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NOTES FOR AN ADDRESS BY
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TO THE INTERNATIONAL INSTITUTE
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I am honoured to be able to open the 1994 annual conference of the International Institute for Strategic Studies (IISS) this evening and to welcome all of you to Canada, to British Columbia and to Vancouver. Canadians have long been associated with the work of the Institute. Indeed, former Prime Minister Lester Pearson was once president of the IISS. Tonight, I want to address the theme for this conference — "economics and strategy" — in fairly broad terms. I also want to speak about several other issues of critical concern to the Canadian government.

Most of us here this evening were educated and came of age during the Cold War. Our sense of what is important in international affairs, our understanding of the instruments required to meet our security needs, and even our strategic vision of the world, were grounded in the harsh realities of East-West confrontation. Our notion of security policy was a credible military deterrent, either as individual nations or through collective defence organizations like NATO. For many people, that threat — and that response — died with the collapse of the Berlin Wall and the subsequent demise of the Soviet Union. And with the end of that threat, the conclusion is sometimes drawn that we should be less concerned about international affairs. Although international tragedies persist, they are often perceived as distant, localized events, posing little danger to us.

Indeed, if you ask Canadians the question — "What are we trying to secure?" — the answers would predictably be domestic in orientation. Our physical safety and well-being. The physical integrity of our country. Our pluralistic, multicultural society. Our rights and liberties, and our sense of responsibility to others. Our prosperity, and our support for those who are less well-off. I suspect that, if we posed that same question to others in different countries, representing a variety of cultures and backgrounds, the answers would be similar.

But, if we asked the next question — "What developments outside our borders threaten that security?" — the answers are likely to be global in nature. Pollution and environmental degradation. International crime. Drugs. Unchecked movements of peoples across frontiers. Disease. Resource scarcity. Loss of markets and international competitiveness. Excessive international arms sales and nuclear proliferation. Well down the list would come a reference to the traditional concerns of war as a threat to Canada's way of life. Gone entirely would be such views as "the communist menace."

Clearly, this is not the expression of narrow self-interest. Canadians worry about the dangers posed to their way of life by developments beyond our borders, such as those I briefly outlined. Canadians are not xenophobic. They remain open to the world. The streets of Vancouver are a vibrant reminder of the breadth of our culture and outlook. But Canadians also wonder where we are headed, and they quite naturally look to government to provide a lead.

Therefore, the issue is not whether we should retreat to isolationism but how we should respond to changing threats to international peace and security, perceived and real. It is in that context that we must define and address the security needs of the 1990s. What are the new tasks we face as policy-makers?

I would suggest that we must be clear not only about the sources of insecurity, but especially, about how to distinguish between local, regional and global problems. These are not hard and fast categories. Bosnia may be a local problem, but its capacity for spill-over into neighbouring states makes it a regional issue. Issues of global proportions, like nuclear proliferation, are often being played out in the context of addressing local security problems. The Korean Peninsula, which I discussed extensively this past summer with other foreign ministers during my visit to Asia, is a case in point, as is the situation on the Indian subcontinent. By contrast, underdevelopment and environmental degradation are global problems requiring both local and global action.

In addition, we need to consider carefully the policy instruments best able to address these problems. Again, some of these instruments may be global in nature, and take the form of international legal regimes. Others may be regional, local or bilateral, designed to address security concerns at the most appropriate level. Sensitivity to local dynamics is paramount in our considerations. In both South Asia and the Korean peninsula there are nuclear risks. But their political dynamics differ markedly, and our approaches must take this into account.

I view the United Nations as the essential cornerstone of global security. Despite its imperfections, no other international body can establish global norms for dealing with the new security environment. We have no choice but to try to make it better. But a reformed UN is only part of the global security picture. Many local and regional agreements lie outside its structures, but they may be instrumental in helping to moderate international conduct. I do not suggest that an agreement regulating surface transport between two countries is a "security" arrangement or institution. But I would argue that such an arrangement is the building block of the kind of understanding that sees our collective futures as inextricably linked. That is a real contribution to international security, regardless of how you would categorize it.

This framework for addressing the new security issues of the 1990s stretches the definition of "security," perhaps, to embrace areas far removed from the concerns of strategists only a few years ago. But let me go even further and emphasize the increasing importance of defining security in economic terms.

Although international economic policy is one of the central tasks of government, it is also an integral part of foreign policy. In the post-Cold War years, Canadians addressed security by building a

transatlantic alliance and concluding a bilateral defence partnership with the United States. We also saw the need to promote peace through free economic exchange. This was the essence of Canada's insistence on Article 2 of the North Atlantic Treaty. We believed that economic insecurity could generate instability and conflict. And, conversely, we believed that the underpinning of economic stability and security was the creation of an open, liberal and multilateral system of trade and payments.

