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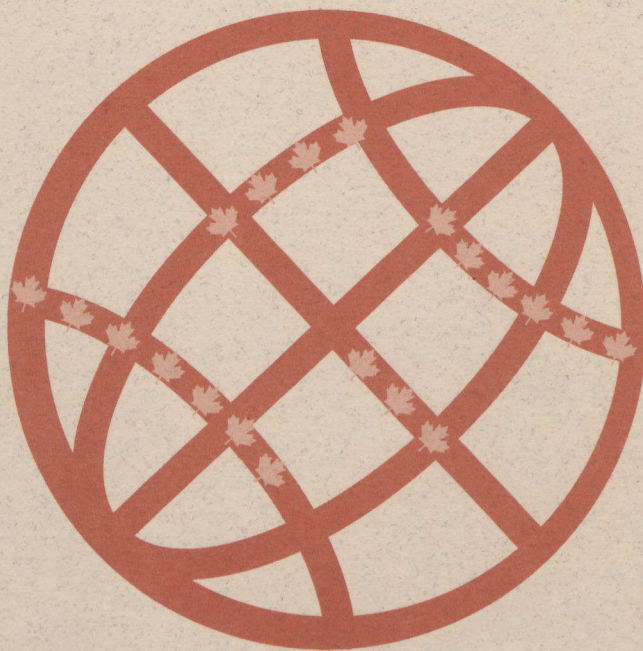
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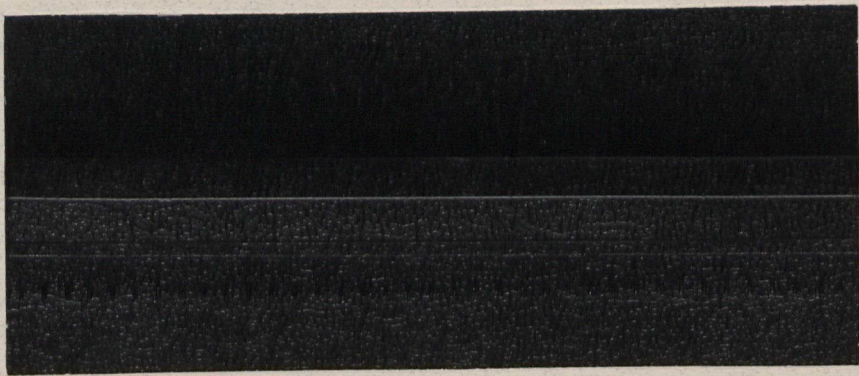


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CYAP 1997, SUSTAINABLE DEVELOPMENT  
AND THE TRADE LIBERALIZATION DEBATE:  
CIVIL SOCIETY CONCERNS ABOUT APEC  
WITH OPTIONS FOR CANADIAN FOREIGN POLICY  
Wayne Nelles, Ph.D, UBC  
March 1998









Canada's Year of Asia Pacific 1997: Sustainable Development and the Trade Liberalization Debate: Civil Society Concerns about APEC, with Options for Canadian Foreign Policy  
March 1998  
Wayne Nelles, PhD  
University of British Columbia

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The paper examines Canadian foreign policy on sustainable development in the context of APEC. More specifically, it explores public debate in the media as well as comments by NGOs and civil society representatives on the APEC agenda, and criticises the weaknesses of Canadian foreign policy. It concludes by offering realistic and strategic alternatives that are more ecologically, socially and economically sustainable than Canada's current foreign policy which supports trade liberalisation over

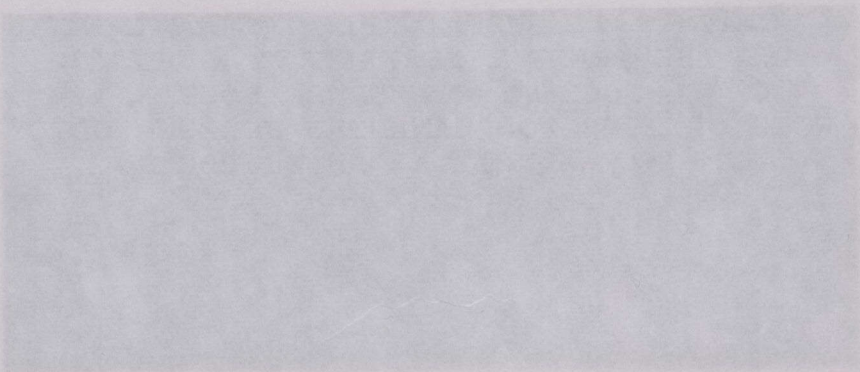
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- consult civil society
- support civil society
- green the budget
- phase out business subsidies which promote unsustainable development
- review and reform Canadian trade policy
- further progressive domestic and foreign policy
- establish a new APEC roundtable on the environment and economy
- establish a Standing Civil Society Advisory Committee on APEC
- advance APEC's FLEPP Agenda through a National Working Group
- apologise for civil liberties violations during the 1997 APEC Leaders Summit

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Canada's Year of Asia Pacific 1997: Sustainable Development and the Trade Liberalisation Debate: Civil Society Concerns about APEC with Options for Canadian Foreign Policy  
March 1998

Wayne Nelles, PhD  
University of British Columbia

The paper examines Canadian foreign policy on sustainable development in the context of APEC. More specifically, it explores public debate in the media as well as comments by NGOs and civil society representatives on the APEC agenda, and criticises the weaknesses of Canadian foreign policy. It concludes by offering realistic and strategic alternatives that are more ecologically, socially and economically sustainable than Canada's current foreign policy which supports trade liberalisation over sustainable human development and ecological goals.

Recommendations for Canadian Foreign Policy:

- consult civil society and academia to envision a new economic paradigm;
- support civil society, academia and business to implement alternatives;
- green the budget and implement a National Sustainable Development Plan;
- phase out business subsidies which promote unsustainable development;
- review and reform Canadian trade policy;
- further progressive domestic and foreign policy coherence/accountability;
- establish a new APEC roundtable on the environment and economy;
- establish a Standing Civil Society Advisory Committee on APEC;
- advance APEC's FEEEP Agenda through a National Working Group;
- apologise for civil liberties violations during the 1997 APEC Leaders Summit.



Canada's Year of Asia Pacific 1997 - Sustainable Development and the Trade Liberalization  
Debate: Civil Society Concerns about ABEC with Options for Canadian Foreign Policy  
March 1998  
Wayne Kallies, PhD  
University of British Columbia

The paper examines Canadian foreign policy on sustainable development in the context of ABEC.  
More specifically, it explores public debate in the media as well as comments by NGOs and civil  
society representatives on the ABEC agenda, and analyses the weaknesses of Canadian foreign  
policy. It concludes by offering realistic and strategic alternatives that are more ecologically,  
socially and economically sustainable than Canada's current foreign policy which supports trade  
liberalization over sustainable human development and ecological goals.

#### Recommendations for Canadian Foreign Policy

- conduct civil society and academic forums to review a new economic program
- support civil society in a range of forums and forums to implement initiatives
- green the budget and implement a National Sustainable Development Plan
- place out business agendas which promote sustainable development
- review and reform Canadian trade policy
- further progressive dialogue and to encourage corporate responsibility
- establish a new ABEC roundtable on the environment and society
- establish a Standing Civil Society Advisory Committee on ABEC
- advance ABEC's PLED Agenda through a National Working Group
- explore for civil liberties violations during the 1997 APEC Leaders Summit



**CYAP 1997, SUSTAINABLE DEVELOPMENT AND THE TRADE  
LIBERALIZATION DEBATE:  
Civil Society Concerns About APEC with Options for Canadian Foreign Policy**

by

Wayne Nelles, Ph.D., Associate,  
Sustainable Development Research Institute,  
University of British Columbia  
B5 -2202 Main Mall,  
Vancouver, BC V6T 1Z4

Phone (604) 822-4644, Fax (604) 822-9191  
Email: [wnelles@sdri.ubc.ca](mailto:wnelles@sdri.ubc.ca)

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## Introduction

In this study I examine Canadian foreign policy on sustainable development in the context of Asia Pacific Economic Cooperation (APEC)<sup>1</sup> while Canada took over from the Philippines as APEC Chair. I focus on official and popular developments during 1997 which the federal government proclaimed as "Canada's Year of the Asia Pacific (CYAP)" culminating in its November hosting of the APEC leaders summit in Vancouver. I explore public debate in the media, comments by nongovernmental organizations (NGOs) or civil society representatives involved in the 1997 "People's Summit on APEC," and demonstrations against the APEC Leaders meeting held on the UBC campus. My first aim is to document much of what was said and done by civil society groups, including their perceptions of, and influence on, the APEC agenda. My second aim is to critique the weaknesses of Canadian foreign policy while offering some realistic and strategic alternatives that are more ecologically, socially and economically sustainable than the present course.

Criticisms of, and improvements to, Canadian involvement in APEC and approaches to sustainability cannot be understood in a vacuum. As such I also examine sustainable development as a broader Canadian foreign and domestic policy issue in 1997 as government departments made their first reports to Canada's new Commissioner for Environment and Sustainable Development. Sustainability was an equally important issue implicating APEC as the Canadian government reported to the United Nations General Assembly Special Session (UNGASS) in June evaluating its progress five years after the 1992 United Nations Conference on Environment and Development (UNCED) or "Earth Summit" in Rio.<sup>2</sup> To critique Canadian policy towards APEC I draw from such parallel

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<sup>1</sup> APEC is a group of so-called "economies" led by governments including Australia, Brunei Darussalam, Canada, Chile, People's Republic of China, Hong Kong, Indonesia, Japan, Republic of Korea, Malaysia, Mexico, New Zealand, Papua New Guinea, the Philippines, Singapore, Chinese Taipei, Thailand and the United States of America. The APEC 1997 summit approved three new members, Peru, Russia and Viet Nam, admitted as of 1 January 1998. APEC now consists of twenty-one members.

<sup>2</sup> See Canada, Country Profile: Implementation of Agenda 21: Review of Progress Made Since the United Nations Conference on Environment and Development, 1992: Information Provided by the Government of Canada to the United Nations Commission on Sustainable Development Fifth Session, 7-25 April 1997



intergovernmental processes and NGO discussions, especially Agenda 21 initiatives arising since UNCED and subsequent United Nations (UN) conferences.

My study builds on civil society opposition to APEC's trade liberalization agenda and Canada's official policy of courting business and industry as the chief engines of national, Asia Pacific and world development. I argue that Canadian foreign policy through APEC, despite some rhetoric to the contrary, ultimately supports trade liberalization as a primary objective over sustainable human development and ecological goals. I suggest Canada's present approach is flawed and that the government ought to better involve civil society in reforming its foreign policy objectives and implementing mechanisms. Canada need not abandon trade liberalization in total but should reform its approach based on a more holistic comprehensive security model especially linking trade goals more closely with ecological and social objectives. I offer some preliminary recommendations for moving in that direction.

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New York (United Nations Department for Policy Coordination and Sustainable Development, Division for Sustainable Development, E/CN.17/1997/Misc.38) also located on the UN web site at: <http://www.un.org/dpscd/earthsummit>. See also the supporting document Building Momentum: Sustainable Development in Canada (Ottawa: Minister of Public Works and Government Services, 1997).



## Global Civil Society and Canadian NGO Challenges to APEC

Civil society is a complex, abstract and sometimes controversial term, with differing definitions and interpretations in popular and academic literature on international development. "Civil society," according to one analyst, describes peoples and organizations cooperating on processes which actively promote citizenship, good governance, equity and democracy within and among nations "for the common good and social benefit."<sup>3</sup> The civil society concept has grown within the international development donor community, ostensibly implying more support for nongovernmental organizations (NGOs) and grassroots communities recognizing that large scale industrial aid or direct funding to governments alone is inadequate. One study commissioned by APEC Senior Officials for their 1997 meetings referred to "civil society organizations" (CSOs) comparing the APEC process with civil society roles in the UN and other organizations including business and professional associations as CSOs.<sup>4</sup> Most NGOs in preparing for APEC, however, adopted a narrower definition, referring to civil society as only non-profit, public interest, community-based and socially-oriented groups distinct from government and business or industry actors with direct or indirect profit motives.

A policy working group of the Canadian Organizing Network for the APEC People's Summit defined civil society "to be voluntarily organized associations of people, autonomous of the state and operating outside of the marketplace, that wish to participate collectively in the political, economic and social lives of their communities, nations and regions. Civil society thus includes community development organizations, NGOs, religious organizations, women's groups, trade unions and professional groups."<sup>5</sup> The

<sup>3</sup> From Linda Moffat's review article on "Strengthening Civil Society: Progressive Strategy of Smokescreen?" in *SAPLink: A Newsletter of South Asia Partnership* (Fall 1997), pp.1-2, discussing a recent workshop series of the same theme which debated the idea.

<sup>4</sup> See the study "Engagement with Civil Society Organizations by Multilateral Organizations," written by the North South Institute, and commissioned by the APEC SOM Chair Office, 18 August 1997, pp. 1-2

<sup>5</sup> See p. 2 of "Canada and APEC: Perspectives from Civil Society, a Discussion Paper" by the Policy Working Group of the Canadian Organizing Network for the 1997 People's Summit on APEC, July 30, 1997, prepared at the request of Canada's Department of Foreign Affairs and International Trade (DFAIT).



People's Summit network excluded business associations from their category of professional groups, mainly because APEC already gave business leaders special access to the decision-making process while other civil society groups were largely excluded from participation in official APEC meetings. The Canadian government underscored this perception in a promotional brochure stating that, "APEC has been business-driven from the start, a feature that sets it apart from many other regional and trade bodies," actively embracing the expression coined by the APEC Business Advisory Council (ABAC) that "APEC Means Business."<sup>6</sup>

This tension between People's Summit/civil society objectives on the one hand and government or business objectives for APEC on the other (described as "two solitudes" by one journalist<sup>7</sup>) underlines a central challenge for Canadian society and the APEC process beyond 1997. A similar dichotomy has also been a major theme of many other multilateral fora involving NGOs or civil society groups. However, at most UN, and more recently APEC, meetings a substantial contingent of NGOs have partially bridged the divide between peoples and governments. NGOs have rallied in public protests and held press conferences to stress the shortcomings of government policies and industry, but NGOs have also worked within the system to change it. Recent UN meetings have provided structures and mechanisms allowing some NGOs or civil society representatives observer status and participation on national delegations at individual countries' discretion. NGOs have been representatives on official government delegations, and prepared policy interventions to influence the tone and content of the official debates and negotiated texts. The result has argueably been more participatory, socially, and ecologically more progressive international policy frameworks.<sup>8</sup>

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<sup>6</sup> From a brochure titled "APEC: Opening Doors for Canadian Business" p. 4. published by Canada's Department of Foreign Affairs and International Trade, (n.d.)

<sup>7</sup> Chris Wood, "APEC's two solitudes," Maclean's 1 (December 1997), pp 30-31.

<sup>8</sup> For good background overviews see especially Paul Wapner, Environmental Activism and World Civic Politics (Albany: State University of New York, 1996); Thomas Princen and Matthias Finger, Eds., Environmental NGOs in World Politics (London: Routledge, 1994); and Felix Dodds, The Way Forward: Beyond Agenda 21 (London: Earthscan Publications, 1997).



Some of Canada's official efforts to modestly include civil society in the APEC process have been admirable, but NGOs' direct influence on APEC has been minimal compared to the more progressive but still limited NGO participation in United Nations fora and the recommendations of a recent high level international commission. The commission's report suggested better policy development and service delivery must involve "global civil society" through government-NGO partnerships and that such involvement is essential for improved "global governance."<sup>9</sup> To understand Canada's role in both suppressing and supporting civil society through APEC in 1997 and explore future options for improved public and NGO input into the APEC process, I'll first touch on the role of sustainable development in Canadian foreign policy. I'll then examine APEC, sustainability and civil society linkages in light of CYAP, and the People's Summit organized by Canadian and international NGOs.

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<sup>9</sup> Civil society and NGOs are described as an emergent and requisite force in global governance in Our Global Neighbourhood: The Report of the Commission on Global Governance (Oxford: Oxford University Press, 1995), esp. sections in Chapters Two and Five, "Values for the Global Neighbourhood" and "Reforming the United Nations", pp. 55-66, 253-262.



## Sustainable Development in Canadian Foreign Policy--Global Vision, Asian Myopia

The landmark 1987 Bruntland Commission Report popularized the notion of sustainable development, defining it as "development that meets the needs of the present without compromising the ability of future generations to meet their own needs."<sup>10</sup>

Various civil society groups have since used the idea to help support their environment and development work. However, many NGOs and international development and environmental experts have also criticized the idea as a smokescreen for sanctioning continued economic growth and expanded consumption at the expense of the earth's environmental carrying capacity.<sup>11</sup> Many argue that the sustainable development idea has allowed policy makers the appearance of making changes while supporting mainstream development thought. Some say it has let business people adopt or distort sustainability language calling for "sustained growth" without making significant changes in ways NGOs argue would reflect more ecologically sustainable and socially responsible development. Moreover, NGOs say the idea also lets government avoid fundamental changes while allowing business relative freedom to carry on as usual, and to interpret the concept voluntarily without adequate regulatory frameworks or conservation safeguards.<sup>12</sup>

The Bruntland Report led to UNCED in 1992. UNCED, attended by some 170 world leaders ostensibly made environmental and economic integration a mainstream goal by attempting to practically implement the sustainable development concept through the Rio Declaration, Agenda 21 and national action plans. The UNCED report was a remarkable document, a milestone for the depth and breadth of input from all sectors of civil society (called "major groups" in the document) and its pathbreaking global

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<sup>10</sup> World Commission on Environment and Development, Our Common Future (Oxford: Oxford University Press, 1987), p. 43.

<sup>11</sup> David Korten, "Sustainable Development: A Review Essay," World Policy Journal 9,1 (Winter 1991-92), pp. 157-190.

<sup>12</sup> These concerns reflect comments of many NGOs I heard while attending NGO caucus meetings during the NGO Global Forum at Rio Earth Summit and during sessions of the United Nations Commission on Sustainable Development in New York in 1995, 1996 and 1997.



mandate.<sup>13</sup> Through UNCED and the UN Commission on Sustainable Development (UNSCD) established to monitor and implement national progress on Agenda 21, sustainable development is now a globally recognized vision. The problem for NGOs, however, is that governments and business continue to distort the sustainable development idea through national self-interest, ecological and social compromises, and blatant commercial objectives especially with competition for high economic stakes. A chief flaw in UNCED, most relevant for Canadian foreign policy in the APEC process and other multilateral fora, was its inability to deal constructively with environmental impacts of trade. Governments strongly avoided the issue in the 1992 Rio Declaration by affirming that "trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade."<sup>14</sup>

Despite conceptual complexity, implementation challenges and NGO critiques the government of Canada's 1995 foreign policy statement glossed over obvious problems and challenges, particularly regarding trade issues, stressing that sustainable development was becoming a "central component of the Canadian value system." The government's response to stakeholder concerns was that it would ensure that Canadian foreign policy "promotes sustainable development globally through the careful and responsible balancing of trade, development and environmental considerations."<sup>15</sup> To reinforce a sustainability agenda domestically it also launched a broader "Greening of Government" initiative to make all federal government departments adopt a sustainable development policy and plan. In 1996 the Liberal government passed legislation requiring all departments to report their progress on achieving sustainable development to Canada's new Commissioner for Environment and Sustainable Development (CESD) working under the

<sup>13</sup> Report of the United Nations Conference on Environment and Development A/CONF.156/26 (Vol 1.) 12 August 1992.

<sup>14</sup> Principal 12, of Annex 1, "Rio Declaration on Environment and Development," Report of the United Nations Conference on Environment and Development A/CONF.156/26 (Vol 1.) 12 August 1992.

<sup>15</sup> Government of Canada, Canada in the World: Government Statement, (Ottawa: Her Majesty the Queen in Right of Canada, 1995), pp. 36-37.



auspices of Canada's Auditor General.<sup>16</sup> Built on the international UNCED consensus the office of Commissioner reflects Canada's commitment to sustainable development as a guiding principle for public policy. The Canadian government also affirmed sustainable development as a key building block of international human or comprehensive security in its foreign policy. Human security, as Foreign Affairs Minister Lloyd Axworthy acknowledged, includes support for human rights and fundamental freedoms, the rule of law, good governance, sustainable development and social equity.<sup>17</sup>

Notwithstanding advances in rhetoric marked by such declarations neither sustainable development or foreign policy have been major domestic and foreign policy emphases in budgetary terms or in public outreach for the Liberals since taking power in 1993. The Liberals have systematically reduced their environmental priorities and international development spending from the commitments made in their first "Red Book" election platform and weakened the bureaucratic and policy mechanisms for implementing sustainable development at home and abroad.<sup>18</sup> Some of Canada's most problematic interpretation and implementation of sustainable development in foreign policy has been in APEC countries such as China where it sees huge market potential for Canadian exports and job creation. Another problem is policy coherence between and among different federal departments or agencies. The government has no clearly articulated vision of sustainable development and provides no firm directives to its Departments or Agencies, despite Canada's CESD, the new office governed under the Auditor General Act and reporting to the House of Commons. Finally, the recent environmental "Harmonization Accord" has devolved or downloaded even more environmental responsibilities to the provinces, against the recommendations of Parliament's Standing Committee on

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<sup>16</sup> A Guide to Green Government (Ottawa: Minister of Supply and Services, 1995); and Report of the Commissioner of the Environment and Sustainable Development to the House of Commons (Ottawa: Minister of Public Works and Government Services, 1997).

