



STATEMENTS AND SPEECHES

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LATIN AMERICA: CHALLENGE AND RESPONSE

Text of a Speech by the Secretary of State for External Affairs, the Honourable Paul Martin, to the Second Annual Banff Conference on World Development, August 24, 1964.

... You have taken the interesting and significant theme, "Latin America: Challenge and Response". I have no doubt that you will deal with it in a manner worthy of Arnold Toynbee, whose language you have used in this title. While there are other areas which have captured the headlines in recent weeks, and notably the Cyprus crisis, it seems to me that for Canadians there can be few regions of the globe which should command more attention than Latin America. For far too long, although for understandable reasons, the attention of Canadians has often tended to concentrate on Western Europe, and on the Commonwealth. Even in this hemisphere our good friend and neighbour the U.S.A. has sometimes by its size and importance obscured our view of Latin America.

In rough terms the population of Latin America is now over 200 million, rather more than that of the United States and Canada together. However, the demographic projections of United Nations experts indicate a very different situation by the end of the century. Latin America may then contain up to 600 million people, while North America will have not much more than 300 million. This fantastic population increase - the highest rate of any region in the world - cannot fail to add to the relative international importance of Latin America. There is reason to believe, however, that it will at the same time increase its serious economic and social problems. Very great economic growth will undoubtedly result but, when considered in relation to population, the material benefits may well fall short of popular expectations.

The prospects for Latin America are thus both promising and disturbing. It is because the outlook is uncertain that I consider Canada and Canadians have an obligation to study and to assess sympathetically the significance of developments in Latin America. Some months before his death, President Kennedy declared: "I regard Latin America as the most critical area in the world today." In a recent article, Senator Hubert Humphrey, a member of the United States Senate Committee on Foreign Relations, took this

statement as his text and wrote: "While the internal political, social and economic patterns of Europe are well determined by now, this is not the case with Latin America. The future structure of society and the external policy of Latin (American) nations remain unanswered questions." Senator Humphrey went on to develop at length the thesis that Latin America should be given the first priority in U.S. foreign policy.

Canada is not in the same position as the United States, either in terms of power or geographical location, but I would agree that Latin America should be given a prominent place in Canada's external relations such as it has not, generally speaking, enjoyed in the past. This has been my view for some time.

The Latin American area is one which has been sadly neglected by our schools, colleges and newspapers, but there are hopeful signs that this situation is changing. For example, a year or so ago a Canadian journalist, Gerald Clark, wrote a book on Latin America and gave it the title "The Coming Explosion in Latin America". Very recently one of our newspapers has decided to station a correspondent in South America. There are indications that in our university world more attention will be given to Latin America, its history, its economic and social problems and its cultures and languages.

The Canadian Presence in Latin America

As is well known, there has been significant Canadian investment in Latin America, some of which dates back many years. The best known case is the substantial investment in public utilities in Brazil, though there is also Canadian investment in electrical enterprises and mines in some other countries. At one time, some of our life-insurance companies were active in the area, but this has been less so in recent years. Several of the Canadian banks are represented in Latin America, notably in the Commonwealth countries and territories of the Caribbean, but also in the island and neighbouring mainland republics.

Our trade with the Latin American republics - that is, apart from what we formerly called the West Indies - was valued at some \$650 million in 1963, about \$270 million being Canadian exports and \$380 million imports. Of the latter, it is only right to point out, to keep things in proportion, that nearly two-thirds of our imports from the area consist of petroleum products from Venezuela. Our total commerce with the Latin American republics constitutes only 4 or 5 per cent of our world trade, but I consider it has greater significance than this figure might suggest. For one thing, we have interest in diversifying our trade outlets so that they are not confined to a very few, though important, markets. Furthermore, because of the economic potential of Latin America, I think that the area deserves our special attention so as to establish a basis on which to build in the future.

It could be added that Latin America has received a very large share of the total of export financing provided by the Canadian Government through the Export Credits Insurance Corporation. Some \$100 million of such credits have been extended to four Latin American countries in the past three years, notably for paper-mill equipment and related engineering services in Chile and for locomotives and rails in Mexico.

One of the most significant elements of the Canadian presence in Latin America is the number of Canadian missionaries in the area. There are now some 1,500 Canadian Catholic missionaries serving throughout Latin America. These include parish priests, members (both men and women) of teaching orders, nursing sisters, and social workers. This is a development of quite recent years - indeed, much of it over the last four or five years. The majority of the Catholic priests and nuns are French-speaking Canadians, although there are a number who are English-speaking.

I should also mention that the Canadian Protestant churches are also active in Latin America, notably the Baptists, who have been in Bolivia for some 60 years. Various evangelical churches run hospitals, schools and other institutions.

There is, naturally, a special affinity between French-speaking Canada and Latin America. We share the same broad Latin culture. The Province of Quebec, also, has a further link through its legal system which, like that throughout Latin America, is founded in Roman Law and is largely codified in accordance with the common model of the Code of Napoleon. The French-speaking Canadian can often, more readily than his Anglo-Saxon fellow citizen, learn the two great languages of Latin America, Spanish and Portuguese. These factors taken together constitute a most valuable asset for Canada in its dealings with Latin America of which we are making greater and greater use.