The relationship between long-term stability and economic cooperation is often overlooked. But in the Middle East, economic
co-operation must be the foundation of a durable peace. In South
Africa, the transition to democracy will be unsustainable unless
the new government can provide jobs, housing, education and health
care for all. In Central and Eastern Europe, and in the former
Soviet Union, integration into the international economic system is
essential for democracy and stability. Some of the consequences of
Africa's economic failures confront us today in war, famine,
genocide and mass migration. Challenges to the collective economic
security of whole societies are also challenges to global economic
security and to what was once a much narrower and specialized
definition of "security."

Ultimately, stability and security must rest on economic foundations. The Conference on Partnership for Economic Transformation in Ukraine, which we will convene in Ottawa in the near future, is designed to help lock in the process of economic reform in Ukraine and open the way for assistance by international financial institutions. Thus it will address the essential economic foundations on which stability in Central Europe must be based over the long term. In different ways, we are building on the extraordinary economic dynamism of the Asia-Pacific region to develop a framework for future security co-operation. With the creation of the ASEAN [Association of Southeast Asian Nations] Regional Forum has come a concrete sign that enduring stability in the Pacific depends upon both stable economies and a security framework for peaceful relations among states, a point I will come back to later.

All of these efforts to ensure a strong international system depend inevitably on strengthening the institutions and organizations that constitute our system of global governance. They are the means to achieve our goals. Unfortunately, co-ordination among them is weak, and their weakness is sometimes reflected in the timeliness and quality with which the international community deals with crises. One of the future challenges for economic security, especially on the eve of the 50th anniversary of the UN and its agencies, is to re-visit the Bretton Woods institutions in a way which will enable governments and international organizations to adopt a more co-ordinated view of an increasing integrated global system of trade and payments.

The idea of looking at how international economic institutions perform was a major issue among G-7 [Group of Seven leading industrialized countries] Leaders at Naples. It will continue to be a key theme of Canadian efforts in the lead-up to the Halifax Summit. We need a broad look at these institutions — how they function, how they are financed and what their new mandates should be in a world of globalization and diminished national sovereignty. We need to address the key linkages among development assistance, trade and investment. We need to ensure that critical new issues — such as mass migration and population — enjoy the priority and attention they merit, while taking tough decisions on institutions that have outlived their mandates at a time when governments in all regions of the world are facing resource constraints.

This is clearly the case in the Asia-Pacific region. Canada is interested in Asia-Pacific security because we see that important Canadian interests, including economic and trade interests, are served by stability in the Asia-Pacific. And we do not underestimate the ripple effects that can spread insecurity from one region to another, particularly when we are talking about a region as important as the Asia-Pacific. Moreover, we believe that the Asia-Pacific security dialogue, with the participation of non-Asian countries that have legitimate interests in the region, can be an important stage in the building of inter-regional understanding, and hence, greater security. The ASEAN Regional Forum, the first meeting of which I attended in July in Bangkok, was a pivotal occasion for beginning the process of building a transpacific multilateral security link. Canada has a special role to play here, just as we did in helping to build transatlantic links such as NATO after World War II.

Let me turn now to a future exploration of what we must do to address the changing and expanding challenges to international security in its broader definition.

If we look at the entire range of formal and informal institutional regimes available to the international community to address these security challenges, we can see that the demand is often for rapid intervention, a kind of internationally sanctioned fire brigade to dampen the blaze. But the realities are complex. In the case of natural disasters, the central issue is marshalling resources to provide aid and see it through to delivery. Humanitarian systems are getting better, though more could and should be done in the area of advance preparedness. In the case of war, there is increasing reluctance to intervene militarily, given past experiences, even though intervention may be the only way to douse the flames. We might ask ourselves, for example, whether the French intervention in Rwanda was a useful contribution to ending that terrible conflict. We can marshall other instruments, such as economic sanctions, to put pressure on belligerents. But as we have seen in Haiti and Bosnia, it is an uncertain prospect at best.

It may be time to consider whether the international community is prepared to consider other military alternatives, along the lines outlined in the Agenda for Peace proposals. The new relationship NATO has developed with the UN in the Former Yugoslavia provides a promising case which could be expanded upon. Three weeks from now, at the UN General Assembly, I will discuss these questions further, but for the moment, I will confine myself to one brief observation: whatever paths we choose to take, they raise difficult questions on the limits of national sovereignty and external political will to act — sensitive but critical issues which we must address head-on.

The Agenda for Peace had useful things to say about how we deploy our international instruments to head off a slide into war and chaos, ideas that have met with some success in the former Yugoslav republic of Macedonia and in Transcaucasia. But if we are to develop the idea of preventive diplomacy, we need to consider establishing internationally agreed criteria by which we assess what constitutes a slide into crisis — as well as the countermeasures to arrest this slide. There can be no question of an automatic process. No one wants to be bound in advance by abstract rules. But equally, no one wants to see each critical situation addressed through ad hoc measures, often reflecting the differing national interests of the outside powers most directly responsible for preventing crisis. Achieving a framework for early warning and preventive diplomacy will not be easy. But I think it is well worth further reflection and exploration.