<sup>17</sup> Notes for an address by the Honourable Lloyd Axworthy, Minister of Foreign Affairs, to a meeting of the National Forum on Foreign Policy, 96/57 "Canada's Foreign Policy in a Changing World," December 13, 1996 (Department of Foreign Affairs and International Trade), p. 1.

<sup>18</sup> Argued well in Luc Juillet and Glen Toner, "From Great Leaps to Baby Steps: Environment and Sustainable Development Under the Liberals," in Gene Swimmer, Ed., How Ottawa Spends 1997-98, Seeing Red: A Liberal Report Card (Ottawa: Carleton University Press, 1997), pp. 179-209.



Environment and Sustainable Development, and opposition from environmental groups. The accord gives the federal government even less power, than the already weak authority it had, to assume leadership on sustainable development issues.<sup>19</sup>

The federal government currently offers no real vision or guidance on sustainability issues evident in its devolving authority and the loose CESD mandate. The CESD sees sustainable development as a "continuously evolving concept based on the integration of social, economic, and environmental concerns" potentially achieved "by among other things, a) the integration of the environment and economy; b) protecting the health of Canadians; protecting ecosystems; c) meeting international obligations; d) promoting equity; f) an integrated approach to planning and making decisions that takes into account the environmental and natural resource costs of different economic options and the economic costs of different environmental and resource options; g) preventing pollution; and respect for nature and the needs of future generations." These are not firm policy directives, but merely "guidelines." Government departments and agencies are essentially free to interpret the sustainable development concept as it suits them, emphasize which examples reflect their mandate, design their own sustainable development plans, and measure their own progress through self evaluation in reports to the Commissioner. Federal Crown Corporations are also exempt from this modest measure of planning and reflection on sustainable development goals.<sup>20</sup> The CESD is a progressive Canadian innovation, forcing government departments to think seriously about sustainable development in policy and evaluation. Its work began in earnest in 1997 as departments began preparing their first individual sustainable development strategies. However, the CESD is a weak and rhetorical policy instrument with no teeth to interpret or enforce international sustainability commitments or domestic laws.

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<sup>19</sup> Anne McIlroy, "Environment pact adds clout to provinces: Aim of deal is to reduce overlap of duties, but watchdogs fear governments will dodge regulating toxic chemicals," The Globe and Mail (30 January 1998), p.A4.

<sup>20</sup> See "Appendix A, Excerpts for the Auditor General Act: An Act respecting the Office of the Auditor General of Canada and sustainable development monitoring and reporting" in Report of the Commissioner of the Environment and Sustainable Development to the House of Commons (Ottawa: Minister of Public Works and Government Services, 1997).



The CESD's weaknesses also reflect Canada's non-interventionist, free-market approach to sustainable development in multilateral fora generally, especially Canada's relationship to APEC in 1997. Despite the fifth anniversary review of the Earth Summit the same year, Prime Minister Chretien had little good to report on Canada's progress at the United Nations, and groups like the Sierra Club in its Rio Report Card gave the government poor marks for its performance since UNCED.<sup>21</sup> By comparison some have pointed to Canada's, particularly Lloyd Axworthy's, leadership role in the "Ottawa process" which led to the Land Mines treaty as a remarkable example of civil society/NGO influence on an important international public policy agenda. However, as commentators have argued, clearing the evil of land mines from the world is a much more visible, manageable, and narrowly focused objective than obtaining more nebulous, broader and contentious goals such as "world peace," "human rights" or "global sustainable development."<sup>22</sup> So, despite selected improvements on certain fronts, most NGO and academic critics alike saw Canada as backtracking on earlier commitments since the 1992 Rio conference and losing the moral authority to sustain its traditional international leadership role at the United Nations on environment and development issues.<sup>23</sup>

NGO/Civil society critiques of several major Canadian government initiatives in Asia during CYAP as Canada took over the APEC chair, illustrate Canada's flawed vision and implementation of sustainable development. Canada's approach was to position itself as a stronger player in the region by attempting to increase its export trade,<sup>24</sup> often at the

<sup>21</sup> Sierra Club of Canada, Canada Five Years after Rio: The Sierra Club of Canada's Rio Report Card 1997 (Ottawa: Sierra Club of Canada, 1997).

<sup>22</sup> For a good overview of the land mine treaty's implications for civil society and the NGO movement on other issues see Allan Thompson, "Can we start saving the world? Canada is being praised for its work on land mines and blasted over global warming and human rights," The Toronto Star (7 December 1997), p.F5.

<sup>23</sup> Anne McIlroy, "No Greenhorns: Ottawa's environmental joy ride," Globe and Mail, (4 October 1997), D1-2; and Jack Epstein, "Rio Summit's promises still unfulfilled: The first formal evaluation of the 1992 pledges will find little environmental progress," The Globe and Mail, (13 March 1997), pp. A12.

<sup>24</sup> Other studies have discussed this issue in depth so I do not elaborate here. For the most recent collection of articles discussing rationale for Canadian involvement in the region see the special edition of an annual review devoted to Canada's foreign policy: Fen Osler Hampson, Maureen Appel Molot and Martin Rudner, Eds., Canada Among Nations 1997: Asia Pacific Face-Off (Ottawa: Carleton University Press, 1997).



expense of the environment and human rights. Flaws were evident in Canadian support for the Chinese government's Three Gorges Dam project exemplifying an inconsistent and inappropriate Canadian foreign policy that undermines sustainable development. The Three Gorges Dam is an environmental and social disaster waiting to happen according to Toronto-based Probe International and other Canadian NGO critics that have campaigned against the project, and objected to Canadian taxpayers subsidizing Canadian companies to do business with China. Even the World Bank stopped supporting it after its own review with input from international NGOs and Chinese citizens and community groups that would be affected. The American-based Export-Import bank has also refused financing for the project and at least one arm of the Canadian government, the Canadian International Development Agency (CIDA) which originally financed a feasibility study for the dam in 1988 against harsh public criticism will no longer provide any grants to it. Yet Prime Minister Chretien personally backed Canadian Companies' involvement in the project during his first high profile Team Canada mission to China in 1994. The Export Development Corporation (EDC), a Canadian Crown corporation, also continues to support the project with loan guarantees to General Electric Canada. The project, now well under way, is expected to displace over 1.3 million residents, submerge fertile farmland, destroy hundreds of villages and create severe waste problems.<sup>25</sup>

The case of the Canadian government promoting the sale of CANDU nuclear reactors to China while overruling an environmental impact assessment required in Canada, was another example of a flawed foreign policy for sustainable development. The government does not appear serious about implementing sustainable development as a "cornerstone of Canadian foreign policy" and "seeking the views of the non-governmental

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<sup>25</sup> See Dave Todd, "The China visit: Chretien flip-flops, now favors huge dam," The Ottawa Citizen, (9 November 1994), p.A4; Rod Mickleburgh, Three Gorges dam fills China vista: World's largest hydro project progressing at frenetic pace despite controversies," The Globe and Mail, (25 May 1996), pp. A1,6; Reuters, "Work under way on China's Three Gorges Dam," Ottawa Citizen (9 November 1997), p. A13; and Laura Eggertson, "Ottawa Backs Chinese Dam: Crown agency helps GE Canada's participation in Three Gorges," Globe and Mail (1 September 1997), pp. B1,6. See also the critique by Patricia Adams, in a recent campaign letter (n.d) for Probe International, a Toronto-based NGO.



sector" as Axworthy has proclaimed.<sup>26</sup> In the CANDU case at a minimum the Rio Declaration's "precautionary principle" should apply if there is any hint such a project might cause adverse environmental, economic or social effects.<sup>27</sup> But the Liberals went ahead with the CANDU sale despite major opposition from environmental groups.

The Sierra Club of Canada filed a law suit against the federal government for bypassing Canada's own Environmental Assessment Act, and several environmental lawyers have supported the Sierra Club argument that Canada's laws should apply to any federally funded projects outside the country. Others, like the Canadian Coalition for Nuclear Responsibility have argued that Canada shouldn't be selling CANDU reactors to authoritarian and unstable governments when Canada itself has not been able to guarantee safety with its own reactors in Ontario. The Campaign for Nuclear Phaseout has suggested CANDU sales are bad investments financially, ethically and socially. Atomic Energy of Canada, the Campaign notes has received over \$15 Billion in taxpayer subsidies encouraging waste, corruption, human rights violations and dependency on large scale economically unsound and environmentally unsustainable projects. Ironically, even right wing editorialists like Terence Corcoran sided with environmentalists on the poor economics of the China deal alone, and for subsidizing Canadian industry with Canadian tax dollars (so far \$50 Billion and counting) in the process.<sup>28</sup>

The Chretien government viewed the sale, by the federally owned Atomic Energy of Canada Ltd. (AECL) purely as good for trade (the Globe and Mail's Jeff Sallot, called AECL the "jewel in the crown of Canada's China trade policy") and a boost to Canadian

<sup>26</sup> "Canadians Invited to Share Views on Sustainable Development through DFAIT's New Web Site," December 9, 1996 No. 23, (Department of Foreign Affairs and International Trade, News Release).

<sup>27</sup> Principle 15 of Annex 1, "Rio Declaration on Environment and Development," Report of the United Nations Conference on Environment and Development A/CONF.156/26 (Vol 1.) 12 August 1992.

<sup>28</sup> March Nichols, Showwei Chu, and Chris Wood "China Syndrome: Critics flail a \$4-billion Canadian nuclear deal," MacLeans, (9 December 1996), 28-29; M.A. Bowden, "What Ottawa is overruling in selling Candus to China: Canada's environmental-assessment laws were intended also to apply to projects outside the country," The Globe and Mail, (9 December 1996), pp. A23; Shawn McCarthy, "Candu reactor marketing may suffer: High-profile foreign sales threatened by Ontario Hydro's shutdown decision," The Globe and Mail, (14 August 1997), p.A6; Terence Corcoran, "Candu a failure on all counts," The Globe and Mail, (10 December 1996), p.B2; and the brochure published by Campaign for Nuclear Phaseout, "Exporting Disaster: The Cost of Selling CANDU reactors" (n.d./1997) housed in the Ottawa offices of the Sierra Club of Canada. Also see Stephen Dale, "The CANDU Syndrome" in The Canadian Forum (March 1997), pp.13-21.



jobs. The EDC has supported the project with \$1.5 Billion in loans to the Chinese government. Neither AECL and EDC as Canadian Crown corporations took environmental considerations into effect, or are accountable to Canadian taxpayers for their actions. Both AECL and EDC are exempt from reporting to Canada's Auditor General or for designing a sustainable development plan for the Commissioner on Sustainable Development as required by other federal departments. Although the EDC is not required to report, in response to increased public controversy and NGO criticism in 1998 it intends to make public its environmental procedures and guidelines, to "formalize and where appropriate strengthen environmental practices" through a new policy framework, according to a spokesperson. However, this will not change the fundamental flaw in Canada's trade policy and the workings of one of Canada's most influential agencies in business circles. According to EDC its new corporate plan and policy framework will likely affirm "certain fundamental principles," particularly that environmental practices imposed on projects should not place Canadian exporters at an economic disadvantage with business competitors of other countries.<sup>29</sup>

For similar reasons the federal government even ignored the recommendations cautioning CANDU China sales from a report it commissioned to Marbek Resource Consultants, Ltd. The report said there was not enough data available or analysis done to assess the environmental impact of two CANDU nuclear reactors planned for sale to the Hangzhou region near Shanghai. The Marbek report recommended further studies and public hearings in Canada before going ahead with the deal. Still, Prime Minister Jean Chretien put his personal stamp of approval on the contract, making a side trip to attend a signing ceremony in Shanghai immediately following the 1996 APEC summit in Manila. Chretien did so backed by Cabinet Minister briefing notes prepared by DFAIT bureaucrats suggesting the sales would create 27,000 Canadian jobs, and not proceeding would "put Canadian technology exporters at a disadvantage with foreign competitors for sales."<sup>30</sup>

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<sup>29</sup> Personal Communication, Quotes from from EDC spokelerson, Rod Giles, in a telephone interview, with the author, 7 January 1998.

<sup>30</sup> Jeff Sallot, "Ottawa skips reactor advice: Liberals ignore recommendations in studies before selling nuclear plants to China," Globe and Mail (11 August 1997), pp. A1,4.



Despite Federal government proclamations promoting sustainable development as a governing principal of foreign policy, trade policy overshadows any discussions of environmental and responsibility in practice. Foreign Minister Lloyd Axworthy, in 1997 unveiled DFAIT's own departmental sustainable development plan<sup>31</sup> and the Government's glossy report to the United Nations<sup>32</sup> in light of the fifth anniversary review of progress since UNCED as a show of Canada's progress. Yet in question period, he was asked if selling CANDU nuclear reactors to China while overruling environmental impact assessments which were required in Canada, was a good example of sustainable development. Axworthy avoided answering the question directly by echoing the government's broader policy towards China, implying that China is emerging as one of Canada's most important APEC trading partners and potential markets. Selling Canadian goods and services to China (no matter their potential negative impacts, environmentally or socially) in a nutshell he implied, provides jobs and is good for Canadian companies and the economy.<sup>33</sup>

CANDU sales are clearly not a good example of sustainable development even if in the short term it limits use of coal in China as proponents sometimes argue. Sustainable development is a holistic concept, which should examine long term planning and consequences and includes more than just immediate trade offs or environmental considerations alone. As some theorists have argued, sustainable development is at least a "three-legged stool" which seeks to carefully consider environmental, economic and social factors together. While reconciling ecological, economic and social imperatives it should particularly support the role of civil society in creating ecologically sustainable socio-

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<sup>31</sup> Called Agenda 2000: A Sustainable Development Strategy for the Department of Foreign Affairs and International Trade (Ottawa: Department of Foreign Affairs and International Trade, Consultation Draft 1997-14-11).

<sup>32</sup> See Building Momentum: Sustainable Development in Canada (Ottawa: Minister of Public Works and Government Services, 1997).

<sup>33</sup> Ian Mulgrew, "Sustainable Development key to future policy, study suggests: Measure security in terms of the ultimate outcome for individuals, Axworthy says" The Vancouver Sun (18 April 1997), p. A12; and Notes for an address by the Honourable Lloyd Axworthy, Minister of Foreign Affairs on "Sustainable Development in Canadian Foreign Policy" (Vancouver, British Columbia, April 17, 1997).



economic futures.<sup>34</sup> Sustainable development is also an element of "common security" or "human security" including mutually supportive interrelationships among environmental protection, human rights,<sup>35</sup> economic development and trade relations.<sup>36</sup> In the CANDU and Three Gorges cases, to assess an appropriate sustainable development policy one would begin with the UNCED "precautionary principle" and weigh all three factors together. Given earlier reports suggesting adverse environmental and social outcomes, including potential human rights violations of affected peoples on the dam project, logic and morality would suggest Canada should not support them regardless of the immediate or potential economic benefits alone. Critics also suggest the projected economic benefits will never materialize anyway.

The biggest immediate problem, however, is that CANDU sales reinforce China's avoidance of a civil society and NGO-based sustainable development planning process. Similarly it allows Canada to avoid the same exercise domestically. Moreover, few Canadians will ultimately benefit from CANDU sales in the long term. Taxpayers will lose out while the government supports an industry which has failed in Canada, indicated by the recent controversy at Ontario Hydro leading to the shut down of seven nuclear reactors at a cost of over \$12 Billion.<sup>37</sup> CANDU sales also undermine Canadian expertise

<sup>34</sup> See for example: John Robinson and Jon Tinker, "Reconciling Ecological, Economic and Social Imperatives: Towards an Analytical Framework," SDRI Discussion Paper Series 95-1, October 1995, published by the Sustainable Development Research Institute at the University of British Columbia.

<sup>35</sup> Although it was a major contentious issue around APEC in 1997 for a manageable focus I touch on human rights in Canadian foreign policy only peripherally in this study. I include human rights as a dimension of sustainable development and comprehensive security here but except for noting general civil society concerns I leave detailed examination of the human rights-trade nexus to future studies.

<sup>36</sup> Exploration of "common security" issues and models incorporating environmental and social concerns with civil society views in contrast to state-centred and military objectives is an important and emerging research agenda in Asia Pacific security studies. See for example, Pierre Lizée, "Of Puzzles and Missing Pieces: Towards: A New Research Agenda on Asia Pacific Security," CANCAPS Paper Number 12, (September 1996), esp. pp. 14-15, 19-20.

<sup>37</sup> Paul Waldie, "Ontario Hydro profits to fall \$575 million short: Cost of nuclear cleanup at least \$6.5 billion, officials say," The Globe and Mail, (28 August 1997), p.A1,7; Richard Brennan and John Ibbitson, "Ontario looks to post-nuclear era: Now that the province is closing 7 nuclear reactors, it must develop replacement sources for energy, such as wood waste and the sun," The Vancouver Sun (16 August 1997), p. A3; Paul Waldie, Janet McFarland and Gayle MacDonald, "Power Failure," The Globe and Mail, (16 August 1997), p.B1,4; and Gary Gallon, "The environmentalists have become the economists," The Globe and Mail, (15 August 1997), p.A21; and Paul Waldie and Janet McFarland, "Reactors' final fate could cost \$12 Billion," The Globe and Mail, (2 September 1997), p.A1,4. Also see



and discourage innovation for developing and implementing more appropriate alternatives. Even Environment Minister, Christine Stewart, while defending the CANDU sales as a safe alternative to dirty coal responded to criticisms from Greenpeace China activists with a concession. She said that "we would prefer renewable sources of energy...but the technologies are not available and [not] able to provide the capacity China demands."<sup>38</sup> What this suggests, as environmentalists have argued for years, is that Canada should be supporting small scale private sector energy producers and more research and development for energy efficiency and alternative energy technologies, instead of heavily subsidizing potentially dangerous, expensive and ecologically unsound sunset industries.

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the brochure/discussion paper by Campaign for Nuclear Phaseout, "Renewable Energy Options for Canada" (n.d./1997).

<sup>38</sup> Canadian Press, "Minister defends sale of reactors to China," The Vancouver Sun (15 January 1998), p.A9.



## Sustainable Development and Civil Society Themes in APEC: 1989-1997

APEC began as an informal grouping of so-called "economies" in 1989 to facilitate dialogue and cooperation for liberalizing trade in the Asia Pacific Region, and enhancing the role of the private sector in promoting free-market principles while increasing business activity in the region. APEC was first a meeting of ministers and senior officials, but the 1993 meeting hosted by American President Bill Clinton in Seattle, Washington began an annual series of Leaders' Summits lending greater political weight to the trade liberalization agenda for the region. Subsequent Leader's meetings were held in Bogor, Indonesia in 1994, Osaka, Japan in 1995, Manila, Philippines in 1996 and most recently in Vancouver in 1997. At the Seattle Summit in 1993, APEC leaders vowed to ensure that "growth takes sustainability into consideration" and recent informational materials and Leaders commitments suggest that APEC now "addresses environment/sustainable development as a key cross-cutting issue relevant to all APEC fora and many APEC activities."<sup>39</sup> The 1997 Leaders Declaration, under a section entitled "connecting the issues" proclaimed that "achieving sustainable development remains at the heart of APEC's mandate."<sup>40</sup>

The newly elected Chretien Government in the wake of the Rio Earth Summit took the initiative to put sustainable development more firmly on the Asia Pacific agenda at the Seattle APEC Leader's Summit by offering to host an APEC environment ministers meeting the following year. That first meeting of APEC environment ministers was held in Vancouver producing an "Environmental Vision Statement" and "Framework of Principles" for integrating economic and environmental issues.<sup>41</sup> That statement clearly affirmed the inseparability of environmental protection with economic growth and that APEC should take leadership in line with the UNCED consensus. It also acknowledged

<sup>39</sup> "Asia Pacific Economic Cooperation 1997" (Secretariat Informational Brochure), p.11

<sup>40</sup> "APEC Economic Leaders' Declaration: Connecting the Community" (Vancouver, Canada, November 25, 1997), p.6.

