada/British Columbia, *News Release*, September 29).

John MacKillop, Executive Secretary of the federal Advisory Council on Adjustment set up to advise the government on adjustment to the FTA, said the support package for the Ontario grape and wine industry should not be viewed as a precedent for other industries hurt by free trade. In an interview reported in the *Financial Post* on September 2, Mr. MacKillop said "It stands alone because its problems would have occurred whether there was free trade or not," referring to increased competitive pressures on the industry from imported wines.

### **Culture**

The *Edmonton Journal* reported on September 21 that a US document entitled Statement of Administrative Action unequivocally confirmed Washington's continued opposition to Article 2005 of the Free Trade Agreement which stated that "cultural industries are exempt from the provisions of the agreement." Canada's Communications Department played down the importance of the US statement. They suggested it was simply a US interpretation of certain clauses of the Free Trade Agreement, intended as a legal guide should future contentious issues ever go to court in the US, and Canada was not bound by it.

### **Energy**

Confusion continued to characterize the Free Trade Agreement debate and questions relating to the pricing and supply of energy were often raised. In a letter to the editor published in the *Ottawa Citizen* on September 14, Minister for International Trade John Crosbie pointed out that Canadians were under no obligation to sell energy resources or any other product for that matter to the US or to provide any specific level of supply. The requirement to provide "access" to a defined proportion of supply applied only in very limited circumstances where a government imposed export restrictions for reasons of conservation, short supply or domestic price stabilization. There was nothing in the FTA, wrote Mr. Crosbie, that prevented

Canadian producers of energy from negotiating export prices that were higher than domestic prices.

The benefits of free trade for Manitoba Hydro were immense, according to the province's Industry, Trade and Technology Minister Jim Ernst. "What Manitoba Hydro gains is secure access to US markets for the sale of power," Mr. Ernst said. He added that Manitoba had invested about \$2 billion for the construction of a limestone plant. About half of the electricity generated by the new plant was expected to be exported to the United States (*Winnipeg Free Press*, August 20).

### **Environment**

A national coalition made up of about ninety groups held a series of news conferences across the country on September 22 to argue against the Agreement and release an analysis of the agreement. "If implemented, the trade deal will fundamentally undermine the principles of environmental protection and sustainable development in a way that no other event in our history has done," according to Steven Shrybman, a lawyer with the Canadian Environmental Law Association (CELA). He added that the Agreement would limit Canada's ability to control its natural resources, including energy, water, agriculture, forestry and mineral resources (*Globe and Mail*, September 23). Calling it the "Exotic claims department," the *Globe and Mail* editorial on September 30 observed that "at its core, the CELA report rejects free trade because trade leads to stronger, market-based economic growth, which is seen as inherently lethal to the environment. This is another of the flagrant, masochistic non sequiturs that devalue so much criticism of the Free Trade Agreement and about which we are doomed to hear much more during the election campaign."

### **Regional Development Programs**

On his departure as Canada's Deputy Trade Negotiator, Gordon Ritchie said in an interview that the United States unsuccessfully attempted to impose an annual \$10,000 limit per company on Canada's regional development programs during the final stages of the free trade negotiations. Instead the two parties agreed to begin a second round of negotiations, lasting up to seven years, to come up with a new set of trade laws and permissible subsidies. Until then, the two countries were to retain their own domestic laws and use a dispute settlement panel to ensure they were correctly applied (*Toronto Star*, September 2). The Minister of Western Economic Diversification, Bill McKnight, told the Commons that Canada and the provinces were free to assist and promote regional development under free trade as they were before. He added that "The Free Trade Agreement brings us under no other obligations regarding subsidies than we already have under GATT" (*Hansard*, September 1).

Canada's ten premiers at the conclusion of their 3-day annual meeting on August 19 in Saskatoon asked Prime Minister Brian Mulroney to spell out prior to the Free Trade Agreement taking effect the kind of assistance available for Canadian industry to adjust to increased competition (*Winnipeg Free Press*, August 19).

The Alberta Federation of Labor (AFL) launched a plant gate campaign to educate their 110,000 members of the "evils of free trade." AFL President Dave Werlin called the Free Trade Agreement a "sell out of Canada" and predicted that the country would lose its sovereignty and Canadians would become a source of cheap labor for American companies (*Edmonton Journal*, August 10).

The *Globe and Mail* reported on August 19 that Liberal leader John Turner had warned residents in Carbonear, Newfoundland that the Atlantic fish-processing industry could be threatened by the US interpretation of the Free Trade Agreement. "But the major impetus which free trade will give to New Brunswick's fishing industry will not be so much in the form of reduced tariffs, but rather the protection it offers Canadian fish processors against the last-minute implementation of countervailing charges or other duties," according to Bob Bourgeois, Executive Director of the Department of Industry, Science and Technology of New Brunswick (*The Times-Transcript*, September 9).

The beer industry's exemption from the Free Trade Agreement was seen as a major coup because industry insiders feared that Canadian breweries could have been easily swamped by larger American competitors. Molson Companies Ltd., whose board of directors met in Calgary on August 22, thought it had gained only a reprieve with worldwide economic trends pushing in the other direction (*Calgary Herald*, August 23). Canada's former Ambassador to the United Nations, Stephen Lewis, condemned the Free Trade Agreement, saying "Canada's distinctive culture would be eroded within 20 to 30 years" reported the *Winnipeg Free Press* on September 27. It added that Mr. Lewis told an NDP nominating meeting in Winnipeg-Transcona that his four years in New York had taught him that the United States did not live up to its international agreements.

### **House of Commons**

On Tuesday, August 30, leaders of the three federal political parties spoke in the House of Commons on the Free Trade Agreement. Summaries of their remarks follow.

**Brian Mulroney:** The Free Trade Agreement is necessary to secure access to our most vital market and is consistent with policies which are already strengthening our economy and improving the well-being of Canadians.... Free trade will help the regions of this country. It will do so by creating a broader and deeper pool of national wealth, not just by redistributing existing resources.... Free trade will help us to sustain our social security programs. Nothing endangers them more than economic decline. Nothing guarantees them better than an expanding economy. The values we have as Canadians and the distinctive quality of life we bring to North America will be enriched by free trade. By strengthening our economy, free trade will help us support cultural programs that enhance the capability of our artists, writers and performers to express themselves to Canadians and to the world. Free trade will also improve our capacity to strengthen our national pro-

grams ranging from the environment to regional development to child care....Under the Free Trade Agreement Canadians will be able to sell their energy for whatever price the market determines, at home or in the United States....As for water, Canada's rivers and lakes are not for sale. Geography is not a commercial commodity under the GATT, the Free Trade Agreement, or any other agreement.... Improved access to the US market will lead to more investment, larger and more specialized enterprises, less protection, less harassment, lower consumer prices and higher wages and incomes.... We are proud of our distinctiveness as Canadians. We are determined to preserve and enrich those qualities which ensure a uniquely Canadian way of life.

