



CANADA

# STATEMENTS AND SPEECHES

INFORMATION DIVISION

DEPARTMENT OF EXTERNAL AFFAIRS

OTTAWA - CANADA

No. 66/43

## CANADA AND THE NATIONS OF EASTERN EUROPE

Notes Prepared for the Secretary of State for External Affairs, the Honourable Paul Martin, in Connection with a Private Meeting Sponsored by the World Affairs Council at Boston on October 26, 1966.

. . . In little over a week, I shall be undertaking a 12-day visit to Poland, the Soviet Union and Italy. This trip will be in answer to long-standing invitations from the governments concerned. I expect to discuss relations between Canada and these countries and to review some of the leading subjects in world affairs.

. . . There are certain fundamental points about the present world situation, as we have seen it in Canada, which can serve as an introduction to my remarks:

- (1) In spite of the Vietnam situation, there appear to be possibilities for better relations with the Soviet Union and the European Communist nations which are worth exploring.
- (2) The policies of individual Western nations in this field may not always be the same, but this situation is not necessarily a weakness from the standpoint of general Western interest.
- (3) Although settlement of many of the greatest problems depends finally on relations between the United States and the Soviet Union, there can be significant discussion and action by lesser powers.
- (4) The search for better relations in Europe must almost inevitably at present be directed towards bilateral questions, but progress in this field is very likely to have an important bearing on the eventual solution of the underlying and general problems.
- (5) The European Communist nations seem likely to maintain a fairly vigorous and increasingly sophisticated campaign to achieve their objectives in relations with the West. Whether they fully intend this or not, they are likely to

experience significant internal changes. The Western nations cannot simply abandon the initiative to the other side or ignore the possibilities of accelerating or modifying such changes as are relevant to Western interests.

#### Canadian Relations with European Communist Nations

I outline these points not as laws governing complex political situations but as impressions derived from experience.

Although Canada recognized the Soviet Union in 1924 and had a Soviet trade mission established in Montreal for three years after that, relations were scarcely developed in any very definite sense in the period between the wars. Trade was intermittent and erratic, subject to political problems and the considerable difficulties arising from differences in the trading systems.

The establishment of resident diplomatic missions in 1942 did open a new era in relations between the two countries, but friendship generated by wartime co-operation was affected by some of the severe political problems of the years immediately following the war. These missions were not headed by ambassadors between 1946 and 1954.

In the nine years intervening between that time and the noticeable East-West "thaw" of the summer of 1963, our experience was very much the same as that of most Western nations. The major world crises imposed definite limits on the development of friendlier relations, but there were some moves towards a more normal situation.

In 1955, for example, Mr. Pearson, who was then Secretary of State for External Affairs, visited the Soviet Union. In 1956, a trade agreement was signed which has been extended, at intervals, since that time. Certain contacts and exchanges did develop, of which the arrangement between the Canadian National Research Council and the Soviet Academy of Sciences in 1959 is a good example.

Elsewhere in Eastern Europe, where we had established missions in Prague, Warsaw and Belgrade soon after the war, our experience followed similar patterns -- except, of course, in the special case of Yugoslavia.

Since the Partial Test Ban Treaty of 1963 and related agreements, the possibilities of a move towards friendlier and more normal relations in all fields have certainly appeared greater. I give you the impressions derived from personal involvement.

You will be interested in the significant trends in our relations with the European Communist countries, particularly with reference to:

- (1) formal diplomatic contacts;
- (2) trade;
- (3) scientific and cultural exchanges;
- (4) political discussions.

We have started to expand the diplomatic representation in Eastern Europe first established during and shortly after the Second World War. Under an agreement in 1964 with Hungary concerning diplomatic relations and other matters, a Hungarian mission was opened in Ottawa and our Ambassador in Prague was accredited in Budapest. We hope to establish a resident mission there before too long.

Negotiations with Roumania and Bulgaria are under way which are likely to lead, in due course, to the exchange of diplomatic missions. This morning I had talks at the United Nations with the Roumanian Foreign Minister.

In the field of trade, more favourable political conditions in 1963 coincided with a period of agricultural failure in the Soviet Union. Wheat sales have always been an important part of Canadian commercial relations with Eastern Europe, but the years since 1963 have marked the first really big rise in our exports, chiefly because of Soviet purchases.

Since 1963, the Soviet Union has purchased wheat valued at approximately \$1 billion. A new three-year contract, worth approximately \$800 million, was signed this summer, the largest three-year commercial contract for a fixed quantity of Canadian wheat and flour ever concluded.

This contract, and the general Trade Agreement renewed this summer, mark important steps in Canadian Soviet relations. There are indications of continuing markets for wheat even in normal years and sales of industrial products and technology might be possible.

In the field of communications, closely related to trade and general contacts, it is important to note that the first air-transport agreement between Canada and the Soviet Union, establishing service between Montreal and Moscow, was signed this summer. The first direct passenger-liner service has just been established between the ports of Leningrad and Montreal.