<sup>41</sup> Wayne Nelles, "APEC Environment Ministers Meet at Globe 94, Vancouver: UNCED Followup Discusses Economic and Environment Cooperation in the Asia Pacific Region," UNA (United Nations Association) Pacific Region Bulletin, (Spring 1994), pp. 1,3.



that market mechanisms and outcomes don't always "take into full account relevant environmental concerns" and suggested this posed a challenge for sustainable development. Bello and Bullard point out, that the Eminent Persons Group of key business leaders at the time echoed similar principles, but governments still gave the environment short shrift in terms of emphasis and impact on APEC's economic agenda in subsequent years. The Bogor declaration, however, hardly mentioned sustainable development and was almost solely focused on the goal of creating an Asia Pacific free trade region.<sup>42</sup>

Chretien's APEC environmental initiative indirectly built on the public support for environmental issues at the time, the former Conservative government's leadership and the input of Canadian NGOs to the Rio process. Canada's policy development under the Conservative government in preparing for the Rio conference included support for a coalition of environment, development and policy NGOs from across Canada called the Canadian Participatory Committee on UNCED (the CPCU). The CPCU and several organizations, particularly the Canadian Council for International Cooperation (CCIC), played a significant role in helping shape Canadian government international and domestic policy on sustainable development through dialogue with government officials and civil society positions developed in consultation with Southern NGOs in the Rio process. The government of Canada's leadership included regular consultations with NGOs, funding their participation in national planning meetings, involving Canadian NGOs on official delegations at preparatory meetings in Geneva and New York and at the Rio Summit in 1992. The final "Rio Declaration on Environment and Development" and UNCED's "Agenda 21" was a milestone in acknowledging the important role of civil society and so called "major groups" in defining and implementing sustainable development.<sup>43</sup>

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<sup>42</sup> Quoted from Walden Bello and Nicola Bullard, APEC and the Environment: A Report Commissioned by the Rio+5 Forum, (Rio de Janeiro, Brazil 13-19 March, 1997), p.40.

<sup>43</sup> The author participated in several meetings in Ottawa and New York as well as the Rio Summit, prepared newsletter articles, a policy paper and briefing notes for NGOs. See for example: Wayne Nelles, "Assessing PrepCom IV: Governments Lag—NGOs Set their Own Agenda" in UNA (United Nations Association) Pacific Region Bulletin, (Spring 1992), pp. 1-2.



Canada's foreign policy interest in sustainable development under the Liberals and APEC built on some positive elements of the Rio process. But in many ways the Liberals have less directly linked sustainability issues and civil society compared to the former Conservative government's support for the CPCU. The Liberal's sustainable development vision also reflects former Conservatives weaknesses by not responding to important civil society concerns, particularly NGO criticisms about the effects of trade on sustainable development. Canada under the Liberals, moreover, has increased the business-oriented economic, export trade-driven, and self-interest dimensions of its foreign policy. This was clearly evident on the margins of the first Environment Ministerial meeting which, not coincidentally, Canada organized to coincide with "Globe 94," a major biennial conference and trade show hosted by the Government of Canada and now coordinated by the new Globe Foundation, a subsidiary of the Vancouver based Asia Pacific Foundation (APF). The government invested substantially in the event contributing some \$1.5 million to Globe 94's \$3.2 million budget, the rest coming primarily from high conference and trade show fees. The GLOBE conference series, which began in 1990 and now attracts some 3000 conference delegates, media and exhibitors and another 10,000 or more visitors biennially, has become Canada's premier show case of Canadian environmental industries while including international exhibitors. The event continues to target business, government representatives and political leaders from the Asia Pacific region and around the world. Canada has since supported GLOBE and the APF principally to promote Canadian expertise in environmental technology and industry in the growing Asia Pacific region.<sup>44</sup>

Since 1994 APEC Environment Ministers have met periodically and Canada has helped advance the role of sustainable development in APEC Committees and Working Groups. Canada has played a significant leadership and innovative role in these developments by nurturing key portfolios. Sustainability issues resurfaced when the Economic leaders subsequently reaffirmed the Vancouver principles at later meetings in

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<sup>44</sup> See Wayne Nelles, "APEC Environment Ministers Meet at Globe 94, Vancouver: UNCED Followup Discusses Economic and Environment Cooperation in the Asia Pacific Region," UNA (United Nations Association) Pacific Region Bulletin, (Spring 1994), pp. 1,3.



Osaka, 1995, and in 1996 a meeting of Sustainable Development Ministers in Manila agreed on a Joint Declaration and Action plan. By then, however, the course had been set and environment or sustainability became more of an adhoc project focus than an overarching programme or set of key guiding principles or an integrating mechanism. The Osaka meeting closed the door on establishing new committees or working groups, and effectively blocked dialogue or action on trade and environment linkages, particularly a possible working group on trade and environment.<sup>45</sup> Environment Ministers in Manila set guidelines for promoting sustainable development focusing on private public partnerships, value-added activities, recognizing diverse stages of development, sharing innovative approaches, enhancing human resource development capacity, sharing information technology, and adopting outcome-driven and incentive-based approaches. Innovative approaches discussed included adopting "where appropriate" market-based instruments and natural resource accounting for conserving environmental assets. The Ministers also agreed upon three major, but largely non-controversial, areas as a principal focus for APEC in coming years, and areas in which businesses could develop new products and services: 1) sustainable cities/urban management; 2) clean technology/clean production; and 3) sustainability of the marine environment.<sup>46</sup>

The Leaders Summit in Subic, Philippines endorsed this plan in 1996 and some NGOs there claimed a major victory for civil society in the Philippines' Individual Action Plan (IAP) for including sustainable development as its governing philosophy. After substantial lobbying and negotiations with their government, the Caucus of Development NGOs (CODE-NGOs), a coalition of some 5000 Philippine groups across the country, believed they helped the Philippine government make sustainable development an integral part of the APEC agenda. Their objective, as Nicanor Perlas of the Center for Alternative Development Initiatives (CADI) stated was that sustainable development should "balance the forces of liberalization, and ensure that trade and measures work for, not against, the

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<sup>45</sup> Discussed in Walden Bello and Nicola Bullard, APEC and the Environment: A Report Commissioned by the Rio+5 Forum, (Rio de Janeiro, Brazil 13-19 March, 1997), p.41.

<sup>46</sup> Update of Activities Within APEC (Singapore: APEC Secretariat, October 1997), p.47.



poor, the environment, and the vast majority of Filipinos.” A conference, on “Confronting the Challenge of Liberalization: Sustainable Development Cooperation and APEC” involving some CODE members and other groups as key organizers presented a declaration to Philippine President Ramos critical of APEC’s one-sided focus on economic growth that is jobless, and especially harmful to the poor, to cultures and to the environment. Without rejecting APEC outright it called for an alternative framework to govern APEC’s trade and investment liberalization and facilitation and economic and technical cooperation based more on human development (referring to issues raised in United Nations Human Development Reports) and environmental integrity.<sup>47</sup>

President Ramos, speaking by invitation to that same conference, implied he was doing just what CODE and other NGOs had been arguing for, and acknowledged that APEC is more than just Trade and Investment Liberalization and Facilitation (TILF) or Economic and Technical Cooperation (Ecotech), and that liberalizing trade and facilitating investment alone was not enough. He said that he asked APEC leaders to go beyond the traditional model of development cooperation with governments as key actors, implying a greater role for civil society, and that “sustainable development is the bottom line in APEC, not profits.” Pointing to his role after the Rio conference in establishing the Philippine Council for Sustainable Development, and PA21, the Philippine Action Plan on Sustainable Development, he stressed civil society’s vital role in implementation through a tripartite partnership with government and business. He then suggested the Philippines IAP for APEC reflected the framework and principles of sustainable development. Finally, he committed to bring civil society concerns to the attention of APEC leaders in crafting a vision of a sustainable Asia Pacific community and making their voices heard. He further suggested that it was “in the realm of the possible that we, leaders in APEC, in the near future can consider the institutionalization of civil society participation that will

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<sup>47</sup> “DECLARATION of the International Conference on Confronting the Challenge of Liberalization: Sustainable Development Cooperation and APEC” November 20-21, 1996, Ateneo de Manila University, Quezon City, Philippines, to the Leaders of APEC meeting Address in Subic Bay, Philippines 25 November 1996, Presented to Pres. Fidel V. Ramos APEC Chair, 1996.



allow communication with APEC leaders in a manner similar to the way our business sectors interact with them through the APEC Business Advisory Council (ABAC).<sup>48</sup>

Such statements rang hollow with another adhoc group of NGOs, trade unions and social movements in the Philippines and APEC region. They took an even more critical line in organizing the "Manila People's Forum on APEC '96 (MPFA), an international conference parallel to APEC. This meeting evolved out of a similar event in Kyoto the previous year. Organizers for the MPFA were much more critical of the Philippine IAP and APEC as a whole in 1996 than CODE, although CODE rebutted their characterization as non-critical of government. Instead, CODE insisted their approach was one of "engagement" towards improving government policy, while still encouraging trade liberalization and investment facilitation.<sup>49</sup> The MPFA saw little evidence of Ramos' genuine commitment to involving civil society in APEC decisions or encouraging other leaders to do so. The MPFA's final conference Declaration criticized the host government's portrayal of injecting APEC with a "social face" while demolishing homes of the urban poor to prepare for APEC leaders, refusing to allow genuine public protest or entry to Nobel prize winner Ramos Horta, and political leaders following the lead of transnational corporations instead of supporting the public good.

The MPFA Declaration suggested that APEC governments are biased against sustainable and self-sufficient production in favour of rapid industrialization for export markets and noted APEC's devastating affects on economic and social development, human and peoples' rights, governance, labour and migrant rights, ecology and environment. To prevent such effects they affirmed the principles of "ecologically and socially sustainable development that is people-oriented and environment based, protects biodiversity, and places a premium on preserving women's livelihoods, people's

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<sup>48</sup> "APEC, Civil Society and Sustainable Development," Speech of H.E. President Fidel V. Ramos APEC International Conference on Confronting the Challenge of Liberalization: Sustainable Development Cooperation and APEC sponsored by the Asia-Pacific Sustainable Development Initiative (APSUD), Malacanang, Manila 1500H, 21 November 1996.

<sup>49</sup> Dennis C. Serfino, "Civil Society and The APEC Process," (a special report in four parts) in The Evening Paper, published in the Philippines, (5-11 November 1996). See the CODE rebuttal in a letter "Clarification from CODE-NGO," by Daniel A. Songco, The Evening Paper (11 November 1996).



participation, and improved quality of life" rejecting any slogan of sustainable development failing to include such elements. The MPFA further called for the "support and strengthening of peoples' movements, especially farmers and fisherfolks, who are resisting injustice and encroachment to their lands and livelihoods by transnational corporations and so-called development programmes."<sup>50</sup>

Amidst substantial public debate and NGO pressure, President Fidel Ramos as APEC chair in 1996 ostensibly made sustainable development a key element of his domestic and APEC agenda and passed the torch to Canada. Philippine NGOs made a substantial contribution to reforming the APEC process and agenda. Still, despite the largely non-controversial dimensions of most of its sustainable development programme, APEC's sustainability rhetoric is high and funding for such initiatives remains minimal.

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<sup>50</sup> Declaration, Manila People's Forum on APEC, November 21-24, 1996.



## **Sustainable Development, Canadian Initiative and APEC 1997 Results**

Canada hosted several meetings and launched a variety of sustainable development initiatives through the APEC process in 1997 but its main goal was to help position itself as a stronger economic player in the Asia Pacific region and take leadership in areas where Canadian businesses could have a competitive advantage. This meant that sustainability issues ultimately took a back seat to trade in Canada's balancing of other environmental or development interests. The alternative vision advocated by Philippine NGOs, and ostensibly echoed by Ramos, was subsumed by the Canadian Chair's more tempered and focused approach.

Following the work plan adopted at the 1996 Subic Summit Canada highlighted sustainable cities, clean technology and sustainability of the marine environment as three key themes while organizing several other meetings as part of CYAP in the lead up to APEC. Among these were a series of Ministerial and working group meetings across Canada covering environment and sustainable development issues which made recommendations to APEC Leaders in November. One area which softened Canada's purely trade objectives, however, has been "economic and technical cooperation" now dubbed as "Ecotech" in APEC circles. Canada has promoted such work, under the auspices of APEC's Economic Committee. Even so, Canada's cooperation through APEC remains strategic and self-serving by promoting new expertise as "knowledge exporters" while building on its traditional reputation as being altruistic in international development cooperation.

It is no coincidence that in 1997 Canada, with the Canadian International Development Agency (CIDA) as lead agency, also hosted the Global Knowledge 97 conference in Toronto in collaboration with the World Bank and several major corporations. Building on the 1995 foreign policy statement, and recommendations in a recent report, Connecting with the World,<sup>51</sup> Canada at the Global Knowledge meeting

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<sup>51</sup> Maurice Strong, Chairman, Connecting with the World: Priorities for Canadian Internationalism in the 21st Century: A Report by the International Development Research and Policy Task Force (Ottawa/Winnipeg: International Development Research Centre, North South Institute, and International Institute for Sustainable Development, November 1996).



stressed the role of knowledge and information technology as an important element of Canada's competitive advantage in the new global economy and as a new emphasis in its aid policy and development cooperation work.<sup>52</sup> At APEC Canada further promoted its knowledge and expertise in the field of environmental technologies as it had at the GLOBE conferences. Trade Minister, Sergio Marchi, officially opened the APEC Ministerial meeting prior to the Leaders' Summit in Vancouver by unveiling Canada's infrastructure pavilion in downtown Vancouver and underscoring a new thrust in Canadian foreign policy by promoting Canada's "knowledge economy" at work. The pavilion showed government-supported Canadian companies and institutions marketing environmental technologies and services, and highlighted Canadian expertise assisting in infrastructure development for the Asia Pacific region.<sup>53</sup>

Aside from the Global Knowledge 97 conference running parallel to CYAP events, among the most significant APEC-related activities during the year were an Environment Ministerial held in Toronto in June 1997, an Energy Ministerial in Edmonton, and a Symposium on the "Impact of Expanding Population and Economic Growth on Food, Energy and the Environment (FEEEP) organized by APEC's Economic Committee in Saskatoon. Other APEC Ministerials or Working Group meetings in 1997 such as the Human Resources Working Group, Transportation Working Group, and others also discussed sustainable development tangentially as part of their strategies. But these were all modest efforts towards progress in sustainable development. The APEC Environment Ministerial wasn't expected to produce any "breakthroughs on cleaning up the planet" as one journalist observed. Like a similar meeting which Canada hosted during GLOBE in 1994, it was in large part a way of promoting Canada's foreign economic and trade policy, through support for its growing environmental industry.

Business groups at the 1997 Toronto Ministerial also held special parallel sessions making recommendations to the Ministers and a trade show to demonstrate their products

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<sup>52</sup> For background see the web site <[www.globalknowledge.org](http://www.globalknowledge.org)>.

<sup>53</sup> APEC Canada 1997, News Release, November 20, 1997 "The Honourable Sergio Marchi 'Lights Up' Vancouver for APEC Meetings at the APEC '97 Infrastructure Pavilion."



and technologies while some NGOs gathered outside in protest or at counter conferences. The Canadian Environmental Network (CEN) representative, one of two NGOs invited to participate on Canada's official delegation, suggested that the meeting "was more remarkable for the legion of issues that were avoided than were discussed." Speaking to the Ministers Elizabeth Dowdsell, a Canadian who heads the United Nations Environment Programme (UNEP), was also critical of global progress five years after the Rio Earth Summit implicating the APEC ministers. She suggested that despite movement on some fronts the "world still engages in the same kind of economics and industry, employs the same technologies, views security from the same narrow perspectives, and engages in the same production and consumption patterns that have brought about the current state of decline" calling on APEC to provide stimulus for a new direction.<sup>54</sup>

A meeting on Energy, sponsored by the Department of Natural Resources Canada, was especially indicative of government support for an ecologically unsustainable industry with the most intractable of problems. Held in Alberta, Canada's centre of the oil and gas industry, it explored the theme "Energy: Infrastructure for Sustainable Development." It ostensibly promoted a response through conservation efforts and environmentally sound growth but these are values and objectives not shared by most Albertans, according to media reports and recent polls. The meeting adopted a non-binding declaration committed to facilitating trade in energy efficient goods and equipment and fulfilling Asia's massive energy infrastructure needs over the next decade and a half. However, that Ministerial event, with a parallel meeting for industry, mostly supported mainstream business development in the region reinforced by the strong Canadian oil and gas lobby participating. Canada's Minister of Natural Resources, Ralph Goodale, largely supported a business agenda (not sustainability objectives as primary) for expansion of Canadian markets in the region. Business and conservative Alberta politicians meanwhile did

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<sup>54</sup> Michael MacDonald, "Environmental Conference focuses on business: Canada can tap into booming Asian market," *The Ottawa Citizen*, (10 June 1997), p.C7; David Israelson, "Protests hit APEC meeting: Environmental Conference called a 'smoke-screen'," *The Toronto Star* (10 June 1997), p.A3; "APEC Environment Ministerial Meeting on Sustainable Development: Report to the CEN from Aaron Schneider;" and "Highlights from the APEC Environment Ministerial Meeting on Sustainable Development Monday, 9 June 1997" in *Sustainable Developments*, Vol. 6, No. 1 (10 June 1997) published by the International Institute for Sustainable Development.



everything possible to prevent the Federal government from implementing stricter anti-pollution measures that would reduce greenhouse gases, prevent global warming, and jeopardize the oil and gas industry. Civil society critics of the energy event, expressed concern over the closed door sessions, big business dominance, no binding commitments which force adequate change, and lack of attention to an authentic sustainable development approach supporting alternative energy options.<sup>55</sup>

The FEEEP meeting held in Saskatoon, on the other hand, was the most innovative, albeit limited and marginalized, attempt to consider intersectoral and interdisciplinary linkages between various issues while involving input from NGOs, academics, business and government representatives to explore serious alternatives to the status quo. Canada's Deputy Environment Minister, Avrim Lazar, led the FEEEP initiative, under the auspices of APEC's Economic Committee. At the Toronto Environment Ministerial in advance of the FEEEP meeting Lazar stressed to APEC ministers that it was essential to move towards more sustainable consumption and production patterns, and that APEC should also more closely examine the relationship between trade and the environment.<sup>56</sup> APEC Ministers responded coolly to such suggestions. Yet FEEEP is where academics, NGOs and civil society groups see the most promise for APEC government policies and practical programmes.

Aaron Schneider, CEN representative to the Toronto Environment Ministerial praised Canada's draft discussion paper on FEEEP prepared by Professor Bill Rees, of the University of British Columbia (UBC). Rees, one of the world's foremost leaders in ecological footprint analysis, wrote on "The Ecological Footprints of Growth, Tracking

<sup>55</sup> For background to the event and the Alberta context see James Stevenson, "Energy officials voice opposition to curbs on emissions: Alberta's energy minister says anti-pollution measures may affect the standard of living," The Vancouver Sun (27 August 1997), p. A8c; Satya Das, "APEC makes environmental pledge: Massive energy infrastructure projects will be sensitively built, energy ministers say," The Vancouver Sun (28 August 1997), p.D1-2; and Dennis Hyrciuk, "Energy Conservation tough sell: Most segments of Alberta society resist the efforts that would curb emissions," The Vancouver Sun (6 January 1998), p. C2c.

<sup>56</sup> See the section on "The Impact of Expanding Population and Economic Growth on Food, Energy, and Environment (FEEEP)" in Sustainable Developments: a Summary Report of the APEC Environment Ministerial Meeting on Sustainable Development Vol. 6, No. 3 (13 June 1997) published by the International Institute for Sustainable Development.



the Global Economy” implying that APEC’s current approach is conceptually at fault, representing the flawed assumption of a “technological expansionism” paradigm in most of its sustainable development discussions. Alternatively Rees offered an “ecological paradigm” more accurately reflecting adequate understanding of the Earth’s carrying capacity, and the negative influence of present consumption patterns. Rees advocated lowering production that would lead to human welfare, an approach not well received by most APEC ministers. By contrast, Schneider, voicing concerns shared by many NGOs, suggested FEEEP was where Canada “made the best attempt to connect APEC with reality.”<sup>57</sup> FEEEP is also the one forum within the APEC process which takes a holistic approach in dealing with broader questions of human or comprehensive security aside from APEC’s narrower trade liberalization agenda. The FEEEP meeting presented an interim report to the APEC Leaders in Vancouver, and recommended more focused objectives in 1998 to address policy implications and practical recommendations. In this respect Canada could, if it so chose, continue the leadership it began in 1997 and make an even more important contribution to APEC.