**John Turner:** This debate is not simply about the future of our trading relationship with the United States. It is about the future of Canada....What the Government is telling us to do in this trade deal is to close our eyes, sign away our future as Canadians and the right to shape the destiny and direction of our country. It is telling us to give up that which is most vital to us, our sovereignty, our way of life, the way we do things....The price of this deal is just too high. The price is unacceptable. The price is our sovereignty, our freedom to make our own choices, to decide what is right for us, to go on building the kind of country we want. That freedom, that sovereignty, is our most valuable asset. When you strip away all the technical jargon of this deal, that is what the Government wants to give away, our freedom to be different, our freedom to be ourselves, to do things our own way, not the American way....The Americans put all their faith in market forces. Yes, we believe in enterprise and we believe in rewarding success, but as Canadians we have the ultimate goals of fairness and sharing. We feel that those purposes have been accomplished better in a mixed economy....The Agreement does affect our social programs, despite the Prime Minister's statements. It also affects our regional development programs, our agricultural support programs....We reject this deal because it turns us into little more than a colony of the United States and, on the international scene, into merely a junior partner.... The Liberal trade policy is a 5-point program which will give us that leverage by making Canada a strong, dynamic, and sovereign world trader. The five areas are the GATT, the world economy, Canada-US trade, export expansion and enhancement, and global competitiveness. We have never been a protectionist Party. We do not view the current situation, the current proposed agreement with the United States, with protectionist eyes. We will work to solve trade irritants and continue to work for lower tariffs around the world, particularly between Canada and the United States, within those international forums.

**Ed Broadbent:** What is involved in this deal goes to the root of what it means to be a nation. It touches upon internal policies particularly of Canada....I believe we have before us a deal which does not protect our water or our regional development programs, gives away control of our energy, puts in jeopardy over the next five to seven years and beyond our social programs, is indifferent to foreign ownership, and ignores the claims of Canadian culture precisely because these matters are totally subordinate to the claims of the market-place for the Conservative Government here in Ottawa and, regrettably, subordinate to the claims of the market-place for every Conservative Government anywhere in Canada today.... Rather than stand up for Canada, the present Prime Minister has handed over control of our future to the United States of America.... Our grain producers who rank among the most competitive and productive in the world want to retain the existing powers of their Wheat Board.... All Maritimers want their regional development programs to be maintained... Senior citizens want our health and social programs maintained and enhanced for future generations. The Trade Agreement jeopardizes these programs, threatens to gut them as those in the United States.... Our vision of Canada as a social democratic party is based on fairness for average Canadians and their families. We want a fair deal for the many, not a special deal for the few....Our approach combines three fundamentals that are key to enhancing fairness for average Canadians and for the future generations. They are new opportunities for Canadians at home, fair trade with the United States, and new global trading opportunities beyond this continent.... We obviously want to go on trading with the United States...but this should not be at the expense of our independence as a country.

#### **Editorial Comment**

The ancient cliché, "don't throw out the baby with the bath water", should be recalled in the debate on free trade, wrote the *Western Producer* on September 29. It added that those opposition parties which had teed off on the United States-Canada Free Trade Agreement were correct in saying that there were worrisome clauses in the pact but they were in danger of doing this trading nation a disservice by giving the concept of freer trade a bad image among Canadian voters. It called on its readers to remember that 40 percent of Canadian farm income came from exports and the ratio was even higher for western Canadian farm income. The government too should not bind itself to the cause that it could not see the hazards contained therein. The *Calgary Sun* observed in its editorial on September 20 that in all the talk of free trade with the Americans, it was not to be forgotten that Canada did not even have free trade among the provinces. It quoted an Organization for Economic Cooperation and Development report which said "There is little justification for restrictions on interprovincial trade within Canada, and reform is urgently needed." The *Montreal Gazette* stated on

September 21 that it was not necessary to be anti-American to oppose this deal. If Canadians rejected this trade deal they would not be choosing to move "further away" from the United States. They would simply be choosing not to get any closer, at least on the terms set in this deal. Americans would not, if the positions were reversed, be willing to sign such a "lop-sided" deal. It was recognizing that good fences made good neighbors, *The Gazette* said.

Canada was joining most of the industrialized world in reducing commercial barriers with its major trading partner, observed the *Globe and Mail* on September 20. It added that by this Free Trade Agreement, Canada had won better and broader access to the richest market in the world, an achievement which was envied by every other trading nation. The *Regina Leader-Post* on September 17 expressed concern about job losses and advised that adjustment programs "should focus on workers, not just those who lose jobs to free trade, but those displaced by technological changes." There was room for honest disagreement over the likely effects of free trade on Canada and Canadians, wrote the *Winnipeg Free Press* on August 9. But the editorial charged that the point at issue in Mr. Turner's approach to free trade was "not one of honest disagreement but of simple, deliberate distortion." But the *Toronto Star* stated on August 10 that all too often in the Progressive Conservatives' mad scramble to sign a comprehensive trade deal with Washington, important Canadian conditions had been abandoned and crucial concerns swept under the rug. "The *Globe and Mail* editorial on August 9 stated that Canada had embraced freer trade since 1945, especially with the United States. It asked, "Has Canadian publishing, film, music, art, architecture, television and radio withered in parallel? On the contrary. Have we aped US social programs? No. Has our foreign policy gone meek? Emphatically not."

## Australia

### Terry Fox Run

Nearly 3,000 people ran, walked, pushed and wheeled in the first Terry Fox Run "downunder," on September 11, at the World EXPO 88 in Brisbane. The Terry Fox Run was selected by the Government of British Columbia as its main EXPO 88 event and British Columbia's premier Bill Vander Zalm, and Canada's Commissioner at EXPO 88 Rick Hansen, were on hand to launch the Run. As a result of Canadian support this year, the Queensland Cancer Fund committed itself to stage the Terry Fox Run annually (*External Affairs News Release*, September 15).

## Burma

The Canadian government and all Canadians were greatly concerned, according to the Secretary of State for External Affairs Joe Clark, by the reports of numerous deaths of protesters in the aftermath of a military coup and offered his sympathies to the families affected. Mr. Clark stated that the Canadian government condemned the use of violence by the military forces against those protesting existing conditions and seeking a return to democratic

values in Burma. It was reported that all Canadians had left Burma and Mr. Clark advised Canadians not to visit the country in the existing conditions (*External Affairs News Release*, September 19).

The *Globe and Mail* editorial on September 29 observed that "pent up after twenty-six years of intimidation, the fury of the usually placid Burmese on the road to self-liberation is something to behold." It added that anti-government activists were being beaten and executed by the military while demonstrators, in grisly displays of their popular revolution, were torturing and beheading supporters of the dying regime.

## Burundi

Referring to the events in Burundi, External Affairs Minister Joe Clark told the Commons on August 30 that "everyone in this House is shocked by the massacres in Burundi." About 5,000 Hutu were claimed killed by the Tutsi in Burundi. Mr. Clark promised that Canada would work through the Francophonie and other organizations to try to change the practices that had so "shocked the world" (*Hansard*, August 30). The *Globe and Mail* editorial on August 25 stated that the Hutu in Burundi had "legitimate grievances against the Tutsi, who refuse to relinquish dominance." It concluded that the Tutsi government led by Pierre Buyoya could successfully fight off the challenges of the Hutu majority for only so long. Many lives would be saved if it realized that demographic fact sooner rather than later, advised the editorial.

