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CANADA'S ASIAN POLICY

Mr. Paul Martin, the Secretary of State for External Affairs, recently addressed the fourth Annual Conference on World Affairs, in Banff. The following is a partial text of his remarks:

...In order to understand the main lines of our current Asian policy, it is important to note the various ways in which our involvement in Asian affairs has grown. Our bilateral relations with most of the leading nations and with a number of the other nations have expanded steadily. The change in the nature of the Commonwealth has brought us into closer contact in most fields of interest with several Asian nations. Trade and economic assistance have opened up channels for political contact. We have committed troops to a war in Korea under the United Nations flag and participated in United Nations peace-keeping operations on the borders of India and Pakistan.

SIGNIFICANCE OF ICC MEMBERSHIP

Our membership on the International Control Commission for Vietnam, Laos and Cambodia since 1954 has extended our involvement in Asian affairs beyond bilateral relations and beyond participation in the United Nations operations I have mentioned. We did, of course, accept a task in effect on behalf of the world community but under unique political conditions which made it necessary for us to maintain impartiality in Control Commission affairs in a political and military situation of very great complexity and which steadily involved us to a greater extent in judging the clash of interests in Southeast Asia. It is natural at present that definition of an Asian policy for Canada should tend to begin with the Vietnam conflict and the closely related question

of the position of Communist China in the world community, before it goes on to deal with the other considerations which influence our deliberations.

Now that we have a fairly wide involvement in Asian affairs, we can, in order to delineate policy, point to some general characteristics of our relations with nations in that area and to activities and attitudes with respect to the main Asian problems.

When I speak of an Asian policy I do not, of course, use the term in the old-fashioned and rather grandiloquent sense in which the rulers of empires or leading powers tried to pursue masterly strategies designed to capture the opponents' pieces one by one and move remorselessly, if indirectly towards a clear cut objective. No nation, large or small, should have illusions as to the extent to which it can steer events for force, pressure, influence or guile towards desired but hypothetical international goals.

In a more modest and pragmatic sense we must relate one specific policy objective to another to ensure that we are not working at cross purposes. Beyond that we can only hope that, in addition to stating what our own specific interests are, we shall be able to set forth principles and objectives which will meet with a response from many other nations and which will help to create a consensus leading to effective action by the world community.

GENERAL POLICY

I believe that our relations with Asian nations and our attitudes towards the great problems of the day in that area are guided or determined by these principles and objectives:

(1) We have no reason arising out of geography, previous commitment or military security at present

to consider participating in regional security arrangements or regional military action in Asia.

(2) We recognize, however, that war and revolution in Asia, the partitioning of nations and basic changes in the balance of power since 1939 have created fundamental threats to world peace in Asia. We have, therefore, been willing to assign a high priority to our participation in United Nations operations in Korea and in India-Pakistan and to compliance with the request of the Geneva powers so far as service in the International Control Commissions is concerned.

(3) We consider that the isolation of Communist China from a large part of normal international relations is dangerous. We are prepared to accept the reality of the victory in mainland China in 1949. In the trade field we have significant contacts of a fairly normal nature. We consider, however, that the effective political independence of Taiwan is a political reality too.

(4) So far as the situation in Vietnam is concerned, Canada is more likely to contribute to peaceful settlement by its membership on the International Control Commission and by diplomatic assistance in the stages of preliminary negotiation or final settlement at a conference than by any other means.

(5) In that situation, we believe that ideological conversion by force, either through domestic subversion or foreign infiltration, will lead inexorably to great power intervention, to the extension of military pacts and to the escalation of risk of a world conflict.

(6) Economic development cannot, by itself, end conflict or guarantee peace, but we find it hard to envisage any steady progress towards political stability and peace which is not accompanied by the increasing satisfaction of material needs by the peoples concerned. Our expanding assistance programmes have been undertaken in recognition of this relation as well as in recognition of other considerations.