Although, Canada’s trade liberalization at all costs agenda still overshadowed more innovative fora such as FEEEP, Canada ensured that environment and sustainable development was stressed in the final APEC Ministers statement and the Leaders’ statement which followed. But this was still self-serving. As noted above Trade Minister Marchi symbolically opened the Summit in downtown Vancouver with an infrastructure exhibit highlighting Canadian companies and agencies involved in a variety of economic and technical projects supporting sustainable development in the Asia Pacific region. Many of these are supported by CIDA, IDRC and DFAIT covering sustainability projects around key themes including energy, transportation, electricity, telecommunications, water, sustainable cities, environmental technologies and architecture which are also central to building the regional economy.

The APEC Ministerial statement also emphasized a section on Economic and Technical Cooperation which stressed six priority areas including “safeguarding the quality

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<sup>57</sup> For background see Mathis Wackernagel and William Rees, Our Ecological Footprint: Reducing Hman Impact on the Earth (Gabriola Island/Philadelphia: New Society Publishers, 1995).



of life through environmentally sound growth" while helping to "improve the economic and social development of the Asia Pacific Region." The Ministers stressed the need to address sustainable development across all APEC work programs and endorsed the Environment Ministers pledge to implement global commitments referring to the United Nations Convention on Climate Change and the work of the upcoming Kyoto conference. Regarding FEEP, the Ministers also called for more on building partnerships and capacity building in 1998 as a basis for Leaders' discussion and joint actions. On "managing resources" the Statement referred to the work of several Working Groups in fostering technical cooperation and promoting sustainable practices which facilitate investment and promote environmental protection.

The Ministers' statement, with Canadian initiative, also left the door open to explore further involvement of civil society under a section called "Deepening the Spirit of Community."<sup>58</sup> How this will be implemented in practice, however, is contentious given APEC's still largely closed structure and the undemocratic, fundamentally authoritarian nature of several APEC governments, particularly Indonesia, China, and Malaysia. Civil society and NGOs in these countries which challenge government policy or administration are not welcome anywhere near the decision-making process or even within eyesight or earshot of APEC leaders. After a public protest incident at UBC many NGOs, students, academics, lawyers, and journalists now question the government of Canada's authentic commitment to democracy in squelching protest, and in making several arrests largely because students were publicly protesting the gross human rights violations of the Indonesian and Chinese Leaders. Several groups launched law suits against the federal government for violating individuals' constitutional rights to free speech and fundamental freedoms and an investigation of RCMP actions is underway.<sup>59</sup>

Canadian deference to what some call the "Asian Way" in this case, NGOs argue, is complicity in allowing human rights violators and crony capitalists to carry on business as usual to further self-serving trade and economic interests. In APEC's consensus

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<sup>58</sup> "Ninth APEC Ministerial Meeting Joint Statement," (Vancouver November 21-22, 1997), pp.10-11.

<sup>59</sup> Discussed separately in a section below.



decision-making model this ugly lowest common denominator will remain with democrats and dictators having equal voice: APEC openness to NGO/Civil society opposition or alternatives is not likely very soon. One hope is that the model of including NGO representatives on APEC government delegations, already a precedent at the United Nations and which Canada also pioneered at the Toronto Environment Ministerial, may be a halting backdoor beginning of APEC's democratization. The Economic Leaders Statement also in principle further reinforced the need to "connect the issues" and that "sustainable development remains at the heart of APEC's mandate" underlining that "equity, poverty alleviation and quality of life are central considerations, and must be addressed as an integral part of sustainable development." In this light the Leaders committed to "advance sustainable development across the entire scope" of APEC's workplan while welcoming the interim report on FEEP.<sup>60</sup> From the promise of civil society participation in APEC and genuine sustainability commitments from governments NGOs can point to the Ministerial and Leaders Statements to make case for democratic and sustainable alternatives to APEC's current structure and process.

Overall, despite the rhetoric and promise of sustainable development in APEC through Ministerial or Leaders Statements, FEEEP, committee work and innovative projects, there are several inherent weaknesses of the government's sustainability agenda and in Canada's foreign policy priorities in the APEC process. A 1997 "Results" report on APEC's progress to the November Summit referred to "environmentally sustainable growth" as a major priority on "APEC's Six Lane Highway" which also included "developing human resources," fostering safe and efficient capital markets," "strengthening economic infrastructure," harnessing technologies of the future" and "encouraging the growth of small and medium-size enterprises."<sup>61</sup> NGO critics, however, see environmentally and socially sustainable development in APEC more like a dirt road with deep potholes rather than part of a six lane highway. Canada is "paving the way" on

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<sup>60</sup> "APEC Economic Leaders' Declaration: Connecting the Community," (Vancouver, Canada, November 25, 1997), p.6.

<sup>61</sup> APEC in Action 1997 Results Report (Vancouver, Canada) p.21.



the other lanes with support for projects like the Three Gorges Dam and CANDU Nuclear reactor sales while skirting of human rights for trade promotion. This leaves many NGOs questioning Canada's and APEC's commitment to genuine sustainable development.

On the social side in particular, Prime Minister Chretien at the closing press conference after releasing the Leaders Statement, was emphatic in response to a reporter's questions that human rights would never be on the table in APEC discussions. APEC was a forum for discussing trade, he said, and such issues should be addressed elsewhere, particularly in bilateral meetings.<sup>62</sup> This is not, however, the stated view of Canada in various United Nations Conferences which have included respect for human rights including economic, social and cultural rights in declarations, legal covenants, and in other fora which reinforce the model of "sustainable human development" (SHD) most clearly articulated in the recent United Nations Development Programme's (UNDP) 1997 Human Development Report (HDR). CIDA, Canada's principal agency for aid and development cooperation, also views sustainable human development as one of its guiding themes, noted in the title of a recent draft report prepared for Canada's new Commissioner for Environment and Sustainable Development.<sup>63</sup>

CIDA sees sustainable development as resting on progress in five areas: "the environment, the economy, society, culture and the political system" with "Human rights, democracy and good governance" as one of its major programming priorities.<sup>64</sup> Human rights, as a dimension of SHD then, are potentially a quite legitimate focus for APEC discussion and programmes especially on the Economic and Technical Cooperation agenda. Despite, Chretien's intransigence on such issues, there appears to be some positive, although constrained, movement on the margins with the present Foreign Minister, Lloyd Axworthy, who may see APEC as a broader forum. Axworthy discussed such issues with Canadian NGOs during APEC during informal meetings, and media

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<sup>62</sup> Closing Press Conference, Vancouver Trade and Convention Centre, 25 November 1997.

<sup>63</sup> See "Our Commitment to Sustainable Human Development: The Strategy of the Canadian International Development Agency—Draft for Public Consultation" (CIDA, n.d./approx Fall 1997).

<sup>64</sup> Ibid, pp.4-5, 8.



reports suggest Axworthy has warned APEC of "irrelevancy" if it doesn't deal with human rights and environmental issues.<sup>65</sup> On the other hand, it remains to be seen just how far Axworthy and the government will move to adequately reform APEC or Canada's own environmental and economic strategies with powerful business lobbies, entrenched bureaucracies in government departments and crown corporations, and high economic and political stakes, especially indicated in the CANDU controversy. APEC also highlights potential policy conflict in the Canadian Cabinet, between Mr. Chretien and Mr. Axworthy, regarding civil society influence on Canada's foreign policy, human rights and trade agenda. Civil society representatives at the APEC People's Summit tackled many of these questions more directly, openly challenging APEC's structure and agenda while proposing alternatives.

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<sup>65</sup> Jeff Sallot, "Axworthy warns APEC of irrelevancy: Human rights, environmental issues must be dealt with, minister says," Globe and Mail (24 November 1997) p. A1.



## The Vancouver People's Summit 1997--APEC Opposition and Alternatives

A coalition of Canadian civil society organizations hosted a "People's Summit on APEC" in Vancouver in November 1997 for NGOs and the general public parallel to the official APEC Ministerials and Leaders meetings. The Vancouver NGO meetings were part a series of regular "People's Summits" surrounding the APEC official conference each year since its inception. NGOs planning for Vancouver began almost immediately following the Manila Popular Summit in 1996, which followed a similar meeting the previous year in Kyoto.<sup>66</sup> Local organizers consisted of a Canadian Advisory Board<sup>67</sup> and the host Vancouver Steering Committee<sup>68</sup> representing various labour, church, international development, environment, indigenous, womens, youth, anti-poverty, human rights, peace and teachers' organizations which held a range of views and strategies about how to respond to or influence the APEC process.

Some groups, like the Council of Canadians, were stridently opposed to the civil society strategy of "engagement" with government to influence the APEC process. The reason as its chair, Maude Barlow, pointed out is that they believe "APEC is a flawed process built on a flawed premise, and reject it outright." The Council believes further engagement with the government to influence APEC "will waste precious energy, defuse needed direction and cohesion, and allow the government to move ahead with its APEC

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<sup>66</sup> My comments here, and in the rest of this paper if not cited, come from attendance at several People's Summit planning meetings as an academic observer and representing a Canadian NGO, as well as from participation in early preparatory meetings for the Sustainability Issues forum of the People's Summit. Regarding previous events in Jakarta, Kyoto and Manila see Walden Bello, "The People's Forum on APEC from Jakarta to Manila," in Walden Bello and Jenina Joy Chavez-Malaluan, Eds., APEC: Four Adjectives in Search of a Noun (Manila: Focus on the Global South/Manila People's Forum on APEC, 1996), pp. 49-50.

<sup>67</sup> Canada Asia Working Group, Canadian Environmental Network, Canadian Labour Congress, Canadian Council for International Cooperation, Council of Canadians, East Timor Alert Network, Forum populaire sur L'APEC, International Centre for Human Rights and Democratic Development, and National Action Committee on the Status of Women.

<sup>68</sup> Aboriginal Women's Action Network, Anglican Church of Canada, BC Council for International Cooperation, BC Federation of Labour, Canadian Labour Congress, Canadian Federation of Students, End Legislated Poverty, End the Arms Race,/Canadian Peace Alliance, National Action Committee on the Status of Women, Union of BC Indian Chiefs, United Church of Canada, and Vancouver & District Labour Council.



commitments in the absence of a clear and present opposition.” Still, Barlow acknowledged that other groups and individuals with integrity were “hopeful that social, environmental and labour standards can be incorporated into APEC itself” and work with government toward this end arguing that APEC is moving ahead anyway and that it is imperative to influence the process. Despite differences in views and strategy on APEC, however, Barlow suggested that “we are united in our analysis that it is a profoundly misguided process and in our opposition to the market-centred, corporate-driven ideology that fuels it.”<sup>69</sup>

Although most People’s Summit participants were critical of the “corporate agenda” as Barlow described it, not all rejected the role of business as a whole in promoting development within or outside APEC. Even Tony Clarke, a close Barlow associate, with the Polaris Institute also speaking at the Peoples Summit about the evils of “corporate rule” through APEC, the World Trade Organization (WTO), and more recently against the proposed Multilateral Agreement on Investment (MAI), is not against all corporations. He is just concerned about the indiscriminate and unregulated power of large, mostly transnational corporations which on balance hurt local peoples, the environment and undermine democracy.<sup>70</sup> Still, Barlow’s analysis accurately reflected the overall People’s Summit aim. The official program billed the event as an open, public gathering of people’s around the Asia Pacific “concerned about the effects of trade liberalization.” Participants were invited to meet to “network, strategize and, in the end work toward the creation of alternative visions of sustainable human development in the Asia Pacific region.”<sup>71</sup>

Funding for the People’s Summit came from registration fees and donations, but the largest sources were the Canadian Labour Congress, Canadian Church groups as well government. The Federal government as well as British Columbia’s provincial government, offered modest financial support. Canada did so, not by voluntarily offering,

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<sup>69</sup> Maude Barlow, “Speaking Notes for Opening of the 1997 People’s Summit on APEC.”

<sup>70</sup> Discussed in his most recent book. See Tony Clarke, Silent Coup: Confronting the Big Business Takeover of Canada (Ottawa/Toronto: Canadian Centre for Policy Alternatives/James Lorimer & Company Ltd., 1997), pp.7-8.



but only after lobbying from members of the NGO community. The Federal government could rationalize its support by recognizing the value of civil society's contribution to development and democratization of the foreign policy-making process, goals evident in Red Book election platform promises and the 1995 Canada in the World Statement. The Canadian Centre for Foreign Policy Development (CCFPD) in particular, was an important and strategic supporter. Housed in the Department of Foreign Affairs and International Trade (DFAIT), the CCFPD is an ongoing initiative launched under Foreign Minister, Lloyd Axworthy, to make Canada's foreign policy decisions more reflective of public concern and responsive to civil society. CCFPD played a unique role in supporting several issue fora, policy discussion papers and a number of other regional meetings highlighting Asia Pacific themes throughout CYAP which fed into the 1997 CCFPD's National Forum on Foreign Policy report.<sup>71</sup> Several People's Summit organizers and civil society leaders also met with Foreign Affairs Minister Lloyd Axworthy at times during APEC making their concerns known, and at times feeling their voices were heard.<sup>72</sup> Labour leaders such as Canadian Labour Congress President, Bob White, and human rights groups, in particular, praised Axworthy for taking a very significant first step in a real commitment to human rights in supporting a medical team to visit a jailed Indonesian trade union activist.<sup>73</sup>

At other times it was less clear how well Canada, or specifically Lloyd Axworthy, listened and responded to the issue of upholding human rights and protecting people's freedoms as an essential dimension of "genuine sustainable development" which Amnesty International, secretary-general Pierre Sane suggests "depends on the rule of law,

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<sup>71</sup> The CCFPD through the John Holmes fund also provided partial support to the writer for conducting the research for this study. Also see the discussion on the Centre's interest in bringing Canadian civil society expertise to resolving environmental, social and economic challenges in the Asia Pacific region in Steve Lee's commentary "Canada's Pacific Future is an idea that unites Canadians," in The Vancouver Sun (6 November 1997), p.A23.

<sup>72</sup> Jeff Sallot, "Axworthy warns APEC of irrelevancy: Human rights, environmental issues must be dealt with, minister says," Globe and Mail (24 November 1997) p. A1.

<sup>73</sup> For Immediate Release, "Campaign Support for Pakpahan Applauded by Campaigners for Rights in Indonesia" (jointly issued by Canadian Labour Congress and International Centre for Human Rights and Democratic Development).



government accountability and transparency--the same factors that guarantee human rights."<sup>74</sup> Canada even ignored the criticisms and advice of its own specialized agencies with expertise in the area, like the International Centre for Human Rights and Democratic Development (ICHRDD) established by an Act of Parliament in 1988. Throughout 1997 ICHRDD lobbied the government to put human rights directly on the APEC agenda but failed.<sup>75</sup> At APEC's close Warren Allmand, President of ICHRDD, said he appreciated Canada's efforts to open up the process to NGOs and support the People's Summit with limited funding, but expressed profound disappointment at the APEC Leaders Summit Statement. He criticized Canada and APEC for not respecting pre-existing international human rights obligations as the market is globalized, and suggested that for APEC to truly achieve its vision of regional prosperity it must address the issue of human rights head on.<sup>76</sup>

People's Summit organizers, in meetings with Axworthy and other officials, addressed many themes they had raised in their discussion paper prepared for DFAIT. The Summit consisted of a main plenary opening, a series of associated "issue forums" which were designed to discuss key concerns and civil society strategies while making recommendations to APEC and suggesting policy options for the Canadian government. A closing plenary then synthesized the recommendations and action plans of the various issue fora in a final Summit declaration. The opening ceremonies began with Maude Barlow of the Council of Canadians, with a scathing critique of the APEC process and the Canadian government as supporting a corporate-driven agenda which gave little importance to people's concerns over profits for business. Similarly, recent Nobel prize winner, Jose Ramos-Horta, strongly condemned the Canadian government for ignoring human rights issues in APEC and providing aid to the Suharto regime in light of the

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<sup>74</sup> Quote from Miro Cernetig, "Protests, politics and guanxi spice up huge APEC Summit: Vancouver puts on its best face for gathering of Pacific Rim Leaders," Globe and Mail (18 November 1997), p.A4.

<sup>75</sup> See the booklet, Human Rights: APEC's Missing Agenda (Montreal: International Centre for Human Rights and Democratic Development, Fall 1997).

<sup>76</sup> For Immediate Release, "APEC Leaders Statement disappointing for Human Rights" (Vancouver, November 25, 1997) by the International Centre for Human Rights and Democratic Development (Montreal).



genocide and continuing military occupation after Indonesia's invasion of East Timor.<sup>77</sup> The issue fora included discussions about women, peasants, human rights, sustainability, education/research, media, corporate agenda, youth, indigenous, military, worker's rights, arms trade, South Pacific and more. Thousands more participated from around the world through the Peoples "Virtual Summit" where email reports and dialogue among offsite participants took place during and subsequent to the conference.<sup>78</sup>

In Vancouver some more openly radical groups under "No to APEC" campaigns organized various "non-summit" events and were not part of the People's Summit organizing committee. They rejected formal involvement because they felt Summit organizers were mainly interested in influencing Canadian government positions and changing the APEC process through a strategy of "engagement" with APEC officials. They (with an approach even more radical than the Council of Canadians) said this strategy was flawed and that the groups and individuals involved were co-opted. "No to APEC" groups opted for a strategy of complete "non-engagement," including outright opposition, civil disobedience and often using neomarxist language of "revolution" to challenge "imperialist globalization." At early Peoples' Summit planning meetings the organizing committee debated such groups involvement. Some members were concerned that such groups ignored or discounted others' work to improve human rights, workers conditions, or the environment in dialogue with governments or business. Some existing committee members were also concerned about being identified with more militant approaches and anarchistic groups. The most radical groups eventually self-excluded themselves from People's Summit committee membership, and rejected any of its government-funded support.

On the margins of APEC and the People's Summit came other controversial events like the City of Vancouver's Economic Development Commission hosting a \$1000 a plate

<sup>77</sup> Lori Culbert, "Nobel winner tells APEC heads to heed people," The Vancouver Sun (20 November 1997), pp. A1-2; and Jose Ramos-Horta (speech at the opening ceremony of the People's Summit, 19 November 1997) from speaking notes.

<sup>78</sup> The draft conference program and virtual summit could be found at [www.vcn.bc.ca/summit](http://www.vcn.bc.ca/summit). The Email list APEC-L also served as one of the principal communication vehicles about APEC opposition and alternative activities in the lead up.



Gala dinner and reception with Chinese President, Jiang Zemin, for 500 business people. Leaders of a group launched by Canadian Chinese dissidents, called "Vancouver Society in Support of Democratic Movement," expressed shock and disappointment that Mayor Philip Owen supported the event. Some 1700 protesters demonstrated outside the hotel where Jiang spoke and media editorials all condemned the city-sponsored affair.<sup>79</sup> A letter to the editor summed up the sentiment suggesting that "global corporatism knows no moral or ethical bounds when there is money to be made," and slamming the "corporate theology" of the Non-Partisan Association (a conservative and business-oriented political party) dominated city council.<sup>80</sup> Chinese dissident Harry Wu, extending a similar argument to the federal government, also criticized Canada's "red-carpet treatment" of Jiang as shameful, when Jiang followed APEC with a state visit to Ottawa. Wu suggested that democratic countries like Canada should make commercial relations dependent on ending political and religious repression.<sup>81</sup>

At the People's Summit itself a wide range of opinion was still evident among participants, and many more individuals and groups, difficult to categorize, were caught in the middle. But whether wholeheartedly or in part virtually all clearly opposed the current APEC structure and process and objected to human rights abuses in APEC countries, which excluded peoples' concerns over support for business, trade and political objectives. The main issue for NGOs attending, simply, was the need to better support people directly instead of just macroeconomic or trade policies and multi-national corporate profits to

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<sup>79</sup> Charlie Smith, "City's Dinner Invitation to Jiang Enrages Activists" The Georgia Straight (13-20 November 1997), p.11. Tom Barrett and Lori Culbert, "APEC reminded of rights issues as China's leader speaks at gala," The Vancouver Sun (24 November 1997), pp. A1-2; Pete McMartin, "We're letting a thug cha-cha into our home: Chinese President Jiang Zemin will be the honoured guest at a key APEC gala event. Shame on Vancouver!" The Vancouver Sun (13 November 1997), p. A3; Miro Cernetig, "Must Vancouver break bread with Jiang?" The Globe and Mail (14 November 1997), p.A25; and Editorial, "Dinner for Jiang leaves a sour taste; The U.S. President or Japanese prime minister would be a more suitable speaker at the city's gala banquet to promote trade. Being hospitable doesn't mean honouring all the APEC guests," The Vancouver Sun (14 November 1997), pp. A22.

<sup>80</sup> The comments were from Blair Petrie. See "APEC Dinner Makers Irrate Reader Queasy" The Georgia Straight (27 November - 4 December 1997), p.7.