On August 31, the Burundi Ambassador in Canada was informed by the Secretary of State for External Affairs Joe Clark of "the grave concern of the government and people of Canada" over the events in Burundi. Mr. Clark also appealed to the government of Burundi to make full disclosure of the facts surrounding these events to the international community. The Canadian government "strongly condemned the abhorrent acts of violence" that had exacted such a high death toll. The statement added that Canada placed a very high priority on respect for human rights, including freedom of speech and of worship, and political or religious beliefs.

The Minister for External Relations and International Development, Monique Landry, announced that the Canadian International Development Agency (CIDA) had granted emergency food aid of \$150,000 for the refugees in Rwanda and another \$100,000 for the purchase of blankets, medicine and other necessities (*External Affairs News Release*, September 2).

Canada provided another \$500,000 for Burundian refugees in Rwanda who had fled their homeland because of ethnic clashes. Mrs. Landry said the money was to provide the estimated 60,000 Burundians, mainly women and children, with food, shelter and medical care (*Chronicle-Herald*, September 13). She also announced that since the influx of refugees began, Canada had provided the Organisation Canadienne pour la Solidarité et le Développement with \$150,000 for emergency food aid. This money was used to purchase food locally in Rwanda (*CIDA News Release*, September 12).

## China

### **Farming the Seas**

The Sino-Canadian Mariculture Research and Training Centre was officially opened in Qingdao, China, by the President of Canada's International Development Research Centre, Ivan Head, and the Chairman of the Chinese State Science and Technology Commission, Song Jian. The event marked almost a decade of close collaboration between Chinese and Canadian scientists. Senior Canadian scientists were to work with their Chinese colleagues over the next three years to introduce modern Canadian scientific knowledge into the large-scale traditional Chinese production techniques of fish farming in the sea. This new centre was also to play a major role in strengthening the research capabilities of other developing countries by training researchers from around the world. Initial international training courses were to focus on the outstanding research successes of the Chinese in cultivating seaweeds, oysters, clams and scallops (*International Development Research Centre News*, August 20).

### **Satellite Telecommunications**

Canada provided \$4.48 million for the development of satellite telecommunications in China in September. Telesat Canada was to advise China's Ministry of Posts and Telecommunications on the systems to acquire in order to improve its domestic satellite communications system to better reach isolated regions of the country. Telesat was also to provide training. Canadian experts were to travel to China and Chinese engineers were to undergo practical training in Canada in order to become familiar with the new equipment China intended to buy (*CIDA News Release*, September 28).

## France

### **Fisheries Dispute**

Canada announced on September 21 that it was prepared to proceed with "non-binding mediation" to assist in resolving the fish quota dispute with France. The mediation would have provided for the appointment of a mediator to help the two countries reach an acceptable solution on interim fish quotas for French vessels off Canada's Atlantic Coast. Mediation to assist direct talks between the two countries was provided for in an agreement reached on April 30, 1988, but was not put into effect immediately. Secretary of State for External Affairs Joe Clark noted that settlement of the fish quota dispute had not been reached "because France has broken off negotiations and has refused to roll back French catches significantly in the disputed zone off the South coast of Newfoundland and the islands of St. Pierre-Miquelon." The Minister said that the fundamental Canadian position remained unchanged and Canada continued to seek the settlement of the long-standing boundary dispute. He added that if an agreement on fish quotas was reached, French vessels would be allowed to fish for them during the period when the maritime boundary dispute off St. Pierre-Miquelon and

Canada's East Coast was being resolved by international jurisdiction (*Government of Canada News Release*, September 21).

## Haiti

"Government by murder and machete" continued in Haiti. Outraged by the massacre which left six dead and seventy-seven injured after an attack in mid-September by thugs on the church of Haitian leader Rev. Jean-Bertrand Aristide while police stood by, the Canadian government announced that all planning for government-to-government aid programs with Haiti was to be terminated (*Ottawa Citizen*, September 15). A spokesman for the Canadian International Development Agency said that about \$12.5 million worth of Canadian aid was expected to flow to Haiti in 1987-88, down by almost 50 percent from the previous year. The new move meant that all Canadian aid to Haiti was to be channeled exclusively through non-governmental agencies and international organizations. By withholding direct aid, Canada had at least a small carrot with which to coax democratic reforms from Avril's government, observed the *Toronto Star* on September 21. It added that "short of mounting an armed invasion," there was little that Canada or any of Haiti's neighbors could do to ensure a democratic regime in the Western hemisphere's poorest nation.

Lt. Gen. Prosper Avril, a career officer close to Haiti's rulers since the Duvalier dictatorships, declared himself President on September 18 after a palace coup that ousted Lt. Gen. Henri Namphy (*The Gazette*, Montreal, September 19). *The Gazette* observed in its editorial on September 20 that it was no longer possible to feel any surge of hope when a Haitian dictator was ousted, for bitter experience had taught that the next one was probably no better and might be worse. It was a measure of Haiti's misery that the overthrow of one general with a grim future by another with a disreputable past should have awakened hopes for better days. But the young soldiers who ousted Lt. Gen. Namphy and replaced him with Lt. Gen. Avril did so for laudable reasons, claimed the *Globe and Mail* editorial on September 20. It added that they were sickened that Namphy did not and could not douse the "flashes of anarchic violence" that threatened to enflame their country. About 1,000 members of Montreal's Haitians community filled René Lévesque Boulevard in Montreal to protest the brutal dictatorships which continued to "tyrannize" their country (*Montreal Daily News*, September 19).

## India

### **Detention of Canadian**

The continued detention in India of a Canadian citizen, Balkar Singh, remained an irritant in relations with India. Bob Pennock, (PC, Etobicoke North), expressed concern about the detention of Mr. Singh in India since November 2 and informed the House of Commons that Amnesty International had "urged the Indian Government to either release him or charge him, and bring him to trial under nor-

mal judicial procedures, with all customary legal safeguards" (*Hansard*, September 28). The Secretary of State for External Affairs responded to a letter written to him on the same matter by Liberal justice critic Bob Kaplan (York-Centre). Mr. Kaplan charged that the Canadian government might be more interested in smooth diplomatic relations with India than in protecting the rights of a Canadian Sikh detained without trial for nearly a year. Mr. Kaplan also demanded in his letter that Mr. Clark provide details of the medical examination and explain whether the RCMP or Canadian intelligence officers had questioned Mr. Singh (*The Sun* [Vancouver], September 27). Mr. Clark replied that his statement in the House of Commons in November 1987 "made public the fact that Mr. Singh had been mistreated and conveyed the outrage of the Canadian government to the government of India" (*External Affairs News Release*, September 30).

## Jamaica

In response to the havoc caused by Hurricane Gilbert, a chartered Air Canada DC-8 aircraft departed for Kingston to transport relief supplies. At the request of the Canadian International Development Agency (CIDA), two non-governmental organizations, CARE and OXFAM, worked with the Jamaican community in Canada to ensure that relief assistance met Jamaica's immediate priority needs (*External Affairs News Release*, September 22).

External Relations and International Development Minister Monique Landry announced \$2.6 million for initial emergency measures to help Jamaica. The Minister added that CIDA was to disburse up to \$1 million through its International Humanitarian Assistance Program in response to requests from various relief agencies. And a matching fund had been set up through CIDA, up to a limit of \$1 million, which would disburse one dollar for each dollar received by the fund-raising campaign organized by the Jamaican High Commission in Canada in conjunction with a relief agency such as the Red Cross. Mrs. Landry also announced that in the medium term, CIDA would support the country's reconstruction effort and that \$4 million had already been identified for projects to be set up for infrastructure reconstruction and rehabilitation (*CIDA News Release*, September 14).