(7) Although we belong to the NATO or Western group of nations for historic and security purposes, and although our own political beliefs are clear, we do not consider that these facts should inhibit us from seeking friendly and often close relations with nations in other areas. Our membership in a multi-racial Commonwealth, our interest in countries retaining particular connections with French culture, our economic contacts with developing countries and our contacts with Asian countries in the United Nations are all intended to help develop a world community in which there will be no harsh lines of diversion between regional, racial or economic blocs.

(8) Finally, we believe that the events of the last World War, the initial problems of a change from colonial to independent status, revolutionary turmoil and economic problems have delayed the assumption by some leading Asian nations of their proper role in regional and world affairs. We have confidence that Japan, India, Pakistan and Indonesia can, along with China, do much to end abnormal situations in Asia and achieve a better balance of power and political influence in the world generally. We can scarcely speak of Canada being able, by itself, to promote

such broad developments to any significant degree. To the extent, however, that this approach can have a bearing on specific policy decisions of our own or can be reflected in joint action, this is our viewpoint....

CHINESE QUESTION

I believe that few subjects cause greater concern at present to Canadians reflecting on foreign affairs than the position of Communist China in the world community. That is one reason why this question is the object of constant review and re-appraisal on the part of the Government generally and on my part as Minister of External Affairs.

Canada recognizes the Republic of China, sometimes called Nationalist China. At the United Nations, most recently in November of last year, we voted against a resolution which called for the seating of representatives of the People's Republic of China and for the expulsion of the representatives of the Republic of China. I am aware that there is a substantial body of opinion in this country which disagrees with this policy. I think, however, that those who urge a radically different position on us sometimes neglect the thornier aspects of the problem of China. Alternative policies are, of course, possible; but those who advocate them should explain clearly how they propose to overcome some of the serious difficulties which the choice of those alternatives inevitably entails.

Those, for example, who urge the diplomatic recognition of Communist China must face the uncomfortable fact that the Government of that country demands that it be recognized as something which it patently is not: that is, the Government of the island of Taiwan.

Canada would welcome the opportunity to see Communist China take a seat in the United Nations. I said so last fall. In the General Assembly I said as well "...I hope that as events in Asia unfold, it may prove possible in the interests of this organization, and of mankind, to make progress toward what the Secretary-General, in his annual report, has described as the imperative need for the United Nations to achieve universality of membership as soon as possible".

But how to achieve this is another problem. Here, too, alternative policies are, of course, possible. But they are accompanied by similarly uncomfortable facts.

Those, for example, who would have us vote for the resolution which has until now been presented on this subject must accept the fact that it calls not only for the seating of Communist Chinese representatives but also for the denial of any status in the United Nations to representatives of over 12 million people on the island of Taiwan. Those who wish to be realistic and would give formal consecration to what they see as a situation of fact, by promoting a so-called "two Chinas" solution to this dilemma, must face the fact that it is no realistic solution at all, so long as both governments which lay claim to China reject it indignantly.

LABOUR DAY

Mr. John R. Nicholson, Minister of Labour, recently issued the following message for Labour Day, September 5:

In the year since last Labour Day, Canada and its people have continued to advance and prosper. Employment has increased by four per cent over the year, while unemployment has continued at the lowest rate since 1957. Industrial production has risen substantially, and total earnings of the labour force have increased by 12.5 per cent. These developments have been accompanied by rising prices of essential items, which have made some workers naturally concerned about their living standards. This has been one factor giving rise to labour unrest.

Many important collective agreements have come up for negotiation this year. With employment high and the economy buoyant, these negotiations have resulted in significant gains in wages and working conditions. This has been part of the normal working of our Canadian society since the Second World War. It is part of a system which, though no one would claim is perfect, has given us one of the highest standards of living in the world.

Our standard of living will continue to increase with economic and social growth as long as gains in wages, and working conditions are matched by a corresponding rate of growth in productivity. If we fail to maintain a steady growth in productivity, we are likely to jeopardize our economic and social goals which we have agreed are desirable.