<sup>81</sup> Norma Greenaway, "Wu Condemns Jiang's welcome," The Vancouver Sun (24 November 1997), p. A10.



drive development and job creation. Asian NGO leaders at the People's Summit, such as Walden Bello of Focus on the Global South, a regional organization based in Thailand, suggested that the currency crisis throughout Southeast Asia reflects governments' failure to properly regulate markets, not just further trade liberalization.<sup>82</sup> Church leaders, like Vancouver's Anglican Bishop, Michael Ingam, stressed that the church was not opposed to economic development itself. He wanted to support "development of the people that is truly humanitarian, and not merely monetary" claiming that certain forms of wealth generation would "undermine the well-being of many people."<sup>83</sup> Media reports and editorials were mostly sympathetic to the broad concerns raised by NGOs and largely reflected grassroots public opinion and civil society views while the Canadian government, business groups and local governments generally ignored these voices. Instead the Canadian government openly and warmly welcomed and protected military dictators and human rights abusers to dine with them as honoured guests. Critics saw this as a shameful gesture of implicit support for their policies and violations.<sup>84</sup>

The People's Summit closed with a final "Walk for Global Justice" through the streets of downtown Vancouver to the concrete barriers, high fences and security gates of the government APEC meeting. Some 12,000 people, according to police estimates, walked several kilometres through cold wind and rain.<sup>85</sup> Other groups not directly affiliated with the Summit joined in including "No to APEC" coalitions and students which set up University of British Columbia's "tent city" in protest of the Leaders Summit held on the campus, the "People's Conference against Imperialist Globalization," and others.

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<sup>82</sup> Douglas Todd, "APEC nations asked to make people priority: The People's Summit winds up with a denunciation of corporate market control," The Vancouver Sun (25 November 1997), p.A11.

<sup>83</sup> Douglas Todd, "Churches challenge APEC's economic focus: People's Summit, to be held in conjunction with official sessions will concentrate on human values," The Vancouver Sun (3 October 1997), p.B2.

<sup>84</sup> Stephen Hume, "B.C.'s dinner guests a grisly group," The Vancouver Sun (1 March 1997), p.A2c; Stephen Hume, "The People's Summit: where truth stings APEC, While Asian-Pacific Leaders push a crude propaganda of growth, others in Vancouver will focus on rights." The Vancouver Sun (15 November 1997), p.H4.

<sup>85</sup> Reported by organizers at the public rally at the close of the walk.



In the end diverse groups banded together in the final walk (which some called a "march" but others discouraged calling it as such for its militaristic overtones), many carrying small "No to APEC" flags and banners promoting a variety of causes. In the crowd were Canadian and international organizations, many representing peoples denied a voice, not only in APEC, but in their own countries. Immigrants, refugees, indigenous peoples, and visitors in Canada for the Summit walked holding signs and chanting "FreeTibet." Others from Indonesia, China and elsewhere, some reported to be under observation by their own secret police, walked openly but with fear of reprisal when returning home. Indonesian Foreign Minister, Ali Atlas warned activists through Jakarta newspapers that he would "take measures" against those who demonstrated against President Suharto in Vancouver. Canadian People's Summit organizers called upon assistance from Canada's Ambassador to Indonesia, Gary Smith, to monitor the situation upon their return, and if necessary to intervene to secure their safety.<sup>86</sup>

In some APEC countries NGO freedom to organize and personal safety is even more in question outside the APEC process and it remains to be seen how much latitude NGOs will have to speak out when Malaysia hosts the APEC Summit in 1998. As President Mahatir said at a closing press conference after APEC in Vancouver, when asked about the possibility of a People's Summit in Malaysia for 1998, he said he doesn't appreciate the "finger" and would like them to be polite. He did not indicate the parameters for organizers and say what repercussions would be if they did not conform.<sup>87</sup> However, NGOs and the media have recently reported censorship of journalists including charges laid on a Canadian reporter criticizing government policy, Malaysian government raids on NGO offices of groups involved in human rights campaigning, and break up of an

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<sup>86</sup> David Hogben and Lori Culbert, "Anti-APEC protests turn streets into theatre: Braving lashing rain and wind, an eclectic crowd chanted and pranced its way through Downtown Vancouver voicing concerns about the consequences of trade liberalization" *The Vancouver Sun* (24 November 1997), pp.A9-10; Kent Spencer, "Protests greet Asian Leaders," *The Province*, (24 November 1997), p.A3; Douglas Todd, "Jakarta's threat an insult, activists say," *The Vancouver Sun* (21 November 1997), pp.A1-2.

<sup>87</sup> Closing Press Conference, Monday afternoon, 25 November, 1997, Vancouver Trade and Convention Centre.



international conference that NGOs organized to discuss the Indonesian invasion of East Timor.<sup>88</sup>

As a foreign policy initiative the government of Canada should first make a public apology for its shameful conduct in curtailing civil liberties of Canadian protesters on the UBC campus during the 1997 APEC leaders Summit (discussed in the next section). It should then also make a concerted effort, in dialogue with Canadian and international NGOs, to better support civil society freedom of speech, association, democratic organizing and peaceful protest through ongoing programs and monitoring efforts, and especially at next years People's Summit in Malaysia. Canada should lead by example with its formal apology to Canadians first and then make a public statement of intentions to support organizers and Canadian participants in next year's People's Summit in Malaysia.

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<sup>88</sup> "Crackdown on NGO Activists," Southeast Asia Post (Jan-Feb 1997) p.5; "Malaysia gags haze experts," Southeast Asia Post (November 20- December 3 1997) p.3; and Daphne Bramham, "Court Convicts Canadian Reporter of contempt over story in Malaysia," The Vancouver Sun (5 September 1997), p.A16.



## UBC Educational Activities, APEC Debate and Protest

The University of British Columbia (UBC) was the host site for the APEC Leaders Summit. In the weeks and months leading up UBC held a series of public meetings on campus to discuss UBC's involvement in the Summit. UBC faculty and administrators also organized and publicized a number of special campus events and external activities with UBC participation in conjunction with CYAP. The UBC Board of Governors approved hosting the APEC leaders Summit on campus with the caveat that UBC faculty and students would be allowed to visibly protest within eyesight and earshot of the Leaders Summit on Campus. The UBC Administration also set up an APEC information centre on campus.<sup>89</sup> The decision to host the APEC leaders increased the amount of CYAP and APEC-related activity at UBC and also led to students and faculty a hosting a variety of events to debate APEC issues outside the more official government sanctioned CYAP events. Some UBC faculty also launched their own research, information and educational projects linked to the Asia Pacific region outside the CYAP framework. Other activities, cosponsored by educational institutions such as the British Columbia Teacher's Federation (BCTF), as well as UBC and other academics, highlighted a more critical analysis of APEC and critics' opposition to its fundamental principles.

Some UBC initiatives took a more critical approach than some groups felt was possible through Canada's officially designated APEC study centre, the Asia Pacific Foundation (APF). The Institute for Asian Research (IAR), for example, helped establish the APEC Research and Information Network (APECRIN) explicitly to provide an alternative voice to what some academics saw as APF's largely pro-government and pro-business oriented research and publishing efforts. UBC academics who founded APECRIN, housed in the IAR, did so to provide a mechanism to assist NGOs in their research efforts to monitor APEC activities through its web site, and specifically support civil society in developing studies and research projects on alternatives to APEC. The web site has posted a variety of papers on APEC-related themes especially those written

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<sup>89</sup> See the circular from Carolyn MacLean, Institute of Asian Research "University of British Columbia Asia-Related Events in Canada's Year of the Asia Pacific (as of March 6, 1997)" outlining a chronology of APEC events, CYAP and related events, and UBC-related events.



by NGOs, and included hot links to other web sites critical of APEC activities as well as to the official APEC web sites and documents. APECRIN's mandate was scholarly, to help UBC and other Canadian academics and graduate students focus an alternative research agenda, but its approach was closely aligned with research done at the Canadian Centre for Policy Alternatives and the research offices of Canadian labour organizations.<sup>90</sup> Its main activity over the year was developing a web site posting bibliographical references and papers on APEC, and strengthening the network of left-leaning scholars critical of APEC.<sup>91</sup>

APECRIN was also a lead organizer and cosponsor of the "Public Education and Research Forum," a special issue forum held at the People's Summit on APEC. The BCTF was its other key organizer and sponsor with representatives from the Canadian Federation of Students, Asian Students' Association, Centre for Transnational Labor Studies, Canadian Council for International Cooperation, North South Institute, Focus on the Global South and others providing key speakers and workshop facilitators. That Forum's objective was "to develop and understanding of APEC institutions, policies and activities; share information and develop and analysis on how the APEC agenda is affecting public education and research; to build networks among education and research-related groups; to promote public education; to encourage research into alternatives to APEC's neo-liberal approach to development; to develop and education/research action plan."<sup>92</sup>

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<sup>90</sup> John Price, one of the principal initiators of APECRIN drew on his ongoing contract work with Labour organizers and as a director of Capilano College's Labour Studies Program.

<sup>91</sup> For information on APECRIN see their web site located at <[www.iar.ubc.ca](http://www.iar.ubc.ca)> as part of UBC's Institute for Asian Research.

<sup>92</sup> See also the flyer advertisement for "Public Education and Research Forum on APEC" noting the objectives and sponsors, in addition to APECRIN, which included: the B.C. Teachers' Federation (BCTF); Canadian Association of University Teachers (CAUT); Canadian Centre for Policy Alternatives (CCPA); Canadian Federation of Students (CFS); Canadian Teachers' Federation (CTF), Education International (EI). The CAUT, BCTF, CTF, and EI are all teachers' unions and the CCPA is one of Canada's principal alternative, left-leaning, policy research centre, funded mainly by organized labour and church groups generally opposed to the analyses of conservative corporate-sponsored research organizations such as the Fraser Institute, or Business Council on National Issues.



Most forum participants shared a variety of concerns about threats to public education and independent research with APEC's agenda of restructuring and privatizing education to meet the needs of business while undermining collective bargaining and freedom of association. Plenary speakers and participants in smaller workshops also raised concerns about increasing government cut backs to public education which supports a market-driven model rather than critical thinking and citizenship. They expressed concern over APEC's Human Resource Development Working group and its Education Forum for promoting a labour market and job training model rather than a more holistic approach to education. Forum participants, in response, identified a number of common objectives including human rights; defense of public education; raising the level of education and quality of working conditions; involving teachers, students, parents and civil society in decision-making; increasing the level of awareness about APEC and other neo-liberal structures; and building/strengthening alliances and liaising/networking within the education sector, broader labour movement and NGOs. Strategies included promoting more parallel activities to APEC and targeting appropriate government agencies and international education organizations. Researchers specifically focused on the challenges of networking and capacity building and the need for better exchange of information between Northern and Southern organizations, better links between academics and NGOs, and the need for better supporting long term substantive research for NGOs and people's organizations. Several UBC students and faculty were organizers and participants in the Forum.<sup>93</sup>

Opinion in the UBC community was divided on the benefits of APEC and the appropriateness of the Administration hosting the Leaders Summit on campus. UBC's Alma Mater Society (AMS), the student union, took on a "facilitator" role for APEC discussion allowing freedom of expression and reflecting the division of opinion in its membership of some 30,000 students. The AMS hosted an "Asia Pacific Summit" seminar

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<sup>93</sup> See "Public Education and Research Forum Report to the 1997 People's Summit on APEC Plenary," and for background note "Education and Research in the Context of APEC: Strategy and Action—A discussion paper for the Workshops on Recommendations" and Larry Kuehn's commentary on the "concept paper" for the APEC Human Resource Ministerial Meeting called "Schools for globalized business: The APEC agenda for education" included in conference kits.



series including discussions on business, culture, human rights, the environment and other issues. The AMS in cooperation with UBC's Sustainable Development Research Institute (SDRI), the Institute for Asian Research (IAR), the Institute for International Relations (IIR) the Canadian Association for the Study of International Development (CASID) and others also co-hosted a public event on "APEC's Contested Visions: Trade Liberalization versus Civil Society Alternatives."

At that meeting James Cooney, an executive from Placer Dome, a Canadian multinational mining company working in several Asia Pacific countries, debated Libby Davies an NDP MLA representing civil society and government opposition views on APEC, with a panel of UBC academics and students responding. Cooney, Davies and panelists debated the following question: "Is the trade liberalization model advocated by the APEC process the most effective and ethical means of achieving the economic, social and ecological aims of sustainable development in the Asia Pacific region? If yes, why; if no, why not, and what alternatives are there?" The forum produced mixed results from the panel and audience participants, but raised more questions and caution than a green light on the APEC process. Panelist, Professor Bill Rees, in particular (one of the consultants to the Canadian government led FEEEP process discussed above) spoke of the negative ecological footprint created by the growth and consumption model promoted in the APEC process. The forum pointed to the need for more dialogue about sustainable development issues among civil society, academics, business and government to resolve these and other serious problems implied in the trade liberalization model alone without proper safeguards.<sup>94</sup>

Other adhoc groups such as the APEC-University Forum similarly organized ways to broaden the dialogue.<sup>95</sup> Some AMS groups like AIESEC UBC, a branch of the international business student's group, were pro-APEC supporters, while student groups

<sup>94</sup> "AMS encourages student debate," in UBC Reports (4 September 1997), p.3; "F.Y..I. on APEC and the AMS" in the main UBC student newspaper, The UBYSSEY, (18, November 1997), p.8. See the program, "APEC's Contested Visions: Trade Liberalization versus Civil Society Alternatives," also advertised in The UBYSSEY, (18 November 1997), p.8.

<sup>95</sup> "Debate broadens thanks to student forum," UBC Reports (18 September 1997), p.3.



like the International Relations Student Association (IRSA) chose more of an academic approach to examine the APEC process. They both received less attention in the student press, and seemed less organized compared to Anti-APEC groups. AIESEC welcomed the APEC event and supported APEC, suggesting that trade and building linkages helped support social and economic progress in the region.<sup>96</sup> The UBYSSSEY, the "official" student newspaper, on the other hand, took an editorial position against APEC and hosting the leaders at UBC.<sup>97</sup> It sided with a coalition of UBC and other students under the banner of the "APEC Alert Network" and a "No to APEC" campaign which took a hard line against APEC, especially its presence on the UBC campus. No to APEC students advertised through student networks and email list serves such as APEC-L, which called for involvement and solidarity of supporters keeping people abreast of their activities across Canada and around the world.<sup>98</sup>

Many UBC activities in the lead up to APEC did not deal with the issue of sustainable development directly, but some did include environmental and development discussions more broadly. Most debate and protest was about human rights issues in APEC, especially Canada's promotion of trade with Indonesia and China which UBC groups argued undermined Canada's credibility as a champion of human rights and its internationalist image. Earlier in the year UBC students also hosted a visit from Nobel Prize winner, Ramos Horta, who slammed the Canadian government for its support of Indonesia's Suharto military regime. The event also included a showing of Elaine Briere's, film "Bitter Paradise" documenting the atrocities of Suharto's invasion of East Timore imposed on Indonesia, as well as a visit from Sharon Scharfe, author of a detailed critique of Canada's foreign policy towards Indonesia. Scharfe exposed Canada's support for the Indonesia military through aid and trade dollars going to support weapons for the Indonesian regime resulting in the killing and ongoing oppression of the East Timorese, and supporting business as usual between Canadian and Indonesian government and

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<sup>96</sup> Jerome Yau, "Quiet side of Support," The UBYSSSEY, (9, September 1997), p.15.

<sup>97</sup> See the editorial, "Way to keep workers in line Suharto," The UBYSSSEY, (18, November 1997), p.10.

<sup>98</sup> Sarah O'Donnell and J. Clark, "Anti APEC forces on Alert," The UBYSSSEY, (11, April 1997), p.1.



corporations. Other activities in the lead up to APEC included protests and graffiti defacing the UBC president's house where APEC leaders were to have lunch leading to some student arrests.<sup>99</sup>

No to APEC supporters on campus began organizing months in advance with strategies and counter APEC events. They planned "Crash the Summit" strategies and a citizen arrest of Indonesian President Suharto as a war criminal for genocide and gross human rights violations in East Timor. In early September one UBC student group proclaimed UBC an "APEC-free Zone" through a civil disobedience campaign and in the week prior to the Leaders Summit student organizers constructed a "tent city," camping out next to the "Goddess of Democracy" statue in an adhoc "democracy village" next to the student union building. The statue commemorates the victims of the Chinese Tianamen square massacre of 1989 and the Indonesian invasion of East Timor. No to APEC leaders invited Indonesian and East Timorese exiles to speak at a mock trial and stepped up their efforts to rally supporters for a major protest on the day of the Leaders visit to the campus. They announced their intention in media releases and through internet list serves to "lay siege" to the Summit beginning with a mock trial of Suharto.

The overall objective of the protest as one student characterized it, was to "reclaim our campus and refuse the presence of APEC. The APEC vision is about increasing the power of corporations at the expense of people. It has no place in a just society." By the fourth day of democracy village, about fifty students, including some from Langara College, Simon Fraser University, University of Victoria and Evergreen College in Washington were camping out and prepared for a weekend of workshops on "crashing the summit" and occupying buildings for the "Free University." Some students also claimed responsibility for chalking windows at the Museum of Anthropology (named "Misanthropology" by students, since the summit was to be held there) with slogans like "APEC is organized crime" and "Refuse APEC." Others camped out behind the Museum

<sup>99</sup> Douglas Todd, "Canadians being asked for help in East Timor," The Vancouver Sun (7 March 1997), p. B5; Sarah Galashan, "A Nobel cause," The UBYSSEY (14 March 1997), p.1; Sharon Scharfe, Complicity, Human Rights and Canadian Foreign Policy: The Case of East Timor (Montreal: Black Rose Books, 1996); Marina Jimenez, "Three Students at UBC arrested in APEC protest," The Vancouver Sun (1 November 1997), p.4.



and lit a fire. The RCMP made some arrests and students expressed concern that APEC "should be barred from this campus not students."<sup>100</sup>

The RCMP made additional arrests as the Summit approached. Charged with protecting the security of the Canadian Prime Minister, Suharto and all world leaders during their visit, the RCMP closely monitored student activities and prepared their own plans to counter illegal activities or security breaches of the perimeter surrounding the Museum of Anthropology where the Leaders were to meet. Some students, however, claimed the RCMP abused their power and that some arrests were unwarranted and that they were effectively living in a police state. A principal organizer, targeted by police twenty four hours before the leaders meeting, and others, were asked to sign a release saying they would not "participate or be found in attendance at any public rally that has gather together for the sole purpose demonstrating against APEC or any nation participating in the so named conference." On the day of the Summit when a crowd of student protesters pushed over the fence separating them from the Leaders meeting place. Police used pepper spray to contain them and made some forty-nine arrests. Police also arrested other students and removed placards from one person's lawn as he peacefully protested on the leaders' motorcade route. They claimed the signs, saying things like "Free Speech" and "Democracy," could have been thrown at the vehicles, but the arrested student said he was not informed of any security problem until two days later.<sup>101</sup>

During APEC week itself, the biggest controversy at UBC and in Canada's national news surrounded the student protest (including some UBC faculty) on the day of the Leaders' Summit at UBC, and Prime Minister Chretien's remarks which followed.

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<sup>100</sup> News Advisory for Immediate Release, September 9th, 1997, "UBC Students to Declare Campus and 'APEC-Free Zone': Students Begin Civil Disobedience Campaign to Oppose APEC Summit;" News Advisory for Immediate Release, November 17th, 1997 "Students Lays Siege to APEC Leaders' Summit as Suharto goes on Trial;" News Advisory for Immediate Release, November 21st, 1997, "Demo Villains Reclaim Museum Lawn: Democracy Village Against APEC Spreads Out;" and News Advisory for Immediate Release, November 22nd, 1997, "Students Fear Arrests Today as UBC Hands the Campus Over to RCMP and Big Business." These releases were all issued by APEC alert, through the Apecforum and APEC-L list-serves.

<sup>101</sup> News Advisory for Immediate Release, November 24th, 1997, "RCMP Nabs APEC Alert Organizer" on the APEC-L list serve. See also Sid Taffler, "Pepper Spray and the PMO," The Globe and Mail, (12 December 1997), p.A31.