The Ontario government donated \$100,000 and the use of a Hercules transport plane to take canned food, bedding and other emergency supplies collected in Metro Toronto. Prime Minister Brian Mulroney sent a message to Jamaican Prime Minister Edward Seaga, informing him that "all Canadians" shared his grief (*Toronto Star*, September 15). The *Financial Post* reported on September 20 that Hurricane Gilbert had demolished houses, flattened sugar cane, coffee and banana plantations, and killed livestock. *The Post* estimated that the worst hurricane in recorded history had cost thirty Jamaican lives and \$10 billion.

The *Globe and Mail's* correspondent's report from Kingston on September 22 stated that unprecedented political interference by members of Prime Minister Seaga's party, including the diversion of some aid to government sup-

porters, was hampering relief efforts, according to Sharmaine Whyte, a spokesperson for the Office of Disaster Preparedness. Hartley Neita, a spokesperson for the opposition People's National Party, said the government's actions were "straight, straight politics." But the Canadian High Commissioner in Kingston, Kathryn McCallion, reported no Canadian aid was missing and attributed the story to competition for disaster news between Kingston's two major dailies. The *Toronto Star's* Kingston correspondent also reported on September 23 that a group of twenty-two US relief organizations had alleged that some parts of the country had still received nothing ten days after Hurricane Gilbert ravaged the island, while the bulk of the supplies had gone to supporters of the ruling Jamaica Labor Party.

## Morocco

The Export Development Corporation financed a \$212 million loan to the Office National des Postes et des Télécommunications of Morocco in support of a contract to Bell Canada International for the installation of 300,000 new telephone lines in the first phase of Morocco's telecommunications development plan. Communications Minister Flora MacDonald said, "As a result of this important decision by the Government of Morocco, it will be the first African country to introduce the world's most fully-digital telecommunications switching technology." And the International Trade Minister John Crosbie noted that the awarding of this contract to a Canadian firm reinforced the already "excellent bilateral relations with Morocco on economic, political and cultural fronts" (*Government of Canada News Release*, September 21).

## Nepal

A violent earthquake struck Nepal and eastern India on August 20. The earthquake was the strongest to hit the region since 1934. Preliminary reports from the United Nations Disaster Relief Coordinator's Office (UNDRO) indicated that 560 people had died, 860 were injured and thousands had been left homeless. Canada contributed \$100,000 in response to an international appeal for assistance launched by UNDRO (*Canadian International Development Agency News Release*, August 26).

## Pakistan

### ***Death of President Zia***

Prime Minister Brian Mulroney in a message to the Acting President of Pakistan said Canadians were "shocked and saddened to hear of the tragic incident" and expressed his "deepest condolences" (*Office of the Prime Minister Release*, August 17). In the Commons, Reg Stackhouse (PC, Scarborough West) said "the sympathies of

this country will go to the families concerned" (*Hansard*, August 17). Associate Minister of National Defence Paul Dick and William Winegard, Chairman of the Standing Committee on External Affairs and International Trade, were members of the Canadian delegation which attended the funeral of the President of Pakistan in Islamabad on Saturday August 20 (*External Affairs News Release*, August 19).

The *Globe and Mail* editorial on September 23 claimed that General Zia was able to swing Pakistan's institutions (though not a majority of Pakistanis) towards Islamic fundamentalism and manipulated the political process to the disadvantage of all his political rivals. The editorial concluded that the prospect of a return to democracy was heartening. But in a land that had been ruled by the military for more than half its forty-one years, it might be years before it was certain that democracy had come to stay in Pakistan. According to the *Edmonton Journal*, August 23, the country's 73-year-old acting president, Ghulam Ishaq Khan, who declared a state of emergency, said he would allow the country to proceed normally toward national elections planned for November 16.

## **Saudi Arabia**

### **Business Mission**

A business mission of ten Saudi Arabians visited Vancouver, Calgary, Toronto and Montreal from September 22 to October 2 to discuss trade and investment opportunities with representatives of Canadian business. Canada's Minister for International Trade noted that Saudi Arabia was Canada's largest market in the Arab world. In 1987 Canadian exports of goods to Saudi Arabia totalled some \$268 million while exports of services were more than \$400 million. A similar mission in 1987 led to the establishment of seventeen export agency agreements and millions of dollars in trade and investment between the two countries. During the October 1987 meeting between the Secretary of State for External Affairs, Joe Clark, and His Royal Highness Prince Saud al Faisal, Saudi Arabia's Minister of Foreign Affairs, signed an Economic and Technical Cooperation Agreement (*External Affairs News Release*, September 23).

## **South Africa**

### **Clark Condemns Violence**

Secretary of State for External Affairs Joe Clark "deplored the bombing of Khotso House in Johannesburg and extended sympathy to the numerous people injured as a result." He hoped those responsible would soon be brought to justice. Khotso House is the headquarters of the South African Council of Churches, the Detainees' Parents Support Committee, the Black Sash and many other human rights groups. Mr. Clark reiterated Canada's firm opposition to the use of violence by all sides, whether aimed at bringing about change or at maintaining the

apartheid system (*External Affairs News Release*, September 1).

### **Papal Visit**

The *Globe and Mail's* Africa correspondent reported on September 20 that the Pope's 10-day southern African journey was "far more pastoral than political." The correspondent added that the Pope refrained from naming "villains or casting specific blame — a rare thing in a region where it is commonly accepted in many quarters that white-ruled South Africa is the root of almost all evil." The *Calgary Sun* on September 22, however, stated that the Pope disappointed anti-apartheid activists because he did not "speak out" against the South African regime. This was odd, observed the editorial because he certainly did condemn apartheid in the strongest terms — calling it "evil" and "un-Christian." What he did not do was behave like a politician. Instead the Pope talked about the need for understanding and reconciliation between the races and about the need to avoid violence.

### **Ottawa City Council**

Ottawa City Council adopted a policy under which South African government officials were no longer to be received at Ottawa City Hall. The policy was called "hypocritical" by South Africa's Ambassador to Canada, J.H. de Klerk, who stated in a press release that "Thousands of people have died in power struggles in three countries in the last few weeks. The Ottawa City Council's silence about those events has been deafening." The press release did not identify the three countries referred to by the Ambassador. Ottawa Mayor Jim Durrell rejected the criticism and observed that there were atrocities going on throughout the world. "What you have in South Africa is a legislated, institutionalized apartheid program," Durrell said. The resolution, passed by the Council without debate or comment, condemned apartheid in South Africa and proclaimed Ottawa an anti-apartheid city. The city also agreed to consider naming a park, street or bridge in the downtown area or near the South African Embassy after Nelson Mandela, the imprisoned leader of the African National Congress. Mayor Durrell said he did not regard the ANC as a terrorist organization (*Ottawa Citizen*, September 23).