Both these services have been established shortly before the opening of Expo '67 in Montreal, in which the Soviet Union, Czechoslovakia and Yugoslavia will be represented. One can appreciate, therefore, the cumulative effect of these developments in increasing contacts. Exchanges with East European countries in scientific, technological, cultural and informational fields, have generally been increasing. It is important to bear in mind that, because of geography and climate, Canada and the Soviet Union have a common interest in certain technological problems.

Finally, in this enumeration of the facts of our relations with the Eastern European nations, I would point to the exchanges of parliamentary delegations which have taken place in the past few years between Canada on the one hand and the Soviet Union, Poland, Czechoslovakia and Yugoslavia on the other. In addition to the normal diplomatic contacts in various capitals and in international gatherings, these exchanges have a genuine political value.

This summer, a delegation of the Supreme Soviet visited Canada. Its leader was Dmitri Polyansky, one of the two First Deputy Chairmen of the Council of Ministers and an important member of the Political Bureau of the Central Committee of the Communist Party.

This was the most senior Soviet group to have visited Canada. Their visit to seven of our ten provinces, and the extended tour by Mr. Polyansky of grain-growing areas in the West, will be of considerable importance in terms of the future development of technological exchanges and trade between our two countries.

Even more significant, perhaps, was the opportunity provided for frank political discussions of the respective policies of the Soviet Union and Canada.

### Political Dialogue

I do not suggest, of course, that contacts, exchanges and visits by themselves necessarily indicate that significant political discussion of the main international problems has increased. Progress in this latter area is inevitably much slower.

I do feel, however, that progress is being made. One of the reasons for this may be that Soviet representatives are trying to clarify certain difficult questions about relations between Communist and other nations.

I recall, for example, what the Soviet Ambassador to Canada, Mr. Shpedko, said, at a conference in Toronto two years ago:

"The principle of peaceful coexistence does not at all require from any state the renunciation of its established system and ideology. One should not identify the problem of ideological struggle with the question of relations between states. The main tenet of peaceful coexistence is to confine the struggle to the ideological level and not to resort to force to prove your point."

There are still many aspects of "peaceful coexistence" as proclaimed and practised which I find it hard to understand or which concern me. Canadians have had experience in recent years in the United Nations in consulting with Czechs and Yugoslavs over attempts to relate the principles of coexistence to the codification and progressive development of international law. It is not easy to reach agreement on some of these long-term ideological, legal or philosophical questions.

Nevertheless, I welcome the emphasis on specific questions arising between states. I think that the conditions for businesslike discussions of international affairs are improving. I value the impressions derived from contacts with individual leaders of foreign countries. I have found no hostility towards Canada in any of my recent conversations with Soviet or other East European representatives but, on the contrary, a real desire to develop new areas of agreement.

Perhaps the immediate prospects, for us as for other Western countries, are for agreements on marginal matters only. We are not likely to approach the central questions, however, except by successful solution of marginal matters, nor are we likely to solve the central questions eventually if we do not continually probe the current positions of the powers concerned....

### Role of Smaller Powers

... It might be objected that it is unrealistic to envisage any significant progress in East-West problems except in terms of the relations between the greatest powers - the Soviet Union, the United States, Communist China. Those making this objection might argue that, for the others, East-West relations mean only limited bilateral matters.

As the Foreign Minister of what is frequently called a "middle power", I do not want to exaggerate the role of lesser powers. Neither do I want it to be misrepresented from what I know in fact it can be.

Canada has a number of important interests which go beyond what one could call "bilateral" matters. I need scarcely remind you, for example, that with our geographic location and our vast Arctic territories we have a keen interest in all questions relating to the nuclear balance of power, to the regional defence arrangements, to disarmament and to arms control proposals.

We have been involved in the development of nuclear energy for some time and could have become a military nuclear power soon after the end of the last war if we had envisaged Canada's role in these terms. We have assisted several nations in developing the peaceful use of nuclear power, under the recognized safeguards.

Canada has been involved in disarmament discussions for some years and is a member of the Eighteen-Nation Disarmament Commission. In the Commission, along with all the other members, we have given particular attention to the ways of preventing further proliferation of nuclear weapons.

We have welcomed, therefore, the recent indications arising from United States-Soviet contacts that progress is being made towards agreement on non-proliferation measures. We consider that in the coming weeks the most promising line of approach to the problem may well be through direct and private negotiations between the United States and the Soviet Union...

... Specific Canadian interests in a number of fields of major international concern lead us, as similar interests lead other middle or lesser powers, to pursue any possibilities of discussion or action which could help in the solution of the major problems....

... The individual positions of Western countries in relations with Communist countries are never quite the same - whether one considers past history, specific national interests, matters of bilateral agreement or public opinion. Similarly, the Soviet Union and other Communist nations, in Europe at any rate, have to an increasing extent differentiated in their relations with Western powers. The differentiation may be based on some miscalculations about supposed fundamental differences between Western powers but, so far as it refers to tangible questions of normal relations between states, it may offer avenues for progress towards a more rational and peaceful world.

I am sure that the leaders of Poland, Hungary, Roumania and other Eastern European nations would agree that the world of today is one in which there is a good deal the lesser powers can do towards those objectives. Yugoslavia chose its own special role some years ago in relation to what it considered to be national interests and international necessities....