The Prime Minister's office (PMO) deliberately interfered with protesters' rights to peacefully demonstrate in order to isolate world leaders from having to see any protest signs or banners, according to UBC internal documents. The PMO violated its original agreement with the university and directed police to violate Canadian law, which would have allowed students and faculty who wished to protest closer, but still limited, access to the leaders site. One UBC law student, with the support of a high-profile constitutional lawyer and the Civil Liberties Association filed a law suit against the Canadian government, the Attorney General and the RCMP. UBC also launched an investigation into federal government interference and police actions, and both opposition MPs and journalists called for a public inquiry into the incident. The PMO's office is also alleged to have interfered with free speech inside, when it cut a Vancouver Native Indian Chief's address from the official program because it brought up the issue of human rights. Media editorials, even in the magazine, Canadian Business, were highly critical of what appeared to be Prime Ministerial interference in Canadians' legal right to protest, and Jean Chretien's arrogance and insensitivity when making joke to reporters about "putting pepper on my plate" in response to the RCMP using pepper spray on UBC demonstrators to control the crowd at the Leaders Summit.<sup>102</sup>

The implications for Canadian foreign and domestic policy arising from this incident are profound. Canada, so as not to "embarrass" world leaders like Suharto and Jiang, not only indirectly supported human rights atrocities abroad but undermined those same fundamental rights which are supposed to be protected in Canada in the name of saving face for Asian Leaders, and preserving harmony in Canada's relations with those

<sup>102</sup> Marina Jimenez, "University's APEC protest site was reduced by PMO: UBC says it wasn't happy with the deal, but was forced to go along," The Vancouver Sun (11 December 1997), p.A9c; Marina Jimenez, "Prime Minister's office interfered in APEC protest, lawsuit charges," The Vancouver Sun (10 December 1997), p.A1,2; Marina Jimenez, "MPs demand probe into police actions at APEC," The Vancouver Sun (12 December 1997), p.A1,2; Miro Cernetig, PMO, RCMP sued by summit protester: APEC embarrassments mount for the Liberals," The Globe and Mail, (10 December 1997), p.A3; and Stewart Bell, "Witnesses support chief's claim over cut APEC speech," The Vancouver Sun (10 December 1997), p.B6; Marina Jimenez, "Federal Officials pressured UBC over security documents show: Material available under a freedom-of-information request indicates Ottawa made early attempts to clamp down on protesters who were eventually arrested during APEC," The Vancouver Sun (16 January 1998), p.B5; and Bruce Headlam, "We beg to differ: Chretien's quips aside, the RCMP's excesses at APEC should remind us that democracy is no laughing matter," Canadian Business (30, January 1998), pp.13-14.



countries to promote further trade. Kay Stockholder, of the Civil Liberties Association, made the point that "if security arrangements necessary for these leaders is such that they deprive Canadian citizens of their civil rights these leaders ought not to be our guests." Other commentators, like Alan Twigg, expressed outrage and wide public opinion saying "Shame on Jean Chretien. Apparently reminding murderers that they are murderers constitutes bad form." He suggested that the students reflected mainstream Canadian values when the Prime Minister wouldn't.<sup>103</sup>

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<sup>103</sup> Barbara Yaffe, "Chretien showing arrogance," The Vancouver Sun (3 December 1997), p.A12. For the Stockholder quote see Barbara Yaffe, "APEC Pepper-Spray Inquiry is Essential" The Vancouver Sun (12 December 1997), p.A23. See also Alan Twigg, "Students voice values because Chretien wouldn't," in The Province (28 November 1997), p.A50.



## Sustainable Human Development--The Essence of the People's Summit

Aside from the protest and more controversial events on the UBC campus, the Vancouver People's Summit was Canada's principal organized NGO response to what many other participants and organizations still viewed as APEC's closed, business-coddling and undemocratic structure which undermines human rights, social justice, environmental protection and largely promotes *unsustainable* development. The official process, NGOs implied also promoted *selective* development that benefits only a few, mainly already wealthy business people or the middle and upper middle class. "Sustainable human development" (SHD) was the alternative, organizing and overarching principle for the People's Summit. SHD reflects civil society concerns, ideally supporting all peoples (not just already well-to-do people, corporations and business interests) without harming the environment. SHD contrasts sharply with the largely trickle-down notion of development based on a macroeconomic trade liberalization agenda which critics and supporters alike acknowledged was at the heart of APEC, and which arguably supports business people and industry with no guaranteed social or economic returns for society as a whole. SHD was an underlying theme throughout the Summit and the various issue fora which ran from November 17-24 in Vancouver. It is also central to work of many of the organizations which participated, and some sessions like the Public Education and Research Forum, which UBC's APRIN and others cosponsored, specifically discussed SHD as a concept and strategy.<sup>104</sup>

SHD is growing as a shared global norm across the Canadian and international development civil society community. Proponents may differ about methodologies and strategies but a good many see SHD as a way to speak about a new paradigm or model of international development cooperation. The essence of this model, according to representatives of CCIC, Canada's coalition of some 90 nongovernmental international development agencies, is based on a convergence of two key trends. The first is "human

<sup>104</sup> For a very useful overview article on SHD, from which I draw some of the above analysis see Betty Plewes, Gauri Sreenivasan, & Tim Draimin, "Sustainable human development as global framework" *International Journal*, 51 (Spring 1996), 211-234. Plewes was co-chair of the Sustainability Issues forum and Sreenivasan was also a panelist and the Public Education and Research Forum.



development” building on a more humane and grassroots approach to development to work with the poor to develop their own capacities and in support of strategies which enhanced public services like education, health and food security. This was a response to the negative effects on the poor of structural adjustment programmes imposed by international financial institutions (IFI's). The movement was symbolized by UNICEF's 1987 study Adjustment with a Human Face. The second was the Brundtland Commission Report that same year which introduced the concept of “sustainable development” an idea which led to UNCED. In the early 1990s the United Nations Development Programme's (UNDP's) Human Development Report (HDR) also provided greater institutional support, critical analysis and statistical country data to advocate a model of development that would decrease budgets for military spending and increase education and social spending.<sup>105</sup>

Governments have also increasingly supported the SHD model with new policies and programs in national development agencies, initiatives in the United Nations as well as the World Bank and some regional Development Banks. A key problem, however, is that some international agencies work at cross purposes. UNDP, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Educational, Scientific and Cultural Organization (UNESCO), and many agencies which deliver international social development and environmental projects, are undermined by the policies and programs of agencies like the International Monetary Fund (IMF), World Trade Organization (WTO), the Organization for Economic Cooperation and Development (OECD) or APEC that advocate free trade, market mechanisms and austerity measures to solve development problems. The problem as NGOs view it, is that many government policies and programs stand in the way of SHD implementation or work in direct opposition to it, particularly with respect to trade policies, macro-economic approaches, international financial institution strategies, regulatory frameworks and large development projects.

The Peoples Summit final “preambular statement,” which preceded more detailed reports from the various issue groups, summarized the collective sentiment of most

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<sup>105</sup> Ibid, 215.



peoples attending. SHD was not explicitly mentioned in the statement, but evident in references to the need for more "genuine development" and a "participatory, emancipatory model of economic and social development." As the final communique began, "it has become manifestly clear that trade liberalization has had destructive consequences for the vast majority of people and the environment" and that many of the people's and groups participating in the People's Summit were "united in firm opposition to the impact of government implemented, corporate-driven globalization" and that they "predicted its devastating affects" highlighting the recent Asian financial crisis as a problem because of financial deregulation. The statement also noted the many immediate problems in both Northern and Southern Countries, such as attacks on human rights, irreversible damage to the environment, dismantling of social programmes, privatization of public education and essential social services, and unemployment have reached "crisis proportions."

The statement thus called for a rejection of the basic model of trade liberalization through APEC, the WTO, the OECD and other trade negotiating fora, as well as an reassertion of "genuine development" based on the universality of human rights (contrary to some countries that have suggested exemptions or different applications for unique circumstances as part of the "Asian way"), gender equity, economic justice, and support for environmental security and self-determination. It condemned APEC governments for supporting unregulated economic growth and trade which delivers the opposite of "people-centred development" while supporting unaccountable transnational corporations and international financial institutions. It further demanded governments to accept responsibility for the harmful impact of the neo-liberal model of trade in the Asia Pacific, especially its devastation of peoples and environments, by ending authoritarian and militaristic rule while regulating corporate activities and commit to implementing a participatory model of economic and social development while realizing accountable democratic governance built on the detailed recommendations from the various issue fora. Finally, participants committed to work in solidarity to act on the various issue fora.



resolutions "towards a new, just, and democratic social order that brings equality and fulfillment to the peoples of the world."<sup>106</sup>

Generally, the statement opposed the structure of the official APEC process and its trade liberalization goals at the expense of peoples' and environmental concerns. The critical concerns it highlighted were evident throughout the many issue fora which discussed themes and strategies hardly touched on or blatantly ignored on the official APEC agenda. Given the diversity of organizations and individuals participating in the People's Summit and associated activities, no one notion of sustainable development was evident or clearly articulated in all issue fora or outside events and some groups rejected the term outright for what they thought it could imply. The Canadian situation also reflected similar debates about approach and strategies and a range of groups evolved around previous Summits in Manila and Kyoto.

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<sup>106</sup> "Draft Preambular Statement" Presented at the People's Summit on APEC closing Plenary (22 November 1997).



## **Sustainable Human Development and the Issue Fóra**

The Sustainability Issues Forum at the People's summit made SHD a central theme. The British Columbia Council for International Cooperation (BCCIC) and CCIC co-hosted the event with the International Institute for Sustainable Development (IISD). Some 300 people attended the one day session which broke into smaller working groups. The forum's goal was "to open the APEC process to civil society and to promote sustainable human and environmental development" by focusing on five key themes: aquaculture/fisheries, agriculture, cities, forestry and mining. Organizers chose these topics for their importance in the long-term social and environmental viability of APEC. They are also areas with substantial government and business investments negatively impacting Asia Pacific communities. Moreover, most are also areas where APEC, with strong Canadian government support, seeks to "fast-track" and increase liberalization while reducing regulations to make it easier for corporations to trade fish, agricultural and forest products. APEC is also facilitating greater foreign direct investment in these areas and helping to support multinational monopolies which undermine local production and locally sustainable livelihoods. The forum's plenary discussion and smaller workshops examined the impacts of trade liberalization on Asia Pacific peoples and explored alternative international and Canadian policies which would better support sustainability at the local level.

Much of the discussion in the smaller working groups was about the devastating local affects of globalization, international liberalization, trade and economic development in these five sectors and the role APEC has played in facilitating such problems.<sup>107</sup> Workshop participants shared a common analysis and similar stories about the impact of APEC, transnational corporations and globalization on communities in both Southern and Northern countries. As the Plenary report to the People's Summit summarized the themes two common threads in the five working groups were: "loss of sovereignty by local communities and peoples over resources, the environment and threats to livelihoods of

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<sup>107</sup> "Sustainability Issues Forum Brings Community Voice to APEC process" News Release, November 20, 1997.



millions of people, especially small scale producers” and that “globalization threatens local governments and democracies and therefore we need to build local economies and democracies.” Most working groups also expressed a need to “assert local culture and knowledge to fight globalization” and promote a more “people-oriented development process” which meets basic needs.<sup>108</sup>

The Sustainability Forum’s plenary report also noted seven common actions proposed by the working groups in response to APEC. These were: “1) organize to regain community control of resources and livelihoods to meet the need for re-democratization; 2) Build the capacity to increase our knowledge to confront globaliation processes; 3) Increase our capacity for policy development to challenge macro-economic policies; 4) Work on concrete alternatives in our home countries to support policy advocacy; 5) Increase the sharing of information and build our international communications networks by using technology such as email and the internet...; 6) Increase coalition-building and networking multi-sectorally, both North/South and South/South, to broaden debates and campaigns....to build strategic alliances and common strategies...; 7) Push for alternative marketing systems to globalization and liberalization.” The report outlined detailed alternatives to the APEC agenda, but was weak on Canadian foreign policy options for specific sectors.

The forest working group, representing some forty organizations from seventeen Asia Pacific countries, exemplified the critical tone and substance in other groups. It opposed “early voluntary sector liberalization” (EVSL) which Canada pushed and APEC Leaders agreed to in their official communique. The NGO statement on forests expressed concern that fast-track liberalization generally and deregulation for trade in forest products particularly, would further jeopardize already endangered forests in the Asia Pacific region by increasing cutting rates, trade and consumption of forest products. As it stressed, “without safeguards, deregulation of forest products will put forests in jeopardy by eliminating regulations that restrict trade in sensitive species, raw logs, or primary forests; that protect forests from infestation by exotic pests; or that foster local industries that

<sup>108</sup> Sustainability Issues Forum at the People’s Summit on APEC: Report back to the People’s Summit Final Plenary on November 22, 1997.



recycle or conserve forest products. The proposal will lead to increased forest destruction in the Asia Pacific Region and undermine community-based efforts to protect and sustainably manage forest ecosystems." EVSL, according to Paige Fischer of the Pacific Environment and Resources Center (PERC) based in California, will slash prices of forest products, fuel consumption, and undermine the ability of local communities to control the resources upon which they depend." They called on governments to halt negotiations on fast track trade in forest products until such concerns were resolved.

They called for a reworking of the APEC framework to ensure human rights for local forest communities, enforcement of international agreements on biodiversity protection. They also wanted representation in APEC from local communities, NGOs and indigenous peoples to ensure environmentally responsible forest management. Instead of reducing trade barriers it said, APEC should "reduce barriers to sustaining healthy forest ecosystems and communities before reducing barriers to trade." A representative of Friends of the Earth Japan, at the forest working group press conference also expressed concern that increased trade will put more "pressures on North American forest ecosystems while devastating Japan's domestic timber industry and local forestry jobs." A Canada Forest Action Network representative further stressed that APEC will be bad for B.C. calling for support for "community-based forest economies" rather than "increased dependence on fluctuating world markets."<sup>109</sup>

Other issue fora and parallel events also included: an international Women's Conference against APEC with some 500 participants, organized by Canada's National Action Committee (NAC) on the Status of Women; a forum on "Open Markets-Open Media" for journalists; an "Indigenous issues Forum" coordinated by the Union of BC Indian Chiefs dealing with land, resources and human/indigenous rights issues; a meeting on "Worker's Rights and Democratic Development" co-organized by labour leaders and Canada's International Centre for Human Rights and Democratic Development

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<sup>109</sup> NGO Statement, APEC: Special Session on Forests, November 20, 1997; and Press Release, "Citizens and NGOs See Forest Proposal as Barrier to Sustainability, Trade Proposal Would Threaten Forest Ecosystems and Communities," November 21, 1997 (printed on Pacific Environment and Resources Center Letterhead, a groups based in Sausalito, California).



(ICHRDD);” a session on “Canadian Arms Trade to the Asia Pacific, ” hosted by End the Arms Race (EAR), which demonstrated how Canada helps subsidize Canadian companies to sell weapons to Asian countries while undermining human rights and freedoms of their citizens; a meeting on “The People Versus Poverty: Who Will Win? cosponsored the International Council on Social Welfare (ICSW), End Legislated Poverty and others which discussed followup actions from the United Nations Social Summit and its implications for APEC countries; a Youth conference which discussed student and youth perspectives on APEC; a meeting on Pacific people’s perspectives on APEC organized by the South Pacific People’s Foundation (SPPF), which wanted to keep those island nations which hadn’t joined out of APEC altogether; a “Peasant Rountable” which discussed APEC’s destructive effects on farmers, local agriculture and food security while supporting profits for international transnational corporate monopolies; and a series of workshops on “APEC’s Corporate Agenda: Unmasking the Transnational Corporations that are the driving force behind a free trade regime in the Asia Pacific region” which discussed strategies to counter destructive corporate influences on human rights and the environment.<sup>110</sup>

All issue fora and parallel events, while not specifically focused on sustainable development, discussed overlapping concerns about macroeconomic policy, big business and trade liberalization objectives that undermine comprehensive security including economic, social and ecological sustainability as well as human rights and fundamental freedoms. Each group complemented what NGOs and development experts call sustainable human development for its people-oriented, grass-roots, dimension and its objective of eliminating poverty and reducing suffering by directly working to improve economic and social conditions at the local level. Sustainable Human Development or SHD for “comprehensive security” was the underlying principle, stated or otherwise, of virtually all the issue fora and workshops surrounding the People’s Summit and Anti-APEC activities at UBC and elsewhere.

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<sup>110</sup> See “The 1997 People’s Summit on APEC: Conference Programme,” various statements presented to the Peoples’ Summit Plenary, and commentaries in successive issues of The 1997 Peoples Summit on APEC, Daily Communique” published in the lead up to and during the Summit.



## Challenges for APEC and Canadian Foreign Policy

Civil society actors advocate a diversity of approaches to sustainability and foreign policy, but generally reinforce each others' claims that their policies and approaches building on the SHD idea are more appropriate than the status quo offered by large corporations and government through APEC's current trade liberalization agenda alone. Despite diversity civil society has built a substantial international consensus on key sustainability concerns since at least the early 1990s as NGOs organized around UNCED. The "10 Point Plan to Save the Earth Summit" which NGOs issued in the lead up to UNCED in Rio included two points repeated at the People's Summit on APEC in Vancouver. One was "the need for strong regulation of Transnational Corporations..." and another was "the need to reconcile environmental protection with trade practices..." not just endorsing free trade as the key to sustainable development.<sup>111</sup>

A key challenge for Canadian foreign policy, if the government is sincere about democratization and civil society input into decision-making processes, is to find ways to adequately respond to major structural flaws in Canadian governance and the world system reflected in APEC and parallel structures like the WTO, and more recently OECD's initiative to establish a Multilateral Agreement on Investment (MAI).<sup>112</sup> At the same time government must better reconcile civil society perspectives and its critique of the "corporate agenda." Government policy, ideally, should level the playing field between business and civil society to support the kinds of alternatives government claims to embrace and implement.

At least three key and complementary strategies could potentially respond to what civil society critics have argued is unsustainable development through the current APEC

<sup>111</sup> Noted in Wayne Nelles, "Assessing PrepCom IV: Governments Lag--NGOs Set their Own Agenda," UNA Vancouver Bulletin a publication of the United Nations Association of Canada, (Spring 1992). pp.1-2.

<sup>112</sup> Although my study focuses mainly on APEC the People's Summit also criticized Canada's support for the MAI. Groups like the Council of Canadians spearheaded the opposition with Maude Barlow and Tony Clarke. See the critique in their new book: MAI: The Multilateral Agreement on Investment and the Threat to Canadian Sovereignty (Toronto: Stoddart Publishing, 1997).



process. One is to facilitate appropriate regulatory mechanisms, indicators and monitoring strategies to counter Canada's trade liberalization "at any cost" platform. A second is to reduce subsidies supporting unsustainable trade and development. A third is, in partnership with civil society and government, to better articulate the alternative policy frameworks and mechanisms which allow for fair, socially responsible and ecologically sound trade and economic development which is totally integrated into the APEC process. By necessity this three-pronged approach must extend beyond APEC to ensure policy coherence with other multilateral trade fora such as the WTO, MAI, GATT, NAFTA and to support the work of other institutions such as the World Bank, Asian Development Bank and other bodies involved in international development work. It will also have to reach deep into changing many of the structures of the Canadian economy and society which has been built on resource extraction through largely unsustainable development policies and practices. For Canada, a self-proclaimed export-driven "trading nation," this will be a considerable challenge since it has invested little in building alternatives despite its recent shift to include a knowledge economy dimension in its foreign policy.

A key Canadian government weakness is its narrow idea of sustainability and its notion of development based primarily on trade as the principal driving mechanism, despite the rhetoric to incorporate sustainable development as a cross-cutting issue and improve equity, quality of life and work towards poverty alleviation. Moreover, it has heavily subsidized selected industries to trade unsustainably through tax breaks and fiscal incentives arguing that it protects domestic markets and stimulates economic growth while creating jobs. Many subsidies further distort the market and directly undermine genuine sustainable development as a recent report has demonstrated.<sup>113</sup> Trade dependency is especially evident in the public debate over inclusion of human rights or worker's protection in trade discussions, ensuring proper environmental impact assessments and regulatory climates to promote environmental protection before approving any bilateral trade deals or multilateral agreements.

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<sup>113</sup> Andre de Moor and Peter Calamai, Subsidizing Unsustainable Development: Undermining the Earth with Public Funds (San Jose, Costa Rica: Earth Council, 1997).



Another government weakness is partly in commitment, resources, and adequate budget reform available to promote a more appropriate transition to fair and ecologically responsible trade, an issue which has long been identified in other fora such as UNCED and the United Nations Commission on Sustainable Development established to help facilitate and monitor Agenda 21 progress. Finally, one of the biggest challenges has been the lack of democratic participation or civil society involvement in defining and monitoring APEC's sustainability agenda, unlike the very open access to business leaders. Compared to the official recognition of NGOs in multilateral fora pioneered through the United Nations NGO influence has been minimal on the APEC agenda. These are some of the principal reasons why so many individuals and groups planned a People's Summit in Vancouver and various alternative events and followup activities.