Our productivity has increased encouragingly in recent years, but the rate of increase is not as high as in the early 1950s, and it is not as high as in the United States. We have special problems, but there are ways within our power to increase productivity. We must seize and use new technological advances, and develop our management methods to the highest possible level. We must find the best possible ways of using our human, material and economic resources.

These are goals that all of us, labour, management and governments, should keep before us in the coming year.

ILO MEETING

Labour Day, this year, comes on the eve of an important conference to be held in Ottawa - the eighth regional conference of member countries of the International Labour Organization in the Americas. The conference will centre round two main themes having to do with economic and social development. One of these is the role of manpower planning and employment policy, the other the role of social security and living and working conditions.

Like productivity, these are subjects of universal concern. They are of particular interest to us in Canada, where we have made great strides over recent years in firming up manpower policies and in broadening our labour standards, pension, health and medical programmes. At this meeting we will be able to exchange ideas and experiences with other countries which, while also American, differ in their history, resources and social and economic development.

It is an unfortunate fact that Canadians know all too little of many of the countries and peoples of our hemisphere. This meeting will be an opportunity for us to demonstrate our desire to co-operate with the other nations of the Americas in an effort to find solutions to our common problems.

I am sure that we will be able to gain from this exchange, as we have gained before from our long participation in the work of the ILO and other international organizations. And I hope that once again, we will be able to make a useful contribution ourselves.

My best wishes to you all this Labour Day.

COMMONWEALTH FINANCE MEETING

The Minister of Finance, Mr. Mitchell Sharp, announced recently that Canada would be host to the 1966 finance ministers' meeting of the Commonwealth Economic Consultative Council September 21 and 22. The meeting, which is to be attended by ministers and senior officials from all 23 Commonwealth countries, will take place in Montreal. It is expected that the ministers will exchange views on economic matters of common interest with particular reference to the meetings in Washington the following week of the Governors of the International Monetary Fund and of the International Bank for Reconstruction and Development.

The Commonwealth Economic Consultative Council was established following the Commonwealth Trade and Economic Conference held in Montreal in 1958 to co-ordinate existing arrangements for Commonwealth consultation and co-operation on economic matters. The Council, which at various meetings has been composed of Commonwealth finance and trade ministers, has customarily met each year just prior to the annual meeting of the IMF and the IBRD.

CENTENNIAL PRAYER TREASURY

The Canadian Interfaith Conference recently commissioned Dr. Ramsay Armitage, secretary of the committee revising the Anglican Prayer Book and former principal of Wycliffe College, Toronto, to edit a multi-faith book entitled *The Canadian Centennial Anthology of Prayer*.

For his contribution to theological education and his work on the revision of the Anglican Prayer Book, Dr. Armitage was awarded an honorary doctorate of divinity by seven Canadian theological colleges. A native of Halifax, where he graduated in arts with distinction, from Dalhousie University, Ramsay Armitage received his master of arts degree from the University of Toronto, specializing in comparative philology. He was awarded the Military Cross for overseas service with the Third Battalion, First Canadian Division.

Dr. Armitage said that the anthology, which is expected to be published in October, would "take

careful account of the interfaith element". It will include prayers of thanksgiving, centennial bidding-prayers and litanies, historical prayers and litanies, a prayer of bidding for each of Canada's provinces, services for young people and a concluding chapter looking into Canada's future.

The Prussian blue and white paperback will draw on Christian, Hebrew, Muslim and Buddhist doxologies and present both traditional and modern points of view.

UNEMPLOYMENT INSURANCE

Claimants for unemployment insurance benefit in Canada on June 30 numbered 181,300, more than 36,000 fewer than the May 31 count of 217,600, but virtually unchanged from the figure recorded a year ago. The decline from last month was mainly attributable to fewer male claimants, suggesting a continuation of the seasonal upswing in industries which employ mainly men. For example, males accounted for about 60 per cent of the claimants on June 30, a substantial drop in representation from that prevailing during the winter months when they comprised approximately three-quarters of all claimants.