### **Sanctions**

The External Affairs Minister promised to tighten Canada's sanctions against South Africa after the revelation that federal grant money had been paid to two South African controlled companies. The grants, totalling \$7,204, went to Boart Canada Inc. of Mississauga and Longyear Canada Inc. of North Bay for export promotion. John Nunziata (Lib., York South—Weston) said the government had clearly breached the intent of its own sanctions (*Globe and Mail*, September 14).

# Multilateral Relations

## Central America

In a letter on September 23 to John Bosley (PC, Don Valley West), Chairman of the Special Commons Committee on the Peace Process in Central America, External Affairs Minister Joe Clark responded to the Committee's report which was tabled in the House on July 5. Mr. Clark expressed the government's agreement with most of the recommendations. He observed that successive Canadian governments had been supportive of the Central America Five in their search for peace and that Canada remained "ready to participate in the Auxiliary Technical Group for the design of appropriate peacekeeping mechanisms." Canada was willing to consider offering technical assistance, if requested by the Five, according to Mr. Clark. The belief that the root causes of conflict in the region were economic and social had for some years been one of the main underlying precepts of Canadian policy had led Canada, since the early eighties, to increase substantially economic assistance to the region. Mr. Clark promised to open aid offices in Tegucigalpa, Managua and San Salvador and agreed on the need to strengthen diplomatic representation in the region (*External Affairs News Release*, September 26).

The Presidents of Costa Rica, Honduras, Guatemala, El Salvador and Nicaragua did not celebrate the first anniversary of the signing of the Arias peace plan for there was not much to celebrate, according to the *Toronto Star* editorial on August 10. However, a year after its signing, the Arias plan remained the best hope of peace for Central America. And turning the hope into reality would take more work by the Central Americans and less obstruction from the United States. According to the *Globe and Mail* editorial on September 6, one positive effect of the accord, despite its failure, was to some extent to throw Central American policy back into indigenous hands. President Duarte of El Salvador called it "a second declaration of independence for Central America." If there was to be peace in the region, concluded the editorial, the nations of Central America must forge it themselves.

## Commonwealth

The Commonwealth Foreign Ministers' Committee on South Africa met in Toronto on August 2 and 3. Canada's External Affairs Minister and Chairman of the Committee Joe Clark made public the Canadian Action Plan to help implement the Strategy to Counter South African Propa-

ganda and Censorship. Canada had committed \$1 million to implement the plan and Mr. Clark announced that other countries also promised to develop national action plans.

Under the Action Plan the Canadian Embassy in Pretoria was to engage in more effective public affairs activities. Canada was to establish a scholarship program to provide young South Africans with the opportunity to receive an education that would prepare them for careers in journalism. In this regard, Canada proposed the creation of and undertook to provide a portion of the funding for a Commonwealth Journalism Award to be presented to an outstanding South African journalist (*External Affairs News Release*, August 3).

At the meeting in Toronto the External Affairs Minister also announced funding for a feasibility study which would explore the creation of a Commonwealth-wide network of non-governmental organizations dealing with education and training of black South Africans. There was an urgent need to increase the number of black South Africans in positions of authority in the private and public sectors when South Africa moved towards a non-racial democratic society (*External Affairs News Release*, August 2).

## Exchange Rate

The Canadian dollar was worth US\$.813 at the beginning of August and US\$.811 at the end of September.

## OAU

An international conference was convened in Oslo, Norway, in late August by the Organization of African Unity (OAU) on the Plight of Refugees, Returnees and Displaced Persons in Southern Africa. Canada contributed \$4.2 million to the widespread refugee problem in southern Africa, with assistance directed to victims in Mozambique, Malawi and Angola (*CIDA News Release*, August 23).

## United Nations

### *Africa Mid-Term Review*

External Relations and International Development Minister Monique Landry addressed the United Nations General Assembly on September 12 at the mid-term re-

view of the UN Programme of Action for African Economic Recovery. The Minister reaffirmed Canada's long-term commitment to Africa and added that the debt burden, overpopulation and environmental degradation were among the most pressing issues which required attention. In 1987-88, Canada provided \$1.1 billion in assistance to Africa via bilateral and multilateral channels and Canada forgave approximately \$600 million in Overseas Development Assistance debts of sub-Saharan African countries. Mrs. Landry stated that Canada was increasing to 45 per cent the share of its bilateral assistance committed to Africa (*External Affairs News Release*, September 12).

#### **Disarmament**

Canada's Ambassador Doug Roche was elected Chairman of the First Committee of the 43rd Session of the United Nations General Assembly in New York. The First Committee deals with disarmament and related international security questions, and was to be in session from September 20 until the end of November. This was the second time in the history of the United Nations that a Canadian had assumed this position. The first Canadian to do so was Lester B. Pearson in 1949 (*External Affairs News Release*, September 20).

#### **Peacekeeping**

Canada agreed to participate in the United Nations Iran-Iraq Military Observer Group (UNIIMOG). The Force was established to assist in the implementation of a cease-fire agreement, a vital first step in efforts to end the 8-year Iran-Iraq war. Canada contributed a fully self-sustained communications unit which was responsible for all of the Observer Force's communication requirements along the entire 1,200 kilometer border between Iran and Iraq. In addition to this communication unit, which comprised approximately 370 Canadian Forces personnel, Canada had agreed to provide fifteen officers to assist at UNIIMOG Headquarters and in observer positions (*Government of Canada News Release*, August 9).

The Minister of National Defence, Perrin Beatty, sought support through a motion in the Commons for Canadian participation the United Nations Iran/Iraq Military Observers Group (UNIIMOG) and hoped that Canada's contribution to this international initiative would "help to end a war that has cost a million lives." He reminded the Commons that the peaceful settlement of disputes was one of the "three pillars of Canadian security policy." Charles Caccia (Lib., Davenport) told the House that the Official Opposition supported the Canadian participation in this "fine initiative." The New Democratic Party's Defence critic, Derek Blackburn (Brant) said his party was "totally in agreement" with the move the government had made. He added that "Canadians do not want their Government to choose sides and heighten international conflict. They want Canada to be the honest broker working for international peace (*Hansard*, August 24).

The *Financial Post* in an editorial on September 1 responded to the critics of the decision to contribute Canadian forces to the United Nations peacekeeping contingent in Iran and Iraq. It asked that "beyond the geopolitical dimension of the war, how could any country that professes belief in world peace and stability through membership in the UN refuse to participate in a mission designed to end an armed conflict?"

#### **Prime Minister Mulroney**

Prime Minister Brian Mulroney addressed the General Assembly on September 29. He praised the Intermediate Nuclear Forces Agreement as "an historic first step in arms reduction", but the Prime Minister observed that "The vicious cycle of repression and violence is unbroken in South Africa." He said there was "growing support for a properly structured international conference" to resolve the Middle East conflict. Mr. Mulroney paid tribute to the world body's peacekeepers and concluded that those who had doubted both the value of multilateralism and the UN "surely must be re-assessing their views today" (*Office of the Prime Minister Notes for an address*, September 29).