A related challenge is to see whether global measures and instruments can be made more specific and more concrete through regional organizations which, by common agreement, are more sensitive to local conditions. What we need to get away from are two extremes — on the one hand the ad hoc approaches that confuse many current efforts at preventive diplomacy; and on the other hand the creation of a security policy strait-jacket so rigid that it will not work. We need a flexible policy framework, responding to security breakdowns of varying types and magnitudes. The CSCE [Conference on Security and Co-operation in Europe] has proved to be an effective tool of preventive diplomacy, using flexible mechanisms such as short- and long-term missions and a High Commissioner for National Minorities. Some lessons should be drawn from that experience.

We also need to look more closely at transitional situations. What I have in mind here are those situations where we move from relative insecurity towards positions of greater and greater stability. In many ways, addressing this area is the most complex issue of all. It is also an area rich in successes. Look, for example, at the reconstruction of postwar Europe and the building of NATO and the European Union. Look at South Africa and the end of Apartheid. Look at the current progress, albeit fitful, of the Middle East peace process. Examining the preventive measures we take to avoid a crisis, or the instruments we need to address a

crisis, might also provide clues to the techniques we need to build the durable security systems which will prevent crises from happening at all. The strategic objective is to encourage countries to accept international codes of conduct that can be seen to support national interests — but, as importantly, support the international interest in peace and stability.

In deliberately broadening the traditional definition of security, I do not dismiss military questions, or the notion that war poses the ultimate security threat. But I believe that war is a result of insecurity, rather than a cause. Therefore, the best way to avert war is to address the sources of insecurity. The more we learn about those sources, about the linkages between them, about the way they build towards crisis and conflict, the more we must adjust our security policies and instruments to address them early on.

Allow me to conclude by suggesting a few guidelines which I believe should be considered in the determination of appropriate international action to meet the security challenges of the 1990s.

First, there is the importance of clarity of purpose. If we look at a past success, like South Africa, what is most noteworthy is the clarity about the final objective sought by the international community, which, in turn, permitted tactical compromises along the way because the final goal was so clear.

Second, pragmatic architecture — building from the ground up, winning public support along the way, and expanding the range of those with stakes in making things work. If we think of the forerunners of the European Union, we see that it was practical agreements on steel, coal and atomic energy that provided the tangible foundations for additional steps.

Third, persistence. After decades, in which the Middle East and South Africa represented, in different ways, the most stubborn of problems, they now offer genuine grounds for optimism. This happened because the people who made the breakthroughs had a degree of patience and perseverance that is hard to imagine for those who demand instant solutions and instant results.

Fourth, building as widely as possible around a central focus. In the Middle East peace process, it is clear that the bilateral track holds the key to peace. But we should not overlook the multilateral track, where participating Middle East countries, as well as outside countries including Canada, meet in working groups focussed on specific regional issues. While regional approaches must await bilateral peace agreements, these working groups will discuss the specific proposals which must be the next steps taken towards regional security.

Fifth, a combination of vision and modesty. In looking at the drama of a final, successful result, we often lose sight of the many small steps that conditioned and prepared the ground for a breakthrough. In South Africa, for example, Canada and other countries assisted opposition groups in a variety of ways for years, undoubtedly helping to bring about the transition to majority rule. In Eastern Europe, we are similarly engaged in technical projects that will help the countries of the region make their own historic transitions to liberal democracies.

Last, follow-up. It is in all of our interests to ensure that this tireless work achieves laudable objectives not only in the short run, but also over the long term. We cannot turn our backs at the first signs of success. In South Africa, or in the Haiti of the future, it will be essential that we work to ensure that the transition to democracy takes root and prospers. We must be there for the long haul.

Let me leave you with two further thoughts which I would argue have, and will continue to be, important Canadian foreign policy goals. The first is a long-standing emphasis in Canadian policy on an integrated approach to security, and especially on an old Canadian idea that has returned to fashion: the link between economics and security. Almost 40 years ago Lester Pearson, in accepting the Nobel Peace Prize in Oslo, said it succinctly: "we cannot have one world at peace without international social and economic progress in the same direction."

The second is our view in Canada of the need for frameworks, policies and institutions which limit the scope for unilateralism and tie the world into rules-based regimes. Next year is the 50th anniversary of the birth of the United Nations. We must seize the opportunity provided by this milestone to reflect on what has worked in the world to secure peace, and build on it. We must consider the complementarity of globalism and regionalism through which co-operative security can function in a range of institutions and organizations. And we must measure how best to harness the constructive energies of national economic and political interests towards framing the international structures by which the world community will be governed into the next millennium. I look forward to hearing your views in this regard over the course of the next two days.

Thank you.