A total of 68,400 initial and renewal claims were filed at local offices across Canada during June in comparison to 91,000 in May and 72,000 a year ago. Ninety per cent of the claims in June were from persons separated from employment during the month, whereas only three-quarters of the claims in May were thus classified.

The average weekly number of beneficiaries was estimated at 140,600 for June, compared to 298,100 in May and 152,800 a year ago. Benefit payments amounted to \$14.7 million in June, \$30.0 million during May 1966, and \$16.2 million in June 1965. The sharp decline in beneficiaries and benefit payments in May and June is associated with the termination of benefit to claimants under the seasonal benefit provisions. The average weekly benefit payment was \$23.78 for June 1966, \$23.93 for May 1966 and \$24.14 a year ago.

RENEWING SCORCHED WOODLAND

Eight hundred thousand jack-pine and spruce tubed seedlings are being planted in 2,000 acres of scorched earth in the forest district of Swastika, Ontario, laid bare in a recent forest fire that raged for a month. Staff of the Ontario Department of Lands and Forests believe that this is the first time tubed seedlings have been used for this purpose.

The tubes can be produced in a short period ranging from 25 to 50 days, compared to the two or three years required to produce regular seedling stock from a nursery.

Replanting began in July and already 370,000 tubed seedlings are in the ground; when the job is

finished, almost 800,000 will have been planted. This means, that less than two months after the fire, 800 acres will have begun regeneration.

Destroyed in the fire were 40 acres of jack pine, which had been a direct-seeding project in 1965, and a 30-acre spruce plantation established by Junior Rangers in 1964. The fire also burned a large area that had been seeded by helicopter last autumn.

CANADA'S ASIAN POLICY

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In view of the dilemmas I have noted therefore, we have been forced to the conclusion that, until now, no acceptable means of bringing Communist China into the United Nations has been offered or, indeed, has seemed possible. The Canadian Government has long advocated and striven to encourage the establishment of mutually beneficial contacts between Communist China and Canada as well as with the rest of the international community. It has not so far seen it possible to establish relations of diplomatic recognition with the government of that country. At this particular juncture I cannot say what the immediate future holds. The matter is, however, very much on our minds....

VIETNAM SITUATION

If the position of Communist China in the world community is a source of underlying concern to many Canadians, the conflict in Vietnam creates open anxiety and leads to controversy.

The Canadian involvement in Vietnam arises from our membership in the International Commission for Supervision and Control, which was created by the 1954 Geneva Conference to supervise the Cease-fire Agreement between the French Union Forces and the People's Army of Vietnam. The Commission was given no executive role, and has always worked within the mandate given to it to supervise and report to members of the 1954 Conference on the implementation by the two parties of the provisions of the Agreement. It is sometimes overlooked that it has never had the power to bring about compliance with its recommendations.

It could be argued, and, indeed it sometimes is, that, in the new and unforeseen situation now existing in Vietnam, the Commission serves no useful purpose and should be disbanded. The Government has examined this possibility on a number of occasions in the past, and has rejected it for what I consider to be sound reasons. None of the parties involved in Vietnam has, at any time, suggested that the Commission should be withdrawn. Both North and South Vietnam continue to look to the Commission to consider and adjudicate their charges, and the Commission is still able to conduct some investigations.

I would hope, for example, that the Commission will be able to establish the facts about recent violations of the demilitarized zone and take action designed to deter any future violations and to re-

establish its demilitarized status. Success in ensuring that both sides respect the zones as a form of *cordon sanitaire* could be a first step, however modest, on the way to de-escalation and might serve as a pilot project for the sort of supervised settlement which must eventually be achieved. The Commission also exists as the only remaining symbol of the 1954 Geneva settlement....For all these reasons, therefore, we consider that the maintenance of the Commission is both necessary and desirable....

Our Commission role has one further and very important advantage in that it gives us a special opportunity, available to very few others, of access to the capitals most directly concerned in the conflict. We have used this access and will continue to do so. Most of you will be aware of the two visits to Hanoi made by Mr. Chester Ronning as a special representative of the Canadian Government....