#### Asian Problems

... The necessity of encouraging the political dialogue between Western and Communist powers is clear when we consider some of the major Asian and European problems.

Since the beginning of the present United Nations General Assembly a few weeks ago, there has been a renewal of diplomatic activity concerning the war in Vietnam. The leaders of many nations have interested themselves anew in the possibilities for reaching a settlement.

I have discussed with Mr. Rusk and Mr. Goldberg our appreciations of the situation in Asia and the world as it affects the outlook for a settlement. I have discussed the possibility of constructive action by Canada as a member of the International Control Commission or in any other capacity. I have spoken to Mr. Gromyko on this same subject and I look forward to resuming conversations with him in Moscow.

This is not the occasion to consider in detail the complex nature of the situation in Vietnam or the various initiatives which could have some bearing on it.

So far as the situation on the spot in Vietnam is concerned, it is very difficult to predict the course of events or the nature of the military situation which would lead to a cease-fire and negotiated settlement. Canada has had civilian and military personnel in Vietnam for 12 years and has tried to make its contribution through the International Control Commission to the achievement of stability. Under present conditions, it is very difficult for the Commission to impose limits on the scale of the conflict.

We do think, however, that the Commission may have a part to play if the two sides were agreed on using it as an instrument for disengaging their forces on the ground. The Commission could also, no doubt, make a new contribution in the context of any eventual settlement of the Vietnam problem.

We cannot consider the Vietnam situation in isolation. We must consider it in the wider perspectives of the foreign policies of those nations chiefly concerned, of East-West relations, and of the world situation generally. The calculations and miscalculations made by leading protagonists about one another, the changing relations within the ranks of Communist nations, the role of neutral Asian nations and the plans for international action to confirm a peaceful settlement - all could play a part in influencing the course of events which we hope will lead to an early end of the conflict.

I cannot believe that the war in Vietnam must proceed inevitably towards a complete military victory for one side or the other. I cannot believe that the political discussions at world level are unreal or that diplomacy is irrelevant.

### China

I have spoken of relations with Communist nations almost entirely in terms of the Soviet Union and Europe. It is essential to recognize the special problems of Communist China and Asia.

Canada does not have diplomatic relations with the Communist nations in Asia. Outer Mongolia does not pose any problem of recognition but each of the others poses the intractable problems of a divided state and all are involved in the very great tensions which characterize the Far East today.

I cannot speak, therefore, of experience in normal relations. However, while we recognize the unique and difficult aspects of the Asian situation, Canadian policy has long been characterized by a desire to work towards normal relations and by a conviction that the problem of relations with Communist China was not inherently different from that of relations with the Soviet Union.

We have, therefore, engaged in substantial trade with mainland China on a basis of mutual advantage and entered into the direct commercial contacts necessary for major transactions. We have also encouraged contacts and exchanges in the scientific, educational and informational fields. Private citizens can visit China without difficulty, so far as the Canadian Government is concerned.

We have long hoped that an arrangement could be made which would permit the entry of mainland China into the United Nations, as one vital step towards a normalization of relations of the type which has been under way in Europe.

### European Problems

Finally, I shall, of course, be very much interested in the course of my trip to Europe to hear from representatives of Italy, our close NATO ally, from His Holiness the Pope, and from the leaders of Poland and the Soviet Union their impressions of developments in Europe - East and West.

At the Brussels meeting of the NATO powers in June, emphasis on improving East-West relations and on extending bilateral contacts with countries of Eastern Europe was one important element in the discussions. I have indicated how Canada views the prospects for contacts in its own case. Several Western countries have, since June, taken the opportunity, in visits or in official statements, to propose closer contacts with Eastern Europe.

President Johnson's recent statement about East-West relations was a notable contribution to these Western approaches. In the light of our own policies in this field, we naturally welcome a renewed effort by the United States, which could have a very important effect on the whole international atmosphere.

There have been few indications, of course, that progress could be made in the near future towards a settlement of the underlying problems of the European situation. Nevertheless, this is an area in which a number of countries might be able to help move the discussions towards a calm consideration of present realities and towards the tangible questions of inter-state relations in which the Communist countries say they are particularly interested.

We are faced in the European and North Atlantic area with the problem of security for the two groups of nations represented in NATO and the Warsaw Pact. We are faced with the problem of German reunification. Neither problem can be seriously considered without the other.

The United States, France, Britain and other Western nations have made attempts from different standpoints to promote a sober discussion of these problems. The Federal Republic of Germany has, in spite of the very great difficulties created by the division of Germany, made an important contribution to creating a better atmosphere by its steadily increasing contacts with East European nations. It has manifested its sincere desire, for example in a note of March 25, for peace, stability and security in Europe.

I hope that, as time goes by, we shall hear East European views on these matters, not conceived in ideological terms and dealing with the real problems which create tension in Europe today. I hope that the nations of Eastern Europe, with several of which Canada was allied in the last war, do not consider us lacking in a concern for their security when we try to achieve our own....

---

S/C