Civil society's chief weakness is capacity. Civil society, in Canada, despite a long-standing tradition of delivering public, non-profit service through non-governmental voluntary organizations is also weak in its economic and political power compared government and major corporations. Industry uses its substantial economic clout to hire lobbyists, conduct research, and advertise to the public to protect its interests. Some major transnational corporations in Canada and abroad are even more powerful than governments of some countries in economic and social terms. Civil society organizations on the other hand, rely on donations, volunteers and public goodwill to survive. In Canada many have received government support, as a reflection of domestic policy priorities, and historically as an element of Canada's foreign policy. Many organizations with the CCIC<sup>114</sup> network, for example, implement part of the government's overseas international development cooperation budget in cooperation with CIDA, for example. CCIC and its member agencies support sustainable human development through humanitarian, capacity-building, joint research, and community development efforts in cooperation with partners abroad. The principal reason non-profit, public interest civil society (represented by CCIC and other stakeholder groups in Canada and elsewhere)

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<sup>114</sup> A coalition of some 90 or so international development voluntary organizations across Canada working overseas or delivering international development education to Canadians. CCIC was also a member of the People's Summit advisory board and has been a strong advocate of the SHD concept.



lacks capacity is that they are not part of a level playing field with business. They were founded to serve the public good, not designed to make a profit.

### **Canadian Foreign Policy Options for APEC and Beyond**

I now explore some specific policy suggestions building on civil society critiques of APEC. My approach is to stimulate better understanding of the issues and challenges while suggesting that government work more closely with NGOs within and beyond the APEC process to level the playing field with business. At the same time government needs stronger policies and regulatory mechanisms for transforming existing business and stimulating new green and ethical enterprises. My remarks are not meant to be a comprehensive synthesis of civil society recommendations concerning APEC. For more depth and breadth one should also examine various civil society discussion papers, policy documents and declarations<sup>115</sup> in more detail and government should initiate an authentic and comprehensive consultative process with civil society representatives. Below I make some specific preliminary recommendations for civil society input into APEC, other multilateral fora, as well as domestic objectives to reinforce multilateral visions or action plans. I emphasize that Canadian foreign policy ought to be consistent with and better support domestic policy and budget reform.

Each section below would benefit from greater elaboration and additional research. Separate studies on each theme could further develop the arguments and implications for Canadian foreign policy and provide more thorough analysis and concrete suggestions for specific policy initiatives. My initial recommendations are as follows:

#### ***1. Consult Civil Society and Academia to Envision a New Economic Paradigm.***

There are economically viable and socially-ecologically responsible alternatives to the current APEC vision which now supports globalization through mainstream business and industry and a largely amoral, free market, unregulated trading, and privatizing philosophy. Over the last two decades a growing body of sophisticated popular and

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<sup>115</sup> I have referenced many, throughout this study.



academic literature has demonstrate those flaws and offered alternatives, including often quoted authors such as David Korten, Herman Daly, Jeremy Rifkin, Paul Hawken, and Hazel Henderson among others.<sup>116</sup> They have challenged the assumptions and status quo of traditional economics especially reflected in the policies and programmes of bodies like APEC, WTO and other intergovernmental institutions.

The new "bottom line" implicit in such literature is not just economic. It tries to balance social and ecological elements. It says that economic models which do not consult affected communities, incorporate UNCED's precautionary principle, include sufficient regulatory frameworks or provide adequate ecological and social accounting are not economically or morally viable. New models should be built on a premise of community economic development (CED) and a vision of sustainable human development (SHD) discussed at the People's Summit and among international development workers.<sup>117</sup> CED and SHD implies a more community-based and ecologically appropriate economic paradigm, contrary to trends reinforced by APEC.

Government should better consult with NGOs and civil society groups and other development specialists concerning APEC, for assistance in adopting SHD as a primary development model. Civil society offered thoughtful critiques of globalization and the mainstream government, business and industry approach with the SHD alternative at the APEC People's Summit. Mapping out the implications is not easy since it means consciously and deliberately shifting government resources and policy frameworks away from supporting large corporations and ecologically harmful industries as economic drivers and job creators. Groups such as the Canadian Centre for Policy Alternatives

<sup>116</sup> A comprehensive bibliography and detailed discussion goes beyond the scope of this study. For useful collections of articles representing these and many other authors, however, see: Herman E. Daly and Kenneth N. Townsend, Eds. Valuing the Earth: Economics, Ecology and Ethics (Cambridge: The MIT Press, 1993); Jerry Mander and Edward Goldsmith, Eds. The Case Against the Global Economy and For a Turn Toward the Local (San Francisco: Sierra Club Books, 1996). See also useful overviews of the literature and basic themes in Hazel Henderson, Paradigms in Progress: Life Beyond Economics (San Francisco: Berret-Koehler Publishers, 1995); and Guy Dauncey, After the Crash: The Emergence of the Rainbow Economy (Suffolk: Green Print Press, 1996).

<sup>117</sup> See the earlier SHD discussion above. For CED see Burt Galaway and Joe Hudson (Eds.), Community Economic Development: Perspectives on Research and Policy (Toronto: Thompson Educational Publishing, Inc.).



(CCPA), which participated in the People's Summit, have begun to articulate such a vision in presenting their alternative budget over the last few years, but have a long way to go in incorporating ecological factors into its economic development and job creation plans.<sup>118</sup>

The CCPA has laid the groundwork but, with government support could work with civil society and the broader NGO and academic community as a whole to demonstrate that a radically new economic model need not take away from tax revenue generation or international trade which is necessary for governing society, supporting the public sector and stimulating new jobs. Paul Hawken, a business leader and popular economist among others, has stated the case well. He has cogently argued for an "ecology of commerce" and a new paradigm called "natural capitalism," which "can create jobs, reduce taxes, shrink government, increase social spending and restore our environment."<sup>119</sup> It is essential that governments and business more authentically collaborate with civil society to promote such a paradigm which stimulates positive change towards creating new employment, and a building a healthy economy while curtailing inappropriate practices and building more sustainable consumption and production patterns.<sup>120</sup>

## *2. Support Civil Society, Academia & Business to Implement Alternatives.*

Beyond mere consultation government needs to strengthen genuine partnerships with the civil society sector in Canada by increased support to NGOs, academics and small businesses working in the social economy and stimulating employment in the sustainable development field. NGOs/civil society can help rebuild Canada's social economy and create more employment in environmentally responsible professions. Government should better support the Canadian development expertise of civil society organizations and the

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<sup>118</sup> For background see the 1997 Alternative Budget and background materials on the CCPA web site located at <[www.policyalternatives.ca](http://www.policyalternatives.ca)>.

<sup>119</sup> Paul Hawken, "Natural Capitalism," in *Mother Jones* (March/April 1997), pp.40-62

<sup>120</sup> For the consumption issue see Elizabeth Dowdeswell, "Building Sustainable Production and Consumption Patterns," in Felix Dodds, Ed., *The Way Forward: Beyond Agenda 21* (London: Earthscan Publications, Ltd., 1997), pp.206-211.



wealth of knowledge in the Canadian academic and research community to help design, implement and test the alternative models through partnership. Authentic and effective partnership means government not just "consulting" NGOs and then acting independently, but working together in cooperative decision-making in non-partisan ways. The government should also invest in such alternatives by offering better fiscal incentives, granting mechanisms, job creation programs, and tax structures to stimulate change.<sup>121</sup>

In the wake of the recent financial chaos in Asia especially, Canadian foreign policy efforts should be devoted to better understanding the free market mechanisms which exacerbated the crisis while better supporting policies which can create more stable alternative frameworks. Canadian foreign and trade policy to better implement regulatory and incentive-based mechanisms to counteract what high profile financiers like George Soros, have called the "capitalist threat." Soros suggested that pure free-market philosophy and mechanisms can weaken democracy and social stability.<sup>122</sup> Open trading without controls can also be extremely harmful to the environment and ultimately to the long term economy as a result. The government should take stronger leadership through directing public expenditures which are more ecologically and socially driven, not just stimulating sustainable development indirectly and voluntarily through bureaucratic reporting mechanisms like the Commissioner on Sustainable Development, and reports to the Auditor-General. The Canadian government has already moved in some helpful directions. Its initial support for environmental industries through conferences and trade shows like GLOBE, run by the Asia Pacific and Globe Foundations is a small step. However, this still largely serves business through an market-based, open trading, export-driven model.

Some NGOs, often in collaboration with government agencies and some innovative socially responsible businesses, have already promoted alternative models on a smaller scale including poverty reduction in Canada or internationally supporting

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<sup>121</sup> Designing an appropriate partnership model including specific fiscal incentives, budget recommendations, etc. goes beyond the scope of this paper but could be a focus of future studies and evolve out of discussions at formal government consultations with NGOs and civil society representatives.

<sup>122</sup> George Soros, "The Capitalist Threat," *The Atlantic Monthly* (February 1997), pp.45-55.



microcredit schemes, ethical investment, community economic development domestically, and projects or organizations that support fair and ecologically responsible trade and investment with developing countries.<sup>123</sup> Canada should invest more in civil society/NGO expertise to expand such work. Canada has a wealth of untapped, underutilized and undervalued expertise in sustainable development. Aside from a comprehensive and holistic approach (through a national planning process discussed in the next section) the government should specifically provide targeted funding to the Canadian academic community and NGOs as part of a new public education and research initiative to design, test and implement alternative models. Government should see this as an investment (not an expense) in a sustainable future through human resource development, training and capacity-building in partnership with the formal and informal education and civil society sectors.

### *3. Green the Budget and Implement a National Sustainable Development Plan.*

Since the Rio Earth Summit Canada and other nations, have done little to effectively support UNCED's overall goals and even less to surpass the UNCED vision to resolve challenging issues like the environment-trade problematic. Most Canadian and international government action has been piecemeal with dismal progress and few resources committed to sustainable development. Canada should make a renewed commitment to the global UNCED vision especially involving civil society to help fulfill it through investment in a comprehensive and holistic national sustainable development planning process. Domestic progress and foreign policy interests in APEC should evolve out of a national sustainability vision and a concrete plan involving civil society and the general public to fulfill its objectives over a fixed period of time, with targets and measurable indicators over the next five to ten years. Civil society groups around UNCED and APEC have argued for such an approach for some time. UNCED's five year

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<sup>123</sup> I do not offer detailed citations here. There are literally hundreds of articles and books available in the alternative and NGO press. I have already referred to a few overviews in recommendation #1 above.



review in 1997 demonstrated how weak most governments' commitments and demonstrated progress were, including Canada in particular.<sup>124</sup>

Canada's national sustainable development planning process should, at a minimum, demonstrate the kind of leadership the Conservative government provided with Canada's Green Plan of the early 1990s as it invested some \$3 Billion over five years in preparing for the Rio Earth Summit and attempting to implement its recommendations at home. Still, the Green Plan's weakness was its mostly environmental emphasis housed in Environment Canada and lack of a holistic sustainable development vision integrating environment, economy and society. The present government could greatly improve on the Green Plan model. With Canada's improved fiscal situation acknowledged by government in 1997 and in its 1998 balanced budget, Canada should demonstrate national and international leadership by launching, with an expanded level of funding and commitment for civil society/community involvement, research and demonstration projects through a new "*Green Social Economy Plan for the Twenty-First Century*." Such a plan reflects a three pronged approach to sustainable development which some scholars argue is essential for any balance, authenticity and effective progress to "reconcile" environmental, social and economic imperatives.<sup>125</sup>

Such a sustainable development planning initiative should involve a radical revisioning of national budgeting processes with clearly defined incentives for all government departments and agencies to implement. Line item expenditures in each Departments' yearly "Estimates" should also evolve out partnership consultations with civil society, academic experts and business people. The Plan would be financed out a comprehensive "greening the budget" exercise with a minimum investment of ten billion dollars over ten years to better implement UNCED goals, support APEC's sustainability

<sup>124</sup> Anne McLroy, "No Greenhorns: Ottawa's environmental joy ride," *Globe and Mail*, (4 October 1997), D1-2; and Jack Epstein, "Rio Summit's promises still unfulfilled: The first formal evaluation of the 1992 pledges will find little environmental progress," *The Globe and Mail*, (13 March 1997), pp. A12; as well as the Nitin Desai's (UN UnderSecretary General, Department of Economic and Social Affairs) summary critique of UNCED's five year review in *CSD Update* Vol. 4 Issue 1 (September 1997), pp. 1-2.

<sup>125</sup> As discussed in John Robinson and Jon Tinker, "Reconciling Ecological, Economic and Social Imperatives: Towards an Analytical Framework," *SDRI Discussion Paper Series 95-1*, October 1995, published by the Sustainable Development Research Institute at the University of British Columbia.



agenda and better integrate environmental and economic theory and practice at all levels of government. Among the wealth of books and articles exploring new economic models is a Canadian study pioneering "ecological footprint" analysis offering an approach to assess actual costs if all human activity properly valued ecosystems and earth resources in economic and social terms.<sup>126</sup> While scholars may differ on details of mechanisms, the principal of valuing natural and social assets has gained broad support in recent years. World Bank economists such as Herman Daly and others have laid the foundation for this new ecological and social economics. The principle must be more fully integrated into all government national accounting systems, elaborated through a "greening the budget" process implicating all domestic and international activities. Foreign policy in particular must fully reflect these ecological and social economics principles in any national sustainable development plan. So far Canada has responded poorly to the ecological and social economy challenge with minor adjustments but not radical reform, partly in response to Parliamentary Committee suggestions.<sup>127</sup>

More recently the National Roundtable on the Environment and the Economy (NREE) has begun to wrestle with such budget greening ideas through workshops and discussion papers presenting options to Canada's Department of Finance.<sup>128</sup> Progress through such efforts, however, is slow and incremental. Positive movement and radical change continues to be undermined by bureaucratic resistance and a more powerful macroeconomic paradigm entrenched in the present Federal Cabinet and approaches to

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<sup>126</sup> Richard Starnes, "If we paid market costs for Earth, annual rent would reach \$33 trillion," The Vancouver Sun (26 July 1997), p.C9.

<sup>127</sup> A detailed critique goes beyond this study but could be discussed in followup research and consultation processes. For background to government progress on the issue see Charles Caccia, Chairperson, Keeping a Promise: Towards a Sustainable Budget, Report of the Standing Committee on Environment and Sustainable Development (the eighth House of Commons Report, included in Minutes and Proceedings of the Standing Committee on Environment and Sustainable Development, 7 and 12 December, 1995); and The Federal Government Response to The Eighth Report of the Standing Committee on Environment and Sustainable Development, Keeping a Promise: Towards a Sustainable Budget (Ottawa: Department of Finance, July 1996).

<sup>128</sup> In particular see David Bell, Doug Macdonald, and Peter Victor, "Greening the Federal Budget 1999 and 2000" a background paper prepared for the National Roundtable on Environment and Economy, October 23, 1997 (York Centre for Applied Sustainability).



government regardless of the party in power. That paradigm promotes international development largely through the entrenched interests of international agencies and transnational corporations. A new national sustainable development plan could help accelerate a more appropriate transition with a component clearly linked to APEC and all other multilateral and domestic fora.

Adequate funding for a sustainable development planning process would come in part from the recent fiscal dividend as well as (and more importantly) from projected savings from tax revenues and other income derived from phasing out subsidies to private and crown corporations that currently promote unsustainable development. Civil society groups and academics with expertise in ecological economics and sustainable development should be consulted in how to develop and implement the plan with an adequate budget allocated to compensate them for their work. Such a plan would need a champion in Cabinet and serious support from the Prime Minister to carry out. It could be led by DFAIT given its foreign policy and trade initiatives but must be a cross-departmental effort with an adequate budget across the board for a meaningful result.

The Canadian government through its foreign and domestic policy needs to show leadership through a national sustainable development planning process and by providing clearer and more concrete direction to the Minister of Finance than has been the case to date. It must offer specific budget mechanisms to counter the narrow economics and traditional growth model largely evident through APEC.

#### ***4. Phase Out Business Subsidies Which Promote Unsustainable Development.***

An authentic and effective sustainable development planning process linked to APEC and Canadian foreign policy generally must include a commitment to radically reform business-government economic linkages. It must involve a clear plan for curtailing and phasing out public subsidies to unsustainable trade and development in all industries but especially the energy, forestry, agriculture, mining, fisheries sectors through private industries and in crown corporations. In some cases immediate subsidy removal may be difficult in some industries which have received government support over many years and decades. The transition will have to be planned to allow for sufficient time to make a



radical and meaningful shift, especially when jobs, personal livelihoods and lifestyles are at stake, but major strides could be made over a period of five to ten years with a clear vision and serious government commitment through a national sustainable development plan.

The initial phase of a "Green Social Economy Plan for the Twenty-First Century" would include a comprehensive evaluation of all Canadian government subsidies to business and crown corporations while assessing their sustainability and export trade implications. Moreover, it would also imply a thorough reexamination of environmental and social implications of all international tariffs, customs duties, and mechanisms for imports and exports. Generally, it would mean a clear ecological, social and economic accounting of all government expenditures and their impacts on the environment and society. In principle, negative subsidies identified would be removed and positive ones supporting economic aims with ecological and social benefits would remain or increase. Canada, instead of rushing to fast track trade liberalization in APEC and other fora should promote subsidy removal according to their ecological and social impact through the APEC Economic Committee, the FEEEP process and at future Leaders Summits.

Removing or phasing out ecologically and socially unsustainable subsidies makes good economic as well as social and environmental sense. Working with the Dutch-based Institute for Research on Public Expenditure, The Earth Council recently commissioned a study on the issue to coincide with the "Rio + 5" meeting in Brazil and the fifth anniversary review of the Earth Summit at the United Nations in New York. One of the authors also presented the findings during a public seminar held next to the official APEC meetings in 1997 in Vancouver.<sup>129</sup> As the Council states "subsidies are drastically undermining both the environment as well as government deficit fighting." The study which examined just four sectors--water, agriculture, energy, and road transportation--demonstrated that subsidies in those sectors alone cost governments some \$700 billion annually. Maurice Strong, past Chair of UNCED, in a foreword to the study also remarked that the report "demonstrates dramatically how in many cases the subsidies

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<sup>129</sup> Organized by UBC's Sustainable Development Research Institute (SDRI) in collaboration with UNDP.



provide disincentives to sustainable development while denying to the poor the benefits which better deployment of these resources could produce."<sup>130</sup>

Before beginning a process of developing any alternative policy frameworks as discussed by civil society the federal government should make a public commitment to phase out subsidies to unsustainable industries and encourage provincial and municipal governments to do likewise where they have jurisdiction. Government should work with civil society groups and academic experts to design an evaluation and action plan to phase out subsidies, both domestically and for those which support unsustainable trade practices. If carried out effectively the implications for Canada-APEC relations and Canadian society, economy and the environment will be profound. Savings from removing subsidies could be reinvested in alternatives which create new jobs and industries even beyond the budget of a formal Green Social Economy Plan. The Federal Cabinet and DFAIT, under Minister Lloyd Axworthy's direction, could especially take leadership on this issue as a strong foreign policy commitment since this the idea builds on internationally negotiated commitments in social and trade fora and will have strong implications for both domestic and international implementation. DFAIT should also develop a formal partnership to implement subsidy reductions through an interdepartmental committee of representatives from Industry Canada, Environment Canada, Agriculture Canada, Human Resources Development Canada, the Department of Finance and others.

##### *5. Review and Reform Canadian Trade Policy.*

One of civil society's biggest criticisms of the APEC process was government support for trade liberalization, free market values and big business at the expense of human rights, social investment and environmental protection. NGO's were especially concerned about this kind of government policy based on trickle down macroeconomics and support for unregulated trade and immoral transnational corporate behaviour which

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<sup>130</sup> See Earth Council, for Immediate Release "New Report Finds that Government Subsidies to many sectors are Damaging the Environment and Undermining Sustainable Development" (March 12, 1997). For the full study see Andre de Moor and Peter Calamai. Subsidizing Unsustainable Development: Undermining the Earth with Public Funds (San Jose, Costa Rica: Earth Council, 1997).



furthered the interests of a few while harming local economies and producers. The Canadian government did little to abate NGO concerns on this issue through APEC as it rushed to push a fast-track process promoting more deregulation and streamlined trade regardless of ecological or social consequences. Similarly NGOs during APEC expressed concern about the negative impacts of the OECD-sponsored process to negotiate a Multilateral Agreement on Investment (MAI) and the avoidance of environmental or social protection through the World Trade Organization (WTO).

If the Canadian government is serious about consulting civil society and democratizing its foreign policy process as professed in its Canada in the World statement and in Foreign Minister Axworthy's speeches since, it would do a "thorough public review of Canadian trade policy, pursued by both the Department of Foreign Affairs and International Trade and by Parliament's Standing Committee on International Trade." Civil society representatives who coordinated the People's Summit on APEC 1997 made this recommendation to the Canadian government in their preparations.<sup>131</sup> Aside from the subsidy issue, reviewing and reforming trade policy is perhaps one of the most important, yet deeply contentious, issues which must be tackled if government's goal is to create a truly sustainable world internationally, in the APEC region and domestically in Canada. Trade is the one area which Canada, seriously lacked leadership in the UNCED process and has continued to undermine sustainability goals since. Although Canada is a trade-dependent nation promoting exports to drive its economy, it has done little to reform the international trade regime, or encourage corporations to reform their practices, to reflect sustainability aims.