We have also explored with our Commission colleagues, India and Poland, the possibility of a useful role for the Commission in bringing the opposing parties closer together. Our efforts have not yet borne full fruit. Despite this, we intend to continue - either alone, or as a member of the Commission, or with other countries - our efforts to bring about peace talks and to find a path which may lead us out of this increasingly dangerous situation....

VIETNAM PROBLEM NOT UNIQUE

There are several characteristics of the Vietnamese problem which are common to other parts of Asia and indeed in some cases to other parts of the world. It is, for example, a partitioned state, a victim of what has been called "this century's awkward form of compromise". The 17th Parallel in Vietnam is certainly not the only one which has produced international crises. What has happened there provides further confirmation of the risks inherent in any attempt to remove agreed dividing lines by force, whether this force is manifested in open aggression or by subversion and infiltration. We can only work towards some realistic and relatively stable settlement comparable to those which have had to be accepted elsewhere.

The indirect methods of the Vietnamese war are a manifestation of the Communist doctrine of "wars of national liberation" so vividly described by Marshal Lin Piao last September. A future such as that envisaged by Lin Piao, consisting of a series of "liberation wars" supported by China, obviously will not bring about the stability and security which the states of Asia so desperately need. There are disquieting signs of developments elsewhere which points up the continuing danger of eruptions such as we now face in Vietnam.

Thailand, for example, is experiencing the same kind of terrorist attacks which characterized the early stages of the insurgency in South Vietnam. In Laos the areas under Pathet Lao control are being freely used for the movement of men and material from North to South Vietnam, and, as is shown by the latest report of the International Commission in Laos, made public earlier this week, members of the North Vietnamese armed forces have engaged in attacks against the armed forces of the Royal Govern-

ment of Laos - all in contravention of the undertakings given in Geneva in 1962. The Pathet Lao have, for their part, protested alleged bombings by United States aircraft of the territory they control. The Commission has indicated its desire to investigate these allegations but the Pathet Lao have not so far been willing to facilitate such a legitimate exercise of the Commission's functions....

It is sometimes argued that the shortcomings of successive governments in Saigon are somehow at the root of the tragedy that has befallen Vietnam - that the nature of government in the South provides the basis and excuse for Northern intervention. This argument is not adequate as a justification of aggression, since its application throughout the world obviously would soon result in international anarchy.

Furthermore, it is possible to recognize the inadequacy of governments in South Vietnam, and the existence of internal dissent, without concluding that the present war is in any significant measure the product of these. Internal dissent is something we must expect in any new country where the people live on the margin of subsistence. We must never forget, either, that the difficulties experienced by countries like Burma, Indonesia and Pakistan have shown that the achievement of a viable nationhood, as we in the West are sometimes inclined to forget, is never easy or quick, even in a relatively serene and secure international environment. In the atmosphere of war and subversion fomented from without, the difficulties become almost insurmountable....

First of all, the "war of national liberation" has not proven to be an effective instrument for the extension of Communist power in Asia. It can be a powerful weapon when used against single states groping their way towards social and political stability. In Vietnam, however, countervailing measures have been taken to redress the military balance and to meet the outside support essential to the success of the technique.

SEEDS OF HOPE

One of Peking's most important foreign-policy objectives has been the removal of American influence from Asia; by now, however, it must be becoming apparent to the Chinese that the sort of situation which was fostered in Vietnam has, as in Korea, led once again to the involvement of United States forces in a conflict on the Asian mainland. The clear determination of the South Vietnamese, the United States and others to prevent a forcible take-over by North Vietnam, must at some stage be taken into account in Hanoi and Peking. We can hope, therefore, that a realistic appraisal of the efficacy of "national liberation wars" eventually will lead to their abandonment.

Some would argue that if development towards a genuine balance of power was one of the hopeful aspects of the current situation in Asia, Canada might best serve the cause of peace by sending troops to participate in the Vietnam conflict. They would wish to see us take a position comparable to that of some nations in the area or of the great powers. They would be willing to abandon hope that the International Control Commission or any of its

members could help towards a negotiated settlement of the Vietnam conflict.