Increasing interest is being shown by Canadians in the numerous professional, scientific and other learned conferences of the Americas. Because this is an activity in the private sector, it is rather difficult to tabulate and measure. One thing is certain - whenever Canadians have gone to these non-official conferences of an inter-American character, they have been given a very warm welcome. I was interested to see a little item the other day to the effect that Canadian medical schools were participating in a Pan-American Federation of Medical Schools and at this moment are being represented at a meeting in Brazil by two deans of medical faculties, one French-speaking and one English-speaking.

I should hope that our universities, professions and intellectual groups would deliberately take a more active interest in the organizational and institutional life of our hemisphere as a whole. While governments can lead and can do much, a broad and firm public interest in an area like Latin America requires, to an even greater extent, active participation of Canadians in terms of their occupations and their cultural pursuits. There is a need for closer relations within the hemisphere on a people-to-people basis, and

I should hope that this conference would be one means by which wider Canadian interest in the area would be developed.

Governmental Activities

By the end of 1961, Canada had established formal diplomatic relations with all the republics in Latin America. This, of course included, and still includes, Cuba. This process started with the establishment of missions in Argentina and Brazil early in 1941. There was a commercial representative in Buenos Aires even before 1900 and trade commissioners in several of the major capitals before the First World War. There are now 14 resident diplomatic missions, apart from the three offices in the Commonwealth Caribbean.

Also in 1961, Canada became a full member of the United Nations Economic Commission for Latin America, following a period of observer status. This, of course, is one of the four Regional Economic Commissions of the United Nations. Since then, Canada has regularly attended its meetings at its headquarters in Santiago and has gone to its major conferences elsewhere.

Canada became a member of the Postal Union of the Americas and Spain as early as 1931. This is a regional organization linked with the Universal Postal Union but not associated with the OAS.

Some inter-American conferences are convened on a non-OAS basis and have been attended by Canada. Perhaps the most recent example of this type of conference was the meeting of the governors of the central banks of this continent in Guatemala last April. The Governor of the Bank of Canada attended, played an active role and was elected to the agenda committee for the second meeting, to take place a year later.

Over the years a number of Canadian cabinet ministers have made visits or special missions to Latin America. I have tentative plans for a visit to several Latin American countries around the end of this year and I know that other ministers would like to visit particular countries or areas. We must broaden our contacts with Latin America.

In turn, we have had in the past a number of distinguished visitors from Latin America. The most recent was a visit in July by the Venezuelan Minister of Mines and Petroleum. He held talks with many persons in Ottawa, mainly in connection with the export of petroleum products from his country to Canada, a matter of great importance to the Venezuelan economy.

Canadian Participation in the Inter-American System

The OAS is the senior political body of a complex of organizations and agencies which has been called the Inter-American System. Canada had had rather more association and experience with these institutions than is usually thought to be the case. Canada is a full member of three agencies linked with the OAS: the Inter-American

Radic Office, since it was formed in 1937; the Inter-American Statistical Institute since 1943, shortly after it was created; and the Pan-American Institute of Geography and History, since 1961. It has also sent observers to conferences of other specialized organizations and agencies concerned with such varied matters as public health, Indian affairs, and the peaceful uses of atomic energy.

Canada has sent delegates or observers to an increasing number of conferences called by the OAS in various fields of transportation and communications. For example, a few weeks ago, Canadian officials went to the second meeting of experts on civil aviation, which met in Santiago.

Consideration is given from time to time to the possible participation as members or otherwise in some of the technical functions and activities of bodies related to the OAS of which Canada is not already a member. The decisions depend both on the Canadian interest involved and the extent to which we can make a useful and effective contribution.

A Canadian observer group attended a special meeting of the Inter-American Economic and Social Council (one of the important organs of the OAS) held in Uruguay in 1961, at which the Alliance for Progress was launched as a co-operative programme of self-help, local reforms, development plans and outside financial and technical assistance. Since then, Canada has been represented by observers at the annual meeting of the Inter-American ECOSOC.

Economic Assistance

Last November, I announced that the expanded programme of Canadian economic assistance to under-developed countries would include additional lending resources which, in the case of Latin America, would be provided in close co-operation with the Inter-American Development Bank. Discussions have been continuing with this institution on the provision of development loans to Latin America, and it is expected that some mutually satisfactory arrangement will be worked out.

This audience will appreciate, of course, that Canada contributes in a substantial way to the various programmes of technical assistance and economic aid of the United Nations. This international aid flows in part to Latin America as one of the major under-developed areas of the world. We have not, up to now, had a separate government-to-government assistance programme for the Latin American countries. The programme of so-called "soft" loans for development purposes which I have referred to will be the first step in this direction. Over a period of time - subject, of course, to our capacity on an overall basis to give assistance abroad - more Canadian aid in various forms can be expected to flow to Latin America. I would also hope that more could be done in the future in the field of cultural relations by promoting the exchange of visits and by providing scholarships.