# Policy

## Chemical Weapons

Canada welcomed President Ronald Reagan's call upon signatories of the 1925 Geneva Protocol on chemical weapons, and other concerned states, to convene a conference to consider actions which might be taken to reverse the erosion of international prohibitions on the use of these weapons. External Affairs Minister Joe Clark noted that Canada was "profoundly disturbed by the recent use of chemical weapons in the Iran-Iraq war, and had repeatedly condemned such actions." The convening of an international conference to strengthen prohibition against chemical weapons use would be a positive move in strengthening the effectiveness of the Geneva Protocol. Mr. Clark expressed the hope that such an international conference might provide an impetus to broader negotiations on chemical weapons in the Conference on Disarmament in Geneva. Canada was actively participating with other nations in an effort to reach a comprehensive, global and verifiable ban on the production, possession and use of chemical weapons. The complete elimination of chemical weapons remained Canada's goal (External Affairs News Release, September 26).

"With an end in sight to the Iran-Iraq war, the United Nations should redouble its efforts to ban the chemical weapons which had been used, with horrifying results, in the conflict," urged the *Edmonton Journal* on August 9. It cautioned that to do nothing was to invite more chilling scenes — like the hundreds of dead villagers sprawled in the Kurdish village of Halabja this spring, after Iraq had unleashed poison gas. Iraq's use of chemical weapons against its own citizens and its Iranian foes was to be remembered as a shameful event in a terrible war, according to the *Ottawa Citizen* of August 30. But continued failure to negotiate an effective treaty to control such weapons was to compound these dreadful errors. The *Moncton Times-Transcript* wrote on August 23 that because of the development of nuclear weapons, especially those borne on intercontinental ballistic missiles, there had been a relative ignoring of the immense dangers to humankind posed by bacteriological and chemical weapons. *The Gazette* (Montreal) on September 11 urged all countries to step up efforts to conclude a treaty banning the production and storage of chemical weapons.

## Human Rights

Bill C-147, an Act to establish the International Centre for Human Rights and Democratic Development, was passed by the House of Commons on September 13. The objects of the Centre were to initiate, encourage and support cooperation between Canada and other countries in the promotion, development and strengthening of institutions and programs that would give effect to the rights and freedoms enshrined in the *International Bill of Human Rights*. The world's worst tyrannies were apt to shun the Centre, according to the editorial in Montreal's *The Gazette* of August 18. But, it added, there was much that could be done in countries where a civilian government was struggling to consolidate itself and civilian institutions against challenges from a powerful military. "Of course, the Centre won't save the world. But it does stand to contribute something to making it a better place," concluded the editorial. The legislation received royal assent on September 30.

## Peacekeeping

### United Nations

Canadians felt "pride and pleasure," according to External Affairs Minister Joe Clark, at the decision of the Nobel Committee which awarded the its Peace Prize to the United Nations Peacekeeping Forces. Mr. Clark observed that this award would have a special meaning for more than 80,000 Canadian men and women who had served in the UN Peacekeeping contingents in the last three decades. This work had often been difficult, even dangerous, and seventy-eight Canadians had given their lives in this duty. "No country has been more steadfast or supportive in its commitment to UN Peacekeeping than Canada, and it is worth remembering that peacekeeping, as we know it today, was begun on a Canadian initiative more than thirty years ago," added Mr. Clark. Canada had participated in every UN peacekeeping action since that time, a record unsurpassed by any other UN Member (External Affairs News Release, September 29).

Pr  
F  
Dev  
dor  
Cox  
cor  
to r  
infr  
sec  
mo  
cer  
iste  
ob:  
suc  
Mc  
joir  
pro  
for  
eq  
in  
pa  
the  
pro  
In  
mo  
ist  
fur  
pa  
te  
pl

## Protection of Development Projects

Projects funded by the Canadian International Development Agency (CIDA) and other international donors through the Southern African Development Coordination Conference (SADCC) had increasingly become susceptible to sabotage. Canada, therefore, agreed to respond to requests for assistance for the protection of infrastructure projects in southern Africa. Requests for security assistance were discussed at last year's Commonwealth Heads of Government Meeting and more recently at the meeting of the Commonwealth Foreign Ministers in Toronto. External Affairs Minister Joe Clark observed that "Destabilization and insurgency activities continue to be a threat to major development projects, such as the planned rehabilitation of the Limpopo line in Mozambique." He added that Canada was now ready to join other governments in providing the protection.

Among the types of assistance envisaged under the program were the following: a) logistical support in the form of clothes, fuel, spare parts and communications equipment; b) food to be provided to personnel involved in project implementation; c) an increase in balance of payments support directed to countries experiencing these difficulties. Regular CIDA monitoring and evaluation procedures were to apply to funds used for this purpose. In addition, increased support could be provided to train more personnel from the Front Line States through an existing military training assistance program currently funded by External Affairs and implemented by the Department of National Defence. External Relations and International Development Minister Monique Landry pledged that Canada would remain a strong supporter of

SADCC and its efforts to advance regional cooperation and economic independence (*External Affairs News Release*, September 29).

## War Crimes

Attorney General Ray Hnatyshyn signed a preferred indictment against 76-year-old Imre Finta, the first person to have been charged under Canadian law with crimes against humanity. The preferred indictment meant that Mr. Finta would not face a preliminary hearing but would go directly to trial. The 8-point indictment charged Mr. Finta with committing both war crimes and crimes against humanity during the Second World War. It alleged that in 1944 he unlawfully confined 8,617 Jews at Szeged, Hungary, and stole jewelry, money and other valuables from Jews while using threats of violence. Another charge related to incidents at a railway station at Rokos, Hungary, where it was alleged that Mr. Finta, then a captain in the Hungarian army, kidnapped Jews and had them sent out of the country. He was further charged with being responsible for the deaths of Jews who died during transport through Hungary, Austria, Czechoslovakia and Poland (*Globe and Mail*, August 23). Federal Prosecutor Chris Amerasinghe gave no reason why the government wanted to go directly to trial, and Helen Smolack, chairman of the Canadian Holocaust Remembrance Association, praised the move (*Toronto Star*, August 23). But Sol Littman of the Friends of Simon Wiesenthal Centre said Canada was still excruciatingly slow in collecting evidence against other suspected war criminals in the country (*Globe and Mail*, August 25).

# For the Record

(Supplied by External Affairs Canada)