I think that the reasoning which lies behind such proposals is quite unsound. It is essential that a balance of power be achieved by the nations of the area and by nations already deeply involved in the security and well-being of that part of the world. It is also essential that a balance which is quite possibly in the making within the next year or two should not be prejudiced by a wider and wider involvement of nations likely to make the central problems of Far Eastern affairs even more difficult to solve.

It is because we see some prospects of an eventual settlement which recognizes the realities - military, political, economic - in the Far East that we consider it particularly important to maintain all the efforts which I have already described to facilitate a negotiated settlement of the Vietnam conflict....

OTHER ASIAN DEVELOPMENTS

When Indonesia first instituted its "confrontation" of Malaysia, Canada deemed it advisable to come to the aid of its Commonwealth partner with offers of military equipment and training facilities designed to help Malaysia preserve its territorial integrity. We now welcome the end of this wasteful and destructive confrontation which will enable both Indonesia and Malaysia to exert their influence on behalf of peaceful progress in Asia. Further to the north, the signing of the Normalization of Relations Agreement by Japan and Korea has removed another source of friction.

Many of the smaller countries of Asia have achieved remarkable rates of economic growth. Despite the unsettled conditions in the area, the development of the basin of the lower Mekong is proceeding at an encouraging pace. The establishment of the Asian Development Bank, more than half of whose capital of \$1 billion has been subscribed by the regional members of ECAFE, will provide a solid base for the accelerated development of the region. The recent establishment of the Asian and Pacific Council joined together nine Pacific countries in an effort to achieve greater co-operation and solidarity in political and economic fields. Although the participants announced their intention to safeguard their national independence and integrity against any Communist aggression or infiltration, they made clear their desire to avoid any further polarization of Asia into Communist and non-Communist groupings.

Canada, in every appropriate way, is making substantial contributions to the process of building a stable and self-reliant Asia. Canadian contributions under the Colombo Plan alone have totalled more than \$500 million. Canada has just ratified the agreement setting up the Asian Development Bank and, as a

charter member, we have subscribed \$25 million. We have participated in the Mekong basin project from its inception, and have only recently pledged \$2 million to the Nam Ngum hydro-electric project in Laos. It was in the light of the importance that we have always attached to regional developmental programmes of this nature for their contribution both to economic progress and to increased stability, that we welcomed President Johnson's billion dollar co-operation regional development programme for Southeast Asia, and said we would play our full part.

All these developments, political and economic, contribute to the elimination of the splintering of the countries of the Pacific area which has made them so vulnerable to outside pressures. It is possible to see, in addition to increasing international co-operation in Asia, the emergence of an economically strong and prosperous Japan in an active diplomatic role and the creation of a wholesome balance of power which hitherto has been possible only as the result of United States commitments.

CANADA-JAPAN RELATIONS

Canada and Japan see eye to eye on many of the problems which the Pacific powers face today. I like to think that the excellent relations that we enjoy are a good example of the concrete results which can be achieved by the pattern of close consultation which has been built up between our two governments in recent years. Early in October we will be having talks in Ottawa with five Japanese cabinet ministers on the occasion of the fourth meeting of the Canada-Japan Ministerial Committee. These consultations enable us not only to deal with bilateral problems but to increase our co-operation in Colombo Plan development programmes and to act together in international situations to our mutual benefit.

It is this kind of co-operation which I hope we will see develop amongst the countries of Asia, all of which must eventually assume primary responsibility for the peace and stability of their own area. India, Pakistan and Indonesia will be important factors in this new Asia. It is for this reason that Canada has been so concerned to encourage the peaceful settlement of the disputes which have had such adverse effects on the economic progress these countries must make to take their rightful position in the Asian scene.

We are confident also that links between Asian and other members of the Commonwealth, the active roles of Australia and New Zealand, the important influence of France, in Asia (and we share with France a real interest in nations retaining close associations with French culture) will all contribute to the development of those conditions of stability which the world desires....

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