United Nations

I would be wrong if I did not draw special attention to the close co-operation which has existed between Canada and Latin American states at the United Nations and in other international bodies. Latin American statesmen have played outstanding roles in many of the United Nations organs. The names of Galo Plaza of Ecuador, Padilla Nervo of Mexico, Sosa Rodrigues of Venezuela (the current President of the General Assembly), Victor Belaunde of Peru, José Figueres of Costa Rica, Raul Prebisch of Argentina (the Secretary-General of the UN Conference on Trade and Development) and many others are known throughout the diplomatic world for statesmanship and forthright idealism.

Brazil has made a very significant contribution to the work of the UN Force in Gaza, where General Chaves of Brazil, who has unfortunately just fallen ill, has been the Commander. Brazil has also taken part in the Congo Force. Argentina and Ecuador participated in the Congo and Argentina, Chile and Ecuador in the Lebanon operation. Colombia participated in the UN action in Korea.

On many other issues at the United Nations Canada and Latin American countries have worked closely together. It would not, I think, be wrong to say there have been times when Canada was regarded as an honorary member of the Latin American caucus. We share a history with these countries which links the Old and the New Worlds in a way which has often resulted in opportunity for useful initiatives.

Commonwealth Caribbean

To round out the picture of Canada's role in hemispheric affairs, something should be said of our association with the Commonwealth countries and territories of the Caribbean. Historically Canada has been closely associated with what was formerly referred to as the British West Indies. We have had special preferential trading arrangements and close educational links with Jamaica and Trinidad. These countries have now emerged as sovereign states and are members of the United Nations. Other territories, such as British Guiana, are approaching independence. The Honourable Milton F. Gregg was recently appointed Canada's Commissioner in British Guiana. It is natural and appropriate, therefore, that we have made a special effort to extend both technical and capital assistance to the independent Commonwealth countries in the Caribbean and to those which are moving towards independence.

Entry into the OAS

On the fundamental question of the membership of Canada in the Organization of American States my own views are well known. There are, of course, many factors that have to be examined closely in reaching a decision on such an important matter. Among these is the curious situation that the OAS does not at present have any established and agreed procedure for the admission of new members.

This is of interest not only to Canada but also for the newly-independent Commonwealth countries in the Caribbean, Jamaica and Trinidad, as well as those quasi-independent territories which may be expected to emerge to independence in the future. This is one of the aspects to which we are giving special attention. We also have to weigh the responsibilities and obligations Canada would assume on joining the OAS in relation to other demands elsewhere in the world on our resources.

Meanwhile, we are exploring ways whereby a closer and more effective association might be developed with the OAS secretariat and some of the other related agencies to which I have already referred. Merely joining the OAS will not in itself work wonders; what will matter most is the extent to which we show ourselves prepared to co-operate in practical ways with other countries in the hemisphere. We can do - and in fact are doing - a good deal even without being a member. We should not become so preoccupied with institutional questions that we overlook opportunities which may in the meantime present themselves for worthwhile co-operation or that we forget how much we are already working with our friends in his hemisphere.

I have indicated the extent to which Canada is already taking an active interest in a variety of practical ways in Inter-American affairs. Some of this activity is within the framework of the OAS and some of it outside the OAS. Membership in the OAS would present obligations as well as advantages for Canada. I do not wish to leave the impression that Canadian membership in the OAS would be without difficulties. Nevertheless, I consider this to be part of the ultimate destiny of Canada as a country of this hemisphere.

Conclusion

At the United Nations, at NATO, indeed at every international meeting in which Canada takes part, we are confronted with dramatic evidence of the growing inter-dependence of the individual members of the world community. Canada has consistently taken the position that we must recognize and accept this inter-dependence even when it means the maintenance of relations with states whose ideologies we oppose with every strength at our command. Canada has also recognized and, what is more, impressed on other governments as best we can, that a crisis in one area involves all areas. Recent events in the Far East, on Cyprus and, of course, with respect to Cuba have, I trust, brought home to every nation the need in a nuclear age to ensure that we assess the consequences of our actions with full awareness of their international implications.

I can assure you that events in Latin America are now being given due weight in the conduct of Canadian foreign affairs. We are considering here today the future of our relations with a great continent of nations. Changes in these relations must, of course, be made with care and deliberation. There is no doubt that many changes have already taken place but even greater changes than we have yet seen will and must occur. Canada's economic and political

ties with Latin America are developing rapidly. Individual Canadians are coming more and more to appreciate the importance of this area for the future of our own country. As your theme suggests, this situation presents an obvious challenge to Canada.

I believe Canadians are beginning to respond to that challenge. We are responding through official channels and through unofficial channels, through governmental action on aid and trade and institutional questions and through non-governmental action in a religious, commercial or an individual context. This group and other similar bodies can, by study and informed judgment, make a vital contribution to the stand which our country takes in international affairs. I am sure that through all these efforts we shall be able to continue to take a constructive and forthright part in the councils of the world in pursuit of the objectives we share with the peoples of Latin America and with the peoples of other areas of the world, a stable and prosperous world society. Canada has an established record of honouring its obligations and of recognizing its opportunities in foreign affairs. I am confident we shall maintain and improve this record in Latin America.

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