## I. Bibliography of recent publications on Canadian foreign relations (prepared by the Library Services Division).

### Recent Books:

- Bothwell, Robert, Ian Drummond and John English  
*Canada, 1900-1945*. Toronto: University of Toronto Press, 1987.
- Cameron, Duncan (ed.)  
*The free trade deal*. Toronto: Lorimer, 1988.
- Canada. Department of External Affairs  
*Human rights and Canadian foreign policy: selected statements and speeches*. Ottawa: External Affairs, 1988.
- Canada. Ministère des Affaires extérieures  
*Les droits de la personne et la politique étrangère du Canada: recueil de déclarations et discours*. Ottawa: Affaires extérieures, 1988.
- Centre québécois de relations internationales  
*Les grandes puissances au lendemain de Reykjavik. / The post-Reykjavik: where do the superpowers stand?*. Québec: Université Laval, 1987.
- Clark-Jones, Melissa  
*A staple state: Canadian industrial resources in cold war*. Toronto: University of Toronto Press, 1987.
- Congrès des relations internationales du Québec (19e: 1987) *Les sommets francophones: nouvel instrument de relations internationales*. Québec: Centre québécois de relations internationales, 1988.
- Conklin, David W. and France St-Hilaire  
*Canadian high-tech in a new world economy: a case study of information technology*. Halifax, N.S.: Institute for Research on Public Policy, 1988.
- Coulon, Jocelyn  
*Le groupe des plans nucléaires de l'OTAN*. Ottawa: Institut canadien pour la paix et la sécurité internationales, 1988. *The NATO nuclear planning group*. Ottawa: Canadian Institute for International Peace and Security, 1988.p
- Cox, David and Mary Taylor eds.  
*A guide to Canadian policies on arms control, disarmament, defence and conflict resolution, 1986-87*. Ottawa: Canadian Institute for International Peace and Security, 1987.
- D'Cruz, Joseph R. and James D. Fleck  
*Yankee Canadians in the global economy: strategic management of U.S. subsidiaries under free trade*. London, Ont.: National Centre for Management Research and Development, University of Western Ontario, 1988.
- Diebold, William, Jr. (ed.)  
*Bilateralism, multilateralism and Canada in U.S. trade policy*. Cambridge, Mass.: Ballinger, 1988.
- Farrow, Maureen and Alan M. Rugman (eds.)  
*Business strategies and free trade: focus on corporate adjustment*. Toronto: C.D. Howe Institute, 1988.
- Finn, Ed et al. (eds.)  
*The facts on free trade*. Toronto: James Lorimer, 1988.
- Fry, Earl H. and Lee H. Radebaugh eds.  
*The Canada-U.S. Free Trade Agreement: the impact on service industries*. Provo, Utah: Brigham Young University, 1988.
- Gold, Marc and David Leyton-Brown eds.  
*Trade-offs on Free Trade: the Canada-U.S. Free Trade Agreement*. Toronto: Carswell, 1988.
- Gosselin, Guy  
*Le Canada et les Nations Unies*. Québec: Laboratoire d'études politiques et administratives, Université Laval, 1987.
- Hill, Roger  
*The conventional military balance in Europe*. Ottawa: Canadian Institute for International Peace and Security, 1988.
- Homes, John and John Kirton (eds.)  
*Canada and the new internationalism*. Toronto: Centre for International Studies, University of Toronto, 1988.
- Johnston, Douglas M. and Phillip M. Saunders eds.  
*Ocean boundary making: regional issues and developments*. London; New York: Croom Helm, 1988.

Johnson, Jon R. and Joel S. Schacter  
*The Free Trade Agreement: a comprehensive guide.*  
 Aurora, Ont.: Canada Law Book, 1988.

Legault, Albert  
*Le système de la politique étrangère du Canada (1960-1980).* Québec: Laboratoire d'études politiques et administratives, Université Laval, 1987.

Lipsey, Richard G. and Robert C. York  
*Evaluating the free trade deal: a guided tour through the Canada-U.S. agreement.* Toronto: C.D. Howe Institute, 1988.

Mace, Gordon et Gérard Hervouet  
*Le diversification des échanges extérieures dans la politique canadienne de la troisième option.* Québec: Laboratoire d'études politiques et administratives, Université Laval, 1987.

Macmillan, Katie  
*Women and free trade.* Toronto: C.D. Howe Institute, 1988.

Molot, Maureen Appel and Brian W. Tomlin  
*Canada among nations 1987: a world of conflict.* Toronto: James Lorimer, 1988.

Osbaldeston, Gordon F.  
*Keeping deputy ministers accountable.* London, Ont.: National Centre for Management Research and Development, 1988.  
*Raffermier la responsabilité des sous-ministres.* London, Ont.: Centre national de recherche et développement en administration, 1988.

Peiji, Zhang and Ralph Huenemann (eds.)  
*China's foreign trade.* Lantzville, B.C.; Halifax, N.S.: Oolichan Books; Institute for Research on Public Policy, 1987.

Regehr, Ernie and Simon Rosenblum eds.  
*The road to peace.* Toronto: James Lorimer, 1988.

Rempel, Roy  
*Strategic change on NATO's northern flank: the dilemma for the Nordic states and NATO.* Winnipeg: Dept. of Political Studies, University of Manitoba, 1988.

Safarian, A.E.  
*The Canada-U.S. Free Trade Agreement and foreign direct investment.* Toronto: C.D. Howe Institute, 1988.

Sanger, Clyde ed.  
*Canadians and the United Nations.* Ottawa: Supply and Services Canada, 1988.

*Les canadiens et les Nations Unies.* Ottawa: Approvisionnement et Services Canada, 1988.

Schott, Jeffrey J. and Murray G. Smith (eds.)  
*Canada-United States Free Trade Agreement: the global impact.* Washington, D.C.: Institute for International Economics, 1988.

Swinton, Katherine E. and Carol J. Rogerson eds.  
*Competing constitutional visions: the Meech Lake Accord.* Toronto: Carswell, 1988.

Warnock, John W.  
*Free trade and the new right agenda.* Vancouver: New Star Books, 1988.

## Recent Articles

Al-yassini, Ayman  
 "The value of international students to Canada." *bout de papier* v.6 (spring 1988) p.9-11.

Anderson, David L.  
 "Implications of the Canada-U.S.A. Free Trade Agreement for the Canadian minerals industry." *Resources policy* V.14 (June 1988) p.121-134.

Ball, Tim  
 "A Growing thirst for Canada's water: the resource issue of the 21st century in North America." *Canadian dimension* v.22 (Sept. 1988) p.8-14.

Barrett, Charles A. et al.  
 "Business links with ASEAN." (4 articles). *Canadian business review* v.15 (autumn 1988) p.13-25.

Byers, R.B.  
 "An 'independent' maritime strategy for Canada." *Canadian defense quarterly* v.18 (summer 1988) p.19-32.

Campbell, Ross  
 "The Defense White Paper: some reflections on its international aspects." *bout de papier* v.6 (spring 1988) p.18-20.

Clow, Michael  
 "Free trade = economic union." *Policy options* v.9 (Sept.1988) p.33-34.

Denis, Claude and Len Guenther  
 "The NDP, GATT-Fly and freer trade." *Canadian dimension* v.22 (Sept.1988) p.24-28.

de Wilde, Jim and don Simpson  
 "Export strategies for innovative Canadian firms: finding niches and inventing competitive advantage." *Business quarterly* v.53 (summer 1988) p.72-76.

Farr, David  
 "'Inner meaning' of free trade." *International perspectives* (July/Aug.1988) p.3-7.

Fraser, Ulrich  
 "Canada's foreign policy in the 80's: continentalism and internationalism." *Aussenpolitik* v.39 (no.1, 1988) p.86-101.