DFAIT staff policy papers have touched on this issue even suggesting greater support for NGO/civil society participation in GATT or WTO fora and incremental changes to make the WTO more environmentally sensitive. Hart and Gera noted that trade negotiators and environmentalist regulators often operate from two different

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<sup>131</sup> Appended to "Canada and APEC: Perspectives from Civil Society, a Discussion Paper" by the Policy Working Group of the Canadian Organizing Network for the 1997 People's Summit on APEC, July 30, 1997, prepared at the request of Canada's Department of Foreign Affairs and International Trade (DFAIT).



ideological perspectives yet suggested there might be room for better cooperation.<sup>132</sup> But as Anne McCaskill, with Canada's UN Commission in Geneva, argued the WTO should continue to take a non-interventionist role regarding environmental protection and that the "WTO should be left to do what it is mandated to do and, in fact, does best--liberalize and regulate trade, which over time, will be its most important contribution to future generations."<sup>133</sup> There is no concrete evidence to support this statement and the Canadian globalization ideology and foreign policy which underpins it. The bottom line remaining is that Canada's approach is driven largely by historical tradition and government response to big business lobbying for fewer restrictions on trade. This approach in many cases harms the environment and local communities. Canada's approach continues to be promotion of one of UNCED's major flaws outlined in the Rio Declaration's Principle 12 that environmental restrictions should not inhibit international trade.<sup>134</sup>

Part of Canada's trade policy review needs to be a thorough public discussion of the issues and assumptions underlying Canadian trade and foreign policy but more importantly should include greater support for building the alternatives. NGOs and civil society groups including alternative business and trade organizations have already pioneered models of such alternatives which support local economies and producers while not harming the environment. Coalitions like the International Federation for Alternative Trade (IFAT), which include organizations like Oxfam's Bridgehead stores in Canada, promoting fair and ethical trade present one alternative.<sup>135</sup> While IFAT was not officially

<sup>132</sup> Michael Hart and Sushmna Gera, "Trade and the Environment," Policy Staff Paper No. 92/11 (Ottawa: Department of Foreign Affairs and International Trade, n.d.).

<sup>133</sup> Quoted from K. Anne McCaskill, "Dangerous Liaisons: The World Trade Organization and the Environmental Agenda," Policy Staff Paper No. 94/14 (Ottawa: Department of Foreign Affairs and International Trade, June 1994), p.42.

<sup>134</sup> As discussed earlier in this study. See again Principle 12, of Annex 1, "Rio Declaration on Environment and Development," Report of the United Nations Conference on Environment and Development A/CONF.156/26 (Vol 1.) 12 August 1992.

<sup>135</sup> For background see the International Federation for Alternative Trade's (IFAT) web site at <[www.ids.ac.uk/eldis/](http://www.ids.ac.uk/eldis/) hosted by the British Library for Development Studies (found by most search engines). As a starting point (among many others) see also NGOs studies such as Belinda Coote's The Trade Trap: Poverty and the Global Commodity Markets (UK/Ireland: Oxfam, 1996 ed.); Carline LeQuesne and Charles Arden Clarke, "Trade and Sustainable Development," in Felix Dodds, Ed., The Way Forward: Beyond Agenda 21 (London: Earthscan Publications, 1997), pp 167 178.



represented at the APEC civil society meetings in Vancouver, IFAT offers a starting point as an alternative to the APEC free trade model.

If DFAIT is seriously committed to promoting sustainable development in international trade it would involve civil society, NGOs and academics with expertise in this area as professional consultants (paid and supported for their value) to further the international trade and sustainable development agenda, particularly by developing guidelines, indicators, evaluation mechanisms and pilots for new business initiatives to promote more sustainable trade and consumption. This is an area Canada could take international leadership in keeping with its obvious self-interest as a self-proclaimed "trading nation," but also on moral and ecological grounds. It makes good social, economic and ecological sense to support these kinds of alternative trading networks while phasing out subsidies to exporters, and maintaining government policies which are not ecologically, socially, or economically sustainable. Canada should also stop negotiating trade policies which undermine sustainable development and begin building a new, alternative regime through independent initiative and taking leadership in multilateral fora.

#### *6. Further Progressive Domestic and Foreign Policy Coherence/Accountability*

A major problem with Canada's trade and investment policies through the WTO, APEC, the MAI and similar fora is that they do not reflect the more progressive movement towards sustainable development in other international fora. Canada ostensibly has a progressive foreign policy mandate for sustainable development evident in its 1995 Canada in the World Statement. In practice, however, Canada uses the language of sustainable development but adjusts its foreign policy to suit business interests, different multilateral agreements and the conflicting objectives of different international agencies. Canada's support for the Sustainable Human Development model of the United Nations Development Programme's Human Development report through CIDA and other agencies, for example, is also often at odds with its objectives through the WTO, the IMF, or APEC.

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To enhance policy coherence between different international fora and objectives, the government should "establish a review process to ensure that APEC activities do not conflict with other international commitments, especially those contained in the International Bill of Rights and agreed to in previous international fora including New York (children's rights), Rio (environment), Vienna (human rights), Cairo (population and development), Copenhagen (social development) and Beijing (women)." Civil society organizers of the APEC People's Summit suggested this in their submission to DFAIT.<sup>136</sup>

With policy coherence is the related theme of evaluation and accountability. Canada independently, and through APEC, should promote better accountability for previous international commitments through legal frameworks such as hard United Nations Conventions, as well as softer intentions and value statements in various conference declarations and action plans. Canada needs to do much more in particular to link the APEC and UNCED agenda while involving civil society in evaluating and implementing the Rio followup through the United National Commission on Sustainable Development (UNCSD) and new APEC mechanisms which facilitate similar discussion and planning.

Part of the civil society and APEC dialogue in 1997 took place outside the People's Summit process in Canada's National Forum on International Relations. While not focusing specifically on the CSD, the Forum also pointed in this direction suggesting that Canada should focus greater efforts in developing and promoting sustainable development in Canadian Foreign policy through more concrete principles, indicators and action measures. The National Forum suggested "accountability based on assessment, indicators (e.g. food security), and qualitative and quantitative measures, and the engagement of Canadians in policy development and measurement." It also suggested the need for "critical evaluation of Canada's practices/policies including a commitment to ecologically and socially responsible consumption..."<sup>137</sup>

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<sup>136</sup> Quote from "Canada and APEC: Perspectives from Civil Society, a Discussion Paper" by the Policy Working Group of the Canadian Organizing Network for the 1997 People's Summit on APEC, July 30, 1997.

<sup>137</sup> Quoted from the section on "Sustainable Development," in, pp.2-3 The report, entitled 1997 Canada's National Forum on International Relations, Asia Pacific, Summary Report was compiled by Canadian



One of the weaknesses of these types of recommendations alone is the need for institutional and governance mechanisms to carry them out. One such mechanism could be some sort of APEC Roundtable. Another would be a civil society standing committee on APEC.

***7. Establish a New APEC Roundtable on the Environment and Economy.***

Canada should help establish a new APEC Roundtable on the Environment and Economy (AREE), to facilitate multilateral dialogue of sustainability issues, coordinate demonstration projects and best practices, provide consistent evaluation and monitoring mechanisms, spearhead innovative policy studies to provide advice for APEC and help facilitate international, regional and domestic policy coherence and planning. An AREE could also help implement and monitor the 100's of United Nations and other multilateral and bilateral agreements such as Agenda 21 and the various declarations, action plans and conventions arising from recent United Nations conferences. It could also help better integrate the sustainability work of the various APEC committees and working groups. Some sort of AREE was originally discussed at the margins of the first APEC Environment Ministers Meeting in 1994 but never got off the ground.<sup>138</sup>

The People's Summit did not discuss the issue directly but other civil society commentators and academic analysts since APEC environment discussions began in Seattle in 1993 have suggested similar ideas such as an "APEC Environment Committee" or "Forum," or regular Leaders meetings with members of existing Roundtables in APEC countries. Several have suggested the need for more institutionalization of environment and economic issues in APEC and better governance of the region particularly involving civil society and local communities in environmental protection and economic

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Centre for Foreign Policy Development housed in DFAIT, built on recommendations culled from a series of workshops throughout the year in Victoria, Waterloo, Halifax, Quebec City, and Campbell River.

<sup>138</sup> Reported in Wayne Nelles, "APEC Environment Ministers Meet at Globe 94, Vancouver: UNCED Followup Discusses Economic and Environment Cooperation in the Asia Pacific Region," UNA (United Nations Association) Pacific Region Bulletin, (Spring 1994), pp. 1,3.



development.<sup>139</sup> As one director of a civil society organization argued, "regional economic integration necessitates the creation of regional frameworks for environmental governance--and the APEC is the place to build them..."<sup>140</sup> Some have pointed to the NAFTA model which established the North American Commission on the Environment in Montreal.<sup>141</sup> At the same time to improve on other models government should work with academics and civil society representatives to develop a mechanism that ensures adequate standards and enforcement procedures. This has been a clear weakness of the Montreal-based NAFTA commission.<sup>142</sup>

An AREE, a Commission or a similar, hopefully stronger, mechanism could be one of the key facilitators for involving civil society in APEC on a level playing field with the now business-dominated APEC. Canada could take leadership in working with academics and civil society members to do a feasibility study on the most appropriate type of institutional mechanism that would work within APEC. Canada could also offer Vancouver as host city for the new institution. If other APEC members are opposed to the idea, Canada should unilaterally take leadership on the initiative and work with those APEC nations who can share the leadership and spearhead positive changes. If APEC will

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<sup>139</sup> See discussions in Lyuba Zarsky and Jason Hunter, "Environmental Cooperation at APEC: The First Five Years," (Berkeley: The Nautilus Institute for Security and Sustainable Development, n.d.) unpublished paper circulated at the 1997 People's Summit planning meetings and at its Public Education and Research Issue Forum.

<sup>140</sup> Quoted from Lyuba Zarsky, in "APEC, Citizen Groups, and the Environment: Common Interests, Broad Agenda," published on The Nautilus Institute for Security and Sustainable Development web site <[www.nautilus.org](http://www.nautilus.org)> where one can also find related documentation. For elaboration see also Lyuba Zarsky, "Heading for the Doldrums? APEC and the Environment," in Connectivity: Asia Pacific Trade, Environment and Development Monitor Vol. 1, No. 10 (10 September 1997) published on the internet through the Apecforum list serve, and available in PDF version at <<http://www.nautilus.org/trade/>>

<sup>141</sup> Pierre Marc Johnson, "APEC and Sustainable Development," published by the Asia Pacific Foundation in Asia Pacific Papers, Number 1, (November 1996), pp.11-12; Andre Dua and Daniel C. Esty, "APEC and Sustainable Development," in C. Fred Bergsten, Whither APEC? The Progress to Date and Agenda for the Future (Washington: Institute for International Economics, October 1997), Special Report 9, pp.151-178.

<sup>142</sup> UBC's, Pat Marchak, for example, has been a strong critic of the NAFTA Environmental Commission. See the report by Canadian Press, "NAFTA's Environmental Standards Draw Fire: Pact Encourages exploitation, higher consumption and waste, UBC professor tells conference," in The Vancouver Sun (13 August 1997), p.D4.



not officially sponsor it, Canada should actively work with interested governments, business representatives, NGOs and academic stakeholders to establish such a roundtable in parallel with APEC.

### *8. Establish a Standing Civil Society Advisory Committee on APEC*

New models of environmental and social governance like an APEC Roundtable are essential to stimulate and support authentic sustainable development through APEC and other fora. They are necessary to resolve stakeholder conflicts and counteract free market forces and ideologies which undermine environmental and social protection and alternative economic models. Civil society at the People's Summit identified governance concerns as critical in creating better models as did a recent world commission report, Our Global Neighbourhood.<sup>143</sup>

Domestically, Canada should also set up a standing people's advisory committee on APEC with balanced civil society representation that could begin to resolve conflicts between the economic or business concerns and the sustainability agenda (including human and social development concerns human, political and cultural rights), and design and implement ecologically and socially sustainable fair trade alternatives to trade liberalization. Canada could also use such a committee to facilitate NGO representation on APEC delegations building on the success of NGO participation at United Nations meetings and the model pioneered at the APEC Environment Ministerial in Toronto where a Canadian Environmental Network representative sat on the Canadian delegation.

Within APEC itself, at the regional level Canada should echo the comments made by Philippine President, Fidel Ramos, prior to APEC in 1996 and take concrete steps to implement them. Ramos recommended the idea of civil society committee that had parallel status with ABAC the APEC business advisory group.<sup>144</sup> Canada should work

<sup>143</sup> On civil society as an emergent and requisite force in global governance see Our Global Neighbourhood: The Report of the Commission on Global Governance (Oxford: Oxford University Press, 1995), esp. sections in Chapters Two and Five, "Values for the Global Neighbourhood" and "Reforming the United Nations", pp. 55-66, 253-262.

<sup>144</sup> Quoted from "APEC, Civil Society and Sustainable Development," Speech of H.E. President Fidel V. Ramos APEC International Conference on Confronting the Challenge of Liberalization: Sustainable



with its own civil society committee to develop the recommendations to APEC and prepare a formal proposal to support such a committee as part of preparations for the 1998 Leaders Summit in Malaysia. If some APEC members block the initiative Canada should work with those APEC and non APEC countries in the region which support the idea to establish the body anyway. Canada's foreign policy should build on its success with the 1997 Environment Ministerial it hosted to become an APEC and world leader in advancing civil society and governance issues for sustainable development

### *9. Advance APEC's FEEEP Agenda through a National Working Group*

One of the most important areas Canada could further civil society perspectives and academic expertise on sustainable development in APEC is through the FEEEP idea. FEEEP is the one forum within the APEC process which takes a holistic approach in dealing with broader questions of human or comprehensive security aside from APEC's narrower trade liberalization agenda. FEEEP, however, has so far had limited practical effect on the closed structure and undemocratic, trade-driven process of APEC which NGOs have criticized. FEEEP has mostly been a largely ignored footnote in APEC government policies and demonstration initiatives.

FEEEP is where Canada should put more resources to the further a holistic sustainable development agenda domestically and in APEC. This could be reinforced through the proposed "green social economy plan" as part of a national sustainable development planning process in Canada as discussed above. Through 1998 Canada should continue its leadership in FEEEP working with civil society and academia to advance its agenda in preparation for the 1998 Leaders Summit in Malaysia and beyond. The FEEEP meeting presented an interim report to the APEC Leaders in Vancouver, and recommended more focused objectives in 1998 to address policy implications and practical recommendations. Canada should continue the leadership it began in 1997 and make an even more important contribution on this file to APEC in the years and decades to come.



The government should establish a national FEEEP working group in Canada to continue the dialogue while developing regional goals and a project agenda to promote links with parallel processes and like-minded civil society groups among other APEC nations.

#### ***10. Apologize for Civil Liberties Violations During the APEC Leaders Summit***

As a foreign policy initiative the government of Canada should make a public apology for its illegal and immoral conduct in curtailing civil liberties of Canadian protesters on the UBC campus during the 1997 APEC leaders Summit. It should then also make a concerted effort, in dialogue with Canadian and international NGOs, to better support civil society freedom of speech, association, democratic organizing and peaceful protest through ongoing programs and monitoring efforts, especially at next years People's Summit in Malaysia and at subsequent events. Canada should lead by example with its formal apology to Canadians first and then make a public statement of intentions to support organizers and Canadian participants in next year's People's Summit in Malaysia. This would be fitting in 1998, the fiftieth anniversary of the Universal Declaration on Human Rights.



## Conclusion

The government of Canada's foreign policy priorities and demonstrated practical commitments to promoting a sustainable Asia Pacific Region are progressive in some respects but woefully flawed and inadequate on other counts according to civil society criticisms of CYAP in 1997. On the one hand Canada demonstrated leadership by involving some members of civil society in selected meetings which provided recommendations to the November leaders summit. Canada has also promoted some useful sustainability initiatives through a series of conferences and in various APEC committees and working groups building on limited consultation and involvement from the civil society/NGO community. Canada, also helped fund and support the People's Summit organized by the NGO community. On the other hand this progress is outweighed by more negative factors. Civil society critics of the government say that Canada has ultimately pushed a macro-economic and trickle down trade liberalization agenda more in the interests of business and industry than to safeguard human rights, protect the environment, or promote genuine community-based or ecologically and socially sustainable development.

I note some progress by Canada on sustainable development issues at APEC 1997 but reflecting on civil society concerns I argue that Canada still has a schizophrenic and fundamentally conflicted foreign policy (driven by self-interest business interests on the one hand and a thwarted vision of social and environmental responsibility on the other). I concluded this study by suggesting ten strategic policy and programme recommendations which Canada could implement to better demonstrate authentic and continued leadership in support for civil society and sustainable development, both in Canada and within the APEC process while fulfilling complementary UN sustainability objectives beyond 1997.

Resolving fundamental conflicts between civil society and business though clearly defined national planning processes and economic alternatives ought to be a major goal for Canadian foreign policy surrounding APEC in coming years. Canada's current notion of sustainable development and "balance" is one that does not level the playing field or tip the scales to fundamentally challenge major corporate and industrial interests or provide incentives to make more positive changes. For the "balance" which it claims to seek,



Canada should provide a clear vision and practical tools for building comprehensive security in the APEC region beyond the current governments' dominating and narrower trade liberalization agenda. A comprehensive security model implies that civil society should have an equal voice with business to work with Canada and APEC governments to envision and implement ecologically and socially responsible sustainable development for all. The government of Canada should make a clear public statement supporting this issue than has hitherto appeared in official documents or the press. It should also take some concrete steps recommended above to help begin facilitating this vision as part of a domestic and foreign policy agenda for the twenty-first century.



## APPENDIX 1 -- Acronyms

- ABAC -- APEC Business Advisory Council  
 AECL -- Atomic Energy Canada Limited  
 AIESC -- Association of International Economic Students Canada  
 AMS -- Alma Mater Society  
 APEC -- Asia Pacific Economic Cooperation  
 APECRIN -- Asia Pacific Economic Cooperation Research and Information Network  
 APF -- Asia Pacific Foundation  
 ARRE -- APEC Roundtable on Environment and Economy  
 BCCIC -- British Columbia Council for International Cooperation  
 BCTF -- British Columbia Teachers Federation  
 CADI -- Center for Alternative Development Initiatives  
 CASID -- Canadian Association for the Study of International Development  
 CAUT -- Canadian Association of University Teachers  
 CCFPD -- Canadian Centre for Foreign Policy Development  
 CCPA -- Canadian Centre for Policy Alternatives  
 CCIC -- Canadian Council for International Cooperation  
 CED -- Community Economic Development  
 CEN -- Canadian Environmental Network  
 CESD -- Commissioner for Environment and Sustainable Development  
 CFS -- Canadian Federation of Students  
 CIDA -- Canadian International Development Agency  
 CODE-NGOS -- Caucus of Development NGOs  
 CPCU -- Canadian Participatory Committee for UNCED  
 CSO -- Civil Society Organization  
 CTF -- Canadian Teachers Federation  
 CYAP -- Canada's Year of Asia Pacific  
 EDC -- Export Development Corporation  
 DFAIT -- Department of Foreign Affairs and International Trade  
 ECOTECH -- Economic and Technical Cooperation  
 EVSL -- Early Voluntary Sector Liberalization  
 FEEEP -- Food, Energy, Economy, Environment and Population  
 IAR -- Institute of Asian Research  
 ICHRDD -- International Centre for Human Rights and Democratic Development  
 IFAT -- International Federation for Alternative Trade  
 IIR -- Institute for International Relations  
 IISD -- International Institute for Sustainable Development  
 IMF -- International Monetary Fund  
 IRSA -- International Relations Students Association  
 MAI -- Multilateral Agreement on Investment  
 MPFA -- Manila People's Forum on APEC  
 NGO -- Non Governmental Organization  
 NREE -- National Roundtable on Environment and Economy  
 OECD -- Organization for Economic Cooperation and Development



PERC -- Pacific and Environment and Resources Center  
SHD -- Sustainable Human Development  
SRDI -- Sustainable Development Research Institute  
TILF -- Trade and Investment Liberalization and Facilitation  
UBC -- University of British Columbia  
UN -- United Nations  
UNCED -- United Nations Conference on Environment and Development  
UNCSD -- United Nations Commission on Sustainable Development  
UNCTAD -- United Nations Conference on Trade and Development  
UNDP -- United Nations Development Programme  
UNESCO -- United Nations Educational, Scientific and Cultural Organization  
UNEP -- United Nations Environment Programme  
UNGASS -- United Nations General Assembly Special Session  
WTO -- World Trade Organization











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