- Galvin, John K.  
"Trans-Atlantic partnership for security: Canada in NATO." *Canadian defense quarterly* v.18 (summer 1988) p.9-16.
- Glenday, Daniel  
"Canada, the Left and free trade." *Queen's quarterly* v.95 (summer 1988) p.251-284.
- Jacek, Henry J.  
"Large state/small state relations in the North American political economy: are there lessons from Europe?" *American review of Canadian studies* XVII (winter 1987-8) p.419-438.
- Jull, Peter  
"Canada, Arctic peoples, and international affairs." *Behind the headlines* v.45 no.6 (July/Aug.1988) p.1-14.
- Keating, Tom  
"Defence and Canadian political parties." *International perspectives* (July/Aug.1988) p.11-14.
- Lavelle, Patrick, David Barrows and Fernando Traficante  
"The Ontario government's perspective on the Canada-U.S. Free Trade Agreement." *Business quarterly* v.53 (summer 1988) p.8-12.
- Lynk, Michael  
"Free trade and the forced harmonization of labour law." *Canadian dimension* v.22 (July/Aug.1988) p.28-32.
- Macintosh, James and Michael Slack  
"A circumpolar confidence building regime." *Canadian defence quarterly* v.18 (autumn 1988) p.57-66.
- McCurdy, Howard and Donald G. Lenihan  
"A democratic test for foreign aid." *Policy options* v.9 (Sept.1988) p.22-24.
- McMillan, Charles J.  
"Building strategic alliances: the new case of Japan." *Business quarterly* v.53 (summer 1988) p.35-41.
- Norton, Tom  
"Canada's colleges: new stars on the world stage." *bout de papier* v.6 (summer 1988) p.9-11.
- Page, Don  
"Christoph Bertram on future foreign policy challenges." *bout de papier* v.6 (summer 1988) p.18-19.  
"Meeting Mahatma Gandhi." Based on papers of Morley Scott, formerly counsellor at Canadian High Commission in India. *bout de papier* v.6 (summer 1988) p.22-24.
- Rose, Loretta L.  
"Foreign aid and human rights." *International perspectives* (July/Aug.1988) p.23-25.
- Rugman, Alan M.  
"The Free Trade Agreement and the global economy." *Business quarterly* v.53 (summer 1988) p.13-20.
- Sénécal, Pierre  
"La défense canadienne — le consensus est à faire." *Revue canadienne de défense* v.18 (automne 1988) p.41-46.
- Sigler, John  
"The Palestinian uprising." *International perspectives* XVII (July/Aug.1988) p.15-17.
- Soss, Jeffrey Ian  
"An events data base on political terrorism in Canada: some conceptual and methodological problems." *Conflict quarterly* VIII (spring 1988) p.47-64.
- Sperling, Gerald B.  
"Roll out the barons." On international media barons and competition in the Canadian newspaper industry. *Policy options* v.9 (Oct.1988) p.12-14.
- Sharp, Mitchell  
"NATO: reviewed, revised and renewed." *bout de papier* v.6 (spring 1988) p.26-29.
- Thellier, Marie-agrès  
"Voir le québec exportateur en rose ou en noir?" *Le devoir économique* v.4 (sept.1988) p.6-14.
- Thompson, Wayne C.  
"Canada's defense policy: its formulation and domestic context." *American review of Canadian studies* XVIII (summer 1988) p.161-180.
- Trigg, Eric A.  
"Preparing for the 21st century: new realities in the Pacific." *bout de papier* v.6 (summer 1988) p.15-17.
- Vignola, Daniel  
"Que penser d'un Canada ZLAN?" *Revue canadienne de défense* v.18 (été 1988) p.33-37.
- Watson, William G.  
"Three bad arguments against Free Trade." *Policy options* v.9 (Oct.1988) p.15-18.
- Wigle, Randall  
"General equilibrium evaluation of Canada-U.S. trade liberalization in a global context." *Canadian journal of economics* XXI (August 1988) p.539-564.

oec-

my."

ire."  
988)

ives

da:  
Con-

and  
licy

ap-

Le

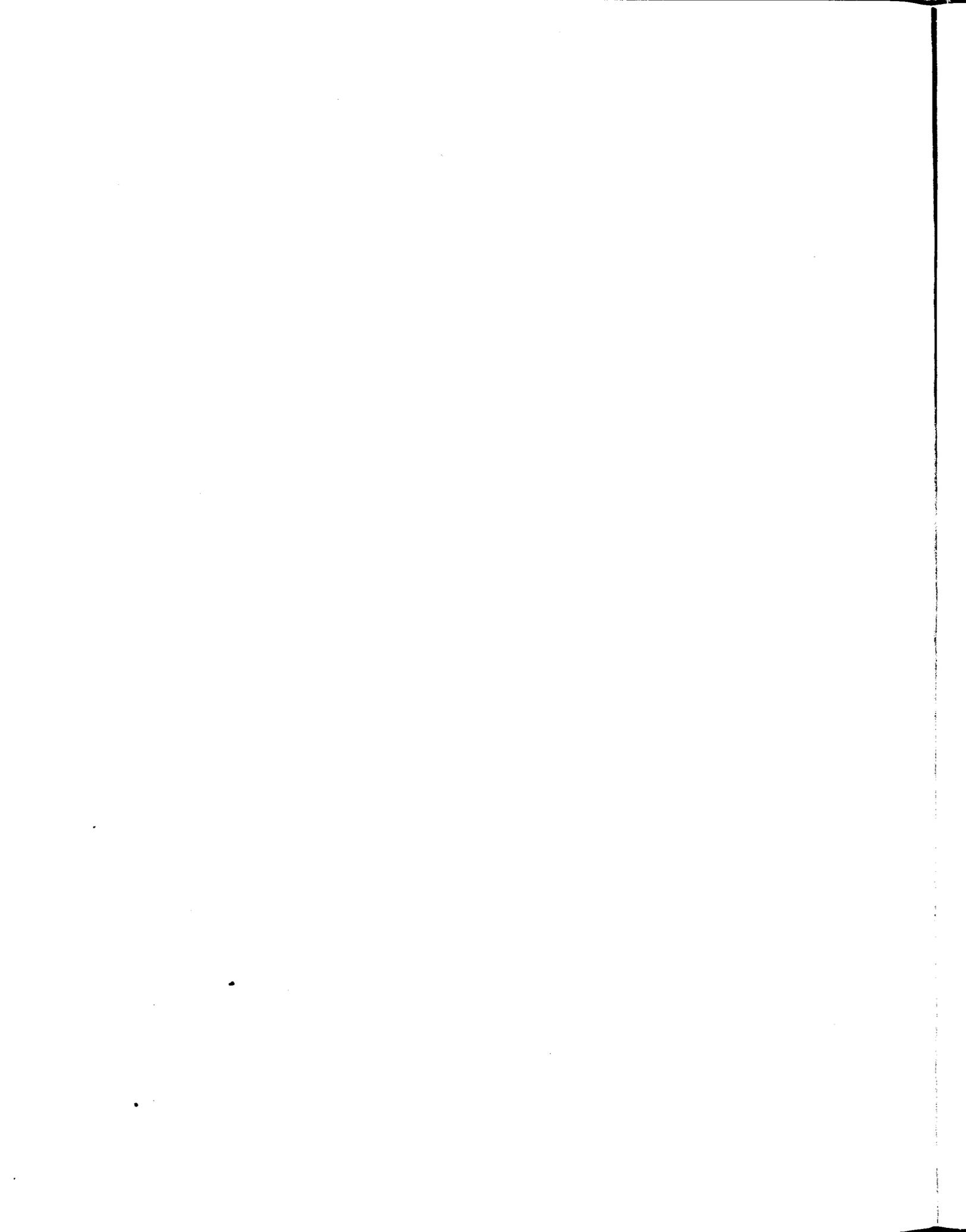
stic  
VIII

he

ne

p-

de  
of



DOCS  
CA1 EA I56 ENG  
1988  
International perspectives. --  
32754890



